



Gender equality – the key to a sustainable, smart and inclusive society:

Thematic report – poverty and gender in the ESF



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The European Community of Practice on Gender Mainstreaming (2010-2014) was a community dedicated to integrating the gender dimension into the European Social Fund (ESF) programmes (2014-2020) in relation to the EU 2020 strategy. The goal was that gender mainstreaming shall be an integral part of future ESF management – from planning, programming, implementing to monitoring and evaluation. The network was funded by the European Commission. Find out more on www.gendercop.eu

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1. Gender and poverty in EU policies

In the **EU 2020 Strategy**, gender equality and non discrimination are considered horizontal principles to be mainstreamed in policies against poverty and social exclusion by member states. The target of the EU 2020 Strategy against social exclusion is to *“lift 20 million people out of poverty and social exclusion”*. Elderly women and female heads of single-parent families are included in the groups at risk of poverty. Increasing employment is implicitly an important tool for combating women’s poverty. The EU 2020 objective is to reach a 75% activity rate for all (from the current rate of 63% for women).

Economic independence of women is the first of the six top priorities of the **Strategy for Equality between women and men 2010–2015**. Gender gaps in terms of poverty and social exclusion are highlighted as follows: *“Women face a higher poverty risk, particularly lone parents and the elderly, when the pay gap becomes a ‘pension gap’. Barriers to employment are also reflected in higher inactivity rates and higher long-term unemployment rates. In addition, amongst disadvantaged groups (i.e. migrant workers, disabled, elderly) gender gaps tend to be much wider and cause many problems for women. Active ageing policies and specific measures in the pension sector are needed to ensure that women have adequate means when they retire”*.¹

In accordance with the above two policy documents, the Common Provision Regulation for the **Structural Funds 2014–2020** states in Article 7 that *“the Member States and the Commission shall ensure that equality between men and women and the integration of gender perspective are taken into account and promoted throughout the preparation and implementation of programmes, in relation to monitoring, reporting and evaluation.”*

¹ [file:///C:/Users/User/Downloads/Strategy_Equality_Women_Men_EN%20\(4\).pdf](file:///C:/Users/User/Downloads/Strategy_Equality_Women_Men_EN%20(4).pdf), page 14

The **European Parliament** has expressed worries about increased poverty of women in the context of the ongoing economic and social crisis. In a non-binding resolution it argues that the position of women in the EU has been affected by the economic crisis in specific ways that impact more on their every-day lives. The resolution refers to “a silent crisis” that is taking place in the EU and is linked to the crisis of welfare, education, care and social provisions. The resolution specifically identifies budgets cuts and reduced government spending as a cause of this silent crisis. The resolution urges the European Commission and member states to take measures to boost job training, re-skilling, teleworking and female entrepreneurship, as well as to fight against gender stereotypes in the workplace and encourage women to enter professions in which they are under-represented.² With its direct reference to national governments’ choices and strategies with regards to public spending and welfare priorities, this resolution is a significant step towards a more concrete approach to gender mainstreaming in policies against poverty.

Despite the strong commitment expressed in official EU policy documents like those mentioned above, gender equality is not properly integrated into the national policies that are supposed to follow the EU guidelines and policy priorities. One of the reasons for this mismatch between EU objectives and effective national policies is that a gender analysis of poverty is not able to grasp the full range of gendered dimensions of poverty. EU documents tend to understand poverty as an **individual characteristic** that can be counteracted by increasing employment rates of women, as more women in the labour market will certainly reduce the number of poor women.

² European Parliament Press release, 2013, “Poverty has a female face: economic crisis hits women hardest” 3/12/2013
<http://www.europarl.europa.eu/news/el/news-room/content/20130308IPR06303/html/Poverty-has-a-female-face-economic-crisis-hits-women-hardest>

2. Gendered dimensions of poverty

The above analysis limits its understanding of poverty to only being a consequence of existing inequalities between women and men in the labour market. Most EU strategies and policies fail to incorporate the **structural dimension of poverty and gender**, which produces multiplier effects and limits the effectiveness of policies and measures. In fact, social cohesion is a policy objective that cannot be reached solely by increasing employment rates. Poverty depends on the organisation of and interlinks between all sectors of society: the labour market, the family, social security systems, political life, the functioning of democratic institutions, etc. The structural dimension of poverty is closely related to its **gender** dimension, which goes beyond the statement that **women** are a potentially vulnerable group of citizens. Gendered society and poverty are interconnected phenomena; they grow together and are mutually reinforced in periods of economic crisis.

