

# How does austerity impact women's human rights?

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Asia Pacific is home to 60 per cent of the world's population and despite the perceived economic growth, it is also home for more than half of the world's poorest people with women representing two thirds of the poor in the region. Everything we heard this morning - from reductions in social protection coverage (e.g. through rationalising it), healthcare system reform which includes raising 'user' fees, labour flexibilisation which includes revising the minimum wage, privatisation of public assets and goods, and regressive taxes - all sound so very familiar to women in Asia Pacific.

Let me share some examples from Asia Pacific:

- **Philippines** – Water privatisation was one of the loans conditionalities in the structural adjustment policies of the World Bank, International Monetary Fund (IMF) and Asia Development Bank during the Asia financial crisis. Over the past two decades, also with the Philippine peso value dropping, water price rose in average of over 750 per cent and the promise of universal coverage never came true. Cuts in public health services also happened as the debt servicing was prioritized with over 50 per cent of the government's budget being allocated to debt repayment.
- **Bangladesh** – Introduced a user fee for family planning services following the Asia financial crisis which resulted in reduction of women's access to healthcare, especially affecting women's reproductive and sexual health and rights. It consequently also increased maternal mortality rates.
- **India** – The ambitious comprehensive food subsidy programme is challenged by IMF, and recently the government was rather advised to convert this effort to a system of targeted, direct cash transfers.
- **South Korea** – When it was hit by the Asian financial crisis, redundancies in the public sector were a key condition imposed by IMF in exchange for the aid package. Women lost jobs at twice the rate of men.

These are just a few examples. In fact, 'austerity', more commonly known as 'structural adjustments', or sometimes even as sound economic policy(!) has been normalised, routinised and become a common response in many countries in Asia Pacific to make our economies more competitive and attractive to foreign investors, at the cost of people's lives and the environment. Worse, the driving force of these economic reforms is neoliberal capitalism, which treats women as a mere capital, depending on the exploitation of women's unpaid work to maximise profits. When a state becomes subordinate to market interests, we know it is no longer able to meet its human rights obligations.

We are living in a world where:

- Just 1 per cent of the world owns more than half the world's capital.
- Among the world's top 100 economies, 69 are corporations; and what is more, just 10 corporations have more wealth than the poorest 180 countries combined.
- Just 10 per cent tax of the current wealth hidden in tax havens would amount between 2-3 trillion US dollars. This is more than UK's GDP or more than the combined GDP of the ASEAN member states.
- Sovereign governments can be sued by multi-national corporations – if they tried to provide access to water, to clean environments, or to increase minimum wages for example – through the investor state dispute settlement (ISDS) procedures. At least 24 countries have been sued for trying to collect corporate taxes.
- Democracy is in peril and according to the Global Witness report, every year turns out to be the deadliest year to live as women, human rights and environmental defenders.

The current system of global economic governance and consequent proposed policies through austerity or economic reforms are incapable of addressing these issues. How then, can we rectify these wrongs and bring about a system change that would make our world equitable, sustainable and just?

The answer is a redistribution of power, wealth, resources and opportunities to reduce inequalities between countries, between rich and poor and between men and women. Asia Pacific civil society calls this vision '[Development Justice](#)' and it is framed by five foundational shifts:

- Redistributive Justice:** Redistributive policies such as progressive taxes, retention of state resources including land and universal public health are able to redirect the capital flow from the rich to the poor. These policies will be most beneficial to women since women are more likely to rely on state public services, more likely to be minimum wage earners and because they are most likely to be working in the informal sector and be excluded from privatised system or private income related benefits (e.g. wage linked pensions, health care, income safety nets). The reality is, worldwide, corporation taxes reduced into half while consumption taxes including value added tax (VAT) doubled in the past 20 years or so (e.g. OECD countries from 2.2 per cent in 1965 to over 20 per cent by 2014).
- Economic Justice:** Making economies work for people, not people working for economies. Policies such as universal social protection and finance to realise it; investing in decent work, in sustainable, low carbon industries like care and community work, community services and life-long education ([just and equitable transitions](#)); establishing a living wage for all, including those working in informal sectors which will in turn contribute to closing the gender wage gap, are some of solutions. The role of trade unions and the importance of collective organising rights must be recognised as

enablers to economic justice, while the redistribution of paid and unpaid care work done by women must be supported by the state and shared among community members. Unfortunately, the reality in Asia Pacific is the feminisation of labour migration, as often a result of austerity, and the majority of women migrant workers end up working in informal, unregulated and precarious labour sectors, primarily as domestic workers trapped in traditional undervalued gendered roles.

