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& OESTERREICHISCHE ENTWICKLUNGSBANK AG (OEEB)

RESEARCH STUDY ON THE TRANSFORMATIVE IMPACT OF GENDER-LENS INVESTING

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Literature Synthesis

THIS LITERATURE REVIEW WAS PRODUCED BY SYSPONS
GMBH WITHIN THE FRAMEWORK OF DEG'S AND OEEB'S
RESEARCH STUDY ON THE TRANSFORMATIVE IMPACT
OF GENDER-LENS INVESTING.

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1 Literature Synthesis

1.1 Objective

Within the framework of DEG's and OeEB's "research study on the transformative impact of gender-lens investing (GLI", the study team conducted a literature review to synthesize existing research on the transformative effects, outcomes, and impacts of women's economic empowerment (WEE)¹ in developing countries. The literature review sought to answer the following questions:

- What **evidence** exists on transformative **effects of GLI on WEE**? How does GLI achieve WEE outcomes? What are enabling factors/what factors need to be promoted for WEE to be achieved?
- What evidence exists on transformative **effects of GLI on other aspects related to gender equality and women's empowerment**?
- In what ways does WEE interact with **other dimensions** relevant to gender equality at micro, meso, macro level?

The following document presents the results of the conducted literature review.

1.2 Scope and Limitations

Based on the resources of the study as well as initial literature insights, the following scope and limitations of the literature review are:

- While a large body of research on women's empowerment exists, the study team foresaw that it was beyond the study's **resource scope** to conduct an extensive review. Therefore, the focus was placed on key literature suggested by DEG and OeEB and the study's academic partner. Moreover, it was anticipated that the extent to which **generalizable empirical evidence** could be identified and linked to private sector investments is limited.
- **Thematically**, the study team decided to pay particular attention to the connection between WEE and **reproductive empowerment, gender-based violence (GBV)**, and the effects of skills promotion on **occupational and sectoral segregation**².
- It was differentiated as much as possible between specific aspects of GLI (workplace equity, products and services, as well as capital), types of investments (financials, non-financials, funds) and micro-, meso- and macro-level effects.

In total, the study team identified approximately 80 academic and grey literature articles, reports and websites, out of which 37 were included in this review. Thematically, these covered the following areas of research:

- WEE (8)
- GLI (10)
- Reproductive empowerment (4)
- GBV (5)
- Sectoral and occupational segregation (2)
- Measurement of WEE (2)
- Demographic dividend (2)

¹ We understand women's economic empowerment as a process "whereby women and girls experience transformation in power and agency, as well as economic advancement"³. "Power" can take different dimensions or change outcomes that are: 1. Power within: the knowledge, individual capabilities, sense of entitlement, self-esteem, and self-belief to make changes in their lives, including learning skills to get a job or start an enterprise. 2. Power to: economic decision-making power within their household, community, and local economy (including markets). 3. Power over: access to and control over digital⁴, financial, physical, and knowledge-based assets, including access to employment and income-generation activities. 4. Power with: the ability to organize with others to enhance economic activity and rights.⁵

² The definitions of these terms as referred to throughout the study are laid out in the full report..

– DFI publications and websites (13)³

1.3 Literature Findings

The literature reviewed within the scope of the study confirmed the limitations: The review **did not find generalizable empirical evidence** on the effects of GLI on WEE and other areas of influence relevant to women’s empowerment. This can be explained by a **lack of data** and academic literature that is transferable to the work of DFIs. Academic literature, for instance, often focuses on microfinance programs. Publications by DFIs, in turn, focus mostly on the **business case** for GLI or report on **what is being** done to contribute to gender equality. How activities achieve their intended impact and what actually leads to WEE is, however, less evident.

While this meant for the overall research study of DEG and OeEB that **additional methods were necessary** to contextualize DEG’s and OeEB’s portfolio analyses and to lay the foundation for developing theories of change (see Chapter 3), the study team synthesized the reviewed literature to provide insights into the **state of the field** of research on GLI and WEE more generally.

