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WOMEN-LED ECONOMIC DEVELOPMENT

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INTRODUCTION



The G-20 has been criticized for being a force for globalization, however, it has the power to create a lot of good in the world.

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In September 2023, the G-20 Conference in New Delhi, India, will reconvene. Once again, the stakes are high, and Prime Minister Narendra Modi has prioritized the discussion of how nations can prioritize women-led development. There is a lot in it for him: if India manages to bridge the gender equality gap, the country may be able to grow its GDP by a whopping 18% (Woetzel, 2018). To achieve this goal, India, as well as other countries in the G-20 and the rest of the world, would need to prioritize women's legal equality, improving women's knowledge of and access to financial institutions, as well as protecting sectors where women work the most, such as agriculture. Ultimately, the Group of 20 countries all find themselves at different stages of this development, with some providing more financial freedom than others, however, they also differ in their desire to pass resolutions that would affect all G-20 nations or even countries around the world. If any substantial resolution is going to be passed, delegates will need to discuss creative solutions and determine compromises.

EXPLANATION OF THE ISSUE

Historical Development

Even developed nations within the G-20, such as the United States, do not provide complete economic equality for women.

Once New Zealand became the first country to grant women the right to vote in 1893, countries around the world slowly began to follow suit, paving the way for women in local government and women voters to choose representatives that would protect their financial interests (Ministry for Culture and Heritage, 2023).

However, the eventual path to increased financial freedom around the world is more complicated. In 1881, France became the first country to grant women the right to have their own bank accounts separate from their husbands before granting them the right to vote. The United States would pass similar legislation in the 1960s, while the United Kingdom would follow in 1975 (McGee and Moore, 2014). Since then, many developing nations have increased women's rights by passing laws banning sexual discrimination in the workplace and allowing women to take maternity leave. However, in developing nations, the idea of women-led economic development remains crucial in two ways. Firstly, in many of these countries, there is less gender equality, and women being able to sustain themselves economically could contribute to their political power and ultimately help them gain more rights. Secondly, the nations themselves need economic development, and women may be the entrepreneurs that help these countries prosper.

Scope of the Problem

G-20 nations are among the leading economies in the world. Although economic development has often been associated with gender equality, G-20 nations themselves do not exhibit exceptionally high levels of gender equality. For example, in comparison to the leading country, Denmark, which has a Gender Inequality Index of 0.013, the United States has a rating of 0.179. China has a rating of 0.192 and Turkey has one of 0.272, to provide some examples. Despite many other developing countries having, even more, to go to reach gender equality, especially in an economic sense, G-20 nations could learn from non-G-20 nations and consider implementing paid maternity leave or **quotas** for women in government positions.

Quota –a limit or a minimum on something within a context

Within G-20 Nations

For the most part, women within G-20 nations enjoy a considerable amount of freedom, especially when compared to women outside the coalition. According to the Gender Equality Index, Germany is the highest-performing country in the G-20 regarding gender equality, coming in at 11th in the world. Most of the other nations in the G-20 rank very high on this index, with France, South Africa, the United Kingdom, and Canada all ranking very high (GEI 2021). However, other nations find themselves near the bottom of the ranking, such as Saudi Arabia followed by Turkey and Japan. Why is this the case?

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For the most part, these nations are known for intense gender discrimination in the workplace, such as the restriction of women from holding certain jobs within Saudi Arabia. In Japan, women are often immensely overworked and pressured to have children at the same time, leading many Japanese women to choose their careers

over childbirth, leading to economic inequality (as men do not have to make this difficult choice) and being a leading factor behind Japan's rapidly aging population.

However, even nations that have relatively high levels of gender equality have a lot of room for improvement, especially on the economic side of things. Many nations have a gender wage gap, and while the exact reasoning for this phenomenon is unclear, it can contribute to making it more difficult for women to take out a loan. The United States does not guarantee paid maternity leaves, unlike every country in the rest of the world besides Papua New Guinea and Suriname (Rosen, 2014). By not guaranteeing maternity leave for workers, these nations force women to choose between their own economic prosperity and taking care of a newborn. This may make a woman economically dependent on her husband, endangering her in the case that the relationship becomes abusive. Similarly, not being able to take out a loan can prevent a woman from becoming financially independent, endangering her in a similar way.