In this sense, the feminisation of poverty is not only a quantitative trend but also has a qualitative dimension. Progress in reducing gender gaps in the labour market is interrupted by the economic crisis. Male-dominated sectors were the first to be hit by the crisis. Gender gaps were reduced. In the second phase of the recession and the economic crisis, women's employment became more precarious, temporary and poorly paid. Women moved from the public to the private sector, where they were more exposed to the deregulation of working conditions. In addition, we distinguish two qualitative trends that multiply the effects of poverty on gender as a consequence of the economic crisis. Highlighting **two vicious cycles of gendered poverty** may reveal the limits of anti-poverty policies when they target only individuals and not the organisation of society as a whole.

The first vicious cycle is generational. Poverty is transmitted to the younger generations through socialisation, especially by poor mothers. Risks of poverty for women and men have different impacts on future generations. This impact cannot be measured with numbers and statistics describing the current situation of poverty. The second cycle is sociopolitical. As women and their paid and unpaid work are situated at the boundary between the labour market and the family, risks of poverty for women have a multiplier effect across different parts of society. Lower participation in the labour market increases women's domestic and caring responsibilities. Women with caring tasks become more vulnerable to temporary and precarious jobs. Political life may be also affected by this vicious cycle of poverty. Poverty creates a fertile ground for the emergence of racist, sexist and homophobic discourses and gender violence. In countries more strongly hit by the economic crisis, poverty has a very negative impact on human rights and democratic procedures. Extreme ideologies may be downplayed during times of economic growth and a flourishing social welfare state, but in times of increasing poverty they may find space to expand.

3. Women in poverty

During the past decades, the European Union has undergone a deep financial crisis that has had a significant impact on gender equality. However the impact of the crisis differs significantly from member state to member state. Taking into account the differences between member states, relevant studies have identified general trends with regard to gender and employment. As the report of the European Network of Experts on Gender Equality (ENEGE) has argued, the gender gaps in employment and wages have been reduced, at least during the initial stages of the economic crisis. This was mainly because the recession first and foremost hit male-dominated sectors, such as the construction industry, and thus reflects the downgrading of male work and wages rather than an improvement in the employment conditions of women.³ In fact, these reductions in gender employment gaps may manifest biases, such as the lack of effective indicators to measure the spread of precarious, part-time, and occasional employment, which are dominant amongst female workers, as well as the impact on gender equality of the austerity measures adopted by governments against the recession and sovereign debt. If one takes into account how austerity measures, in particular public sector cuts, can impact women, new gender issues and problems arise.⁴

- **Public sector** cuts are likely to have a deep impact on female employment since the proportion of women in the public sector is very high across Europe. This may in particular affect member states experiencing more severe problems with sovereign debt, recession and unemployment, and undergoing programmes of structural adjustment, which prioritise the reduction of public-sector employees

³ Bettio, F.; Corsi, M.; Lyberaki, A.; Samek Lodovici, M.; Verashchagina, A. , 2012, "The Impact of the Economic Crisis on the Situation of Men and Women and on Gender Equality Policies" <http://www.ingenere.it/sites/default/files/ricerche/crisis%20report-def-7web.pdf>.

⁴ Karamessini M. and Rubery J., eds, *Women and austerity: The economic crisis and the future of gender equality* (New York: Routledge).

through early pension schemes, hiring freezes, temporary suspensions and lay-offs.

- Public sector cuts also tend to affect the **work-life balance**, in particular in specific states where they result in the reduction of available places in day care, increases in parents' contributions, and reduction of types of services available, e.g. all-day schools, but also in the abolishment of child, motherhood and parenthood benefits. These are likely to mostly affect vulnerable groups, such as single-parent families.
- There is evidence to suggest that, at least in certain member states, **deregulation of employment relations** in the private sector leads to violations of gender equality in employment laws and direct and indirect discrimination against women. For example, the Gender Equality Section of the Greek Ombudsman has reported a rise in violations of women's rights, such as paid maternity leave, prohibition of dismissals during pregnancy or maternity leave, etc. ⁵
- The economic recession and austerity measures have contributed to the spread of the already **precarious employment** of women.⁶ Women in Europe tend to be over-represented in part-time, temporary, occasional, underpaid and undervalued jobs. During the economic crisis precarious forms of employment have spread to new sectors, including male-dominated ones. These processes have been supported by government policies promoting the deregulation of the labour market and undermining previous labour rights policies and labour negotiations. Since these forms of employment are often undeclared, uninsured and insecure they cannot accurately be measured by existing indicators.