Since the reviewed academic literature did not provide transferable insights on transformative effects of GLI, this section focuses on **general findings on WEE** and its interaction with reproductive empowerment, GBV as well as sectoral and occupational segregation.

1.3.1 Women’s Economic Empowerment

Finding 1: Empowerment is a complex and multi-layered process. Since outcomes are highly context-specific and dependent on program design and implementation, interventions seeking to enhance WEE must go beyond a “one-size-fits-all” approach. A wide variety of studies from different countries illustrates the various factors that can influence WEE and show that a “win-win” cannot be assumed between wider development outcomes and gender equality.

Based on a holistic understanding of WEE, Hunt & Samman (2016) brought together Gallup World Poll Data from over 160 countries (2006–2015) to determine 10 **interconnected direct and indirect key factors that can either enable or constrain WEE**. Direct factors are linked to women’s individual or collective lived experiences and include 1) social protection; 2) access to property, assets, and financial services; 3) address unpaid care and work burdens; 4) education, skills development, and training; 5) collective action and leadership; and 6) access to quality, decent paid work. Underlying factors are those structural conditions that determine the former, namely 1) legal, regulatory and policy structure; 2) gender norms and discriminatory social rules; 3) labor market characteristics; and 4) fiscal policy.

In a similar vein, the multi-country research program “Pathways of Women’s Empowerment” explored what works to support women on their journey. Confirming that there is no “one-size-fits-all” recipe to empowerment, Cornwall (2016) highlights that the **common emphasis on “assets” and “opportunity structures”** diverts from the relational nature of empowerment (see Finding 2). Hence, improving access to generating income and creating enabling laws, policies, and institutions will not be transformative unless the **structural root causes** of poverty and gender inequality are addressed. Her findings from the Pathways program demonstrate that two levers are needed to support women’s empowerment: 1) Power with/within, **building critical consciousness** of men and women, e.g., by engaging them in reflections on own circumstances and sharing that process with others; and 2) **Engaging with culturally embedded beliefs** about gender, power, and change, such as through formal training courses or women coming together to share experiences. Beyond this importance of building individual and collective power to

³ Some publications covered several topics and therefore add up to more than the referenced 37 documents.

challenge norms that perpetuate injustice, Cornwall (2016) presents two other important learnings: 1) Changing **cultural production**, or the way in which women are represented and imagined in popular culture, e.g., by working with creative communications to challenge gender stereotypes, influences women’s sense of power; and 2) Frontline **staff** and those who mediate empowerment work play an important role in supporting women’s pathways by building **relationships** of trust with them (see Finding 6). Development interventions mainly focus on individual women, yet the empowerment of these “agents of change” is equally important.

Finding 2: In line with a holistic understanding of WEE, economic advancement does not lead to empowerment per se. Yet, most programs tend to primarily focus on income and access to opportunities, with less consideration given to women’s and girls’ agency and power.

Different authors have criticized the predominant focus of WEE interventions on **economic advancement** and **access to opportunities**, such as to markets, education, land, rights, or information (see for instance Burjorjee et al. 2017; Chant, 2008; Cornwall, 2016; Markel et al. 2016; Perezniето & Taylor, 2014). This overemphasis neglects other more complex and abstract dimensions of poverty and empowerment, such as the **capacity to command and allocate resources** within households, which may be more important to women than being able to access resources (Chant, 2008). In this vein, Markel et al. (2016) argue that most WEE interventions and market systems in general are limited by a lack of understanding of how **socio-cultural contexts** influence women’s decision-making and ability to engage with and benefit from provided opportunities. Accordingly, even where programs seek to enhance women’s agency (voice, choice, decision-making power), the **social norms and beliefs** that influence the ability to participate fully in a program or market system need to be explored and understood (see Finding 3).

Finding 3: Attitudes, norms, and behaviors of women and men, which differ drastically by context, influence the outcome and impact of WEE programming. Understanding how those apply and can be transformed in a certain context as well as involving men and boys, are therefore critical to any WEE intervention.

