Mainstreaming Gender into Economic Policies: Trends and Challenges for Central Asian and Caucasian Countries

Research Report 2009
Note

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Preface

This report was prepared under the interregional Development Account project 06/07/B on Strengthening Social Inclusion, Gender Equality and Health Promotion in the Millennium Development Goals (2006-2009). It was prepared for the United Nations Economic Commission for Europe by consultant Dr. Mita Marra, researcher at the Italian National Research Council, University of Salerno.

This report presents the trends in gender disparities and the related challenges constraining economic development and growth within Central Asian and Caucasian countries (namely, Kazakhstan, Kyrgyzstan, Tajikistan, Uzbekistan, Turkmenistan, Azerbaijan, Georgia, and Armenia). This paper also analyzes policy approaches to gender mainstreaming within National Development Strategies (NDS) as well as other programs (such as Poverty Reduction Strategies PRSP) sponsored by international organizations.

The aim is to highlight that mainstreaming gender equality needs to be articulated within the macroeconomic framework of countries’ structural policies to overcome persistent gaps and avoid adverse effects on men and women. Concerns for gender sensitive issues, such as poverty, access to resources, the labor market, the unpaid work, migration, education, and political representation ought to be handled not only as social issues targeting vulnerable groups, but as crucial barriers to economic growth and democracy. In times of economic and financial crisis, assuring women’s well-being and participation in labor market and public life becomes relevant not only as a matter of fairness, but mostly to increase socioeconomic potential of middle income countries. Recommendations to overcome gender gaps rely on the so-called smart economics approach to gender mainstreaming, which considers women as untapped resources to be fully employed within the economy, incorporates gender dimensions and specific actions within the core economic policies, and generates disaggregated indicators for gender responsive budgeting and poverty reduction monitoring.

This report builds on the stocktaking study Mainstreaming Gender into Economic Policies to Reach the Millennium Development Goals in Central Asia, which was prepared by consultant Ms. Olga Skorobogatova, with the assistance of Ms. Nadejda Khamrakulova, in close cooperation with a Multi-Stakeholder Network consisting of representatives of national statistical offices, academia and gender machineries, as well as with UNDP and UNIFEM.
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**Introduction**

At the beginning of the last decade a comparison of the UNDP human development index (HDI) with its gender-related counterpart (GDI) showed that the countries of Central Asia had a relative advantage in terms of gender equality compared to countries at a similar level of GDP outside the region. This comparative edge was widely attributed to the historical achievement of the former governments in securing universal access to basic health care and education services; and the emphasis placed on employment as both a right and a duty for both men and women.

The extensive socio-economic transformation experienced by these countries over the past two decades has substantially affected the structure of the economy, the living standards of the population and the prevailing gender order. GDP has fallen, absolute poverty has increased and employment and wages have plummeted. Mortality rates have increased sharply while fertility rates have dropped. Against this background, there is increasing concern that some of the human development gains have deteriorated over time. Indeed, the gender implications of transition and post-transition periods across the region remain largely unexplored to date as well as uncharted is the future economic outlook of these countries in light of current international crisis.

As gender equality is not only a matter of fairness but also, and most importantly, a condition for economic growth, this paper examines gender gaps within Central Asian and Caucasian countries (namely, Armenia, Azerbaijan, Georgia, Kazakhstan, Kyrgyzstan, Tajikistan, Turkmenistan, and Uzbekistan), emerging out during and after the transition process. Drawing upon an extensive review of academic studies, policy reports and official documents of both national and international government and non-government agencies, the aim of this report is twofold. First, we aim to underscore that policies and regulating institutions may lead to differentiated effects on men and women, reinforcing existing gender asymmetries. Thus, raising policy makers’ awareness on gendered effects may undoubtedly improve future policy making.

Second, while taking stock of Central Asian and Caucasian countries’ different gender equality strategies, we contend that gender mainstreaming needs to be substantively incorporated into the macroeconomic policy agenda at the national level. Gender sensitive programming is not only a social policy concern, but also and most importantly, an economic strategic orientation, which pays off in terms of higher female participation in the labor market, better targeting of private sector development incentives, broader access to finance and assets, and more satisfactory balance between caring labor and productive needs of present societies. Calling for integration among economic policy domains and public-private partnering institutional arrangements, gender mainstreaming can be a more effective method for policy design and implementation, having a direct bearing on human development and economic growth.

This report is divided into two parts. First part reconstructs gender disparities existing within Central Asian and Caucasian countries vis-à-vis their economic specialization and growth prospects during current international crisis. Furthermore, the analysis detects those adverse effects emerging out transition and post-transition policies, which have impacted differently on men and women to date. Second part assesses national strategies specifically geared towards gender equality, while putting forward a *smart economics* gender mainstreaming approach, combining the typical

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1 We have extensively drawn upon the 2008 Stocktaking Study completed by UNECE. Furthermore, a specific statistical analysis has been conducted separately for measuring a number of gender-related indicators, which were not available in disaggregated terms for Central Asian and Caucasian countries.
redistributive concerns with investments in human development, and most importantly the strategic orientation to promote growth and development at the macroeconomic level.
I. Economic performance and gender disparities in times of crisis

This part examines persistent gender gaps existing across Central Asian and Caucasian countries, specifically related to poverty, access to resources, entrepreneurship, the labor market, the unpaid work, education, and decision making. The analysis focuses also on those potential gender adverse policy outcomes, which emerge out supposedly gender neutral economic policies. The aim is to highlight those policy areas, which need to explicitly take on gender dimensions to avoid differentiated impacts on men and women and improve economic performance, especially in times of economic and financial crisis.

1. The shadows of international crisis on fast growing economies: The gender implications

The transition to a market economy has deeply affected the economic development of Central Asian and Caucasian countries. Social structure of society, form of ownership, changes during liberalization and reforms in the economy of Central Asian and Caucasian countries, and access to material and financial resources have become more liberal. Market reforms have influenced the development and expansion of consumer market of goods and services due to the filling of market with these resources. Quality of output and services are approaching world standards, while labor market and its diversification are strengthening opportunities and sources of getting income.

The economic crisis of the 1990s led to a significant drop in income of the population and a leap in the poverty rate and the growth of inequality. These countries have faced the challenges of transition and tried to meet them independently while establishing the sovereignty of their states. Despite their national character these challenges of economic growth and social development have a deep regional context because Central Asian and Caucasian countries are intimately connected with one another. The economic and social development of the countries is affected by management issues of water and energy resources, migration of labor, intra-regional trade, the special situation due to the availability or the lack of availability of transport infrastructures, particularly in, but not limited to, the enclave areas.

Given the importance of natural resources for Central Asia’s and Caucasus’ economic development, we can draw a distinction between oil exporters (Azerbaijan, Kazakhstan, and Turkmenistan) and non-oil exporters (Kyrgyz Republic, Tajikistan, Uzbekistan, Georgia, and Armenia). Oil exporters have increased their per capita incomes as opposed to the non-oil exporters, thus leading to deeper regional income differences. Yet, the integration processes that are taking place in the region shows a positive trend in the development of economic cooperation between countries. The development of investment cooperation in the region has become an important factor in strengthening economic growth and security.

Building upon the data provided by the 2008 report of the International Global Network, from 1997 to 2001, annual GDP grew by 6.1% per year in Central Asia as a whole compared with negative growth (-8.0) in the previous five years (see Table 1). In 2002–2004, growth rate was even higher reaching 9.9% so that the region’s performance is the best in the post-transition period for any group of countries in the Soviet sphere and compares favorably with the fastest-growing economies.