⁵ Greek Ombudsman, 2012, "Equal Treatment of Men and Women in Employment and Labour relations" <http://www.synigoros.gr/?i=stp.en.specialreporten&page=1>.

⁶ **Vosko** L.F., **MacDonald** M., **Campbell** I., eds., *Gender and the Contours of Precarious Employment* (London: Routledge and IAFPE Advances in Feminist Economics).

4. Working poor and low-pension women

Before the recent economic crisis, the long-term unemployed were considered to be the group most at risk of poverty. It is now evident that employment is not always enough to escape poverty and achieve social cohesion. Two groups of people “in employment” are also vulnerable; the **working poor** and **low-pension women** face a high risk of poverty.

Working poor:

In 2007, a new indicator was introduced to measure the “in-work poverty risk” in the EU. The analysis of data shows that families with children are overrepresented in this category and that especially single-parent families tend to be at the highest risk of in-work poverty in almost all EU states.⁷ In 2014, the Presidency of the Council of the EU introduced new indicators for measuring the share of women and men in full-time and part-time work, as well as self-employment.⁸ Although adequate data on gender and precarious work is still lacking, there is evidence to suggest that women, who were already overrepresented in certain precarious, undervalued and underpaid “feminised” sectors of employment, are more at risk of “in-work poverty” than men. This is mainly because feminised forms of employment, such as cleaning, domestic work, or care work are not fully recognised as proper paid work, as they are closely connected to women’s unpaid housework.

Low pensioners:

Women’s retirement benefits are 39% lower than those of men. This is almost twice the size of the gender pay gap. This reflects the “penalisation” of women’s interrupted working lives, compounding already-existing

⁷ Eurostat, 2010, “In-work poverty in the EU”, p. 24 - http://epp.eurostat.ec.europa.eu/cache/ITY_OFFPUB/KS-RA-10-015/EN/KS-RA-10-015-EN.PDF.

⁸ Council of the EU, 2014, “Council conclusions on Women and the economy: Economic independence from the perspective of part-time work and self-employment”. Council meeting Luxembourg, 19 June 2014 http://www.consilium.europa.eu/uedocs/cms_data/docs/pressdata/en/lisa/143269.pdf

inequalities in the labour market. In countries where the social security and pension regimes are dependent on wage-based social contributions, women's pensions reflect their shorter careers, their (often) derived rights as housewives, and the gender gaps in pay due to horizontal and vertical gendered job segregation. In countries in economic crisis (like Greece), despite severe cuts in pensions some pensioners are in the position of using their incomes to secure the survival of families, as unemployment is extremely high in the young generation. This has reversed the emphasis within poverty from the elderly to the young generation.

At a recent workshop organised by the Women's Rights Committee of the European Parliament for the EU strategy on gender equality post 2015, the restructuring of the pension schemes was highlighted as a very important tool for working toward gender equality. More specifically, it is argued that two past reforms have increased the gender gap in pensions: *Firstly, the switch in emphasis from public ('first pillar') pensions to occupational ('second pillar') pensions: the overall effect tends to tighten the link between contributions and benefits (so called 'the privatisation of risk'). Secondly, the emphasis on working longer; although its rationale is unassailable, there may be hidden side effects in the medium term leading to lower pensions for those who do not respond to the incentives.*⁹

⁹ [www.europarl.europa.eu/RegData/.../IPOL_STU\(2014\)509984_EN.pdf](http://www.europarl.europa.eu/RegData/.../IPOL_STU(2014)509984_EN.pdf) pages 53-54

5. Gender in the economic crisis

The impact of the economic crisis on gender relations should be addressed and analysed against the background of the economic recession, but also in terms of the policy priorities and agendas that have been introduced at the European and national level in response to the economic crisis. First, we may observe a contradiction. At the European level and in member states where the impact of the crisis is less intense, commitment to the principles of gender mainstreaming and gender equality remains strong, and they are still widely respected in policy making and figure prominently in the policy agenda. At the national level, however, there are significant differences between EU member states. In member states more strongly hit by the economic crisis, gender issues are now considered to be of secondary importance compared to issues that seem linked to immediate economic survival and structural adjustment.

