



Reports monitoring covid-19 pandemic in countries and regions of the Global South
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How the pandemic is affecting women's economy

The crisis associated with the pandemic has strongly affected health systems, education and the economy worldwide. These consequences have highlighted structural inequalities in all areas of our society, especially those associated with gender.

One inequality that is highlighted in this report is that related to informal employment. In this aspect, although globally the proportion of men who have this type of work is greater than that of women, this trend is the opposite in certain regions. As shown in Figure 1, both in Sub-Saharan Africa, South Asia and Latin America and the Caribbean, the percentage of women working in the informal sector is higher than that of men (UN Women, 2020).



Figure 1. Proportion of men and women in informal employment: globally; and regionally in Sub-Saharan Africa, South Asia, and Latin America and the Caribbean Source: UN Women, 2020.

These percentages are estimated to have risen recently as a result of the closure of educational institutions. This closure left 1.52 billion children and young people out of school, representing 89% of the world's student population. Consequently, the burden of domestic work, which falls mainly on women, such as caring for children and the elderly or other unpaid work, has increased. According to the same report, before the pandemic women already performed three times as much unpaid domestic and care work as men (UN Women, 2020).

These types of unpaid jobs have long been recognized as drivers of inequality, especially gender wage inequality. *UN Women* estimates that 47 million women and girls around the world will fall

below the poverty line as a result of the pandemic, further widening the poverty gap between men and women (UN Women, 2020).

According to a report by the *United Nations Development Programme* (UNDP, 2020), women in poverty, migrants and/or refugees are the vulnerable groups that suffer most from the impact of the pandemic. On the one hand, because of the increase in unpaid work mentioned above and the loss of income if they have informal jobs. And on the other hand, because the very conditions in which they live often do not allow them to carry out the recommendations of the *World Health Organization* (WHO), as is the case with physical distancing measures. Some of these conditions, such as the lack of access to water and informal settlements in Africa and Latin America, have already been analysed in depth in reports nº 12, nº 13, nº 14 and nº 15 of this same series (BIOCOMSC, 2020). Migrant and refugee women are also at additional risk since discrimination and xenophobia often limit their access to other types of jobs or livelihoods.

Finally, it is worth mentioning the gender gaps within the business framework. According to the *World Bank*, only one in three companies worldwide has a woman among its main owners. Figure 2 shows this and other data in different regions of the world (World Bank, 2020).

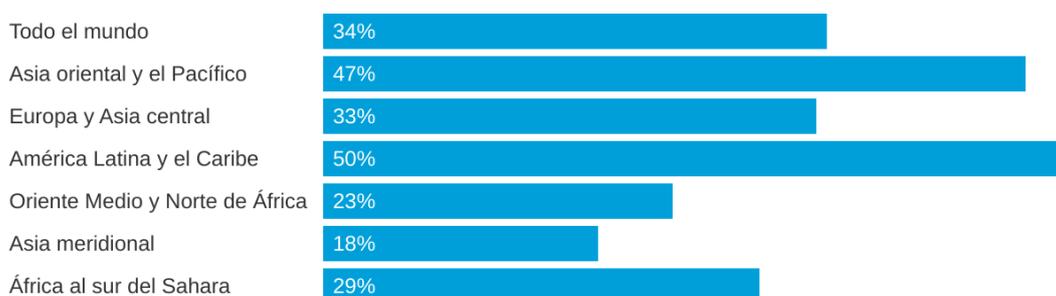


Figure 2. Percentage of small, medium, and large enterprises with a woman among the principal owners: globally and in different regions. Source: World Bank, 2020.

Additionally, also globally men are 3-6% more likely to borrow money and save for business purposes than women. This generates financial exclusion, specifically in those women trying to get capital to start or maintain a business. Furthermore, according to the same agency, women entrepreneurs play a very important role in economic development, but face many difficulties in financing, maintaining and growing a business (World Bank, 2020). Therefore, the empowerment of women in relation to their entrepreneurial capacity and the possibility of financing are essential factors for the success of their businesses.