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in Asia and the rest of the developing world. In 2005, the region’s growth rate was over 9%, because of high commodity prices, and increasing international demand.\(^3\)

### Table 1– GDP growth rate (%), economic performance of Central Asian Countries since 1997

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<tbody>
<tr>
<td><strong>Oil exporters</strong></td>
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<td></td>
</tr>
<tr>
<td>Azerbaijan</td>
<td>-15.3</td>
<td>9.5</td>
<td>10.6</td>
<td>10.6</td>
<td>11.1</td>
<td>10.2</td>
<td>26.4</td>
</tr>
<tr>
<td>Kazakhstan</td>
<td>-7.0</td>
<td>5.2</td>
<td>9.5</td>
<td>9.8</td>
<td>9.2</td>
<td>9.4</td>
<td>9.4</td>
</tr>
<tr>
<td>Turkmenistan</td>
<td>9.3</td>
<td>10.2</td>
<td>21.3</td>
<td>19.8</td>
<td>23.0</td>
<td>21.0</td>
<td>10.0</td>
</tr>
<tr>
<td><strong>Non-oil exporters</strong></td>
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<td></td>
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<td></td>
</tr>
<tr>
<td>Kyrgyz Republic</td>
<td>-10.6</td>
<td>5.3</td>
<td>4.7</td>
<td>0.0</td>
<td>7.0</td>
<td>7.1</td>
<td>-0.6</td>
</tr>
<tr>
<td>Tajikistan</td>
<td>-15.2</td>
<td>5.9</td>
<td>10.1</td>
<td>9.5</td>
<td>10.2</td>
<td>10.6</td>
<td>6.7</td>
</tr>
<tr>
<td>Uzbekistan</td>
<td>-8.0</td>
<td>6.1</td>
<td>9.9</td>
<td>9.3</td>
<td>10.0</td>
<td>10.4</td>
<td>9.8</td>
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<tr>
<td>Georgia</td>
<td>-</td>
<td>6.1</td>
<td>8</td>
<td>8.1</td>
<td>8.7</td>
<td>9.4</td>
<td>9.8</td>
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<tr>
<td>Armenia</td>
<td>-</td>
<td>-</td>
<td>11.6</td>
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<td>--</td>
<td>12</td>
</tr>
<tr>
<td><strong>CCA</strong></td>
<td>-8.0</td>
<td>6.9</td>
<td>10.7</td>
<td>9.5</td>
<td>11.3</td>
<td>11.9</td>
<td>10.4</td>
</tr>
</tbody>
</table>


Yet, the pressing question facing Central Asian and Caucasian countries is whether the boom that started in the late 1990s will continue under the current economic and financial crises. While this is impossible to predict with certainty, economic performance will nevertheless depend upon the extent of economic policy reform, competitiveness strategy for the industrial sector, and regional cooperation. Assuming a moderate level of internal political instability, some backsliding of the policy reform agenda, a more inward-orientation of policies towards industry, and limited regional cooperation, current expectations are that GDP growth may slow down, the dependence on the oil and gas sector grow with little sign of economic diversification, manufacturing expansion and exports may be limited, the extent of reduction in poverty modest, and that with a per capita income of about $1,667, the region will be far from the threshold of today’s middle-income economies.

As negative economic performance and increased unemployment may lead to severe adverse effects on women, so gendered distortions may add up to already existing disparities, and, in turn, produce dynamic inefficiencies, which reduce the potential for economic growth. To understand existing gender problems in Central Asian and Caucasian countries, the analysis has to relate to demographic, economic, political, institutional and cultural traits.

Indeed, in the wake of the Soviet collapse, all Central Asian and Caucasian countries have improved their ranking as regards their development indicators since 1995 (UNDP, 2005). Fig. 1 shows different levels of the gender development index while table 2 reports additional indicators of gender asymmetries. Comparing the different measurements, despite the increasing development level in recent years, Kazakhstan shows unfavorable gender equity indicators as opposed to Kyrgyzstan, which, by contrast, seems to have embarked on a favorable trend also as a consequence of World Trade Organization (WTO) accession. Also in Tajikistan gender discrimination is reported\(^3\)

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to have increased. This evolution casts some doubts on the presumed direct relationship between development and gender equality. Overall, rating indicators for Central Asian and Caucasian countries present considerable lagging compared to developed states. Sustained economic growth may, therefore, improve gender relations up to a certain threshold beyond which discrimination may increase again. Cultural barriers then explain gender inequalities better than economic factors.

**Fig. 1– Ranking of Central Asian Countries specifically for Gender Development Index**

![Graph showing ranking of Central Asian countries for Gender Development Index (GDI)]

Note: The Gender Development Indicator (GDI) measures the overall achievement levels of a given country corrected for gender differences in those levels. It is calculated as the mean of all gender inequalities, by weighing all differences between female and male populations. As a consequence, a country where females achieve a higher level of longevity and of education has a lower GDI score than a country with equal scores both for men and women; furthermore, an advantageous position of women in a country in one dimension cannot compensate for deprivation in another dimension (Oudhof, 2000). The GDI measures inequalities between men and women in the three HDI component indexes, i.e., life expectancy, education attainment, and income measure of average gross domestic product (GDP) per capita.

Source: Rielaboration on UNDP (2007-2008) ranking of human development indicators

**Table 2 – Gender related measures (2007). Ranking of Kazakhstan, Kyrgyzstan and Georgia. Average ranking is provided for Central Asia region**

<table>
<thead>
<tr>
<th>Country</th>
<th>GEI</th>
<th>GEM</th>
</tr>
</thead>
<tbody>
<tr>
<td>Kazakhstan</td>
<td>64</td>
<td>74</td>
</tr>
<tr>
<td>Kyrgyzstan</td>
<td>57</td>
<td>89</td>
</tr>
<tr>
<td>Armenia</td>
<td>NA</td>
<td>NA</td>
</tr>
<tr>
<td>Azerbaijan</td>
<td>N</td>
<td>N</td>
</tr>
<tr>
<td>Georgia</td>
<td>--</td>
<td>79</td>
</tr>
<tr>
<td>Uzbekistan</td>
<td>--</td>
<td>--</td>
</tr>
<tr>
<td>Tajikistan</td>
<td>--</td>
<td>--</td>
</tr>
<tr>
<td>Region Central Asia (average)</td>
<td>60</td>
<td>--</td>
</tr>
</tbody>
</table>

Note: The GDI measures inequalities between men and women in the three HDI component indexes, i.e., life expectancy, education attainment, and income measure of average gross domestic product (GDP) per capita. The Gender Empowerment Measure (GEM) measures the extent to which women have access to certain levers of power. Identifies the percentage of women occupying administrative and managerial posts, working in professional and technical occupations and holding seats in parliaments, as well as the level of women’s earned income relative to men’s earned income.

Note: Data reported in the table is available only for listed countries.

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Although the reform process sparked by increased contact with market forces since 1989 has provided opportunities to remove gender barriers, many long standing obstacles to women’s advancement have been intensified or have become increasingly apparent. Despite the high degree of gender formal equality in the former Soviet Union, gender problems of this region basically maintain features, inherited from the period when such countries were in the structure of one state, where unified strategy and tactics of social-economic policy were pursued, stimulating differentiated level of economic activity of women and men.

Indeed, the assumption that under Communist regime, gender equality was significantly guaranteed has been questioned. Under the Soviet regime, the legal framework for gender equality and positive discrimination of women was safeguarded only in principle with a increasingly widening discrepancy between women’s legal status and full realization of their rights in practice. Female education and the involvement of women in public life and production were the most important achievements under the Soviet regime, which had introduced quotas for women's representation at all levels of the power hierarchy and preferences and exemptions in employment and education. As a result, in the four years between 1929 and 1933 the number of women in the productive economy increased five-fold. During the same period, the share of women in agricultural employment reached 37% (UNDP, 2007).

- After the breakdown of former Soviet Union, the barriers to gender equality have begun to emerge across countries with considerable variation. For instance, in the Azerbaijan Soviet Socialist Republic Bolshevik ideology was highly diffused and gender equality was promoted by women's movement, thus becoming a model for all countries of the East. Yet, differences across sub-regional, national and local contexts have become entrenched, comprising a major brake on the region’s potential to fully achieve the Millennium Development Goals. A comprehensive analysis of the manner in which transition reforms of privatization and price liberalization have affected men and women in the Central Asia Region (CAR) was conducted under a World Bank initiative by Paci (2002).

