

World Poverty Day 2007 Investing in Women – Solving the Poverty Puzzle

Facts & Figures

1. The Premise: Women are the missing piece of the poverty puzzle

Though more people have been lifted out of poverty in the last 50 years than in the previous 500, **1.2 billion** still subsist on less than \$1 per day. **Seven out of 10** of the world's hungry are women and girls, according to the UN World Food Program. When women are afforded the equality of opportunity that is their basic human right, the results in terms of economic advancement are striking. *The Economist* estimates that over the past decade, women's work has contributed more to global growth than China. The East Asian "economic miracle" of unprecedented growth from 1965 to 1990 offers an example of how all elements of the poverty puzzle must fit together. Gender gaps in education were closed, access to family planning was expanded and women were able to delay childbearing and marriage while more work opportunities increased their participation in the labour force. The economic contribution of women helped reduce poverty and spur growth. Being deeply affected by poverty, women also hold great potential to end it. But until their potential is recognized and realized, women will remain the missing piece of the poverty elimination puzzle, and will not fully enjoy the benefits of the economic growth to which they contributed.

2. The Challenge: Women are missing — and missing out

- | |
|---|
| <p>➤ More people have been lifted out of poverty in the last 50 years than in the previous 500; yet more than 1.2 billion still subsist on less than \$1 per day. Although poverty data is not reported by sex in most countries, it is widely estimated that women make up the majority of the world's poor — owing to unequal access to resources and opportunities, discriminatory land and inheritance laws, and unequal distribution of household resources. WFP reports that 7 out of 10 of the world's hungry are women and girls.</p> |
| <p>➤ Of the 37 million people living below the poverty line in the US, 21 million are women, according to US Census Bureau figures from 2006.</p> |
| <p>➤ More than two-thirds of the world's unpaid work is done by women — the equivalent of \$11 trillion or almost 50% of world GDP, according to a global UNDP study from 1995. The informal slogan of the Decade of Women was "women do two-thirds of the world's work, receive 10% of the world's income and own 1% of the means of production."</p> |
| <p>➤ If the average distance to the moon is 394,400km, South African women walk the equivalent of a trip to the moon and back 16 times a day to supply their households with water, according to a 2006 UNDP report.</p> |
| <p>➤ Women are missing from poverty statistics that measure poverty by household, rather than individual: systems of national accounts do not include unpaid domestic work as "productive."</p> |
| <p>➤ According to a 2004 report by ILO (reaffirmed in 2006), women make up some 60% of the world's working poor, people who work but do not earn enough to lift themselves above the \$1 per day poverty line.</p> |

<p>➤ Women in the US earned only 77 cents for every \$1 earned by a man in 2005, according to the Institute for Women's Policy Research. In the developing world, the ratio is just 73 cents, according to World Bank estimates. For women of colour, the gap is even worse — African American women earn 63 cents and Latinas 53 cents (IWPR 2004).</p>
<p>➤ At the rate the wage gap is closing, women in the US will not see equal earnings until 2050. Women account for 64% of minimum-wage workers in the US, according to the Bureau of Labor Statistics, 2007.</p>
<p>➤ Elderly women are 70% more likely to be poor than elderly men. 35% of American women work too few hours to participate in their company's plan compared with 20% of men, according to the Institute for Women's Policy Research.</p>
<p>➤ In some regions, especially Sub-Saharan Africa, women provide 70% of agricultural labour, produce over 90% of food, and yet are nowhere represented in budget deliberations, noted the World Economic Forum in 2005.</p>
<p>➤ Two-thirds of children denied primary education are girls and 75% of the world's 876 million illiterate adults are women, reports the Millennium Campaign in 2007.</p>
<p>➤ Gender inequality in education and employment in Sub-Saharan African has reduced per capita growth by 0.8% per annum, according to recent Organization for Economic Cooperation and Development estimates.</p>
<p>➤ The global average proportion of women in Parliament in 2007 is just 17.3%, according to the Inter Parliamentary Union; the US ranks 67th with a mere 16%.</p>
<p>➤ The BBC reports that only 10% of directors of UK's FTSE 100 firms are women.</p>
<p>➤ Women currently hold only 1 in every 10 top decision-making positions in California's 400 largest publicly traded companies.</p>
<p>➤ Women account for less than 1% of directors on corporate boards in Japan.</p>
<p>➤ Inadequate reproductive health care limits female labour productivity — in some cases by 20%, costing the world 250 million years of productive life per annum, according to an Alan Guttmacher Institute 2004 study.</p>
<p>➤ Nearly 60% of the reasons given by women in Latin American and the Caribbean for either not entering or leaving the job market relate to their care-giving obligations, according to a 2007 statement from the United Nations Population Fund (UNFPA).</p>
<p>➤ Out of \$69 billion of overseas development assistance made available in 2003, only \$2.5 billion or 3.6% was earmarked for gender equality as a significant or principal objective, according to a 2007 Commonwealth Policy Studies Unit (CPSU) Policy Brief.</p>