The consequences of the pandemic are already being seen in different countries in Latin America and Africa. In relation to informal work, according to the newspaper *Página12*, by the beginning of June only 33% of domestic workers in Argentina had been paid during the quarantine. Within that percentage, a third of the workers admitted that they are forced to go to work anyway despite government restrictions and that is why they receive their salary.

In Brazil there have been many situations of labour abuse towards domestic workers, according to the newspaper *O Globo*. One situation in particular is the fact that many of these workers have been left in isolation within the homes of their employers. This makes it easier for their rights to be violated, having long working hours and less rest time. In addition, most of these

workers are not officially registered, which prevents them from benefiting from the economic assistance offered by the state. There are more than 1 million domestic workers in South Africa, according to *News24*. Many of them also report that they are not receiving their salaries during the quarantine. Moreover, 79% of all domestic workers in South Africa are not registered and 11% do not even know whether they are registered or not, which also makes it impossible for them to receive state benefits.

In terms of job losses, according to the *Midi Madagasikara* newspaper, women represent 60% of employees in the tourism field in Madagascar. It is estimated that some 40,000 women have already lost their jobs in this sector as a result of the pandemic crisis. In Mexico, according to the newspaper *La Jornada*, it is estimated that 21 million women have become unemployed in this period. Regarding the gender gap within employment in Mexico, according to this same newspaper, female labour participation in this country is 45% against male labour participation which is 80%.

As for women-led enterprises, countries such as Ivory Coast, the Democratic Republic of Congo, Madagascar, South Africa, Tunisia and Mexico have recognized that it is essential to provide support for such enterprises to survive the pandemic crisis. According to *News24*, the South African government has set a goal of ensuring that at least 40% of the goods and services purchased by public entities come from businesses owned by women. In Mexico, according to the newspaper *La Jornada*, the Governor of the municipality of Tultitlán gave microcredits to women entrepreneurs, in order to strengthen the family economy and reactivate local consumption.

Finally, it has been seen in different countries that groups of women have organized themselves to train and put into practice the manufacture of masks, helping to take economic advantage of the current demand for this product. These new enterprises are currently being carried out in countries such as Ivory Coast thanks to the feminist association *Idées de Paix* according to the newspaper *Linfodrome*. Also in Guinea with the help of the organization *Rio Tinto* together with a local NGO, where more than 60 women have been trained according to the newspaper *Guinee News*. In Rwanda, says *The New Times*, the local NGO *Root Foundation* is providing a 3-month course to 14 mothers on how to use sewing machines to make clothes and masks that they can sell in the future, and how to run their own business. According to the newspaper *La Prensa*, a group of artisan seamstresses from Panama's Azuero Peninsula have decided to make masks to combat the lack of work since their businesses were paralyzed.

In conclusion, in the regions of the Global South the great impact that the problems related to the pandemic are leaving on the economy of women has already become visible. In this period, there has been a large increase in the amount of unpaid informal work carried out by women in the home, which increases economic inequalities between men and women. These inequalities affect to a greater extent women in situations of poverty, migrants and/or refugees. In addition, many women with informal paid jobs are in an irregular situation, and therefore have not received their salaries during quarantine, have been in situations of labour abuse, or have lost their jobs. On the other hand, states in many countries agree that it is essential to support women-led enterprises, and many are already providing some assistance to help them move forward. Additionally, many women were able to count on training in the manufacture and sale

of masks, an indispensable product in high demand during this period. It is clear that this difference in economic consequences between men and women must be counteracted, first of all, with a cultural change in the social view of gender roles that both groups fulfil in the home. Secondly, by emphasizing the empowerment of women entrepreneurs through feminist organizations, state aid and increased financial opportunities, all key strategies for achieving women's economic autonomy. And finally, with an early policy response to combat economic inequality that involves a gender perspective.

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The research group BIOCOM-SC from the Polytechnic University of Catalonia is in contact with different research groups and governmental offices in order to jointly predict the evolution of the pandemic covid-19. Moreover, we follow up local media in 35 African countries and 9 Latino American countries and complemented it with interviews to field experts.

<https://biocomsc.upc.edu/en/covid-19>