In this context, we may argue that in the “state of exception”¹⁰ that has been declared in member states like Greece, Portugal, Ireland and Spain, previous developments in gender equality have been ignored or marginalised. Broadly speaking, gender equality and women’s rights tend to be continuously undermined because they are considered secondary to the more “pressing” financial concerns. As a result, gender equality and gender mainstreaming tend to be viewed as “luxuries”.¹¹

Second, the impact of the crisis on gender relations is often viewed and analysed in a very static manner. For example, much of the academic

¹⁰ See Athanasiou A., 2012, The crisis as a “state of exception”: Criticisms and resistances (Athens: Savvalas).

¹¹ An example can be found in the abolition of the Ministry of Gender in Spain after the beginning of the recession and the recent drastic reduction of the Organisational Chart of the Greek governmental body for gender equality.

literature on the Greek case has shown, at least in the early stages of research, that the economic recession led to a reduction of gender gaps, although both male and female employment and unemployment indicators showed a downward trend. This trend was documented in several studies, which used these findings to propose gender-neutral social policies such as minimum income and guaranteed social protection for the poor.¹² As explained above, the impact of the economic crisis on gender equality may prove to be more far-reaching than initially anticipated. This is mainly because the reduction of gender gaps has legitimised the adoption of austerity policies that are gender neutral. During the next stages of the economic crisis, austerity measures lacking a gender perspective may prove to have a very negative impact, and may even affect social systems that have achieved significant progress.¹³ In particular, issues that in the past were considered to be limited to the private sector, like work–life balance, may resurface in new and unexpected ways as factors determining levels of poverty. These issues are especially highlighted in the reports of NGOs, labour unions and women’s groups, which tend to bring to the forefront problems emerging from the austerity measures more than official statistics do.¹⁴

As mentioned above, the economic crisis also has indirect and often “invisible” effects on gender inequalities that may not be accurately captured by existing research, especially with quantitative approaches. For example, the impact of the economic crisis on political life may be significant, but it

¹² See for example: Matsaganis M., 2012, ‘Social policy in hard times: the case of Greece’. *Critical Social Policy*, vol. 32 no. 3, pp: 406–421

¹³ EWL, 2012, ‘The price of austerity – the impact on women’s rights and gender equality in Europe’ (Brussels: European Women’s Lobby).

¹⁴ See for example, Leahy, A., Healy, S. and Murphy, M., 2013, ‘The impact of the European crisis: A study of the impact of the crisis and austerity on people with a special focus on Greece, Ireland, Italy, Portugal and Spain (Brussels: Caritas Europa), prepared by Social Justice Ireland; Lethbridge, J., 2012, ‘Impact of the Global Economic Crisis and Austerity on Women’ (Ferney-Voltaire: Public Services International (PSI); Stavropoulou, M. and Jones, N. , 2013, ‘Off the balance sheet: the impact of the economic crisis on girls and young women: A review of the evidence’ (London: Overseas Development Institute and Plan International); Theodoropoulou, S. and Watt, A., 2011, ‘Withdrawal symptoms: An assessment of the austerity packages in Europe’, Working paper 2011.02. (Brussels: European Trade Union Institute); Woestman, L., 2012, ‘The Global Economic Crisis and Gender Relations: The Greek Case’ (Toronto: Association for Women’s Rights in Development (AWID))

might not be analysed as a cause-effect relation and through the usage of statistical data. As can be observed in societies that have experienced severe unemployment and recessions, like Greece, the rise of the extremisms has also been associated with the rise of extreme racist, sexist and homophobic discourses and stereotypes. The rising electoral influence of the extreme right has also affected mainstream political parties and politicians, who have also adopted such discourses.

6. Policy responses for gender and poverty.

Since the 1990s EU policies for employment and growth have focused on employment as the main source of growth and social cohesion. It is true that the European Social Model and the guarantee of a high level of protection of employment and social security have oriented EU funding (through the European Social Fund) to the creation of employment. The long-term unemployed were identified as the most vulnerable group. The current economic crisis and the emergence of new vulnerable groups at risk of poverty have led to policies geared towards measures like a minimum income, etc. However, if EU policies address poverty as an individual characteristic and not as a structural problem, women (more probably) will risk falling into a “poverty trap” from which neither a minimum income nor low salaries can rescue them. The double and triple burdens of paid and unpaid work are central to this risk during economic recession.