3. The Solution: Invest in women — finding out about the payoffs

<p>➤ <i>The Economist</i> estimates that over the past decade, women's work has contributed more to global growth than has China.</p>
<p>➤ The UN Office of the Special Adviser on Gender Issues and Advancement of Women reported in 2001 that eliminating gender inequality in the labour market in Latin America would both increase women's wages by about 50% and increase national output by 5%.</p>

<p>➤ <i>The Economist</i> notes that if Japan raised the share of working women to American levels, it would boost annual growth by 0.3% over 20 years.</p>
<p>➤ Research in Africa shows that reducing structural gender inequality can increase agricultural yields by more than 20%. For example, a 1996 study conducted in Kenya estimated that crop yields could rise up to 22% if women farmers enjoyed the same education and decision-making authority as men.</p>
<p>➤ Worldwide the Women's Learning Partnership (WLP) estimates that for every year beyond fourth grade that girls attend school, wages rise 20%, child deaths drop 10% and family size drops 20%.</p>
<p>➤ Countries that do not meet the internationally-agreed target of gender parity in education risk foregoing 0.1–0.3 percentage points annually in per capita economic growth, according to a 2004 estimate by development economists Dina Abu-Ghaida and Stephan Klasen.</p>
<p>➤ If men and women had equal influence in decision-making, the incidence of underweight children less than three years old in South Asia would fall by up to 13%, resulting in 13.4 million fewer malnourished children; in Sub-Saharan Africa, an additional 1.7 million would be adequately nourished, UNICEF studies show.</p>
<p>➤ In export industries, women provide up to 80% of the labour force in sectors such as textiles or electronics.</p>
<p>➤ Evidence from micro-credit lenders indicates that women have superior repayment records, invest more productively and are more risk-averse.</p>
<p>➤ Research shows that shareholders benefit from greater corporate representation of women. In analyzing the companies that make up the Fortune 500, Catalyst found that companies with the highest representation of women in management positions delivered 35.1% more return on equity and 34% more total return to shareholders than companies with the lowest representation.</p>
<p>➤ 60% of senior executives said that domestic violence, which limits women's participation, has a harmful effect on their company's productivity, in a recent survey by the American Institute on Domestic Violence. It also found that lost productivity and earnings due to intimate partner violence costs the US almost \$1.8 billion each year, and that domestic violence victims lose nearly 8 million days of paid work per year — the equivalent of over 32,000 full-time jobs.</p>

UNIFEM is the women's fund at the United Nations. It provides financial and technical assistance to innovative programs and strategies to foster women's empowerment and gender equality. Placing the advancement of women's human rights at the centre of all of its efforts, UNIFEM focuses its activities on four strategic areas: reducing feminized poverty; ending violence against women; reversing the spread of HIV/AIDS among women and girls; and achieving gender equality in democratic governance in times of peace as well as war.

As a global catalyst for women's philanthropy, the **Women's Funding Network** is transforming the lives of women worldwide. By championing investment in women, we are achieving equality for women and girls and strengthening entire communities. We lead a vibrant global network of over a hundred women's foundations on six continents, offering them tools, clout and connections to develop and thrive. Our network is united by a belief in the power of bold action and ideas. We believe in harnessing women's financial power, influence and voices to create a global impact, fixing systems, not symptoms — we go beyond mere service to focus resources on programs that will create lasting change for women and girls, and the power of a network to accelerate progress by rapidly sharing ideas that work.