

From Gender as an Exogenous or Impact Variable to Gender as an Endogenous Force in the New Economics

Irene van Staveren

(Institute of Social Studies, Erasmus University Rotterdam).

Paper prepared for THE NEW ECONOMICS AS 'MAINSTREAM' ECONOMICS
Conference by *The Cambridge Trust for New Thinking in Economics*,
University of Cambridge, 28-29 January, 2010.

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Introduction

In the old mainstream macroeconomics, gender is often completely absent, either as a variable, or as driving certain institutions, or as underlying the gender division of labour between the paid and unpaid economy, whereas the unpaid economy is often completely ignored in macroeconomic analyses. At most, gender is included as exogenous through a sex disaggregated variable such as male and female labour force participation. For example, various analyses on EU economic growth in relation to an increasing dependency ratio due to the aging population, the relatively low female labour force participation rate has been identified as a constraint on economic growth and financial sustainability of pension systems. Alternatively, some macroeconomic analyses may point at unequal impacts of macroeconomic phenomena on men and women, for example studies that have shown that cheap labour export strategies of developing countries have generated more employment for women as compared to men, because the kind of industries that have relocated to these countries are typically female intensive industries (textiles, garments, microelectronics assembly). But, the far majority of macroeconomics completely ignores gender, whereas studies that do try to take gender into account do so often in a rather limited way, treating gender as an exogenous or a social impact variable.

Therefore, gender must be understood as, first, shaping market processes in terms of access to and control over resources, such as education or incomes, second, as shaping people's choices, for example in segmented labour markets with typically feminine and masculine jobs, third, as being inherently part of macroeconomic trends, for example through fluctuations in the female labour force participation rate, and forth underlying the household gender division of labour leading to a large female intensive unpaid economy. Because of this more differentiated understanding of the relationship between gender and the economy – as a two way rather than a one way relation, as partially positive and

partially negative – simple, straightforward conclusions on the goodness or badness for women and men of certain economic processes or policies can no longer be defended.

In this paper I would like to show that in heterodox economics, particularly feminist economics, but also strands of structuralist economics, social economics and institutional economics, gender has increasingly been recognized as endogenous to the economic process. This implies that not only there are economic impacts that are often different – unequal – for men and women, but also that existing gender relations have an impact on the economy, either positive or negative. And, that these two directions of the relationships between the economy and gender mutually influence each other, directly as well indirectly through various feedback effects. At the micro level, there exists already a substantial body of literature on such two-way relationships between the economy and gender, in particular in labour economics. At the macro level, however, the literature on this two-way relationship between gender and the economy is still at an early stage of development. But what does emerge from this literature is that for a full understanding of the macro economy, gender can no longer be ignored. In the present paper, I will point out in which ways gender helps to improve macroeconomic analysis, with examples from my own work in development economics.

Micro-meso-macro approach and inefficiencies of gender inequality

Diane Elson (1995) has developed the so-called micro-meso-macro approach to studying gender impacts of macroeconomic policies and feedback effects. The approach focuses on the linkages between the micro and macro levels through households, structured labour markets and other structured markets (land, credit), gender asymmetries in institutions (welfare regimes, property rights, childcare arrangements, tax systems), and macro economic policies (trade, privatisation, devaluation). At the same time, the micro-meso-macro approach recognizes trends in macroeconomic variables, such as export volumes or GDP growth rates that are partly driven by gender relations (female labour force participation, household dependent agricultural export supply response, female or male intensive employment sectors). So, the micro-meso-macro approach enables a two-way analytical framework for the analysis of gender and the economy, moving back and

forth between the micro and macro level of analysis. This framework helps to recognize inefficiencies of gender inequality.

Feminist economists reject the mainstream assumption that economic growth will automatically bring a reduction in gender inequality. Ronald Inglehart and Pippa Norris (2003: 5-6) conclude from their cross-country research that: “growing affluence does tend to generate the expansion of literacy and schooling, the establishment of a social protection safety net, and the rise of white-collar jobs in the service sector, but this process is not inevitable. Nor does it necessarily automatically benefit women’s lives” (ibid.: 5f.). At the same time, studies have shown that gender inequality can be bad for growth, because inequality excludes women from production, it demotivates efforts for improvement and hence keeps female productivity low, it may cause social conflict chasing away investment, and it allows for male rent-seeking.