In the Rest of the World

Other nations have similar issues that the G-20 nations face. Some nations are ranked extremely high in gender equality, having developed economies where women enjoy a lot of freedom, allowing them to pursue their own business ventures and freely have children with the added security of paid maternity leave. Many developing nations are still struggling with uplifting women economically, whether it is because of problems like violence and domestic violence against women, cultural and religious prejudices, or women having to stay at home and take care of multiple children.

Some developing nations, such as Rwanda, have attempted to increase gender equality by imposing quotas on women in government, with more than half of their parliament consisting of women (Gender Quotas). This type of system allows the female leaders of government to prioritize female equality and specifically their economic equality. Because of this, some developing nations have managed to prioritize gender equality, even if they are lacking in economic aspects or there is still some cultural pushback against gender equality.

G-20 Action

Unlike other governmental bodies, the G-20 is unique in that it does not have a lot of power to enforce resolutions or bills, which has been a source of controversy since its inception. However, the G-20 can recommend action, give broader recommendations, and try to influence the state of the world through public statements and by publishing actions that they would take to achieve any goals. However, the G-20 committee has yet to take concrete action



The G-20 has had many meetings during which it has discussed gender equality issues.

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Microloans – a small loan, usually up to \$5,000, that is normally meant to help somebody start a new business.

regarding the issue of women-led development, however, the upcoming discussion of this issue at the 2023 summit means that new resolutions may be passed. As a result, while the G-20 has not acted yet, it has proven that it is interested in pursuing action. The best way to keep track of economic gender inequality is the wage gap, which closes as more women end up owning businesses.

Other Policy Action

In general, each nation oversees its own policies regarding gender equality. While other nations may influence their neighbors or allies to change their policies, ultimately, it is up to each respective nation how it decides to prioritize women's equality, especially through the economic lens. Some nations have begun prioritizing women for **microloans** such as Colombia (Colombian Micro-loan Programs). This strategy involves granting women loans of up to \$5,000 in order to start their own businesses, allowing for women to achieve more economic independence while simultaneously promoting economic growth in the nation as a whole. Overall, because the G-20 is not a unified body, it makes more sense for each nation to control its own policies. However, because the group has decided to meet to discuss this exact issue, this year's G-20 summit is a great opportunity to pass unilateral action regarding the problem of the lack of female-led development in certain countries.

IDEOLOGICAL VIEWPOINTS

Conservative View

The conservative viewpoint regarding promoting female-led development can be divided into two categories. In the first, there are still some nations within and outside of the G-20 that hold long-standing cultural beliefs that promote the role of the woman as a homemaker and mother, and in many instances, women in these countries may not be willing to look for work outside of the home.

More commonly, however, many nations do not wish to undergo the economic investment necessary to promote economic development led by women. This is because women need to be specifically sought out, given loans, or otherwise receive training that will allow them to become successful in their future business ventures. In other words, the promotion of female-led economic development is costly, despite the high returns that could be seen from such an investment. As a result, many nations, especially those that are already struggling with low GDP and corruption, simply cannot invest money into these programs focused on uplifting women. In addition, they may believe that both women

and men should be able to create their own businesses and not rely on government assistance.

Liberal View

In contrast, the liberal view of this debate is often shared by countries that are already very developed and already have a certain level of gender equality in their countries, with women often working a job in addition to having some sort of household responsibilities. These nations believe in the importance of paid maternity leave, uplifting women through providing them with loans, and the promotion of other legislation that would further improve their standing in political and economic terms. These nations would be willing to work with other countries to promote women-led development in developing countries, to an extent, depending on how much money they would need to spend.

AREAS OF DEBATE

Ultimately, there are many diverse solutions that could potentially lead to an increase in female-led economic development, both within G-20 nations as well as other countries that the G-20 may be able to influence. Each of these solutions has a different level of economic involvement and each nation may respond to it differently. As a result, you should consider how your country would respond to each of these issues, and what the priorities for your country would be in solving the greater issue of gender inequality from an economic lens, either through action conducted by the G-20 or by your country individually. It is important to also consider how other countries may respond to these proposals, as you will be tasked with working together to come up with policies that the G-20 may pass and implement around the world.

Mandatory Paid Maternity Leave

Mandatory paid maternity leave – a government policy where a woman’s workplace is required to compensate her for a set amount of time that she spends at home right before and after childbirth.

