



## **Working Paper No. 493**

---

### **State, Difference, and Diversity: Toward a Path of Expanded Democracy and Gender Equality**

by

Rania Antonopoulos  
Gender Equality and the Economy Program  
Levy Economics Institute of Bard College  
[rania@levy.org](mailto:rania@levy.org)

and

Francisco Cos-Montiel  
Gender Institute, The London School of Economics  
[F.O.Cos-Montiel@lse.ac.uk](mailto:F.O.Cos-Montiel@lse.ac.uk)

March 2007

---

The Levy Economics Institute Working Paper Collection presents research in progress by Levy Institute scholars and conference participants. The purpose of the series is to disseminate ideas to and elicit comments from academics and professionals.

The Levy Economics Institute of Bard College, founded in 1986, is a nonprofit, nonpartisan, independently funded research organization devoted to public service. Through scholarship and economic research it generates viable, effective public policy responses to important economic problems that profoundly affect the quality of life in the United States and abroad.

The Levy Economics Institute  
P.O. Box 5000  
Annandale-on-Hudson, NY 12504-5000  
<http://www.levy.org>

Copyright © The Levy Economics Institute 2007 All rights reserved.

# **State, Difference, and Diversity: Toward a Path of Expanded Democracy and Gender Equality**

by Rania Antonopoulos and Francisco Cos-Montiel

## **ABSTRACT**

The centrality of the state in promoting gender equality is generally acknowledged, but a perplexing and complex issue confronts us: should the state treat men and women in identical ways, or should it legislate and enforce policies that are aware of gender differences? In other words, should the state be gender-blind or gender-sensitive? Gender, ethnic, religious, sexual orientation, ideological, economic, political, and cultural dimensions represent diversity among citizens. This paper argues that if the goal of the state is to promote democratic participation for all, a distinction must be drawn between socioeconomic characteristics that signify difference and those that manifest inequalities. The former require a politics of acceptance and recognition and policies to match, leading to equal treatment for all despite differences, while the latter necessitate interventions that remedy or remove structural elements that result in inequalities. The authors suggest that such a framework is useful in that it lends itself to a better understanding of gender-based asymmetries.

**JEL Classifications:** H1; E61; I3; J16

**Keywords:** state, inequality, difference, citizenship, social exclusion, gender, poverty

## I. INTRODUCTION

Over the course of the last century, liberal democracy replaced authoritarian forms of governance in many parts of the world, including Latin America, beginning with the mid-1970s. However, challenges regarding democracy's efficacy in achieving participation in political, economic, civic, and cultural life *for all* remain. These challenges emanate from a variety of constituencies and in many forms. It is not surprising then that democracy's complex relationship to rights, citizenship, and statehood has been explored in multiple fora and from a variety of perspectives, evidenced also in the contributions of participants in the Project for Democratic Development in Latin America (PRODDAL) (UNDP 2004). Within this context, this paper puts forward some reflections on *state and diversity*.

Statehood, in its most prevalent and widely accepted liberal democratic form, is built upon the notion that all its citizens must be treated *equally*, in a nondifferentiated manner and according to identical values and principles. On the other hand, *diversity* of citizens, an open-ended concept that encompasses ethnic, regional, gender, religious, economic, political, social, sexual orientation, ideological, and cultural dimensions, requires that existing *differences* be acknowledged. Interpreting these seemingly conflicting stands is far from trivial. They influence current discourse, and as such, they impact on politics, policies, and practices. They also shape distinct visions of *how* to promote the realization of full citizenship and social inclusion, as they may invite distinct economic policies and development strategies.

Debate on this issue is cast—more often than not—by contemplating the relationship of opposites such as the “collective” versus “individual”; “universal” versus “particular”; “sameness” versus “difference.” These concepts have been scrutinized within the social choice, rights-based, capabilities and functionings, multiculturalism and universalism, and horizontal versus vertical equity, among other frameworks; in this short note we cannot do justice to this complex and multilayered literature. We will instead limit ourselves to contextualizing our remarks in regards to public policy and concretize them at the end of this note by making references to *gender-based differences*.

As we proceed, we keep in mind an underlying challenge raised in *Ideas and Contributions; Democracy in Latin America* (UNDP 2004): How does one ensure that the state promotes democratization? And how can we do that by returning economics into politics and, in a nonpopulist way, by placing the market in the service of all citizens?