Investing in women on their own is less likely to yield its intended effects if the **informal rules of social norms and behaviors** are not considered within program design and implementation. Bujorjee et al. (2017), who write on the change of social norms for women’s financial inclusion, argue that “**norm-aware and norm-transformative efforts** are critical for closing the gender financial inclusion gap”, as “restrictions on women’s mobility and safety, intrahousehold decision-making, and unpaid work and perceptions of appropriate roles for women in the community, tend to restrict women’s access to and use of finance” (p.4). Often, the outcome and impact of a program will depend on the **acceptance and reaction of men** regarding women’s changing roles and status (Perezniето & Taylor, 2014), yet women themselves can also hold point of views that discriminate against women in the workforce due to their socialization (Hunt & Samman, 2016). Consequently, effective programming goes beyond understanding how women use e.g., financial services; society’s expectations of women’s access to and control over resources and new technology, as well as the role of men and boys within this social construct need to be taken into consideration (see Findings 5-6).

While it is widely agreed that social norms and behaviors impact WEE, **knowledge gaps** remain. These are summarized by Marcus (2018) and include: 1) What norms facilitate WEE; 2) The processes of gender norm change (or lack of change) associated with significant economic transformations (e.g., trade liberalization or GDP growth); 3) The design of economic empowerment programs to support processes of change to egalitarian gender norms; 4) The ways in which norms affect women’s economic activity at different stages of life and among different social groups; and 5) How men and norms of masculinity contribute to divisions of labor, norms about paid and unpaid work, and job segregation.

Finding 4: In addition to asking “what works” for WEE, institutions must ask “for whom” and move beyond relying on assumptions. Too often, women are considered a homogeneous group, yet different sections of the population may need different services.

Different authors have criticized the lack of attention to differences among women, and to how this **heterogeneity affects the outcomes** of WEE programs (see for instance Buvinic et al. 2013; Buvinic & Furst-Nichols, 2014; Chant, 2008; Kabeer, 2009; Perezniето & Taylor, 2014). With regards to financial service provision, Kabeer (2009) notes that a single model may not serve the **various needs** of different sections of the population. For instance, **different kinds of services** may be needed for the very poor, who may prioritize safety of savings before moving onto credit and larger financial products, reflecting different **abilities to take risk**. Moreover, a World Bank Group study by Buvinic & Furst-Nichols (2014) provides insights not only into “what works” to increase women’s earnings and productivity, but also “**for whom**”. Researching the effectiveness of interventions providing access to capital and savings accounts, business management training, on-the-job and skills training, and job vouchers on WEE, the authors differentiate between outcomes for poor, very poor, and non-poor women (based on income levels, form of occupation, nature and size of farms or firms), and young in contrast with adult women (15-24 or older in conflict settings versus 25-64 years old). In general, they found that very poor women are in need of services that offer **more intensive support** than do less poor women. Access to capital alone, in the form of grants or loans, were not enough to grow subsistence-levels, mainly due to internal or external pressure hindering women from investing in their business. Even when combined with business training, the results depended on women’s economic **decision-making power** within the household and other external constraints such as **household duties**. A lack of positive business training outcomes was also attributed to women’s **lower-quality businesses**. With regards to age differences, Buvinic & Furst-Nichols (2014) showed, however, that poor young women in conflict-affected northern Uganda were able to increase their earnings with large unconditional grants even without business training. In promoting women’s employment, skills trainings and on-the-job trainings proved successful. Here, success was tied to the **soft skills** that women acquired in addition to technical skills, the **quality of their training**, and the **commitment of firms** to hire trainees. Nevertheless, **social restrictions** and **external constraints** led young women to drop out of training programs frequently; trainings were also **more expensive for** women, who had little access to financing, and were treated worse than men during apprenticeships. In addition to the package of services necessary to tailor to different, individual needs of women, the study emphasized the importance of the **length of a program**, with longer courses having greater impact (ibid.; Mayoux, 2000). Kabeer (2012) also notes that women’s **motivation** to participating in a program influence its outcome and impact.