Below, I will refer to three types of inefficiencies from gender inequality in markets, which all can be explained by the economic principle of the law of diminishing marginal returns. Through the micro-meso-macro link these inefficiencies tend to have a negative impact on growth, stability, and aggregate productivity because of the sheer size of gender-based inefficiencies.

First, gender inequality is inefficient in the allocation of resources, for example in financial markets. In the experience of the Grameen Bank in Bangladesh, loans to women yield substantially higher household consumption than loans to men. In the case of women, it takes an average of 0.91 dollars lent to generate 1 dollar of household consumption, as compared with 1.48 dollars for men (Morduch 1999: 1593). The Grameen experience shows that lending to women is not less profitable than lending to men – on the contrary, female repayment rates are higher. In 1991, 15.3 per cent of male borrowers from the Grameen Bank missed repayments, compared with only 1.3 per cent of female borrowers (Morduch 1999: 1583). Other research on micro-credit in Bangladesh concludes that loans to women generally yield higher marginal returns than loans to men (Pitt/Khandker 1998). So, discrimination against women in financial markets is not only unfair but also inefficient.

Second, cost-benefit ratios of investing in women are even higher with respect to the redistribution of inputs in agriculture. A World Bank report entitled ‘Gender, Growth,

and Poverty Reduction' estimates losses in real output that result from gender biases in investment. In Burkina Faso, for example, a transfer of resources (like fertilizer and labour) from men's to women's plots of land within the same household could increase agricultural output by 10-20 per cent (World Bank 1999: 10). Research in Tanzania indicates that reducing time burdens of women in the care economy could increase household cash incomes for smallholder coffee and banana growers by 10 per cent, labour productivity by 15 per cent, and capital productivity by 44 per cent (World Bank 1999: 20).

Third, at the aggregate level, gender inequality appears to lead to losses in GDP growth. A regression analysis over the period 1960-1992 with GDP growth as the dependent variable and education and employment among the independent variables indicates that Sub-Saharan Africa has suffered considerable growth losses from gender biases in educational investment. If Sub-Saharan Africa had matched East Asia's growth of educational attainment for women, annual per capita GDP growth would have been about 0.5 percentage points higher (World Bank 1999: 15). In addition, if Sub-Saharan Africa had matched East Asia's growth rates in female sector employment, annual per capita GDP growth would have increased by more than 0.3 percentage points (World Bank 1999: 16). So, together, gender biases in investment in education and in employment have reduced annual per capita GDP growth in Sub-Saharan Africa by 0.8 percentage points (World Bank 1999: 17). In a similar study on the economic losses of missing the Millennium Development Goals on gender equality, Klasen and Abu-Ghaida (2004) have calculated that off-track countries are likely to suffer between 0.1 and 0.3 percentage points per capita growth.

Short-run growth benefits of gender inequality

There is, however, also a reverse mechanism which turns gender inequality into a competitive advantage, and hence, a mechanism for growth. This mechanism occurs when gender inequality reflects exploitation, that is, a price well below the level of productivity for one sex. This is particularly the case for the labour market, in which women's wages tend to be not only lower than men's wages for similar work, but also lower than women's average level of productivity. This is generally referred to as the

gender wage gap. Stephanie Seguino (2000a and 200b) has demonstrated in two empirical studies on the relationship between growth and the gender wage gap for manufacturing exporting countries in Asia, that growth is positively correlated with the gender wage gap. In other words, her studies have shown that the fast growing Asian economies have in effect been able to grow so fast, partially by paying very low wages to women, relative to men: countries with the highest gender wage gap appeared to reap the highest export earnings relative to their GDP, by using low women's wages as a major competitive advantage.

This practice can persist due to imperfections in the labour market, in combination with structural unemployment. On average, for developed and developing countries, women's wages are 75% of men's wages. Some countries do better, with gender wage gaps around 10% (such as Vietnam), whereas other countries have gaps in the range of 30-40% (such as Japan and Korea). Of this gender wage gap, about half cannot be explained by gender differences in human capital or functional characteristics of women's and men's jobs, while the other half is due to gender inequalities in education, and the gender division of labour in the household (expressed in temporary labour market drop-out due to child raising, or part-time or flexible work in order to combine paid work with gender-unequally distributed child care responsibilities).