- This study examined 27 countries over the period of 1989-2000 with respect to the extent of changes rather than on absolute levels of indicators. The analysis revealed that the process of transformation affected not only the structure of the economy and living standards, but also influenced male and female behavioral and cultural patterns. According to the World Bank 2002 report, transition brought about unemployment, decline of employment in the public sphere, and an informal labor market. In none of the countries analyzed did the ratio of female to male activity rate decline; only in a few countries women’s unemployment was higher than that of men while the share of women in total employment remained unchanged. The 2002 World Bank emphasizes, though, that female positions weakened in earnings and formal employment, with a reduction in female work-related benefits, especially pensions, and the decrease of social benefits, such as state subsidies for nurseries and kindergartens. This led women to spend more time on maintaining diverse household chores and taking care of children and elderly family members -- this is largely known as time poverty.

The 2002 World Bank report provides us with the following conclusions:

- The impact of transition varied among countries and no regular patterns in gender inequality could be identified.
- Market deregulation and the process of privatization led to gender adverse effects. In the majority of the Central Asian countries state property was privatized by the governmental or managerial hierarchy and women were not able to acquire larger assets (also women lacked capital to afford purchasing the privatized property).
- In Tajikistan and Uzbekistan, the relative position of women worsened.
- In all Central Asian and Caucasian countries there was a significant gender gap in earnings; however the differences between monthly earnings were shrinking. Although some of the earning disparities might be explained by differences in human capital endowment and differences in job characteristics, part of this gap remained unexplained and might be associated with gender discrimination. The highest proportion of the unexplained earnings gap was observed in Azerbaijan and Kazakhstan.
- In the whole region the burden of female household tasks increased leading to time poverty with significant implications for women’s health and earnings.

The above described situation points to existing gender-based reserves, which were both inherited from the former Soviet regime and newly generated under the changing socioeconomic, political, and institutional transition. Women’s condition has evolved over time and acquired characteristic features across countries. Building upon existing literature, as critically reported in Box 1, the following analysis offers us country-specific insights into recently emerging gender inequalities.

Box 1 – Synthesis of key themes from literature review contained within the UNECE Stocktaking Study

Research studies and policy reports from different international and financial organizations have focused on different gender-related aspects. Academic studies have addressed poverty feminization of (Hotkina 2003), gender equality in the transition, development and achievement of the MDGs (Paci 2002, Baramia 2005) as well as gender mainstreaming into Poverty Reduction Strategy Papers (PRSPs) (Jashi 2004, Baramia 2005). Empirical evidence is available more on access to finance rather than on social security. In particular, access to finance and assets is explored from a perspective of women’s rights to land (Giovarelli 2001) and predominantly in agriculture in such countries as Kyrgyzstan (WESA 2005), Tajikistan (Li 2002) and Uzbekistan (Eckert 1996, Razavi 2003.) Yet, lacking is the understanding of the conditions of rural women in Central Asian republics with the exception for Uzbekistan (Kandiyoti 1999).

Overall academic research focuses more on social rather than economic dimensions of gender-related poverty, which can perhaps be explained by the fact that research is mainly conducted by international organizations such as ADB, UNDP, ILO, etc. National policy documents for gender equality include PRSPs, MDG progress reports and reviews of the Beijing Platform for Action reflect countries’ commitment to Beijing and the MDGs. As all CCA countries have ratified the Convention on the Elimination of All Forms of Discrimination Against Women (CEDAW) they are legally bound to enact its provisions. They are therefore committed to producing national reports on the measures they have taken to comply with treaty obligations. These reports are backed up with statistical data demonstrating implementation of the Convention. However, the overall lack of gender disaggregated data makes the reporting value less tangible. MDG Progress Reports assess countries’ achievements in poverty reduction and other MDG targeted indicators. Such reports are available in Azerbaijan, Georgia, Kazakhstan, Kyrgyzstan, Tajikistan and Uzbekistan. Gender and economy lack disaggregated data.

The National Development Strategies were elaborated in accordance with countries’ commitments under the MDGs. Azerbaijan, Kyrgyzstan, Tajikistan and Uzbekistan have prepared PRSPs that include countries’ strategy for further economic development. Kazakhstan has elaborated its own Programme for Poverty Reduction. However, gender issues are covered in relation to social issues such as health and education, and not in relation to economic problems.

Country gender assessments are produced by ADB and UNDP, analytical reports produced by UNECE, contributions from the United Nations Children’s Fund (UNICEF), UNIFEM, United Nations Population Fund (UNFPA) as well as assessments prepared by the World Bank and World Economic Forum. ADB gender assessments cover, among other issues, gender dimensions of poverty, discrimination in the labour market, women’s access to economic resources, social protection mechanisms and women’s participation in decision-making. These evaluations examine government responses to women’s needs, institutional structures to promote gender equality as well as analysis of women’s
conditions since 1995, when countries agreed to take measures under the Beijing Platform for Action. In particular, UNDP assesses the country situation from a gender equality perspective as well as the achievement of the MDGs by 2015. National Human Development reports prepared by UNDP cover various aspects influencing human development. These reports are region focused (HDR 2005) and cover particular problems, including gender issues (HDR 1995). Other United Nations agencies such as UNICEF, UNIFEM and UNFPA produce thematic based publications reflecting gender issues, however they are mainly done from a social perspective. The analytical reports produced by UNECE as a part of the Beijing +5 and Beijing +10 processes include good practices in the area of gender and economy. The UNECE Gender and MDG Statistics database also allows assessment of progress.


CCA countries in their national statistical publications on women and men present the available gender disaggregated statistics. Despite the progress done, these publications are not regularly produced and are mainly supported by international organizations (UNDP) and other financial institutions (ADB). Moreover, developing a series of sub-indicators for each of the NDSs can also be used as guidance for line ministries in their strategies in a more gender-sensitive manner.

To recap: analytical and empirical literature is available in the area of gender and economy, however, it does not cover all issues or lacks in-depth analysis. Rural/urban differentials in the CCA countries have not been studied properly from a gender perspective. The issues of segregation and gender asymmetries on the labour market, part-time and informal employment and the gender pay gap remain uncovered. The research on gender impact of privatization, reforms of social security (including pension systems) and gender responsive budgeting specific to CCA countries is scarce.

Source: UNECE, Stocktaking Study (2008)

2. Persistent gender inequalities

Gender unbalances at stake across Central Asian and Caucasian countries revolve around the following issues: namely, (i) gender and poverty, (ii) access to resources, (iii) the labor market, (iv) unpaid work, (v) education, and (vi) decision making. The analysis turns to addressing such specific issues, as follows.

Gender and Poverty

According to ADB (2004b), transition resulted in massive loss of employment, income, and purchasing power in all Central Asian Regions, leading to what is largely known as feminization of poverty, that is the gap between men and women caught in poverty. Although the data is very sketchy, national poverty line estimates suggests that poverty decreases in all CARs where data are available (see Table 9), yet at a slow rate. Poverty is, indeed, still high reaching about 40% of total population in the Central Asian region. Lower inflation rates, stronger growth, creation of new external trade linkages, restoration of social and political stability, and the upturn in agricultural production and incomes explain the decline in poverty in the Central Asian countries (ADB, 2006).