## **2. THE STATE: LEGAL RIGHTS, INDIVIDUAL CHOICE, AND RIGHTS OF DIVERSE GROUPS**

Liberal democratic states share many characteristics, but two of them are of particular importance for our discussion. In promoting democracy, the first pertains to the state's responsibility to safeguard individual freedoms and uphold political and legal rights.<sup>1</sup>

To this end, legislation and institutions have been put in place to protect fundamental rights, to redress discriminatory practices—based on sex, religion, ethnic, race, and other *differences*—so as to enable citizens to exercise these rights. Much progress has been made in this domain, manifested in political citizenship, but it has been noted that the strengthening of political rights in Latin America has taken place alongside serious economic and social problems with concurrent deficits in civil and social citizenship.<sup>2</sup>

Endemic to securing freedom of autonomous and free individual choice, the obligation of the state has been also associated with providing limits in its own jurisdiction and to thus inhibit its own interference in personal matters,<sup>3</sup> especially in what is referred to as the private sphere of life. If all citizens are to be treated in identical ways, and if the state manages to remain neutral toward competing visions and choices of what constitutes a “good life,” then individual choices reveal private preferences. Having set in motion processes that facilitate freedoms, we are still faced with intractable problems of exclusion for some, from representation and participation in decisions that

---

<sup>1</sup> The international framework includes spirit of the International Covenant on Civil and Political Rights (1966) and, for women in particular, the Convention on the Elimination of All Forms of Discrimination against Women (1981).

<sup>2</sup> “...structural reforms associated with the Washington Consensus did not result in the kind of economic growth that met the demands of the population. In 2003, poverty affected 43.9 percent of the population and extreme poverty some 19.4 percent. The region moreover, has one of the highest levels of inequality in the world” (UNDP 2004).

<sup>3</sup> This has been referred to as “negative freedom,” i.e., being free from state coercion (Berlin 1969).

affect economic, political, social, and cultural life. How are we then to interpret differences in participation and in outcomes enjoyed in these aspects of life?

One may suggest that individual *outcomes* vary because legal freedoms are not adequately enforced simply because states still lack such capacities or the political will to do so; or, perhaps, differentiated outcomes are due to individual choices and individual (un)willingness to make use of expanded opportunities. Alternatively, it may be argued that legislated mandates do not and cannot by themselves level the playing field of equal *opportunity* due to other embedded structural differences that inflict limitations on specific *groups* while bestowing unintended (or not) privileges to others. Clearly there is room for interpretation and each of the above perspectives invite distinct interventions. It is our view that if success or failure is seen as a *personal-private-individual-based* choice issue, then policy interventions take the shape of exclusively addressing a limited sense of what *equal opportunity* is.

Choice implies availability of options; and enhancing the space of options to address *differences* requires policy interventions that remove explicit or implicit discriminatory practices by initiating rights and antidiscrimination laws. But not only. To give a practical example, the focus on the right to education in Latin American and Caribbean (LAC) countries has led to a decrease in disparities of male-female children's enrollment rates and the gender educational gap is showing improvement on average (Ferroni 2005). We want to underscore that this is just the *average*. Vast gaps remain between these figures and the experiences of indigenous populations; extreme disparity has been documented in quality of education between social groups and according to locality. To illustrate our central point, consider the following: the right to education has led to positive changes and to excellence for some students regardless of locality or gender, placing them at the top one percent of their school cohort. Yet some among these top scoring students will spend time performing "invisible work," i.e., collecting water and fuel, helping with sanitation, and taking care of younger siblings and the ill at home—day in and day out. Some will never visit a museum; for others, their schools are located in remote rural or urban impoverished areas without access to the best technologies or their parents have low levels of educational attainments—all which affect

children's ability to fully use and expand acquired knowledge. Differences thus remain despite all good intentions.

Short of truly structural interventions, affirmative action policies—still disputed by many—serve as a buffer to the challenges at hand. If policy must redress potentially explosive and destabilizing *group differences*, all sorts of underlying causes that result in socially constructed *difference* must be eliminated; until that time arrives, quotas will remain relevant as a policy instrument. We must also be aware that although education empowers individuals, due to existing patterns in household (unpaid work) division of labor, improvements in education will still impact men's and women's supply of labor decisions differently. More importantly, increasing educational attainment does very little in the midst of a general macroeconomic climate that results in unemployment. That is to say, men and women alike will not find decent jobs.

The issue we wish to raise as starkly as we can is that for policy intervention it matters, and it matters a lot, whether we interpret *differences* as a private, *individual* affair or we allow for systemic failures that affect entire *groups*, not just individuals. This interpretation is key as it leads to distinct domains of policy responses. This brings us to the second point we wish to raise regarding the role of the state.

### **3. THE STATE: WELFARE-ORIENTATION VERSUS NEOLIBERALISM**

The role of the modern liberal state is historically circumscribed within the era immediately following the Great Depression. At that time, a welfare promoting (activist) Keynesian state came into existence in many parts of the world, making it part and parcel of state's responsibility to provide employment, goods, and services for those unable to do so within the market system. Simultaneously, the emergence of civil society meant that legitimacy of ideas was to be debated; self-expression meant not only the right to vote, but the existence of platforms where ideas and agendas could be presented and debated in public discussion.

An equally significant development, in parallel, was the emergence of a new kind of public sphere. Since the market was understood as the institution that provides goods and services and the necessary income to purchase them, the privatized economic

relations of the marketplace were brought under the auspices of public authority. Securing the adequate functioning of the market amounted to putting in place and safeguarding institutions and rights that allowed citizens to enter and freely negotiate contracts, own property, and participate in economic life in general as free agents. Conflicting, at times, interests of group claims were to be negotiated and settled according to state rules. As these rules were not immutable, the state became a contested terrain; who participated in these discussions, how the agenda was formed, and the specific outcomes of such “negotiations” resulted ultimately in a social contract to be accepted and observed by all.