Finding 5: Effective programming for WEE moves beyond a focus on individual women to address the responsibility and role played by men and institutions.

Chant (2008) describes how the recognition of the poverty feminization led to a ‘**feminization of anti-poverty programs**’ and in consequence to a ‘**feminization of responsibility and obligation**’, which highlights how programs that focus on women avert attention from men and gender relations.

Apart from ignoring the **responsibility that men and institutions**, this also carries the risk of exacerbating women’s **burden of coping** with poverty and of **reinforcing persisting gender stereotypes** (ibid.). As mentioned in Finding 3, men play an influential role in WEE, as their acceptance and reaction regarding women’s changing role and status determines the outcome and impact of interventions. Hence, programs that involve gender activities for men alone or men and women in some aspects are deemed more effective (Hughes et al., 2015; Mayoux, 2000). In the case of a study on the impact of WEE on the prevalence of domestic violence by Hughes et al. (2015), for instance, the active involvement of men in WEE programs led to more equitable outcomes in regard to gender norms and ascribed roles within the household.

Finding 6: WEE capitalizes on relationships and collectivization. Making gender issues visible at macro level is, then, another key success factor.

Cornwall (2016) emphasizes the **power of relationships, collectivization, and movement building** in enhancing WEE. Her findings from the multi-country research program “Pathways of Women’s Empowerment” highlight the need to engage **frontline program staff and women’s rights organizations**, who play a vital role in supporting WEE through their close relationships with beneficiaries, and contribute to norms change. They, as well, although

rarely targeted by interventions, must be empowered as **agents of change**. Investing in hiring staff working on women's empowerment and in staff's skills are therefore key to enhancing WEE.

Beyond their relations with program staff, women's empowerment relies on building critical **consciousness** through reflecting on their own circumstances. This process should be shared with other women, building **symbolic and social resources** found in coming together with others, breaking isolation, and contesting restricting beliefs and expectations collectively (ibid.). Mayoux (2000), who assessed and questioned the benefits of microfinance programs for women, stressed that programs were particularly successful if linking members to macro-level gender advocacy, making visible emerging issues in national and international policy debates. Consequently, WEE is directly linked to **social and political empowerment**.

Finding 7: WEE is a complex process that is difficult to measure. With a view to a holistic understanding of WEE, there is a lack of comprehensive measurement and data, especially on changes in agency, norms, and attitudes. More work is needed to develop measures that can holistically assess WEE in different local contexts.

In their review of 70 evaluations of development interventions impacting WEE, Perezniето & Taylor (2014) assessed those few that went beyond economic advancement and adapted a holistic approach to synthesize learnings from their monitoring and evaluation methods. Thematically, interventions in the areas of, amongst others, financial services, business development services, asset provision, and skills training were included. Their findings and recommendations are that: 1) It is important to have an evaluation team with **gender expertise**, and to start off with a **context analysis**, including a gender analysis. 2) Indicators should measure the **transformational changes** in economic advancement in relationship with women's and girls' agency and power based on a **theory of change** or framework. Where agency and power were assessed, this was often limited to decision-making within the household; it is necessary to explore additional metrics to capture changes in norms and attitudes. 3) To understand if, how, and why change occurred, a **mix of quantitative and qualitative methods** is indispensable. 4) Indicators should be defined in a **participative way** including both women and men to render them context-specific and to avoid that evaluation teams rely on assumptions and stereotypes about gender roles and relations. 5) To highlight, **men** will also need to be interviewed: "It could be argued that it is impossible to measure women's economic empowerment unless men's attitudes and behaviors are also considered" (p.244). 6) With regards to what exactly indicators should measure, the authors advise to capture: Effects of the wider market, value chain, and employment, as all of these will affect women's economic advancement and empowerment; rights of women in enterprise; change in gender mainstreaming and attitudes in institutions; changes in men's and women's social capital, economic autonomy, and political participation; gender differences in empowerment between women and men to increase local relevance, and finally attitudes, norms, and behaviors of women and men.