According to the 2008 International Global Network report, the latest estimates of national poverty lines show that:

4 As pointed out within the 2008 International Global Network report and the ADB study on poverty of 2006, measurements of the gender dimension of poverty is usually. Typically, measurements of poverty were at the household level, failing though to to capture intra-household factors and different types and causes of deprivation affecting men and women.
- Poverty is generally higher in the non-oil exporters than the oil exporters.
- With poverty incidence in excess of 50%, Tajikistan is the poorest CAR.
- Azerbaijan (an oil exporter) and Kyrgyz Republic seem to have high poverty incidence in excess of 45%.
- In Kazakhstan, poverty levels are somewhat lower at around 28%, having come down from over 40% in the late 1990s.
- Uzbekistan and Turkmenistan (an oil exporter) also appear to have low poverty levels.

Table 3  Poverty Incidence and Inequality in Central Asian Countries

<table>
<thead>
<tr>
<th>National Poverty Incidence (Population below poverty line, %)</th>
<th>GINI INDEX</th>
<th>Share of Bottom 20% of Income Recipients</th>
</tr>
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<tbody>
<tr>
<td><strong>Oil exporters</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Kazakhstan</td>
<td>34.6 (1996)</td>
<td>27.9 (2002)</td>
</tr>
<tr>
<td>Turkmenistan</td>
<td>29.9 (1998)</td>
<td>40.8 (1998)</td>
</tr>
<tr>
<td><strong>Non-oil exporters</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Kyrgyz Republic</td>
<td>51.0 (1997)</td>
<td>47.6 (2001)</td>
</tr>
<tr>
<td>Tajikistan</td>
<td>56.6 (2003)</td>
<td>34.7 (1998)</td>
</tr>
<tr>
<td>Uzbekistan</td>
<td>27.5</td>
<td>26.8 (2000)</td>
</tr>
</tbody>
</table>

Sources: Rielaboration on International Global Network (2008)
Note: Data reported in the table is available only for listed countries.

Rural poverty seems to be a significant problem as for instance in Armenia, where many urban unemployed shifted to agriculture. According to the Armenia 2008 IMF report, rural poverty level increases together with the altitude\(^5\) with income disparities particularly accentuated within some subregions (e.g., the Ararat, Armavir Lori, Shirak in Armenia, or the Ferghana Valley and border regions of Kazakhstan, Kyrgyz Republic, and Tajikistan). Despite these regional inequalities, income distribution data suggests that there do not exist stark unbalances throughout the Central Asian and Caucasian countries with an average Gini coefficient of 33.2%. Furthermore, the share of the poorest 20% of the population at 8% is higher when compared with countries in Southeast Asia such as Malaysia and Thailand (ADB, 2006).

Yet, the measurement of poverty is an issue. Typically, poverty is linked to household variables, which whenever possible need to be disaggregated at the individual level to capture intra-household transfers and different factors of deprivation affecting men and women. For this purpose, poverty proxies should compare the income of a single adult (or parent) household headed by men and women. For instance, the situation of Female Headed Households (FHH) in Tajikistan fairly explain the gap existing between men and women in the household. Because of the significant share of men -- conservative estimates of at least 500,000 -- migrating out of the country, FHHs are numerous. In such circumstances, sources of income vary between FHHs and male-headed households (MHHs), but also between different types of FHHs, influencing vulnerability to poverty. Although the

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\(^5\) Building upon the IMF report (2008), the analysis of the peculiarities of rural poverty in Armenia shows that under the conditions of economic growth aimed at the reduction of constant poverty line and poverty, the differences in the poverty levels, which are conditioned by rural peculiarities, tended to reduce during 1999-2006. The problem of extreme poverty in the rural areas can be considered as basically solved and the poverty reduction targets in the rural areas in medium and long-term perspective will not substantially differ from the respective targets of urban areas.
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analysis of the Tajikistan Living Standards Survey 2003 data presented no significant difference in overall headcount poverty between FHHs and MHHs (Falkingham and Baschieri 2004b). FHHs typically have less access to land and irrigation services, leaving them less food secure and unsatisfied with their living conditions than MHHs in all income quintiles (Falkingham and Baschieri, 2004b; ADB, 2006). These findings point to the fact that FHHs likely face higher levels of psychological stress than male household heads at a given level of welfare (ADB, 2006). In Tajikistan, only 33% of all FHHs were in the lowest expenditure quintile in 2003, with the majority, 52.5%, in top quintile (ADB, 2006).

According to the 2006 Asian Development Bank (ADB) study on poverty in Asia, in poor (and patriarchal) families the gender division of labor and responsibilities puts the heavier burden on women, who are the most vulnerable category. Because of gender gaps in education, health care, economic participation, and incomes, the number of women living in poverty has increased over the past decade and is doomed to rise still given high male migration and consequent changes in household structures. In the Asian region, the proportion of households headed by females ranges from 20 to 40 percent. As poor women outnumber men, this entails serious constraints to human and social development because their children are more likely to repeat cycles of poverty and disadvantages (International Global Network, 2008).

Repetitive cycle of adverse impacts on economic status of women will affect status of their families. Table 4 highlights and assesses risks for children in case of their families’ income decrease and if they lack adequate care by their mothers. This risk factor indicates higher risks as a result of poor care, including nutrition due to reduced income of their mothers, in a range from 1.75 to 8 times compared to those enjoying adequate care.

Table 4 - Possible Implications of Adverse Impact on Economic Status of Women

<table>
<thead>
<tr>
<th>Indicator</th>
<th>Extent</th>
<th>Risk factor under increasing between income of women and men in trade (relative risk)</th>
<th>Approximate number of children annually lacking balanced nutrition and proper care due to worsening of financial state of women engaged in trade (‘000 children)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Lagging in physical development in families with income level below the average</td>
<td>4.8%</td>
<td>27</td>
<td>4</td>
</tr>
<tr>
<td>Lack of full value nutrition</td>
<td>5.3%</td>
<td>24</td>
<td>1.75</td>
</tr>
<tr>
<td>Lack of adequate care by low paid mothers</td>
<td>5%</td>
<td>41</td>
<td>2.5-8.4</td>
</tr>
</tbody>
</table>


According to the method of family coefficient and considering the number of women engaged in trade, International Global Network 2008 estimates of annual average number of such children indicate that within the Central Asian region more than 140 thousand children and teenagers of a mother engaged in trade will bear increasing risk of lacking care and nutrition. Modeling using

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7 Among FHHs, 15.2% fall within the quintile of all households with the highest income. Poverty is higher than average in FHHs and MHHs with large numbers of children, see ADB (2006).

number of children and extent of inadequate care reflect adverse tendencies which lead to future annual losses in economic growth and GDP due to: (a) worsening of child care and financial state of women, inadequate physical and intellectual development of their children result in decrease of labor force and efficiency of its use; (b) longer healthcare treatments to improve their health increase government expenditure; and (c) poor women’s productivity decrease for low level salaries.

An inter-generational negative effect, which adds up to already adverse impact on women’s economic status can be generated also by the decrease in government funding for social, health care, and education. Budgetary cuts in these policy domains have a bearing upon the unprotected segments of the population, especially women and children. In particular, economic policies for reducing the budget deficit are likely to have an unfavorable impact on women as caregivers, relying on redistributive policies through public expenditure (Elson and Çağatay, 2000). This adverse effect adds to gender biases in public expenditure, as reported by Norton and Elson (2002) in gender audits of government budgets.9

Access to Resources

As the UNECE 2008 Stock Taking Study highlights, women have more limited access than men to economic resources such as credit, agricultural inputs, and land across the region. Women willing to create a small or medium enterprise (SME) face severe constraints in financing their business, for instance in satisfying collateral requirements and/or negotiating affordable conditions out of the maze of banking regulations within the formal financing sector. According to a recent ADB study, small-scale credit support offered to women in Tajikistan financed trading and service-based activities (ADB, 2000).