Coming in the aftermath of the Great Depression, this social contract implied a central role for the state over a citizen’s life cycle *that reconciled market functioning and social cohesion* in three domains: (a) when the private sector did not have an incentive or the ability to provide basic goods and services in sufficient quantities and prices to satisfy basic needs (i.e., infrastructure, education, and healthcare), the state would undertake the public provisioning of such goods and services and citizens were *entitled* to these; (b) in view of the cyclical nature of market economies, Keynesian—state activist in nature—governance took stronghold (i.e., stepping in and implementing countercyclical and economic stabilization policies); and (c) when the market failed to provide jobs, democratic liberal states were to augment social protection programs and unemployment insurance, as well as direct job provisioning. They were, as in the New Deal program, part of the liberal democracy’s charge and were envisioned as entitlements, not charitable (statist) contributions. They also provided a framework within which the state enabled *free individuals* to pursue economic goals, while providing the space for *group interest protection* and daily life negotiations.

How were, and how are overall social aims and economic goals determined though? *Who* determines them and how? The answer varies dramatically from one decade to the next. The 1980s and 1990s provided an answer in the form of neoliberal policies. The role of the state was to be minimized through the selling of public assets and drastic reductions in public services; expanded and highly unregulated entrepreneurial freedom was presumed to result in economic growth that would take care of all citizens’ needs in a more efficient manner since a diminished state would no longer provide these services.

This, at best, has been shown to have had mixed results, with only some *groups* being net gainers while the majority lagged behind.

Indeed, "...structural reforms associated with the Washington Consensus did not result in the kind of economic growth that met the demands of the population. In 2003, [in Latin America] poverty affected 43.9 percent of the population and extreme poverty some 19.4 percent. The region moreover, has one of the highest levels of inequality in the world" (UNDP 2004).

#### **4. THE STATE AND GROUP DIFFERENCES: *DIVERSITY OR INEQUALITY* ?**

Difference can be looked at from different angles. Clearly, the desirability of preventing discrimination based on religion, race, gender, sexual orientation, ethnicity, and any other characteristic is not an issue of debate. From tolerance to acceptance of diverse sexual orientation, from accommodation to respect for religious differences, and from endorsement to celebration of cultural diversity, social cohesion and peaceful coexistence may at times rest with state policies that promote *recognition* of differences. The difficulty that has been identified by many arises when recognition and endorsement of diversity in norms, as for example in the case of indigenous customary law, denies some groups (i.e., women) land rights or political participation and permits acts of violence against human rights principles.<sup>4</sup> Cultures though, we must remember, are not homogeneous. Contestation and evolution from within is possible, especially when recourse to a universal system of human rights is a viable option.

It is also hard to disagree with the idea that as human beings we do not construct an image of who we are neatly according to one or two inherited particularities, i.e., being born a girl or a boy, or brought up in a particular religion. Not only we do not do so singularly, but the meaning we attach to these characteristics depends on how these characteristics are mirrored in society.

Admitting all the while that we are the result of multiple identities, the question remains: what allows others to single out one characteristic we possess, while ignoring all

---

<sup>4</sup> See Hernandez Castillo, "National Law and Indigenous Customary Law: The Struggle for Justice of Indigenous Women in Chiapas Mexico" (Molineaux and Razavi 2002).



other dimensions? What compels an *attachment* to a particular identifier over all others so much so that it can produce tensions, hate crimes, and sectarian group violence? It is not only the construction of the “self,” but also the dehumanizing construction of the “other,” the one that is “different.” Discontent turned into irreconcilable strife can be seen as a response, an attempt to undo this dehumanization by reversing it. The less the state allows protection for all its citizens and the less the state negotiates the interests of *different* groups equitably and justly, the more fertile the breeding ground for violence becomes. Mistrust of the state and its institutions can take various forms, one of which is self-governance by violence.

Differences in this instance do not simply refer to diversity, but rather they translate to bestowing on some identities power and privilege, while on others social exclusion and disempowerment—an “invisible” institutionalization of violence. If appropriate policy responses are to be devised they must be interpreted in this light: in this case differences are experienced as *inequalities*.

Antidiscrimination laws and guaranteeing of individual legal rights and tolerance will not do, as these are necessary but not sufficient conditions. Deeply rooted inequalities call for policies of *redistribution* of resources, entitlements, and budgetary reallocations; workable solutions require enlargement of spaces for public dialogue and that implies at times *redistribution* of political power. Social citizenship can only then be enhanced by inclusion of many constituencies in decisions around public land use and natural resources such as oil, gas, minerals, water, and forests. State-mediated settlements of divergent views that are bound to emerge in public discussion play a crucial role in the very construction of group difference and group identity. Experienced as *injustice*, and in the name of state neutrality, *difference* gets solidified as *inequality*, which serves to delegitimize liberal democratic governance.

