

Commission on the Status of Women

Fifty-second session

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Item 3 (a) of the provisional agenda*

Follow-up to the Fourth World Conference on Women
and to the special session of the General Assembly
entitled “Women 2000: gender equality, development
and peace for the twenty-first century”: implementation of
strategic objectives and action in critical areas of concern
and further actions and initiatives: the elimination of all
forms of discrimination and violence against the girl child.

Statement submitted by: Commission of the Churches on

International Affairs of the World Council of Churches (General Status)

Supported by the following groups with Special Status:

Association of Presbyterian Women of Aotearoa, New Zealand
Church World Service
Lutheran World Federation
Presbyterian Church (USA)
United Methodist Church – General Board of Global Ministries
World Federation of Methodist and Uniting Church Women
World Student Christian Federation
World Young Women's Christian Association

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The Secretary-General has received the following statement, which is being circulated in accordance with paragraphs 36 and 37 of Economic and Social Council resolution 1996/31 of 25 July 1996.

Statement

Ecumenical Women: Justice for the poor and care for life and creation continue to be at the heart of the matter

1. Ecumenical churches and women of faith approach the United Nations (UN) Commission on the Status of Women (CSW), with its focus on “financing for gender equality and development”, and the Follow-up International Conference on Financing for Development (FfD) process with a particular understanding of “development”.
2. According to the Christian tradition and biblical mandate, justice for those who are at the economic margins of society, and care for life and creation, is at the heart of the matter. We believe that God’s world was meant to be a world of abundance for all persons. However, the world that humankind has created is one in which the majority are very poor, most of whom are women. Women disproportionately fail to benefit from the abundance that God has provided.
3. For Ecumenical Women, genuine development is one that fosters just, equitable and caring relationships. Equality between women and men of all races and classes is a matter of human rights and a condition for social justice, as well as a fundamental prerequisite for development and peace. Due in large part to the efforts of pioneering UN conferences, there is now growing acknowledgement that development cannot be attained without gender equality.
4. Adopted and signed by Member States at the Fourth World Conference on Women held in Beijing in 1995, the Beijing Platform for Action committed to take strategic action to address the persistent and increasing burden of poverty on women, the inequality in economic

structures and policies , and the inequality between men and women in the sharing of power and decision-making at all levels.

5. Adopted and signed by UN member states at the first International Conference on FfD held in Mexico in 2002, the Monterrey Consensus committed to mobilising financial resources towards: sustainable human development, poverty eradication and gender equality (calling specifically for the mainstreaming of gender perspectives into all development policies). Whether the Monterrey Consensus and its implementation have effectively addressed various forms of inequality remains a moral issue for churches.
6. In witnessing and advocating for God's justice, Ecumenical Women are compelled to lift up the Beijing Platform and continuing concerns under the six FfD themes and to propose alternative policies that prioritise provisioning for life and promote just relationships.

Mobilising domestic resources for gender equality and development

7. In mobilising domestic resources for development, the Monterrey Consensus underscored the importance of pursuing anti-inflationary and contractionary monetary and fiscal policies as well as liberalising financial services. The former set of policies essentially entails reining in public expenditures and consolidating public revenues. In practice, social sectors have often been targeted for drastic cutbacks, while excessive military expenditures and investments for arms production and acquisition continue. As a result, poor women and children experience diminished access to basic health and education services.
8. In recommending the liberalisation of financial services to marshal domestic savings, the Monterrey Consensus ignores the limited access to credit for poor women, especially those from indigenous and racially marginalized groups, due to restrictions on their ownership of assets and misconceptions about their inability to repay loans despite evidence to the contrary. While the agreement recognises the value of microfinance schemes, financial liberalisation constrains governments' role in granting preferential credit to small enterprises, especially those run by women.
9. ***In view thereof, Ecumenical Women propose the following:***
 - Protect government budget allocations to critical social sectors including through institutionalising gender responsive budgeting and accounting for women's contributions to the care economy;
 - Implement progressive taxation measures (e.g. stiffer taxation internationally for small arms and light weapons, further monitoring and reduction of tax havens); and
 - Ensure poor women's access to credit especially through the promotion of women's property rights.

Mobilising international financial resources for gender equality and development

10. The Monterrey Consensus emphasises the role of private capital flows, especially foreign direct investments (FDI) to stimulate increases in capital formation, technology transfer and employment generation. While FDI has offered income opportunities to women particularly in labour-intensive and export-oriented industries, many concerns remain, including job loss and demotion, stagnant skill-building, and pay inequality between men and women. Moreover, as part of intensive efforts to attract FDI, developing country governments have

granted generous fiscal incentives to foreign investors further straining public revenues with adverse implications for social sector spending.