Most women entrepreneurs source funds from immediate kinships and (less often) their own savings. Some recent surveys of international NGOs have shown that incomes derived from this informal source have improved beneficiaries’ revenue streams by 20–60%, and many female-headed and poor households have been able to overcome their food insecurity.10 The 2008 UNECE Stock Taking Study reports that almost all credit and business development services are made available to women in the informal sector through non-government organizations (NGOs) and microfinance institutions (MFIs). Women appear willing to assume business risks, able to repay loans, take a longer term perspective in business planning than men, and rely on group mobilization to overcome the social constraints they face. For example, when women are unable to access formal training, they reach out other women in the same area of business to look for solutions. Many MFIs note that women become more confident when they can see they are not alone and are encouraged to participate more fully in household and community decision making (ADB, 2006). Group activities build women’s confidence and skills to participate in community development activities, local governance, and network with other women’s groups (ADB, 2006).

Central Asian and Caucasian countries have experienced extensive land reforms based on equity principals, but women have land registered in their names in a modest percentage; very few have land in joint names with their spouses or other male relatives. Under such circumstances women cannot access the benefits of owning land and thus sell it on the land market, nor can they use land as collateral to access other economic resources such as credit. Women remain, therefore, highly

10 Cited from the 2008 UNECE Stock Taking Study.
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vulnerable and dependent on others in situations of economic crisis or family disruption, for example when they become widowed or divorced.

In 2002 assessment of rural women’s needs for land use rights in Tajikistan funded by the United Nations Fund for Women (UNIFEM) (Sabates-Wheeler, 2002, quoted in ADB 2006) concluded that women, despite formally guaranted legal equality, have unequal access to economic resources, including land. “When women do access land, it tends to be the farthest from irrigation facilities or of marginal quality. Women are also frequently denied their right to land previously held by their husbands upon divorce or becoming widows” (ADB, 2006: 12).

Within the region, household assets are not sufficient to mobilize capital for small household-based entrepreneurial activities as highlighted by the survey conducted in 2003 by UNDP specifically across three oblasts of Uzbekistan. Demand for credit among households (to set up small businesses) is large: according to the survey results, a family willing to capitalize its assets has to invest on average about $945, or about 15 per cent of the total value of their assets. However, only 5.4 per cent of families could meet this criterion (UNDP, 2003). In addition to the lack of financial resources in leading household assets, gender stereotypes also count. For example, in Kazakhstan, 13,514 farms are headed by women (set up as small business), which is only 9 per cent of the total number of farms (Women and Men in Kazakhstan, 2004). According to the 2008 UNECE Stocktaking study, in 2002, 60.4 percent of people in management positions in the finance sector and more than 70 per cent of all owners of banks and insurance companies were male. Under such circumstances, women may experiences serious difficulties in negotiating with male loan officers if they are not accompanied by their husbands when applying for a loan (UNECE, 2008). Religious canons, assuming less important role for women in the society, than for men, render definite impact on self-realization of women. At the same time, new conditions and factors are emerging, stimulated by market relations, which change proportions in the gender balance. Thus, reforming of national economies, development of various patterns of ownership, and adaptation to market conditions stimulate growing motivation for employment of women in connection with general deterioration of a financial position in households. Yet, current economic crisis looms large on gender empowerment.

Entrepreneurship

Entrepreneurial activity varies with gender, national culture, or economic circumstance. Women are major players in the private sector, particularly in agriculture and informal businesses. National GDP per person provide, therefore, only a rough measure of national economic wealth, shaping with high degree of approximation the extent of the entrepreneurship gender gap. Although women have increasingly pursued strategies of entrepreneurship and self-employment, access to land and assets are key for success. Opportunities for women entrepreneurship vary with respect to location in urban or rural areas, however, overall women still have more restricted access than men to economic resources such as credit, agricultural inputs, and land.

In Kazakhstan, the 2008 UNECE Stocktaking Study reports that 15% grain state reserves are supplied by the farms, controlled by women, and the share of subsidies, which are provided to the above-named enterprises, makes only 8.4% from overall subsidies allocated to the sector. Available data on gender specific barriers to entrepreneurship point to a large gender gap in the distribution of microcredit, land and other economic assets. In Uzbekistan, according to the State Statistical Committee (2002) cited by the 2008 UNECE Stocktaking Study, men received 85 per cent of total microcredit funding. There are differences across regions, yet even in the Karakalpakstan and
Khorezm oblasts, which are the regions with the highest share of female recipients of microcredit, women’s share does not exceed 26 per cent (see Fig. 2).

**Fig. 2 - Percentage of microcredit received by male and female entrepreneurs in the region of Uzbekistan**

![Graph showing percentage of microcredit received by male and female entrepreneurs in various regions of Uzbekistan](image)

*Source: State Statistical Committee of Uzbekistan, 2002*

It is understandable why then women increasingly get self-employed within the informal sector rather than establishing a small or medium-sized enterprise. A Labor Force Survey conducted in Azerbaijan in 2004, which is quoted by the UNECE 2008 Stocktaking Study, noted that 17 per cent of women who reported being employed defined themselves as engaging in a “private entrepreneurial activity without forming of legal person,” which suggests informal sector work. Available data for Georgia shows that, between 2000 and 2004, on average, 62% of women were self-employed, while men reached 65%. Women face more constraints in setting up and running their own business, some examples of which include difficulties in accessing credit and the lack of social capital necessary to operate a business in Georgia (Jashi, 2005).

**The labor market**

*Labor force participation*

The growing proportion of women in the labor force and the narrowing gap between male and female participation rates have been one of the most striking labor market trends of recent times\(^\text{11}\). During the past ten years, however, a more nuanced picture has emerged regarding female participation, with considerable differences among age groups and regions. In particular, the high birth rates of Central Asian countries cause women to deal with household activities, and accordingly, reduce the level of their economic activity\(^\text{12}\).

\(^{11}\) However, it is worth noting that the data on labor force participation does not tell us much on the likelihood of being employed, nor does it indicate the quality of jobs. It also does not show how many people are participating in education, which is a good reason to be out of the labor force.

\(^{12}\) What is striking is that in some countries fertility rate shows a decreasing rate, as highlighted specifically in Azerbaijan and Georgia (1.4 in 2008). In Azerbaijan, fertility rate has shifted from 2.8 percent in 1991 to 1.9 percent in 2001 (WHO, 2003), while female participation rate has not increased; see UNECE 2008 statistical database.
For instance, in the Republic of Uzbekistan the occupational level of women in trade and services is estimated by parameters shown in Fig. 1. Data reflect dynamics in the share of women in trade sector, which in 2000-2007 practically does not undergo any changes. In services, the share of women is modestly reduced also in 2007, making about 30%.

The motivation of female employment is observed in all age categories. Average age of women, occupied in all sectors of economy is increasing while it is striking that female employability\(^\text{13}\) declines as compared to men’s. Key factors explaining this trend are linked to the rise of discriminatory practices, especially in the private sector (gender pay gap and discrepancies in sectoral occupation) and cuts in social protection (affecting compatibility of work with family responsibilities).

**Vertical and horizontal segregation**

Although all Central Asian and Caucasian countries have adopted progressive legislation aimed at ensuring women’s representation in all occupational groups and sectors of the economy, the patterns of labor segregation established in the Soviet period have largely continued (higher male employment in construction; higher female employment in health care and education). In Uzbekistan, most of women are employed in the health care sector (78.4 percent) and in education (69.3 percent) (Government of Uzbekistan, 2005). In Kazakhstan the share of women in the

\(^{13}\) Women’s employability and position in the labour market are addressed in ADB and UNDP reports on women’s status in Central Asian countries. Women’s entrepreneurship is explored only in Azerbaijan (ILO 2004) and Georgia (Jashi 2005), while some aspects of business development are covered in Kazakhstan (Sarsenbaeva 2004). Yet, research does not assess the extent of women’s unemployment and the increasing presence in the informal sector. Studies on social security policies is available for Uzbekistan, and Kazakhstan), but research is scant on gender dimension of social security and pensions, currently available only regarding pension reform during the period of transition (Castel 2001, Kandiyoti 1996). Also empirical analyses of gender responsive budgets are limited specifically for CCA countries. The only gender budget analysis for employment is available for Tajikistan (Kurbanov 2005), being conducted by ADB.
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education sector is 73.1 percent while in the public health and social services sector is 79.6 percent out of the total number of employees (Women and Men in Kazakhstan, 2004). In Tajikistan 73.2 percent of women are employed in the agricultural sector (UNIFEM 2007), where, together with the other above mentioned sectors, wages tend to be lower than the national average. This pattern can be observed in most Central Asian and Caucasian countries.