## **5. DIVERSITY IN LATIN AMERICA AND THE CARIBBEAN**

Talking about difference and diversity is absolutely crucial in Latin American societies. In order to understand this, issues of history and context must be brought to the foreground. First, the region has experienced the impact of colonialism from Spain,

Britain, France, the Netherlands, the United States, and Portugal, each of which has left its distinctive imprint on citizenship and citizens in systems of law, religion, language, economy, demographic particularities, and racialized forms of exclusion (Molyneux 2007). Many countries are now undergoing a process of reconceptualizing their national histories as a result of the growth of movements that seek to represent previously excluded populations, in other words, those who were *different* in the sense of powerlessness, vis-à-vis those that held steadfast control over them.

This has impacted legal and constitutional arrangements, with some countries giving explicit confirmation in their constitutions to indigenous rights and land claims. Some countries have also set about tackling racial discrimination; most recently Brazil's new President Ignacio Lula has appointed a new secretariat for tackling racial discrimination. Thus, perhaps the feature that best describes the region is how different and diverse it is. However, the most striking feature of this diversity is the way in which it has been translated into inequality. The region has the deepest levels of social and economic inequality in the world (ECLAC 2006). This is more evident in countries that have the highest share of indigenous population such as Brazil, Mexico, Guatemala, Bolivia, and Peru. On the contrary, countries where ethnic (and other racialized forms of exclusion) are less evident, such as Argentina, Uruguay, Chile, and Costa Rica, overall inequality is not as significant.

Second, if a precondition for progress in human rights and democratic governance is an effective state—democratically elected, transparent, and subject to the rule of law—this may be facing increased challenges in the LAC region (Molyneux 2007). Democracy, for many in Latin America in the 1990s, has not delivered the results it promised; electorates have shown that they are capable of punishing governments which have failed them, sometimes leading to considerable political volatility and the desire for radical change has resulted in political choices where unknown and untried independents have come to power.

Evidence suggests that there is a growing distrust of government, politicians, and political parties in much of Latin America (Latinobarometro 2004) and general mistrust in that political leaders are not concerned with what citizens identify as part of an “urgent agenda.” To give an example, citizens in Latin America (Molyneux 2007) rank

employment problems as the number one issue of concern, with poverty and inequality second, but that is not the case for political party leaders (UNDP 2004). In such circumstances, the willingness of people to work with the state, and indeed to accept democratic politics, may erode.

During crises of legitimacy the state must strengthen accountability mechanisms and enhance democratic participation at all levels, especially at the economic one. Only a few countries have moved in this direction. Without such changes, and in the absence of adequate regulatory mechanisms or serious redistributive commitments, there is every reason to expect a dangerous deepening of social and regional inequalities, rising crime, narcoviolence, and social unrest. Such conditions do not make for progress in citizenship and human rights.

Our main point is that in order to promote and ensure democratization, and with a complex understanding of diversity in mind, liberal democratic states must: (a) reverse course fast and away from neoliberal policies by bridging the gap between citizens' agenda and political party leaders' agenda; (b) recognize difference, but distinguish it from inequality and use appropriate policies to address each one. This would allow individuals to negotiate intra-group and inter-group inequalities *in contestation with, but within*, dominant democratic values; and (c) most importantly, engage in politics of real inclusion by addressing real needs as disenfranchised groups identify them.

## **6. THE STATE: *ACKNOWLEDGING SEX DIVERSITY—UNDERSTANDING GENDER INEQUALITIES***

What might be the priorities for policy attention in regards to women's issues in the context of LAC? In our view, the list encompasses preventing violence against girls and women, guaranteeing health (including sexual and reproductive rights), enlarging educational opportunities to reach indigenous populations and addressing the unevenness of quality, increasing women's share of seats in local government, and guaranteeing women's and girls' property and inheritance rights, but recognizing that for some women this is of no consequence as there are no family assets to speak of. For some groups of women, land rights and access to common resources is of paramount importance. For

other groups they need the state to protect them against the forceful removal from what they call home and against interests of those that would like to see a water dam be built instead. State legitimation will entail sometimes sacrificing efficiency and focusing instead on equity safeguards.

If we were to take stock of developments in recent decades, a snapshot in LAC would show women's political participation in LAC increasing, particularly in countries where quotas are in effect. The gender gap in education is closing; in the area of health, and especially on reproductive rights, the record is not great, as persistent inequalities are in evidence and reductions in maternal mortality lagging. On the other hand, the female labor force is growing fast and the gender wage gap is narrowing in LAC.

Unemployment is more pronounced among women, but the record is not clear cut, especially at times of sudden crises when women's supply of labor overpowers that of men. According to calculations by ECLAC (based on household surveys), women's earnings varied more than men's at the end of the 1990s, but still women were contributing an average of 35 percent of household labor income, pulling 14 percent of two-parent households above the poverty line, but that is just a snapshot and therefore can not be generalized.