The newly established **WEE Measurement Compendium** of the Center for Global Development and Data2X selects and reviews tools that measure WEE to provide an overview and facilitate their use (Buvinic et al. 2020). Based on literature, the Compendium drew up a framework that conceptualizes WEE as a process and as an outcome to guide the selection of tools. Its WEE framework suggests that the following variables need to be captured: 1) Resources: Context factors, household factors, economic opportunities for women, and individual capacities; 2) Agency: Exercise of agency/empowerment; and 3) Achievements: WEE.

How DFIs are incorporating and measuring WEE will be further assessed in section 1.3.2.

1.3.2 Women's Economic Empowerment & Gender-Based Violence (GBV)

Looking at the relationship between WEE and GBV, WEE can either decrease or increase GBV. The following findings explore why this is the case, emphasizing the need for more data and learning on the interaction between WEE and

GBV. They also look at what programs and the private sector can do to prevent and respond to the risk of GBV and Harassment (GBVH).

Finding 8: The relationship between WEE and GBV is highly context-specific and is influenced by program design and implementation.

In their study on the relationship between WEE and domestic violence (as one form of GBV only), Hughes et al. (2015) determine a set of four factors that may influence the outcome: 1) The **socio-cultural context** of households, including culturally conservative or patriarchal contexts, women’s option to be economically independent, (in)dependency on marriage; 2) **Characteristics of households**, namely power and resources of women and men and decision-making, income-generation, education; 3) **Characteristics of individual**, which are not generalizable but in this study the risk was reduced by belonging to a certain ethnicity, higher marriage age, earning and controlling cash, fewer children, and strong social networks; and 4) **WEE process** as facilitated by programs (see Finding 11).

Finding 9: WEE programs can either increase or decrease GBV. The evidence is inconsistent.

On the one hand, there is evidence showing that WEE increases the risk of GBV. WEE can challenge the **status quo in the household**, upsetting the balance of **traditional gender roles and power**, e.g., by trying to control and decide over income. This can result in men using violence to maintain their position (Mejia et al., 2014; Hughes et al., 2015). In a study by Hughes et al. (2015), conflict in Bangladesh arose over a women’s inability to secure new loans from a microfinance program and men’s subsequent anger; in India, it was problematic for women to have an employment outside of home and an independent source of income. Tensions in households can also increase as men withdraw their own incomes while women struggle to retain control of their own earnings, which can lead to divorce, abandonment, or violence (Mayoux, 2000).

On the other hand, evidence also indicates that WEE can reduce GBV due to women’s educational or financial empowerment and thus providing them with a **higher status** in the household (Mejia et al., 2014). Economically, men might feel less stressed, which, in other circumstances, might be expressed through violent behavior against women. Women may improve their **bargaining power and financial independence**, now able to challenge the acceptability of violence, demand better treatment from partners, leave violent relationships, and raise community awareness about the issue (Hughes et al., 2015).

Finding 10: The type of capital WEE programs provide determines GBV outcomes. Moreover, community inclusion, providing safe spaces, GBV procedures and working with and training GBV expert staff are key to mitigating risks.

Different studies on GBV and WEE conclude that microfinance or cash transfer programs showed more positive outcomes when providing **social, human, and/or physical capital** in addition to financial capital (see Mejia et al. 2014; Hughes et al. 2015; Kerr-Wilson et al. 2020). Skills training (communication, critical thinking), awareness raising, social support, networking, and mentoring increased women’s confidence and knowledge, and their ability to negotiate conflict, providing them with the capacity to navigate potential backlashes and household tensions. In addition, interventions with an **explicit gender or GBV component** include discussions on gender and GBV, outreach to male partners, families, and communities, and intentionally helped both women and men to internalize more equitable gender norms and attitudes. Recommendations for WEE programs include: 1) Going beyond solely providing financial capital; 2) Promoting gender equitable norms and raising awareness within communities and households, e.g., through campaigns and targeted trainings; 3) Engaging men and boys constructively and early on to promote gender equitable norms, e.g., engaging them early on to explain the program and gain support, including them as direct participants, or involving them in male-only or couple discussion sessions; 4) Providing safe spaces for participants to access support, mentoring, and share their experiences; 5) Being attentive to prevention and response in WEE programs, incorporating gender specialists, and training staff (ibid.).