In the globalised economy, it is hard to uncut this negative mechanism linking gender inequality to growth, when it is used as a competitive advantage. There are, however, two clear policy responses indicated in feminist economic analysis that would help to move away from this short-run growth strategy and help move developing countries to a long run growth path of increasing value added and increasing levels of productivity in their exports, with a lower gender wage gap. The first policy strategy is a political economy one, recommending a globally agreed minimum labour standards package, such as advocated in the ILO's Decent Work programme. This package should explicitly include gender equality in wages, the removal of gender-based hiring and firing practices that now keep labour markets gender-segregated, and a revision of education and training systems away from stereotype feminine and masculine areas of specialisation. The second policy strategy is a macroeconomic one, advocated, among others, by Blecker and Seguino (2002). This policy is geared towards the removal of

dynamic inefficiencies arising from wage discrimination. These inefficiencies occur in the long run, and result from reductions in female labour supply and low work motivation which leads to relatively low labour productivity. If the gender wage gap would be eliminated, female labour productivity would increase, while, through the increase in female labour supply responding to higher wages, the average nominal wage level would not increase proportionally. So, although in the short run women's low wages might be instrumental in keeping production cost competitive, in the long run the disincentives to female labour input are likely to create lock-in effects of cheap female labour, low productivity, low earnings, and hence, a disadvantaged macro economic strategy for a country in the long run, also referred to as 'low road development'. Removing gender inequalities in export sectors would help to prevent such a lock-in into low road development.

Gender and trade dynamics

In our book, *The Feminist Economics of Trade*, we have shown how gender inequality can have an impact on trade-related outcomes, such as the terms of trade and the composition of exports and domestic versus export output (van Staveren et al., 2007). Shaienne Osterreich (2007) takes as a starting point the Prebisch-Singer hypothesis that the net barter terms of trade between South and North tend to deteriorate (a hypothesis for which there is ample empirical support). Prebisch and Singer argued that the underlying mechanism for this uneven distribution of gains from trade lies in differences in labor markets in the South and North, with workers in the South having less ability to bargain for rises in productivity to be matched by rises in wages. Osterreich hypothesizes that gender inequality is an important aspect of these labor market differences. Using data from a selection of Southern and Northern countries for the period 1975-1995, she finds that a decline in the degree of labor market discrimination against women in the South relative to the degree of labor market discrimination against women in the North is associated with an improvement in the net barter terms of trade of Southern countries. So, if governments in the South take action to reduce labor market discrimination against women, this will help to counteract the tendency of their terms of trade to fall, bringing a larger share of the gains from trade to the South.

William Darity (2007) examines the ways in which unequal gender relations in agriculture interact with attempts to stimulate agricultural exports via devaluation of the currency. He develops a model of gender segregation of labor in smallholder export and subsistence (food) production, based on the empirical literature on sub-Saharan Africa. Both men and women participate in producing export crops, but only women produce subsistence goods. The model describes three different regimes of gendered power: coercion, in which men exercise power over the time women allocate to export crops, the sales of which are controlled by men; cooperation, in which women (guided by social norms of interfamilial behavior) willingly agree to allocate unpaid time to export crops; and compensation, in which women will not work on export crops without being compensated by their husbands. Darity models the effect of a currency devaluation, which raises the price that men get for export crops. Through coercion, co-operation, or compensation, women allocate more time to export crop production. The model illuminates how different regimes of gendered power affect the impact of export expansion. One inference is that if women resist coercion and are unwilling to work without pay, they will not switch into export crop production following devaluation, slowing down export expansion (see also Warner and Campbell 2000), which helps to explain the low supply response to currency devaluations in Africa in the 1980s and 1990s.

Gender-segregation in production is also a theme of the model presented by Robert A. Blecker and Stephanie Seguino (2002). Their model is based on the stylized facts of semi-industrialized economies, in which women produce a good that is largely for export though some is consumed domestically, and men produce a good that is only for the domestic market. Women earn less than men. The model examines the effects on output of an exogenous rise in women's wages, holding male wages and the exchange rate constant. If export markets are price elastic, and workers' consumption of the export good is low, the output of exports is likely to fall, while the effect on production of domestic goods is ambiguous. On the other hand, if export demand is price-inelastic and worker's consumption of the export good is high, export production will expand; again, the effect on production of domestic goods is ambiguous. But these conditions are less likely to be met. Given the realistic assumptions of the model, reducing the gender wage

gap by raising women's wages is likely to depress exports and may also depress production of domestic goods. If nominal wages of both women and men are flexible, and there is a crawling peg exchange rate, the effects are more complex and an increase in women's wages may be combined with export expansion.