Anyone stepping in a Latin American metropolis—be it Sao Paulo, Buenos Aires, Lima, or Tijuana—cannot help but notice the diversity of the population, including the stark differences among women themselves. One can speculate that a host of circumstances delineate the spaces each individual woman occupies, freedoms they enjoy, and degree of “power to choose”<sup>5</sup> they can exercise, with biological sex being one among many socioeconomic characteristics that determine their position in society. The story we wish to tell is somewhat more complicated than that

First, gender identities, much like all identities, are socially constructed. In the case of “gendering,” what we mean is that a biological, genetic if you may, difference gets an *assigned meaning* only through social interpretation. Being born with particular sex characteristics implies biological reproductive differences and distinct strengths

---

<sup>5</sup> We borrow the term from Naila Kabeer's book title on labor market conditions and decision making within the garment industry, focused on explaining a seeming paradox: in a liberal environment (London), Bangladeshi women ended up working under seclusion in their homes, while in Dhaka, where women had been absent from the public domain, they worked outside their homes and in factory settings.

(women's life expectancy is longer than that of men, for example). Yet, such differences by themselves do not automatically translate into what society expects men and women to do and be; nor are these infallible universal predictors of the choices men and women end up making. In illustrating this point, we note that much of rural production activities, including the building of homes, is almost exclusively women's work in parts of Africa, but is thought of as men's work in Latin America. Being female implies homebound seclusion in Northern Pakistan while in the Caribbean and the Philippines women have been more "mobile" than men, migrating first, becoming the nurses, nannies, housekeepers, and providers of elder care to many parts of the world. This diversity of experiences<sup>6</sup> has led to the idea that at birth people are differentiated by sex, while *gender identity* and *gender based inequalities* are socially constructed.

Second, we also recognize that whether young girls are expected to be educated and feel entitled to it as young adults; whether women are presumed to be caregivers and attend to all of their family's needs by themselves, or alternatively share it with male members of their families, or have these needs met by domestic workers (i.e., a hired housekeeper or housekeeping staff that includes a driver, a gardener, and a nanny); whether they will find work that pays them a living wage and does not dehumanize them; whether they consider it their right to participate in politics as potential candidates, all of these life-shaping determinations do not all hinge on gender alone. In other words, we think that what a woman can do and be depends on racialization, caste, ethnicity, economic status, cultural group, etc. she belongs to. Different sources of embedded asymmetries result in power relations that are not uniformly applicable to all women.

Third, what is important for politics of inclusion is to trace these distinct asymmetries and to analyze *how* and *why* they impede diverse groups of women from being treated as full citizens. Being constructed *singularly* as a child bearer, a mother, or a wife and not recognizing all other desires and not creating spaces for them to have access to a fuller life experience is equally unjust and unacceptable for all women, independent of creed, caste, or class. Being constructed as a child bearer, a mother, or a wife will have different implications for a wealthy upper-class stay at home mother, a

---

<sup>6</sup> In the context of economic development this was described in terms of regional patterns in the seminal work of Ester Boserup.

waitress in an urban barrio, and a peasant woman in the Andes. We must avoid lumping together *how* these limitations are experienced by different groups of women because removing unfreedoms will require very distinct strategic interventions.

And fourth, we think that the specificities of these asymmetries result in power relations that affect women quite adversely (and in visibly differentiated ways), not only within their households and not exclusively vis-à-vis “husbands.” They are reflected on their dignity and their freedom vis-à-vis older generation women (and men) and their children at home, their ability to resist unfairness in the market place, and their participation in political processes of the country at the local and national level as equal citizens; it also impacts on *how* inequality and drudgery is internalized as destiny.

What turns gender diversity into inequality? This is a terribly complicated issue, but we wish to point to one specific area that warrants our attention: women, in addition to participating in economic production like men, participate in another form of “invisible” production or what has been termed “social reproduction.” Over their life-cycle, they engage in work that remains unpaid, undervalued, and unprotected. In promoting full citizenship for *all* women, our suggestion is that the liberal democratic state must support and implement specific policies that are *transformative* in that they promote spaces of contestation against the culturally inherited view that it is a women’s primary role and responsibility to take care of *all* the basic needs (including psychological and emotional) for all family members and community.

Long unpaid hours of care work performed by girls and women range from household maintenance, to taking care of the permanently ill and the elderly, fetching water in rural areas, engaging in sanitation work, and performing “volunteer” work for family and the community. Although there may be feelings of love and care embedded in such work, these are fundamental *differences* between men and women that result in an inequality that is mostly unnoticed and rarely voiced. Women end up having less time, which affects the conditions under which they exercise citizenship. To address this inequality it must first of all be recognized as what it is—an inequality which has repercussions on a variety of economic, social, political, civil participation, and cultural dimensions of women’s lives.

Such an interpretation will also require that for public policy initiatives to be just and gender equitable, they must be capable of answering the following question: how does any policy measure relate to this *group's difference*, manifested in an inequality of undue time burdens of women? Does an existing policy exacerbate or ameliorate the amount of unpaid work it asks women to “volunteer”?

