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WOMEN

Mucheres

*Looking at the
Global Economy
through the
Eyes of Women*



from the
Congregation Justice Committee
in cooperation with the
Congregation Committee on Women
and the
Congregation International Committee

Around the World: Different Cultures, Common Problems

International Monetary Fund, World Bank, structural adjustment programs, free market economics...they all seem so distant and abstract. But the effects of economic policies advocated by governments, corporate interests and global financial institutions on the lives of women throughout the world are anything but distant and abstract. Millions of our sisters in the North and South contend daily with the consequences of “structural adjustment.” Listen to the stories of two such women:

Sally is 53 years old, has a college education and at one time was personnel manager for a firm that did contract work for the federal government. She lost her job during a period of corporate reorganization and downsizing. She has been unemployed for four years and homeless for a year. Her days are now spent in a women’s shelter in Washington, D.C. where she at least receives shelter and the medication she needs for epilepsy and high blood pressure. Although Sally desperately wants to work, many places refuse even to interview her because she is considered “over-educated” and therefore “unreliable” as a permanent employee.



Sally has been married for 35 years but separated from her husband for 30 because she is too afraid of her abusive spouse to reestablish the contact necessary to end the marriage legally. She laughs at the notion of police protection because, as she says, “The police don’t want to help you and neither does the legal system.”

Nor does the welfare system, it seems. Sally has been waiting for over 18 months for the government housing certificate which will enable her to live in low-income housing for the elderly and disabled. She has been trying for some time to establish her eligibility for Social Security.

“Once you are poor, you have no choices,” Sally insists “...I was raising my daughter and doing my share, doing what I was supposed to do to get ahead. It must be the system that’s gone wrong because I was doing all the right stuff. But look at me now.”

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Josefa, who lives in the interior of Brazil, is leader of the local farm workers union. Because they could not purchase land to farm, she and her group took over a piece of fallow land two years ago and planted wheat. But at harvest time, Josefa's community found the price for their wheat on the open market so low that they could not cover their costs.

Later as they reflected on this situation at a union meeting and were still trying to find the reason for the low prices, they decided to ask the officials. The mayor said prices were low because of a federal law. The federal representative said it was the agro-industrial company who established the prices. "How can they set the price so low?" the union members asked.

Here is what they learned. The use of non-union labor allows for minimal salaries, and the use of chemicals for fertilizing and agro-toxics for killing insects contribute to lower labor costs. The toxics and the overuse of the land for wheat farming are hastening ecological destruction. The crops grow faster, seem healthier and produce more wheat. Furthermore, federal law protects the use of these toxics and non-union labor.

The result? Diminishment of union influence, unavailability of land for small groups of farmers, risk to the personal health of the farmers, destruction of the environment, and low prices for crops grown for export and for big profits which benefit the elite.



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Do you know any women like Sally and Josefa?

Their stories are not isolated occurrences. Recent studies done in conjunction with the Fourth World Conference on Women indicate that wherever poverty exists, women carry a disproportionate share of its burden. Moreover, as the stories illustrate, women's experiences are remarkably similar throughout the world. Are the problems these women are experiencing circumstantial? Or structural? Consider these trends which are observable worldwide:

- high unemployment accompanied by increases in part-time or temporary work with low wages and few or no benefits
- high incidence of violence and abuse of women
- environmental degradation coupled with weakened environmental regulations
- cuts in social services, and lack of “safety net” programs for the poor, especially women and children
- loss of buying power for workers
- breakdown of families due to economic pressures
- takeover of control of national economies by global financial institutions and transnational corporations (TNCs)
- an ever-widening gap between the rich and the poor

The global economic structure that encourages these trends is **neoliberalism** or **free market economics**. The theory underlying neoliberalism is that continued, unlimited economic growth is possible if the market operates freely, without government interference, control or oversight.

The main objectives of neoliberalism are:

- “liberate” business from oppressive government controls
- cut taxes on corporations and high income individuals
- reduce government budget deficits
- privatize public services and enterprises
- put downward pressure on wages and benefits to enhance the profitability and competitiveness of transnational corporations

What are the effects of neoliberal economic practices?

- Because government deregulation of businesses seldom factors in the social and environmental costs, humans and the environment are often put at risk.
- Tax cuts are supposed to stimulate investment, but often the freed-up money is used for luxury items, non-productive speculation, or investment in other countries.
- Government budget tightening means dramatic reductions in social spending but not in military spending.
- Services are privatized for efficiency, but the poor have less access to necessary services because government oversight is replaced by the profit motive.
- Questionable assumptions of neoliberalism.
- Nation states are economically healthy when transnational corporations are healthy.
- Competitiveness is the best organizing principle for a stable economy.

(*Women's Lives in a Changing World*, Alt-WID, Center of Concern, Washington, D.C. Used with permission.)



Why should we care?

Neoliberalist policies and practices are resulting in crushing poverty for millions of people throughout the world, including the United States. Women and children suffer the debilitating effects in a disproportionate way. The Gospel, our Mission Statement and Chapter Direction call us to care—and to take action.

What can we do?

- Learn more about economics and the effects of neoliberalism by making use of the following videos.

To Be A Woman:

describes the effects of structural adjustment in Ghana, Uganda and Zambia

Banking on Life and Debt:

gives an introduction to the debt crisis

Who's Counting?:

illustrates the absence of women's work as part of the global economic equation

Demythologizing Economics:

is a seven-part series showing the history, structure and present workings of the World Bank and IMF.

A guide book, glossary and action suggestions are included.

- Subscribe to *Center Focus*, the newsletter of the Center of Concern. It's an excellent resource! Write to James Wolfensohn, president of the World Bank, and Michel Camdessus, executive director of the IMF. Alert them to the fact that you are promoting genuine debt relief and that you intend to monitor their practices in the developing countries.
- Contact the Religious Working Group on the World Bank and the IMF. Ask for a copy of the "Moral Imperatives," the proposed scripture-based criteria for the bank and fund to use when considering loans to the developing countries. Use the Moral Imperatives as a basis for prayer and action with the bank and IMF.
- Join Jubilee 2000/USA in their call for the forgiveness of unpayable debts. Purchase their Education Packet and follow through on the education and action suggestions. Use it as a basis for congregational education on global economics and debt.