Şule Özler (2007) uses plant level data for the period 1986-96 to examine employment by sex and skill level in three types of production, non-tradable, import-competing and export. As expected, net job creation rates were higher in the export sector than the other sectors for all groups of workers. Net job creation rates were higher for females than for males in all sectors, but the biggest gender gap was in the import-competing sector, which had the highest ratio of female to male job creation rates for production workers. Although women benefited from the gender gap in net job creation, women's employment was more volatile than men's, as measured by the female and male gross job reallocation rate (the sum of gross job creation and gross job destruction rates). While the growth of export production increased women's share of the labor force, economy wide factors contributed to making women's work more precarious than that of men. Hence quantitative gender gaps decreased whereas qualitative gender gaps increased.

Finally, Ebru Kongar (2007), challenges the neoclassical view that increased import competition reduces discrimination against women and the gender-wage gap. In a study on effects of import competition on the gender wage gap in Taiwan and Korea, Berik and van der Meulen (2004) have also challenged the hypothesis that more competition reduces gender discrimination in wages. They found that increased competition was positively correlated with wage discrimination against women, probably due to a reduction in women's bargaining power. Kongar investigates the wage and employment effects (disaggregated by sex and occupation) of increased import competition in the USA in the period 1976-1993, distinguishing between concentrated and competitive manufacturing industries. Wages are measured as 'residual wages' net of the impact of the effects of personal characteristics of workers other than sex, such as education, experience, marital status race and location. The study shows that the decline in the residual manufacturing gender wage gap, in a context of declining overall employment, was driven by changes in the composition of the female labor force rather

than by a reduction of discrimination against women. In the concentrated industries, female low-wage production workers suffered disproportionately from import-related job losses, raising the average wages of the remaining smaller, more highly skilled, female work force, thus reducing the gender wage gap. By contrast, in the competitive industries, the female share of low-wage production occupations increased and average female wages declined. These differences reflect different firm strategies building on gender-based labour market segmentation in the two sectors, with those in the concentrated sector meeting import competition by adopting more skill-intensive production and those in the competitive sector increasing their use of cheap labor.

An example: EU-Mercosur trade agreement

I will illustrate with an example how trade elasticities of gender inequality may be calculated and applied to a particular trade relation in order to detect possible gender-trade relationships (van Staveren, 2007). I will briefly assess the trade agreement between the European Union and Mercosur, which was initiated in 1995. Trade between the partner regions has increased since 1995 but follows a traditional North-South pattern of specialization with Mercosur specializing in agricultural exports and EU in manufacturing exports. The denominator of a trade elasticity is the change in trade volume whereas the numerator is the change in gender inequality in a variable.

The trade elasticity for food affordability is unity and negative ($-42/41.9 = -1$). Mercosur exports mainly food items, the same that are consumed domestically. This may have led to a crowding out of domestic food supply by foreign demand, following the currency devaluations. The indicator suggests that it has become more difficult for women to perform their assigned roles in household as food providers, because women in Mercosur are net food buyers, not growers (over 80 percent of the population lives in urban areas). This is even more so the case, because absolute female (and male) income levels have declined over the period.

The indicator for the female employment share in the major export sector, agriculture, is negative and inelastic ($-5.7/77.3 = -0.1$). So, the enormous increase in agricultural exports has not helped to increase the female employment share in this stable and expanding export sector in Mercosur. At the same time, we find that the trade

indicator for the male employment share the major import sector, manufacturing, is negative and elastic ($-28.5/12.6 = -2.3$). Thus there has been an increase in women's share of jobs in the sector that faces import competition. But, whereas in many other developing countries, a move of women from agriculture to manufacturing is generally an improvement of their employment condition since manufacturing is an expanding factor, in Mercosur it implies a shift away from an expanding stable export sector towards a vulnerable import-competing sector.

It is interesting to note that the gender wage gap has worsened for agriculture and improved for manufacturing. This may reflect shifts in relative labor scarcity along gender lines, because, as we have seen, the female employment share in agriculture has declined, while it has increased in the manufacturing sector.