Clearly the areas that invite us to think about the linkages between the *state and gender differences* in regards to policy issues span the political, social, economic, and cultural domains of life. As our own work lives evolve around socio-economic issues and policy, we would like to introduce in this section two policy areas which have the potential to promote social inclusion and citizenship as they address gender based inequalities. First, budgetary allocations, especially in infrastructural and social service delivery investments, that reduce time burdens on women and girl-children. Second, putting in place public employment guarantee policies which are gender-aware in design and implementation. In our view, both carry a lot of potential toward addressing *gender differences* that produce the worst of inequalities and marginalization among the women in general and among the poorest of the poor women in particular.

Gender sensitive budgeting promotes gender-neutrality in tax codes, revenue collection, and fiscal space. It also examines whether funding of programs in budgetary appropriations are nondiscriminatory and consistent with the principles of substantive equality between women and men that are in place.<sup>7</sup> In LAC, such gender budgeting exercises emerged in a context of increased legitimacy of the agenda of women's rights and of renewed interest for public budgets brought about by the discourse on “good governance.” Procedurally, it implies that all ministries agree to take into account gender equality criteria when deciding which projects to undertake and studies have been carried out indeed in several countries including Brazil (Raes 2006), Mexico, Peru, and Chile, among others.<sup>8</sup> As a result of an intensive advocacy process, the Ministry of Finances and

---

<sup>7</sup> For examples, see the Beijing Declaration and Platform for Action, as well the earlier and much more focused on legal rights, Convention on the Elimination of All Forms of Discrimination against Women.

<sup>8</sup> For more information on gender budget initiatives focused on experiences in Latin America, see <http://presupuestoygenero.net/s28/>, a website established through a partnership between UNIFEM, GTZ, and UNFPA.

Economy for Ecuador (MEF)<sup>9</sup> recently made their budget guidelines for the 2007 national budget public and gender equality appeared as one of the evaluative criteria for the selection of projects to be financed. While this can be a contributing factor to enhancing freedoms for women, it must be realized that recurrent economic crisis and structural adjustment policies have struck harder on women, especially among poor women. When spending on social programs and public sector provisioning in general declines, reallocating a diminished pie will not counterbalance the burdens placed on the poor and on women's time which must now expand and become the ultimate absorber of making due with less. From this standpoint, gender sensitive budgeting initiatives are policy tools that must be in place, but their impact can be limited under an economic regime that incapacitates the liberal democratic state to address the needs of the people it represents. It still remains a powerful tool: gender sensitive budgeting implicates community participation, civil society involvement with government decision making, and local, community by community governance in conversation.

This leads us to our second point. Economic policy largely based on the belief that markets alone would steer the economy in the right direction, generating high growth rates and healthy employment levels, has not resulted in expected outcomes. The dictum "macroeconomic stability leads to investment and growth; growth will be accompanied by expanded employment opportunities; and ultimately poverty reduction will follow suit," held steadfast for a long while, but privatization, inflation targeting, exchange rate stability, and deficit reduction created opportunities only for some. The retrenched social contract substantially limited public sector provisioning and introduced institutional changes that promoted free trade agreements and international capital flows. Yet, especially in the realm of job creation, the promised outcomes proved elusive. Medium-sized businesses decreased in number, unemployment remained a challenge, self

---

<sup>9</sup> As a result of an intensive advocacy campaign called "Fiscal Policy with a Gender Approach in Ecuador" recently carried out by the National Women's Council (CONAMU) with the support of UNIFEM and the Belgian government, it is part of a program which UNIFEM is implementing in four countries. One of the primary aims of the project was to work with governmental institutions that are responsible for the budgeting process to ensure that gender equity is mainstreamed into their budgets. Hence, in October of 2005, an agreement was signed between MEF, SENPLADES, CONAMU, and UNIFEM to promote and strengthen the inclusion of the gender equality approach into the budgeting process. This agreement presented an entry point to begin work with MEF, which is now beginning to show fruits of that labor.



employment swelled but proved highly unstable, and informalization of labor and of production expanded—mostly with negative effects; the tide did not lift all boats and income inequality and poverty in LAC has been exacerbated.

In the midst of this economic climate, demands for gender equality have nonetheless gained ground. By now it is widely recognized that ameliorating gender disparities in paid and unpaid work and guaranteeing women's economic rights is a contributing factor to promoting gender equality. But pro-poor development—in our opinion and against ideas advocated even within Bretton Woods Institutions (World Development report 2006, for example)—may require reallocation of resources, including budgetary ones, that may entail some, hopefully small, sacrifices of per capita GDP growth (Roemer 2006). Policy attention and resources in the past were directed to address women's supply of labor issues, such as improvements in women and girls' education and skills and the promotion of self-employment via access to microfinance and markets. These have been important initiatives. Yet they have not been effective in reaching the poorest, nor are such initiatives able to lead to an increase in demand for labor *per se* (Islam 2004). Employment opportunities at the end of the day have been anemic for all, and even more so for the poor.