Fig. 4 - Percentage of men and women in managerial positions by branches of the economy in Uzbekistan

Vertical segregation is a factor explaining the wage gap. In fact, women rarely hold management positions even in those sectors such as education or health service provision where female labor force is significantly high. The share of women in Kazakhstan, for example, was only 3.5 per cent among managers in governmental bodies (Toksanova, 2007.) Fig. 4 below demonstrates the situation in Uzbekistan, where even in female dominated areas like education and art, women do not hold more than 50 per cent of managerial positions.

Generally speaking, across countries the proportion of women is higher in the public sector and men prevail in the private sector, which may mean more lucrative jobs but more insecurity. The share of women is higher in low income education and healthcare sectors. Many of the only job opportunities available to women are undesirable low-paying and/or temporary jobs under difficult or dangerous working conditions. Women are paid less than men in low income budget sector and other better paid sectors. Discrimination of women persists in the workplace: employers do not prefer women, who are married or have small or many children. Maternal benefits provided by law are often not respected and there is no social security strategy that would stimulate female employment (see 2008 Stocktaking Study by UNECE).
Table 5 - Employment by sector and gender

<table>
<thead>
<tr>
<th></th>
<th>Agriculture</th>
<th>Industry</th>
<th>Services</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Female</td>
<td>Male</td>
<td>Female</td>
</tr>
<tr>
<td></td>
<td>Earliest</td>
<td>Latest</td>
<td>Earliest</td>
</tr>
<tr>
<td>Azerbaijan</td>
<td>53.7</td>
<td>45.2</td>
<td>46.3</td>
</tr>
<tr>
<td>Georgia</td>
<td>50.6</td>
<td>50.0</td>
<td>49.4</td>
</tr>
<tr>
<td>Kazakhstan</td>
<td>46.4</td>
<td>46.0</td>
<td>53.6</td>
</tr>
<tr>
<td>Kyrgyzstan</td>
<td>45.9</td>
<td>42.5</td>
<td>54.1</td>
</tr>
</tbody>
</table>

Source: Calculated by ESCAP using data from International Labour Organization, Key Indicators of the Labour Market: Fifth Edition

Note: Data reported in the table is available only for listed countries.

Unemployment

Although female unemployment seems to have decreased in the last five years, women’s unemployment rates are 2-3 per cent higher than those of men in all Central Asian and Caucasian countries. For example, in Azerbaijan female unemployment rate reached 25.7 per cent for females as opposed to 19.0 per cent for males in 2003, as reported by the 2008 UNECE Stocktaking Study. In Kyrgyzstan, female unemployment is still 16.3 per cent compared to 13.4 per cent for males (Women and men in Kyrgyzstan, 2005). However, it is fairly well known that even with higher education levels, women have difficulty finding employment and on average remain unemployed for longer periods than men, especially after childbirth or child rearing. Stereotypes regarding women’s low productivity because of motherhood are report as frequent causes for unemployment among women.

Gender pay gap

As previously anticipated, the difference between average gross earnings of male paid employees and of female paid employees as a percentage of average gross earnings of male paid employees, largely known as wage gap is an issue throughout the region. The 2008 UNECE Stocktaking Study reports that women earn only 46 per cent of what men earn in Tajikistan. The same UNECE study highlights that in Kyrgyzstan, where women earn 66.5 per cent of men’s earnings (in 2004), the wage gap is still considerably high. Citing the ADB report on poverty in Central Asia of 2006, the highest wage gaps between men and women are in regions of Kazakhstan with the highest gross regional product, as 90 per cent of jobs in the mining and mineral extraction sector, with higher than average salaries, are taken by men (ADB, 2006). Indeed, according to the 2008 International Global Network study findings, in Kazakhstan, the pay gap has evolved thus far showing interesting changes. In 2008, in agriculture, (hunting, fish breeding) wage gap is less than in the economy as a whole. However according to official data in 2003, the average nominal salary of women working

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14 According to ADB data (2006) in Azerbaijan, women earn 54.4% the average wage that men earn in health and social service sectors—a gap of 45.6%. Women earn 77.7% in education sector—a 22.3% gap. In Tajikistan, women earn on average 46% of what men earn—a 54% gap. In Kazakhstan, women earn on average 61.7% of what men earn—a 38.3% gap. In Kyrgyz Republic, there is a 35.1% gap.
in agriculture was 75.7% of the salary of men (7,734 tenge and 10,217 tenge accordingly), while in the economy was 60.8%.

The same source of data,\textsuperscript{15} in Kyrgyzstan monthly average income of rural men exceeds incomes of women 1.7 times, with cumulative income effects at the aggregate monthly level showing that men earn almost twice (67%) the aggregate income of women (34%) (International Global Network, 2008). In Kyrgyzstan, though, most severe gender segregation by level of wages is related to trade indicating that female income does not exceed 3,000 som per month, while one fifth (19%) of men working in this field have incomes above the same level. Women are also mainly engaged in export sale of cheap goods made in Kyrgyzstan. Despite the introduction of new customs rules and measures to reduce such exports it continues to exist in illegal forms (International Global Network, 2008).

\textit{Informal work}

Although official data on the size and structure of the informal labor market are poor, women are likely most employed in shuttle business, in-home, trading on markets, and working as paid nurses. In fact, the decreasing official participation rates coupled with relatively low unemployment figures suggest that many women work within the informal sector.\textsuperscript{16} According to the 2008 UNECE Stocktaking Study, Kyrgyz shadow sector can be estimated around the 50-51% of GNP.\textsuperscript{17} The 2008 International Global Network findings on the labor market in Uzbekistan show that women informally working in trade and services spend 2/3 of their free time in caring labor mostly within their own families.

In Kazakhstan, according to Toksanova (2007, quoted within the 2008 UNECE Stocktaking Study), women form 59.2 per cent of the rural economic active population in the informal sector. This situation is allegedly linked to the existing generous social security regulations (i.e., maternity rights), which make female workers more expensive for employers.\textsuperscript{18} As a result, women more likely to be exposed to the insecurities of the informal market, or to fall back on small plot household production. Furthermore, more than 50% of the total number of surveyed working women of Kazakhstan have declared that they have been employed without signing the contract. This group also includes those who count themselves as employers, self-employed, members of production co-operatives, workers working free-of-charge in family business, and those, who work on their household plots (International Global Network, 2008).

By working in the informal sector of trade, women have the opportunity to pay for various services, including services of children’s preschool fees. However, in spite of the advantages, the work in informal sector of trade is vulnerable to poverty, risks, and it is not paid adequately. Women-dealers are deprived of access to any mechanisms of social protection, such as payments for temporary disability and maternity leave.

\textsuperscript{15} See the 2008 International Global Network.
\textsuperscript{16} According to the ILO definition, the informal sector consists of small-scale, self-employed activities, typically at a low level of organization and technology, with the primary objective of generating employment and incomes. The activities are usually conducted without proper recognition from the authorities, and escape the attention of the administrative machinery responsible for enforcing laws and regulations. Much of this employment is temporary, seasonal or part-time.
\textsuperscript{17} Although both women and men are involved in the informal sector, women’s presence is underestimated as statistical surveys (including labor force surveys) do not include one-time or informal work performed by women.
\textsuperscript{18} In Uzbekistan, for instance, employers have to pay female employees with a child under 2 years old a maternity benefit equal to 1.5 times the minimum wage, and keep the mother’s job (ILO, Maternity Leave Protection Database).
Labor migration

Regarding labor migration,\textsuperscript{19} this phenomenon is particularly intense across Central Asian and Caucasian countries’ borders within and outside the region and official records are oftentimes not accurate since migrants do not always register in receiving countries. 2002 World Bank estimates of migrants since 1989 reported by the 2008 UNECE Stocktaking Study amount to 597,000 in Kyrgyzstan, and to 2,346,000 in Uzbekistan. Also in Kazakhstan, migration is significant and fast-growing.