Finally, the case study also suggests that there may be impacts from persistent gender inequalities in Mercosur, such as in the labor market, on its trade relationship with the EU. In particular, the data seem to suggest that the 'lock-in' situation of Mercosur in a traditional trade pattern with EU (exports of primary products and imports of manufactures) may actually be reinforced by the gender inequalities in the labor markets of the four countries in South America. Whereas women's average level of education is higher than that of men, they are paid less and find themselves increasingly employed in a sector which is threatened by imported manufactured goods from the EU. This does not seem to be the most efficient allocation of human resources and is not very likely to help Mercosur to move into higher value-added exports, because that would require a better use of human resources, partly through higher returns to female human capital, which in turn would help to stimulate labor productivity. Trade with other external partners, as well as intra-Mercosur trade, appears to be less traditional. Catão and Falchetti (2002), for example, have shown the importance of the Brazilian market for the expansion of Argentinean manufacturing exports, at least during the first seven years of Mercosur (1991-1997). A recent Mercosur report shows that currently, exports to the rest of the world have an increasing share of higher technology (IDB 2004). Hence, it is not unlikely that these other trading partners provide more opportunities for higher value-added exports than the trade relationship with the EU.

In conclusion, the Mercosur-EU trade agreement has not benefited women's

economic position whereas the gender-based labour market segmentation seems to reinforce the traditional trade pattern with the EU, in which South America finds itself locked-in to a low value added and low employment generating trade pattern.

Poverty Reduction Strategy Papers

PRSPs are a major macroeconomic policy instrument for developing countries and required by World Bank and IMF as a condition for loans. The macroeconomic framework of PRSPs however, is not a neutral set of macroeconomic policies but embedded precisely in a wider, neoliberal policy environment supported by the Washington Consensus – referred to as the ‘Unholy Trinity’ of the IMF, World Bank and WTO, by Peet (2003). It is this PRSP framework of growth, stability, external and internal balance, that constitutes one of the most explicit formulations of this consensus (see also Cammack, 2004), while being complemented by social safety nets as supplementary social policies, as Craig and Porter (2003) have recognized. “PRSPs, we argue, are best seen as part of a ‘Third Way’ re-morphing of neoliberal approaches, a new convergence in which governments and agencies of various stripes in both liberal OECD and developing countries are focusing on optimizing economic, juridical and social governance in order to create ideal conditions for international finance and investment” (Craig and Porter, 2003: 54). So, while the macroeconomic framework of PRSPs can be regarded as the most concrete manifestation of neoliberal policies, I will argue that the resistance of gender mainstreaming of such policies is part and parcel of this framework, for each of its core elements, leaving gender to the social policies – the equity side – of PRSPs (van Staveren, 2008).

Domestic Price Stability and Exchange Rate Policy

A major core element of the PRSP macroeconomic framework is domestic price stability. This is a policy area with inherent contradictions, which clearly have gender dimensions. The stabilization of the internal price level, aimed at limiting inflation, often makes use of contractionary monetary policy and a high interest rate. However, this will raise problems for holders of debt, and may lead to bankruptcies of, in particular, small and medium scaled enterprises, as happened as a consequence of IMF advised high interest rate

policies after the Asian financial crisis (Stiglitz, 2002). In many countries in Africa and Asia, women are the majority of micro and small scale entrepreneurs, and are therefore very vulnerable to such contractionary monetary policy. Moreover, deflationary policies tend to go hand in hand with increasing female unemployment rates, at higher levels and higher rates of increase than for men, in developing countries as well as in transition economies (UNRISD, 2005). Also, deflationary policies prevent governments from dealing effectively with recessions due to the high cost of borrowing (Elson and Çağatay, 2000), which induces a substitution effect from paid to unpaid work, largely carried out by women. These gender effects of stabilization policies reflect the biased emphasis of deflationary policies on security for global investors vis-à-vis workers, small scale entrepreneurs, and those responsible for meeting household needs.

The macroeconomic framework also often involves exchange rate devaluation. A currency devaluation will benefit export earnings and employment, including women's employment. But, at the same time, imports will become more expensive, so that devaluation can put pressure on basic household expenditures, such as food or agricultural inputs, which, depending on the gender division of labour in households, may hit women harder than men (Warner and Campbell, 2000). In short, whereas exchange rate devaluation may help to expand women's low-wage export employment, but make imports more expensive, the emphasis on internal price stability tends to have negative feedback effects on women's wage employment, survival of small businesses, and support from public services.