Finding 11: To build the evidence base for improved programming, more research and evaluation on the intersection of WEE and GBV is needed.

In their literature review, Mejia et al. (2014) found a limited number of WEE interventions that assessed GBV outcomes. Only 8 out of 19 included interventions were deemed effective in changing behaviors about GBV and/or lowering GBV, however these effects were mainly based on **anecdotal evidence**. More systematic qualitative and quantitative program monitoring and research on GBV needs to be included into the WEE agenda, not only to build the evidence base, but also to report and mitigate the risks of GBV incidents that are a result of an intervention (ibid.; Mejia et al., 2014).

Finding 12: With regards to the private sector, GBVH needs to be actively prevented and responded to by investors and companies. Consequently, it must be invested in policies, procedures, awareness raising and trained investigators.

In a common note, EBRD, CDCD & IFC (2020) provide guidance for investors and companies on emerging practices in addressing GBVH. Recognizing this a “relatively new and complex area” (p.4), it proposes the following measures for the private sector to prevent and respond to reports effectively and proactively: 1) Making GBVH risks understood with clear messaging, strengthening **leadership and company culture**; 2) Developing and communicating **policies and codes of conduct** that define GBVH, sanctions and disciplinary procedures, and prevention and response measures; 3) Establishing grievance **mechanisms and investigation procedures** to report incidents safely and anonymously; 4) Drawing on **experienced and trained investigators** to conduct investigations; 5) Having **reporting mechanisms and monitoring** in place; 6) **Working with contractors and suppliers to address GBVH** through procurement processes, contract selection and negotiation and regular engagement along the supply chain; 7) Improving the safety of the **physical design of worksites and service delivery locations**; 8) Providing **training and awareness raising** internally and externally; 9) **Strengthening recruitment and performance assessments** so that they address GBVH risks and enable fair and transparent decision-making on hiring, promotions and performance-related pay.

1.3.3 Women’s Economic Empowerment & Reproductive Empowerment

Finding 13: Since employment and fertility are closely linked, WEE depends on access to reproductive health and childcare services.

Summarizing the current state of knowledge regarding the intersection of WEE and reproductive empowerment, as well as the quality of work, Gammage et al. (2020) finds that “[t]he economic empowerment of women as manifest in their choice of where and when to work, and under what terms and conditions, is **intimately linked** to reproductive empowerment and the choice about the timing, spacing, and number of births” (p.14). Yet, a more integrated scholarly approach is needed to explore the close link between employment and fertility, to consider quality aspects of employment and reproductive health services, and to understand how care provision and services mediate outcomes.

In the developing world, balancing care responsibilities and employment often push women into the informal sector; their reproductive empowerment is likely to influence their “choice” of formal or **informal work**. Though women in contexts with available **formal employment and statutory rights** such as maternity and paternity leave, social protection, and effective labor market institutions, have more possibilities to enjoy formal employment, their working hours are still depend on their ability to access **childcare services**.

Therefore, labor market policies and training interventions, e.g., targeting the unemployed, need to take into account access to reproductive health and childcare services.

Finding 14: To distribute unpaid care work more equitable, shared responsibilities must be promoted.

As Chant (2008) argues, the acknowledgment of the ‘feminization of poverty’ has led to the ‘feminization of anti-poverty programs’ as a response, which, in turn, has led to a ‘feminization of responsibility and obligation’. Instead of poverty, the burden of dealing with it should be emphasized as a step towards the active support of men, employers, and public institutions in **sharing responsibility for domestic labor and unpaid care work**.

Finding 15: The demographic dividend is not primarily driven by declining fertility rates, but by improved educational attainment.

Regarding the demographic dividend, Seguino (2017) finds that greater female **educational attainment** leads to a decrease in fertility rates, which, in turn, reduces women’s unpaid labor burden and facilitates their greater labor force participation. At the same time, the working age population grows at a faster rate than the overall population, lowering the dependency ratio with positive effects on per capita growth.