Lack of sufficient growth and job creation has recently opened up space for rethinking our means and ends. At this juncture, economists, policy makers, and advisors to governmental and international nongovernmental institutions, including the Bretton Woods Institutions, are presented with an opportunity for fresh thinking and for reviving ideas that lay dormant for over two decades, an example of which is the renewed emphasis on the importance of public investment (Sacks et al. 2004; OECD 2006). We believe a new two pronged criterion ought to also be in place, one that judges the success of development according to: (a) the growth rate of employment and income of the *lowest quintile* and (b) the access and fulfillment of basic needs judged by a metric that includes personal income and the money equivalent of public goods and public service delivery.

This then suggests, from a pro-poor, gender point of view, two public policies: investment in infrastructure that alleviates time burdens for women and girls and simultaneously a public employment guarantee policy whereby the state assumes the responsibility to provide jobs to those ready and willing to work but unable to find one in

the market. Providing access to job opportunities instead of exclusively relying on cash transfers has many advantages, all of which are related to promoting economic inclusion of marginalized groups within the market, not only as “consumers” but as participants in valuable production of services and goods. Valuable, because they fulfill societal needs not currently provided by the market of the state. Participants are getting compensated, receiving income and basic social protection, but also they are performing socially useful, recognized and recognizable work under paid conditions. The social nature of work, its pains, injustices, and pleasures, and the sense that one is an active member of a social-economic whole is part of the experience of full citizenship. Having a job becomes a great equalizer in the sense of being subjected to similar (even when unfair) conditions with other members of society, thus creating space to argue against, to organize, and participate in debate. Amartya Sen (1999) summarizes it aptly in *Development as Freedom*, “There is plenty of evidence that unemployment has many far-reaching effects other than loss of income, including psychological harm, loss of work motivation, skill and self-confidence, increase in ailments and morbidity (and even mortality rates), disruption of family relations and social life, hardening of social exclusion, and accentuation of racial tensions and gender asymmetries.”

If designed well, demand for basic goods emanating from income earned through employment guarantee programs should increase, possibly creating small pockets of multiplier effects and crowding-in of small enterprises and self-employment small businesses in a synergistic manner. Many of the participants will be women, as previous experiences have aptly demonstrated (Antonopoulos and Fontana 2006). If designed from a gender aware perspective, part of these newly created jobs would entail performing tasks now provided by unpaid women’s work in areas that cover for public sector deficits in infrastructure, health, and what often passes for community volunteer work. Reducing this burden will benefit women in general, regardless of whether these jobs would be filled by women themselves or men.

There are successful precedents of such programs in the form of intensive-labor public works programs in several parts of Asia, Africa, and in rural areas of India, as well as in Australia. But as job creation dropped from the list of priorities in development agendas, these programs disappeared from public debate spaces. The case of India is

particularly instructive, as it has been implemented for over twenty years on a smaller scale and last year it became part of the constitution as the “National Employment Guarantee Act,” coupled with the “Right to Information Act,” empowering citizens to fight suspected corruption and inefficiencies in an expeditious manner. Several interesting features of this policy have been discussed elsewhere (Antonopoulos and Fontana 2006). Such programs can provide jobs to the poorest of the poor and they have been used in Latin America dating back in the 1970s and 1980s in Bolivia, Peru, Chile (Buvinic 1996), and recently in Argentina. But they have been used as short-lived emergency programs mostly and not as a comprehensive long term strategy, nor as an entitlement. The idea here is that these programs should become permanent, but that those who hold jobs through them would be rotating, making use of these programs as buffer-stock labor surplus absorbers. Impact analysis for LAC experiences is still lacking and the macroeconomic implications of such initiatives, as well as their gender impact, is missing. They can result in skill creation and crowding-in, but above all they can enforce a wage floor, or create one when it does not exist, while promoting a work ethic and social inclusion.

## 7. CONCLUSION

Two challenging and interlinked issues have motivated this discussion: (a) under what conditions does the construction of “individual” identities include a *personal desire and attachment* to membership and participation in democratic citizenship and (b) how do processes that recognize and value the promotion of “democratic citizenship” become *inclusive of*, and therefore do not neglect, *differences* that signify *inequalities and gender-based inequalities in particular*?

We have argued so far that guaranteeing rights while structural conditions do not allow members of society to exercise them perpetuates social exclusion. Given present deficits in full citizenship and, in particular, the fact that civil society’s engagement in determining socio-economic agenda and policy goals has been limited over the last two decades in Latin America, the lessons of recent elections on the continent must be well digested. In the context of political and economic pressures—only to be intensified by

globalization—this is as true for LAC as for other parts of the world. “The name of the game, all governments ought to realize, is changing. Neither high growth [when and if that materializes] nor “sound” public finance coupled with a booming stock market have resulted in a stable livelihood for the vast majority of Indian citizens [and that] must be given the highest priority. Government appears to be following economic policies that indicate that its priorities lie elsewhere. This is presumably partly due to the faulty economic understanding of the current Indian economic situation, and partly on account of the underlying political interests shaping the policies of this of this government” (Bhaduri 2004).