Increasingly, women have become migrant for working. This is the case, for instance, of Uzbekistan, where the number of female migrants is 80,260, which is 55.4 per cent of the total number of migrants (Women and Men in Uzbekistan, 2005). Labor migration has a bearing on the welfare system of the sending countries because migrants do not pay taxes or social contributions, weakening the revenue base for pensions and social assistance. Yet, families of migrants are often better off as their income is higher due to remittances. Migration has, therefore, both a positive and a negative impact for girls and women. On the one hand, girls in home countries benefit from higher households’ income, and higher access to education and healthcare. On the other hand, female migrants often lack any social benefits and work for the informal sector with lower pensions at retirement.

Unpaid work

Women have primary responsibility for caring labor due to patriarchal traditions and gender stereotypes. In Kazakhstan, for example, women spend three times more of their time on household labor than men (Toksanova, 2007). As a result, women have difficulty in keeping a full-time employment due to the so-called double presence -- both at work and within the family. As social assistance programs do not support families and specifically women, time pressures make informal sector or insecure part-time jobs more appealing.

However, as previously emphasized, the increase of unpaid work first bear significantly more on poor women, since in poorer households the time required is greater than in households with higher incomes that are able to purchase food and services. Second, high opportunity costs of unpaid labor time reduce women’s employability and/or other sources of income, and hence increase income poverty among women. Third, women may rely on household-based skills to earn income in the informal sector, for example in preparing food or selling small surpluses from subsistence production, trapping them in low-productivity activities. As a result of involvement in unpaid work, women do not have social protection and pension guarantees.

\textsuperscript{19} The migration pattern in Central Asia had two distinct waves. The first shift in the early 1990s was caused by ethno-political factors when ethnic Russians, Germans and Ukrainians left Central Asia out of concern for their future. The second wave is mostly dominated by economic considerations due to unequal development of the regions within and between countries. If local labor markets fail to provide jobs, people look for countries with high labour demand (and often with the same language and easy transport routes). In this respect the most frequent destination for the migrants from Central Asia are the Russian Federation and Kazakhstan (UNECE, 2008).
Education

Conservative views on the role of women in family and society leads to the fact that men have higher level of access to education, and accordingly to literacy compared to women, as reported in Table 6 below. For example, literacy level of women in Uzbekistan is 92.8%. Such a high figure might offer evidence of non discrimination in education. Basic schools attendance does not provide for gender separation, boys and girls study equally and together. In Uzbekistan more than 7 million people are trained in the whole education system, out of them 3.5 million are women (48.2 percent out of the total number of students), and 3.8 million men (51.8 percent). In Azerbaijan, a recent UNDP 2007 human development report highlights that in the situation of limited material opportunities, parents often encounter the dilemma of which children should continue their education.

Table 6 – Gender Disparities in Education

<table>
<thead>
<tr>
<th>Indicators</th>
<th>Gender disparities in Literacy</th>
<th>Year</th>
<th>Gender disparities in Basic Education</th>
<th>Year</th>
<th>Gender disparities in Secondary Education</th>
<th>Year</th>
<th>Gender disparities in Vocational Education</th>
<th>Year</th>
</tr>
</thead>
<tbody>
<tr>
<td>Kazakhstan</td>
<td>99.5</td>
<td>1999</td>
<td>99.7</td>
<td>2005</td>
<td>99.5</td>
<td>2005</td>
<td>143.0</td>
<td>2005</td>
</tr>
<tr>
<td>Kyrgyzstan</td>
<td>98.8</td>
<td>1999</td>
<td>98.7</td>
<td>2006</td>
<td>101.7</td>
<td>2006</td>
<td>127.4</td>
<td>2006</td>
</tr>
<tr>
<td>Tajikistan</td>
<td>99.5</td>
<td>2000</td>
<td>95.6</td>
<td>2006</td>
<td>84.9</td>
<td>2005</td>
<td>36.8</td>
<td>2006</td>
</tr>
<tr>
<td>Uzbekistan</td>
<td>98.8</td>
<td>1991</td>
<td></td>
<td></td>
<td>79.7</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Source: Rielaboration on UNESCO 1999-2006
Note: Data reported in the table is available only for listed countries.

The 2007 UNDP report highlights for Central Asian countries that people have experienced a value conflict in the transition period. As in the process of identity formation, adolescents experience this conflict more deeply, and this manifests itself in an increase in the differentiation between girls’ and boys’ education preferences. One of the important agent of the changes in their values is “religious” education. Studies conducted in this field have not observed explicit signs of Islamic education, whereas the hidden curriculum such as the behavioral patterns of teachers, administrators and students, their preferred clothing style, and the magazines, books and TV channels revealed implicit cues about Islamic orientation as well as gender stereotypes (UNDP, 2007).

Decision making

Women actively engaged in politics and elected in representative bodies have decreased over time since Central Asian and Caucasian countries gained their independence (2008 UNECE Stocktaking Study). According to ADB (2006), the most recent percentage of women elected at the national level in the four CARs is as follows:

- Azerbaijan: 10.4%
- Kazakhstan: 9.5%
- The Kyrgyz Republic: 1.3%, and
- Tajikistan: 13.0%.

For example, in Kyrgyzstan, the already existing quota system of 2007 has been recently amended reducing at only 33% of places in elective structures, including Parliament, the quota left for
women. As a result, only 6.7% of women have become Parliament members of the Kyrgyz Republic, i.e. only 7 out of 105. As stated in the 2008 International Global Network report at page 15, “The amount of the women occupying government posts was extremely low compared to men, with women occupying in 2003 only 21.8% of leading posts in the Government. At a medium level an average index of gender parity is also not favorable to women. The parity of men and women is at the level 62.6% and 37.4%.” (p. 15) Thus, the role of women in decision making remains thus far modest.

Also in Uzbekistan, there can be observed a decreasing trend in female political representation. For instance in 2005 in People’s Democratic Party there was 34.2% of women, in Liberal Democratic Party – 33.1%, in Milliy Tiklanish party – 45.6%, in Fidoklor party – 40.7%, and 38% in Adolat party (International Global Network, 2008). Although civic participation seems more vibrant as recently several several non-governmental organizations were established, such as the Women’s Committee of Uzbekistan, including Uzbekistan Business Women Association, Scientist Women Association, Civil Association of Women Lawyers and etc, the executive power as well as managerial positions are not gender balanced.

The very administration of ministries and agencies and also the managing level in the Administration of the President of the Republic of Tajikistan show such imbalances exacerbating over time. In fact, at the beginning of 1999 women were heads of two ministries, which was 7.4% of the total number of ministers, then by mid 2000 there was only one female minister, and in 2004 – none. The 2005 data reported by the 2008 International Global Network study indicate that women comprised 8.1% of the managing staff in ministries and state committees, and 13.8% of the managing staff in the Administration of the President of the Republic of Tajikistan. In courts women are 51 accounting for 18.6 percent of total judges, as specifically shown in Fig. 5 above.

Finally in Georgia, in of 2008, only 7 out of 139 members of Parliament were women (5%) (Women and Men in Georgia, 2008). As of 2009, there were no women in the ministerial level positions of the Georgian government. Although, the Georgian government has made some efforts to promote gender equality with the establishment in 2004 of the Gender Equality Advisory Council under the Parliament Speaker’s office (see Part two), women still do not occupy managerial
positions at the high level of both in civil service and private sector. Women are also underrepresented in local and central elected bodies.