Lutza et al. (2019) confirm that the demographic dividend is driven by **human capital**, which manifests in a clear dominance of improving educational attainment over age structure. Instead of seeing the causal trigger in declining fertility rates, resulting in a higher proportion of typical working age, policy priority should be a focus on strengthening societies’ human resources. According to their panel, drops in fertility may even lead to worsening economic conditions if they happen in the context of low education. One presumption is that a greater proportion of young adults with low education and less family duties have the potential of causing more political and economic insecurity. In countries with large parts of the population having at least completed primary education, positive growth effects are reaped.

1.3.4 Women’s Economic Empowerment & Sectoral and Occupational Segregation

With regards to the effects of GLI on WEE in relation to sectoral and occupational segregation, the reviewed literature did not provide conclusive evidence. There seems to be no common agreement on what may lead to a more equal distribution across sectors and occupations, or, more precisely, on how exactly this is achieved. We know that structural forces and social norms are at play; that education may even increase segregation; and that tacking gender wage gaps and enhancing the quality rather than the quantity of jobs are key.

Finding 16: From a macroeconomic perspective, job segregation coupled with wage discrimination (including with increased female labor force participation) can stimulate growth. To achieve both gender equality and growth simultaneously, four conditions should be striven for.

From a macroeconomic perspective, Seguino (2017) looks at how gender equality or inequality influences outcomes on the macro level. While these depend on the context of every country, e.g., with regards to the structure of the economy and division of labor according to gender, her research shows that both higher gender equality and production growth are more likely when 1) women and men share **social reproduction** more equally; 2) **gender wage** gaps are reduced; 3) an extensive **high-quality paid (and affordable) care sector** exists; 4) there is **investment in reproductive infrastructure** to reduce the burden of care work.

Finding 17: Sectoral and occupational segregation is, amongst others, driven by gendered preferences and risk aversion as well as rising education levels, but not by income levels. Policies must break down gendered segregation in unpaid and paid work, and either directly tackle sectoral and occupational segregation or counter gender wage gaps.

Occupational and sectoral segregation by gender has, according to Borrowman (2017), been persistent across time and space in developing countries, and is a main factor for the prevalence of **gender wage gaps**. As driving factors, the author highlights that a country's openness to trade is most significant, as well as women's and men's **different preferences** and "**risk-aversion**". In contrast, no impact on occupational or sectoral segregation was attributed to **income** levels. Interestingly, it was found that **rising female participation in the labor force** in developing countries is leading to a more equal distribution of women and men across sectors, but into a limited number of occupations within these sectors. With rising **education** levels, overall or for females relative to males, segregation tends to grow rather than decrease. In terms of sectoral segregation, this suggests that more female education pushes women into certain sectors, namely health, education, and public services. Consequently, Borrowman (2017) concludes that rising female education and formal labor market participation levels do not per se contribute to gender equality in the formal labor market, which is indicative of the presence of strong **structural forces and social norms**. As a first step, it is thus argued that policies must support breaking down gendered segregation in **unpaid and paid work**. Then, policymakers can either focus on 1) **directly tackling sectoral and occupational segregation** (mentoring, quotas, specific programs for women and girls), or on 2) **reducing large gender wage gaps**, the result of segregation (through comparable worth policies, in developing countries via the public sector which then affects the private sector).

Finding 18: As segregation is indicative of structural forces, the key challenge is not to provide more employment, but rather quality jobs for women.

Additionally, Kabeer (2012) suggests that not the quantity, but **quality of jobs for women** is important to overcome gender segmentation of the labor market. Their lower level of participation in the labor force and a concentration in the poorest segments of the labor markets are a direct reflection of gender rules, norms, and roles, both within family, society, and institutions. An increase in jobs alone cannot make up for these disadvantages. The key challenge is to overcome the gender segmentation of the labor market, the limited number of segments to which women are confined and their over-representation in activities that pay less, have poorer working conditions and little scope for career advancement.

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