In this context, policies need to tackle gendered poverty in a multifaceted and holistic way. Micro and community policies are useful for integrating the living and working conditions in everyday life. A social innovation approach may be helpful for designing measures and actions. For women in the working poor, support with childcare and other social infrastructure as well as the provision of universal social services may reduce the gender division of labour in paid and unpaid work. For women with low pensions, the restructuring of social security schemes and pension reform are necessary, in particular when gender differences in working life are taken into consideration.

EU policy guidelines on economic policy and the use of the EU Structural Funds are useful for promoting objectives like gender mainstreaming and

gender equality. However, they have to be more specific about how gender will be mainstreamed at different stages (policy design, debate and implementation of policies) and what paths member states should follow in order to integrate gender into the measures in question. It remains doubtful whether member states, especially those facing financial debt and growing unemployment, will be inclined toward mainstreaming gender equality in their structural adjustment plans. In other words, if member states do not undertake the obligation to mainstream gender equality in a more concrete and direct way in policies and in government budget planning, it is doubtful whether this “silent crisis” will be reversed and whether poverty will stop reproducing gender inequalities.

In fact, one of the main consequences of the low priority of gender mainstreaming in most EU member states that are experiencing the impact of the crisis more severely is that the potentially positive impact of a gender-sensitive approach to poverty is being undervalued. While certain groups of vulnerable women, e.g. pensioners and single parents, may be targeted as vulnerable groups, issues like the gender gap in employment, wages, and unemployment, as well as precarious work in feminised sectors, remain outside policy decisions, design and implementation. Policies targeting poverty in the EU tend to neglect how the crisis affects men and women differently, and as a result they are more likely to fail to address the gender aspects of poverty.

Referring to the perspectives and opportunities offered by EU funding through the European Social Fund (on the basis of Article 7) the European Community of Practice on Gender Mainstreaming (Gender CoP) argued that: *“The CPR Regulation 2014–2020 focuses on gender equality objectives and the dual gender equality approach more than in previous funding periods. But requirements that gender equality be integrated into all steps of planning and programming, as well as into procedures **and** thematic issues/areas of intervention (and that this needs to be reflected in all chapters and articles of*

the regulation) are lacking.”¹⁵ It is evident that a dual approach (specific actions benefiting the groups of vulnerable women, as well as effective gender mainstreaming throughout the policy cycle of actions funded by the European Social Fund 2014–2020) is an important tool for tackling poverty, especially that of women.¹⁶

A holistic approach to public policy making should in principle address (at least) five policy objectives:

Better analysis of gendered dimensions of poverty, by introducing new indicators that give more accurate data on gender in all forms of precarious employment, especially in feminised sectors, across the EU. More and better research on the gender-specific impacts of austerity measures, especially the impact of budget cuts on female employment rates and on forms for reconciliation of professional, family and personal life may contribute to a better understanding of gendered impacts of poverty.

Effective gender mainstreaming in legislation and regulations for employment and social security, by monitoring the implementation of labour rights in precarious feminised sectors of the economy, such as paid domestic work and care. Pension schemes also need restructuring to counterbalance gender gaps in pensions and encourage universal and income-based systems of social security.

Effective gender mainstreaming of economic and social policies, in particular through the economic and financial agreements between the European Union and the member states (for example introduction of a gender equality perspective in national programmes for structural adjustment).

¹⁵ Gender CoP, 2014, “Structural Funds Regulations” in *European Standard on Gender Mainstreaming in the ESF* <http://standard.gendercop.com/european-policy/implementation/structural-funds-regulations/>

¹⁶ See also the final report of the Gender CoP Working Group “Poverty and Social Exclusion” for a comprehensive analysis, data, indicators and resources in this issue (15.10.2014).

Development of specific gender-equality measures for the most vulnerable groups of people (where women are the majority): single parents, precarious workers, unemployed youth, low-income pensioners, migrants and ethnic minorities.

Reinforcement of democratic decision making, by encouraging the participation of women in political decision making, in particular in economic and financial sectors. Support for gender-sensitive public debates on democracy may challenge racist, homophobic and violent attitudes.