External balance

Another core element is concerned with external balance, often implying the promotion of exports, import tariff reductions, and inviting foreign capital. Export promotion policies tend to increase female employment in labour-intensive manufacturing. While this is a positive effect for women's labour market opportunities, the quality of jobs tends to be low, while labour standards in export production come under increasing pressure of the unequal bargaining power between globally mobile capital and relatively immobile labour (Palley, 2004). This, in turn, together with the increased competition from imports, leads to an increasing flexibilization of jobs, particularly for women who work at the

lower end of global production systems (Standing, 1999). In agriculture, the incentive is to shift away from food crops to cash crop production. But this shift may not be very effective, precisely due to the gender division of labour combined with male control of cash. When women's role as food provider for households is ignored in export promotion policies, the supply response to such policies will be limited and the distribution of benefits within the household will be gender-biased. In conclusion, the external balance policies of PRSPs ignore negative impacts on women through informalization and flexibilization on the one hand and increased unpaid workloads on the other hand. Moreover, such policies tend to ignore negative feedback effects for the external position in the long run through lock-in effects in low road development.

Internal balance

A third core element of the PRSP macroeconomic framework concerns internal balance – the reduction or even elimination of a budget deficit. The contractionary policies aimed at reducing the budget deficit are likely to hurt those groups in society that are most dependent upon redistributive policies through public expenditures, including women, given their gender role as carers (Elson and Çağatay, 2000). Moreover, women already tend to be disadvantaged by gender biases in public expenditures, as gender audits of government budgets have shown (Norton and Elson, 2002). Hence, budget cuts tend to re-inforce the male bias in public expenditures. Indeed, a recent UNRISD (2005) study has shown that fiscal restraint tends to be paralleled by a reduction in social expenditures, which, in turn, tends to shift the responsibility for meeting social needs to women's unpaid workload. Ertürk and Çağatay (1995) have shown in a business cycle model for Turkey how women's unpaid work may indeed substitute for lost household income during downturns in the business cycle, suggesting that anti-cyclical fiscal policy may help to keep social expenditures up and prevent a shift of social services provisioning to women's unpaid work time.

Contrary to an over-concern with internal balance, an increase in social expenditures, including investment in women's health, education, and employment, in order to reduce gender gaps as targeted in the Millennium Development Goals, is likely

to crowd-in women's human resources investment, labour force participation, and productivity (Krug and van Staveren, 2002).

The above analysis of how gender is ignored in the macroeconomic framework of PRSPs shows that gender is not regarded as a relevant variable – not as enabling nor as constraining – for the core set of macroeconomic policies. The only place where we do find serious attention to gender in PRSPs is outside the macroeconomic framework, in the social policy sections. The macroeconomic framework ignores that gender equality often is a precondition for poverty reduction: more low-wage jobs increase women's employment but when these are increasingly flexible and informal sub-contracting jobs attracted by low female wages, such jobs will hardly contribute to poverty reduction; liberalization policies may eliminate market distortions, but those distortions that have their roots in discriminatory attitudes at the supply or demand side of markets can only be eliminated by more, not less, state regulation and enforcement; reductions in public expenditures may attract more foreign capital but conflicts with the need to invest in order to meet the Millennium Development Goals by the year 2015, including the elimination of gender gaps as stated in the third MDG goal.

In conclusion, the resistance of the macroeconomic framework to gender mainstreaming is not only constraining the likeliness of reducing women's poverty but also limiting the effectiveness of PRSPs to increase growth and to move a country up the high road of development. In other words, ignoring the important role of gender in the economy negatively affects the effectiveness of PRSPs, so that gender blindness, in fact, is an additional reason why “the macroeconomic frameworks as currently designed do not really support economic growth and poverty reduction in a direct, clear way” (Gottschalk, 2005: 440).

Conclusion

Gender has clear economic dimensions, affecting economic variables, decisions, constraints, opportunities, and outcomes. Therefore, treating gender as only an impact variable relevant from a social perspective – are women affected differently, and perhaps more negatively, than men by a particular economic policy? – is an important question

but a far too limited way to treat gender in economics. New economic thinking can only emerge when it builds on inclusive economic thinking, which implies a far deeper understanding of how gender affects economic processes. This requires far more contextualized economic analysis, even at the macro level, so that positive and negative relationships between gender inequalities on the one hand and economic inefficiencies on the other hand are taken into account in the study of trade, fiscal and monetary policy, and growth strategies.

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