One simple solution to the issue of economic gender inequality is the introduction of **mandatory paid maternity leave** in every country, although the exact amount of time of this paid maternity leave is up to debate, with some nations providing a year or more while others provide about six weeks.

Ideally, this solution works to improve economic gender inequality and allow for more female-led development because it does not force women to put their careers on hold in order to have a child as much as it would otherwise. With mandatory paid maternity leave, every woman, regardless of what job she has, will be paid for her work by the government if she has a baby.

Those in favor of this solution believe that this can have two positive outcomes. The first is removing an obstacle to women having babies, as women would have an easier time making the decision about whether to have a baby if they knew that they would continue to make money while they recover from pregnancy and begin raising their baby. The second positive outcome of this solution is making it easier for women to open their own businesses or otherwise engage in women-led development because they will have time during their maternity leave to decide whether they want to continue on their career path or begin a business or another venture with the money that they make on leave.

On the other hand, opponents of this policy believe that it should not be the government's or corporation's responsibility to fund a woman's maternity leave and that it should be up to her place of work to determine whether they will grant maternity leave, whether it will be paid, and how long it should last. In addition, it is unclear how long such a policy should last, whether it should extend to adoption and other niche and complex issues that could prevent standardization of this policy in different nations.

Political Perspectives on this Solution

Most nations around the world already employ some sort of mandatory paid maternity leave, although there is a considerable gap in the amount of time that each country may offer it. A small number of nations, including the United States, do not offer any mandatory paid maternity leave, instead leaving that decision up to the particular company where a woman may work. These nations may be unwilling to change their previous policies in order to accommodate women, meaning that they may be unwilling to support a G-20-wide effort to standardize mandatory paid maternity leave.

Similarly, while most countries offer mandatory paid maternity leave, in practice, this may look very different. The amount of time that this leave lasts can differ by months, and a small number of countries have begun enforcing mandatory paid paternity leave, where both parents get a certain amount of leave that they need to share between the two of them (Karlsson, 2023). As a result, mandatory paid maternity leave comes with all sorts of rules and restrictions from country to country. It would be difficult for the G-20 to come to a consensus about a more liberal maternity leave policy, however, it may be easier to approve of a universal policy if it is not as extreme.

Microloans

In the past, several nations have experimented with **microloans**, especially microloans specifically targeted at women, to help women create new businesses and bolster the economy

through their entrepreneurship. The way that these microloans work is that governments or NGOs distribute money to women (normally in the amount of \$1,000 to \$5,000) for a set amount of time before asking them to pay it back at little to no interest. While microloans have helped many women establish themselves economically and bring value to their communities, microloans also carry a large amount of risk. Opponents of microloans may point out that it is hard to determine who should get the microloans, and even harder to determine who will be successful with their business after receiving a microloan. Similarly, because microloans are distributed by a government-contracted company or an NGO, their distribution may be harmed by corruption. As a result, each individual microloan may pose a large risk to the government or company that is giving them out, and due to the low-interest rate that is traditionally applied to such a loan, there is little direct benefit that the government or company would get from a successful loan receiver paying back her loan. Microloans have led to an increase in the number of businesses being created by women. For example, the New York Times found that 70% of microloan users were women who were able to turn their loans into some sort of business within a year (Sweis, 2020).

Political Perspectives on this Solution

Ultimately, those in favor of microloans understand their risks and benefits but still believe that their potential benefits outweigh the risks and money lost from the implementation of such a policy. Some in favor of microloans would be willing to overlook money lost to corruption or loans that would be unable to be paid back if it meant that other women would be able to lift themselves out of poverty. This type of reasoning can be seen in Colombia, where despite losing hundreds of thousands of dollars, the government saw some success with women creating their own businesses due to microloans, generating value for the economy.

Simultaneously, because it will be G-20 countries that ultimately fund this initiative, it is true that some will not be willing to lose any money to ensure that women in their own country or other countries have the chance to take out a micro-loan to start their own business. Nations may believe that this type of initiative is not worth it as the money may fall into the wrong hands, the businesses created by women may not be successful, and the women themselves may use the money for something else and default on their loans in the end. If a microloan initiative is to be successful, then it is necessary for the G-20 nations to discuss how they would fund such an initiative, who would fund it, and how to ensure that the money will go as much to the women who need it as possible.