In this paper and to further motivate debate, we have made a rather blunt, if controversial, statement: difference and diversity, *individual* capabilities and functionings, must be firmly and resolutely situated within the context of an intolerable economic inequality. The pressing and destabilizing issue concerns, in our view, inequalities, poverty, and unequal distribution of income. These are *outcomes of economic processes* and to address them we must speak—and speak frankly—about the social content of economic policies and the economic content of social protection measures. We must come to terms with the notion that no matter what motivated the political and economic ideas that shaped the policies of the 1980s and 1990s, they turned out to be exclusionary, and that policy makers turned deaf to the voices of some groups of citizens.

Social policy for all, and for girls and women in particular, needs to address the challenges we have alluded to. Providing universal access to all—*individual*—citizens in the form of citizen entitlements is a crucial step. But public investments and economic policies should be constructed in view of diminishing unpaid work obligations put on women and by state-led job employment for those citizens ready and willing to work but unable to find work. If and when the liberal democratic state adopts these as its priorities, citizens will have reason to attach extraordinary importance to democratic states and to also attach significance to being a citizen of a democratic liberal state. When *differences* cease to be socio-economically disabling, membership in a diverse world will be cause for celebration. We recognize that full citizenship can never be achieved through a top-

down process, but enlightened political leadership can be truly transformative and the marginalized will not be the only ones to gain.

## REFERENCES

- Antonopoulos, R. and M. Fontana. 2006. "Hidden Vacancies: From Unpaid Work to Gender-Aware Public Job Creation: Toward a Path of Gender Equality and Pro-Poor Development." Paper presented at the Levy Economics Institute of Bard College's Conference, Employment Guarantee Policies: Theory and Practice, October 13–14.
- Berlin, I. 1969. "Two Concepts of Liberty." In *Four Essays on Liberty*. London: Oxford University Press.
- Bhaduri, A. 2005. "Macroeconomic Policies for Higher Employment in the Era of Globalization." Employment Strategy Papers Geneva, ILO.
- . 2004. "Guaranteeing Employment." *The Hindu Opinion*, December 27.
- Boserup, E. 1970. *Woman's Role in Economic Development*. London: George Allen and Unwin Ltd.
- Buvinic, M. 1996. "Promoting Employment among the Urban Poor in Latin America and the Caribbean: A Gender Analysis." Discussion Paper 12, DTCD, ILO.
- Castillo, R. A. H. 2002. "National Law and Indigenous Customary Law: The Struggle for Justice of Indigenous Women in Chiapas, Mexico." In *Gender Justice, Development, and Rights*. Molyneux, M. and S. Razavi (eds.). Oxford: Oxford University Press.
- Craske, N. and M. Molyneux. 2002. *Gender and the Politics of Rights and Democracy in Latin America*. Houndmills: Palgrave
- Ferroni, M. 2005. "Gender Perspectives in Macroeconomics." Paper presented at Commission on the Status of Women (CSW), Forty-ninth Session, Panel on Integration of Gender Perspectives. New York, March 10.
- Florence R. 2006. "What Can We Expect from Gender Sensitive Budgets? Strategies in Brazil and in Chile in a Comparative Perspective." *Women in Development Europe (WIDE)*. Summer 2006. <http://www.eurosur.org/wide/home.htm>.
- Islam, R. 2006. *Fighting Poverty—The Development Employment Link*. Boulder, CO: Lynne Rienner Publishers.
- Kabeer, N. 2002. *The Power to Choose, Bangladeshi Women and Labour Market Decisions in London and Dhaka*. London: Verso.
- Latinobarómetro. 2004. "Summary Report: A Decade of Measurements." Santiago, Chile: Corporación Latinobarómetro. August 13. [www.latinobarometro.org](http://www.latinobarometro.org).

- Molyneux, M. 2007. "Refiguring Citizenship: Research Perspectives on Gender Justice in the Latin America and Caribbean Region." in Mukhopadhyay, M and N. Singh (eds.) *Gender Justice, Citizenship, and Development*. Ottawa: IDRC.
- Molyneux, M. and S. Razavi. 2002. *Gender Justice, Development, and Rights*. Oxford: Oxford University Press.
- Ocampo, J.A. 2006. "Market, Social Cohesion, and Democracy." DESA Working Paper, No. 9.
- OECD. 2006. "Promoting Pro-Poor Growth: Infrastructure." Report. CAD, POVNET, OECD. May.
- Raes, F. 2006. "What Can We Expect from Gender Sensitive Budgets? Strategies in Brazil and in Chile in a Comparative Perspective." Network Women in Development Europe (WIDE). <http://www.eurosur.org/wide/home.htm>.
- Roemer, J.E. 2006. "The 2006 World Development Report: Equity and Development." *Journal of Economic Inequality* 4(2): 233–244.
- Sacks J, J. W. McArthur, G. Schmidt-Traub, M. Kruk, C. Bahadur, M. Faye, and G. McCord. 2004. "Ending Africa's Poverty Trap." *Brookings Papers on Economic Activity*, No 2.
- Sen, A. 1999. *Development as Freedom*. New York: Alfred A. Knopf.
- UNDP. 2004. "Ideas and Contributions; Democracy in Latin America towards a Citizen's Democracy." The Report on Democracy in Latin America. New York: UNDP.