11. The Monterrey Consensus promotes the liberalisation of capital flows between countries including short-term portfolio investments. These extremely mobile flows have been associated with exchange rate appreciation, capital account volatility and in some cases financial crises, which inflict tremendous social and economic costs on the poor and women in particular in terms of: job-loss, increase in prices, and collapse of public revenues. As a hedge against the volatility of currency and capital flows, many developing country governments have accumulated and maintained large foreign reserves, representing foregone spending for social development.
12. Remittances sent home to developing countries by migrants working in developed countries – a growing number of whom are women – have recently become significant private capital flows. However, transfer fees imposed by banks and other financial institutions as well as double taxation of migrants diminish the funds that are sent home.
13. ***In view thereof, Ecumenical Women propose the following:***
 - Strengthen multilateral frameworks and national policy spaces to manage FDI with the end of ensuring technology transfer, restricting repatriation of profits, upholding labour standards, and promoting gender and racial equality;
 - Impose taxes on the movement of short-term capital flows and review foreign reserve structures to build up global public funds to finance development with gender equality objectives;
 - Call for a review of how resources are allocated for gender equality targets in poverty reduction strategies; and
 - Reduce remittance transfer costs, eliminate double taxation of migrants, and conduct studies on the long-term implications of remittances for development and gender equality.

Trade as an engine for gender equality and development

14. The Monterrey Consensus considers meaningful trade liberalisation as an engine for development, notwithstanding growing evidence of the failure of liberalisation policies to promote growth that significantly reduces extreme poverty. The Monterrey Consensus also fails to build an analysis from a perspective of racial or gender equality. While in some cases trade liberalisation has expanded employment and income prospects particularly for skilled women in export industries, these reforms have simultaneously caused widespread job loss and eroded the wages of workers in public, import-competing and labour-intensive industries where women predominate. As prices are driven downward, millions of women are left toiling long hours in sweatshop conditions, with few avenues to protect their rights. Overall, employment has not kept pace with the expansion of trade.
15. While the Monterrey Consensus recognises the problem of developing countries' limited access to developed countries' heavily protected and subsidised agricultural markets, very little attention has been paid to underlying structures that relegate poor economies to positions of exporters of low-value commodities and services and importers of high-value technology-intensive products and services. The dumping of agricultural imports and

heightened corporate control over food production in developing countries have severely threatened people's – especially women's – livelihoods and right to food.

16. *In view thereof, Ecumenical Women propose the following:*

- Conduct comprehensive impact analyses of multilateral and bilateral trade policies on the poor and on women
- Implement regulations to end agricultural import dumping;
- Establish international commodity agreements setting stable base prices for products; and
- Implement pro-poor and gender-sensitive measures which ensure equitable access to productive resources, including land and credit for all women.

External debt, gender equality and development

17. The importance of improving the financial viability of developing countries faced with unsustainable debt burdens is acknowledged by Monterrey. Payment of external debt and its interest have placed tremendous constraints on developing countries' public finances, often resulting in severe slashes in investment in social sectors with heavy consequences on the poor and women's access to education and health. Conditionalities attached to loans and debt restructuring further reinforce the problem.

18. *In view thereof, Ecumenical Women continue to call for:*

- The unconditional cancellation of all illegitimate debts being claimed from developing countries; and
- The introduction of gender responsive budgeting to ensure that liberated resources are used for development and gender equality programmes.

International financial and technical cooperation for gender equality and development

19. The role of official development assistance (ODA) to developing countries in supporting education, health, infrastructure and rural development is highlighted by the Monterrey Consensus, though there is no mention of the fact that realising pro-poor trade reforms and debt cancellation in the first place would render ODA unnecessary. ODA is often allocated among developing countries based on political (especially national security) considerations rather than on a set of transparent and predictable criteria emphasising poverty eradication and gender equality. Aid is often proffered with macroeconomic conditions that deepen poverty and gender inequalities as well as raise the cost of goods, services and works.

20. *Ecumenical Women offer the following recommendations:*

- Strengthen and engender institutional aid frameworks to increase aid effectiveness and mutual accountability of donor and receiving governments;
- Build national ownership of aid policies and programmes especially through broad and open consultations with civil society, faith-based, women's and other marginalised groups in formulating, implementing and monitoring programmes;
- Develop mechanisms to ensure that significant amounts of ODA are channelled to social development and gender-equality projects identified by countries (e.g. technical assistance for the gender disaggregation of data).

Systemic issues in financing for gender equality and development

21. The Monterrey Consensus underlines the need to enhance consistency and coordination between international monetary, financial and trade systems. This recognition is reflected in the coherence agenda between the International Monetary Fund, the World Bank and the World Trade Organisation, which has effectively deepened neoliberal economic reforms. The overall outcomes of these policies include the concentration of productive means and resources, especially capital, in the hands of a few; and drastic disinvestments in social development.
22. In the current period of economic globalisation, macroeconomic management in developing countries has increasingly shifted away from governments fulfilling human rights and development commitments made under the UN towards multilateral trade and financial institutions. Despite their development rhetoric, the latter institutions are still dominated by the interests of developed countries and big businesses; developing countries and civil society organisations continue to have very limited voice, much less vote. Not surprisingly, critical issues, especially widening inequality and the need to develop and enable redistributive mechanisms within international financial and trade systems, have been pushed to the margins.
23. ***Ecumenical Women offer the following recommendations:***
- Democratise global economic governance structures, including through women's representation and participation;
 - Strengthen global regulatory frameworks to ensure international institutions', governments' and corporations' adherence to human rights, labour standards and environmental agreements; and
 - Strengthen the gender equality architecture at the UN and other international financial and trade institutions.