Education and Skill Development

Just as with other solutions, this solution can differ in its implementation and means different things in different countries. In most developed and many developing countries, women already have access to education and skill development that allows them to pursue most careers, even if they may also encounter sexism and wage inequality once on the job. However, this is not the case everywhere, as many women may feel cultural and economic pressure to leave school early to help their families or get married and have families of their own. Education and skill development aims to keep women in some sort of formal education or apprenticeship program longer, allowing them to make their own decisions about their future careers. Normally, women who stay in these kinds of programs longer make more money than those who do not, whether because they end up creating their own businesses or simply because they enjoy a better job due to being more valuable to an employer.

Political Perspectives on this Solution

Ultimately, the difference between the two perspectives on this solution once again comes down to the willingness to invest financially into the education and job training of women in different countries. To establish programs meant to keep women in school, large amounts of economic investment are necessary because in many countries, the existence of such programs requires a change in cultural attitudes and the improvement in infrastructure that would enable girls to continue going to school. In addition, this kind of investment can be incredibly risky, as it is unclear whether women would be able to take advantage of such an opportunity or whether their families or other conservative groups may wish to prevent them from attending. If the G-20 wishes to implement this type of solution, it is imperative that they clearly delineate a budget and what each country's money will be going to.

Family planning – any information or contraceptive method that is meant to allow a woman (and her partner) to determine when to have children and only have the number of children that she wants.

Access to Birth Control

Access to birth control has become even more important in recent years as women have become more independent and educated. In many cases, despite a woman's wishes, lack of access to birth control means that she is unable to control family planning, meaning that her husband's wishes can control her ability to continue her education or her career. To make matters worse, in Sub-Saharan Africa, lack of access to birth control and family planning resources has led to many epidemics of sexually transmitted diseases, especially in communities where women have little choice but to sell their bodies in order to support their families (Askew, 2002). This means that access to safe contraceptive

methods, especially ones that can be used by women, is incredibly important to achieving economic equality for women around the world because it lets them control when to have children and how many and allows them to continue pursuing an education or a career instead of immediately settling down and having children, despite of marital status.

Political Perspectives on this Solution

As is the case with these other solutions, granting women access to birth control is something that many nations think about from a budgetary perspective, especially because the countries that would be the most positively impacted by such a decision are from outside of the G-20. As a result, each nation must decide how much money it would be willing to spend on something that would not directly impact their nation. As always, with any project that involves spending a lot of money, there is potential for corruption and the money not being used exactly as it was intended to. If the G-20 nations wish to pursue this solution, they will need to compromise on these aspects.

BUDGETARY CONSIDERATIONS

Because the G-20 is by itself largely powerless and without a substantial budget, it can be assumed that if the committee were to pass any bills or resolutions that require any amount of money to be spent, it would need to have the approval of each country involved, such that the governments of each country involved with the relevant bill or resolution would be able to fund it. As a result, delegates should consider whether the governments of the respective countries that they are representing would be willing to fund the resolutions that they are introducing. It is also worth considering whether bills should specify that one country or another would choose to fund one bill more, allowing other nations to make a smaller financial contribution.



Reading about specific initiatives created by G-20 member countries may give you a better idea on what your country will support.

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CONCLUSION

Regardless of what the G-20 decides to do, the issue of women-led development and economic equality across gender is a bigger issue that cannot just be solved by throwing money at it. Unfortunately, the best courses of action currently involve an investment to help women achieve independence in their personal lives and their careers, meaning that each nation within the G-20

will be looked to as a role model, determining the best possible solutions and deciding how much to invest for a world with more equality. Remember to make realistic goals before coming into the session, knowing that you will need to cooperate with nations that represent a wide range of perspectives.

GUIDE TO FURTHER RESEARCH

For the most part, there has not been any global effort to promote women-led development and reduce economic gender inequality, meaning that in lieu of efforts from the G-20 and other international organizations, you should research what individual countries, especially the country you are representing, has done in the past to work towards achieving this goal, regardless of whether it was successful. For example, if you are representing Saudi Arabia, you should look into details about the recent decision to make it legal for women to drive a car, whereas if you are representing the United States, you could look for more information about protests that have happened in locations around the country with the goal of raising awareness about the lack of mandatory paid maternity leave and the challenges that working mothers face as a result of the lack of such a policy.

GLOSSARY

Family planning – any information or contraceptive method that is meant to allow a woman (and her partner) to determine when to have children and only have the number of children that she wants.

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