- c. **Social and Gender Justice:** Policies must be designed to eliminate all forms of the multiple, intersecting discrimination, exclusion and marginalisation that pervade in our society. Austerity impact services and support survivors of violence against women may get for instance; while the reality is public spending cuts on shelters, and also often reduction in relevant ministry's budget or even disappearance of a ministry. On the other hand, the military spending in Asia Pacific is on the constant rise.
- d. **Environmental Justice:** Realising the principle of common but differentiated responsibilities that recognise historical accountability of developed countries and their corporations; as well as actively pursuing energy and resource democracy to allow local people, particularly women, to make decisions over the use of local resources and the best way to fulfill their needs. This will include policies that protect people's food sovereignty and local biodiversity instead of encouraging climate 'smart' agriculture for instance.
- e. **Accountability to Peoples:** Democratic, participatory and just governance that enables people, particularly women to make informed decisions over their own lives, communities and futures. This includes states' obligation to realise people's free, prior, informed and consistent consents over the policy decisions at all levels, including public participation in multilateral institutions; and provide access to justice when their rights are violated by state or non-state actors. The Independent Expert on Foreign Debt's proposed guiding principle on human rights impact assessment of economic reforms would be one way to exercise people's sovereign power; while abolishing ISDS that gives corporation power to override national laws and policies is another way to demonstrate government's human rights obligations and commitments to citizens.

We have a few global level opportunities ahead to advance Development Justice specifically by addressing the nexus of austerity and women's human rights:

1. 63<sup>rd</sup> session of the Commission on the Status of Women in March 2019 that focuses on social protection system, access to public services and sustainable infrastructure. The nexus between austerity and women's human rights must be a key issue to address.
2. 25<sup>th</sup> anniversary/review of the Beijing Platform for Action where governments will need to be held accountable for their commitments made to advance women's human rights and gender inequality. National and regional review processes is expected to start in 2019. Sadly enough, the Beijing commitments remain as the highest possible ambition

rather than the minimum core as was imagined by women's movements over 20 years ago.

3. UN Human Rights Council's process to draft a Binding Treaty to regulate transnational corporations and other business activities, particularly of human rights violations. This process already has been highly politicised, facing strong opposition from developed countries as well from large corporations who has undue power and influence in policy making spaces.
4. Review and monitoring of Sustainable Development Goals (SDGs), especially marking its 5<sup>th</sup> anniversary in 2020. SDGs are not creating any new rights but rather are a bare minimum of existing human rights standards and norms. However, we know that the global resources and attention will be there as it's under the interest of 'development' of global economies rather than of peoples. Therefore, there still is a strategic value to critically monitor the implementation of the SDGs, using it as a tool to hold government accountable to their human rights and sustainable development commitments.
5. Lastly but perhaps most importantly, [Asia Pacific Forum on Women, Law and Development \(APWLD\)](#) believes that the structural, long-term change can happen when there is a strong, autonomous feminist movement that has capacity and solidarity to work with other social justice and people's movements. While we recognise the importance of engaging in policy advocacy spaces at multiple levels, our real hope is with the people on the street, at workplaces and in communities to organise and increase our collective power locally and globally.

The history of people's resistance tells us that a system change is possible by being disruptive and exercising people's power as evidenced in mass strikes against austerity following the 2008 financial crisis. Examples are plenty such as the strike against privatisation of the public health system in El Salvador, people's resistance led by women's movements in Jakarta, Indonesia, winning the Supreme Court's decision to end water privatisation, and most recently just a few days ago public teachers' sit-in strikes in the Philippines demanding wage increases and universal social protection.

When the elected governments fail us, we know it is time for a new leadership and women must lead it with feminist visions. APWLD is calling for a Women's Global Strike to end patriarchy and the exploitation of the people and the planet facilitated by neoliberal economic, fundamentalist and militarised forces. Imagine a day when all workers, including women, migrants, rural, indigenous and the urban poor withdraw our labour or our consent in solidarity with others' struggles and with collective determination to end the current system of exploitation that benefits only a few. I encourage you to join us to build a global movement to strike to reclaim our sovereign power, our planet, our rights, dignity and fundamental freedoms.