3. Possible gender impact of macroeconomic policies

Most public policies – supposedly gender neutral – give rise to differentiated impacts, comprised of multiple, at times adverse gender arrangements. The discovery of this gender-impact variation has surfaced differently across countries and jurisdictions within countries highlighting multiple and stratified gender subsystems. Building upon existing evidence not only emerging out Central Asian and Caucasian cases, we seek to unearth gendered distortions, which can be frequently brought about by fiscal and monetary policies, social protection reforming, trade and export promotion, as analyzed below.

Fiscal and monetary policies’ counterproductive outcomes on women

Central Asian and Caucasian countries have undergone major reforms of their own social security systems, public utilities, health and education sectors. Privatization processes, the use of the privatization proceeds, extra-budgetary accounts (especially in health, education, culture and science) and quasi-fiscal activities (linked mostly with government controlled tariffs applied by state owned enterprises) need to formally assess their gender impact with respect to poverty, employment, user fees, beneficiaries of diverse programmes, etc. Yet, there is oftentimes a disconnect between formal rules and actual compliance with them. As Jashi (2004) notes for the case of Georgia, traditional macroeconomic programming is not gender sensitive, and the different effects on women and men are not explicitly accounted for in budgeting processes. Nor is there any systematic evaluation of policy effects on the ground.

Indeed, regulating institutions and policies are often responsible for gender-based distortions, which lead to unequal constraints for male and female economic agents. For instance, credit rationing may exclude women as borrower in formal credit markets and crowd out loans for women to high-interest money-lender types of informal credit (Yotopoulos and Floro, 1992). In agricultural markets, changes of fertilizers or labor from male to female plots has a bearing on the household production (Udry et al., 1995). For labor markets, Seguino (2000) has shown with time-series data from South Asian countries that the high growth rates of these countries can be largely explained by the high gender wage gap in these countries’ export manufacturing industries, employing predominantly women. Klasen and Abu-Ghaida (2004) have estimated the total impact of gender inequalities in factor markets to be 0.1 to 0.3 percentage point loss of GDP growth over time (Klasen and Abu-Ghaida, 2004). These research findings call for systematic macroeconomic policy gender assessment along all phases of the policy cycle (for the design, during implementation, and within the ex post evaluation phase).

On price stability, for instance, contractionary policies aimed at reducing inflation lead to higher interest rates with potentially negative impact on small and medium sized enterprises’ costs of borrowing especially for female micro and small scale entrepreneurs. Deflationary policies may also lead to increasing female unemployment rates, at higher rates of increase than for men (UNRISD, 2005). The macroeconomic framework also often involves exchange rate devaluation. Currency devaluation may produce benefits in terms of export earnings and employment, including women’s employment. But, at the same time, imports will become more expensive, especially for food or agricultural inputs, which are typically basic household expenditures, hitting women harder than men (Warner and Campbell, 2000).
Social protection reform effects on female micro and small scale entrepreneurs

Social protection programming deserves special attention since it has been extensively restructured in most Central Asian and Caucasian countries during the transition period to bring systems more in line with other market reforms. Within social protection, old-age pensions account for the most considerable part of public expenditure, though recent reforms have opted for funded cumulative pension systems, based on mandatory contributions through places of employment. However, the value of women’s pensions may significantly decline since women accrue lower accumulations than men as they earn less and have to leave the workforce for child bearing/rearing periods. Women then need greater total payments because of lower retirement age and greater longevity with the potential consequence of increased poverty among elderly women and hence increased demands on other welfare or minimum subsistence payments. In some countries cumulative pension systems have been extended to the self-employed, but not to unpaid care workers into the social welfare system. Yet, low pensions may discourage contributions from the self-employed and people in the informal sector. As Toksanova (2007) states: “Return on capital used to operate a farm or small business is much higher than that on pension savings; thus many people will opt to stay out of new systems where participation imposes a high opportunity cost. These concerns must be addressed, as high proportions of women are self-employed and will remain in the informal sector without any protection if their social security needs are not met” (Toksanova, 2007, p: ).

Trade and exports’ adverse effects on women

Export promotion policies may have positive impact on female employment in labor-intensive manufacturing, but the quality of jobs tends to be low since -- Palley (2004) notes -- labor standards in export production tend to be lowered because of the unequal bargaining power between globally mobile capital and relatively immobile labor. With heightened competition from imports, female jobs may then get increasingly flexible and even precarious specifically for those, who work at the lower end of global production systems (Standing, 1999). Moreover, policies concerning external balance often encourage capital inflows through deregulation of financial markets, the banking system and tax holidays for foreign direct investments, leading to strong financial market volatility and increasing risk of bank runs and sudden capital outflows. These risks hit particularly women as they increase their unpaid workload in order to substitute for income losses (van Staveren, 2002).

Changes in trade policy and its further liberalization could only aggravate gender imbalances (International Global Network, 2008: 7). Aggregated analysis of obtained indicative coefficients demonstrates that development of trade relations under liberalization in mid-term perspective results in economic conditions for women which will be 26% lower on average that those for men.

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20 Regarding trade, attempts to determine the degree of adverse factors’ impact on changes in employment and growth of income of women and men were made on the basis of surveys of entrepreneurs in Uzbekistan (International Global Network, 2008). According to this survey, men are getting involved in trade at a faster rate and the annual increase is 8 percent. Increase in profitability of trade transactions ensures growth of respective income among women at the level of 115.5%, while among men this indicator equals 120%. At the same time, men enjoying higher income spend less on household. Women basically spend their entire income for family needs, while men – 80 percent on average. Surveys reveal that average income of women is approximately 80 percent of income of men, while men’s income exceeds that of women by 25%. Work hours coefficient computed as a relation of time used for employment to daily changes is 0.46 for women and 0.42 for men, i.e. women’s is by 9 percent less than for men.

21 The reason for this, according to this survey, are the following: lagging in employment due to decrease in competitiveness by 6 percent; decrease in average income of women compared to that of men on average by 4 percent a year due to employment of women in sectors of trade with lower wages; increase in primary expenses for households by 25 percent compared to men; lagging of paid working time by 9 percent compared to men due to use of labor for low-skilled functions; increase of labor intensity by 16 percent compared to men due to use of considerable portion of time
It is envisaged that development of trade liberalization under WTO will be accompanied by tendency towards imports expansion. It is estimated that trade balance in the first years will be negative and import of goods will be at the level of 60 percent. Under such conditions number of men in imports will exceed the number of women 2.5 times, while income of women will be 3 times lower than income of men (International Global Network, 2008: 28).

Policies for compensating those disparities emerging out international trade to ensure more equal distribution of income among various population groups need, therefore, be considered. The Kyrgyz Republic, for instance, is the very case where, after accession to the WTO, foreign trade liberalization did not lead to decrease in women employment in informal trade. Because of lacking or insufficient mechanisms of equal distribution of benefits from trade liberalization, welfare among vulnerable groups, where women prevail, cannot be necessarily expected. Also in Kazakhstan, women may have to work harder and longer in order to reach income level of men and adequate labor remuneration and at the same time save time for housework (International Global Network, 2008). We turn now to analyzing how and to what extent the previously highlighted gender inequalities and adverse effects have been addressed through mainstreaming gender equality policies across Central Asian and Caucasian countries.
II. Mainstreaming Gender Equality into Economic Policies

By the late 2008 policy makers throughout the world had launched stimulus packages as countercyclical measures in light of the international financial and economic crisis. In this context, the international community has begun to increasingly call for mainstreaming gender sensitive schemes within economic policies to bring about sustainable growth and development, specifically where gender inequalities are most severe. A growing consensus has emerged to create the institutional capacity and the political commitment for incorporating gender issues in key macroeconomic policies. Yet, policy and scholarly debate on how to concretely mainstream gender friendly measures within core economic policies is only currently developing across both transitional and more advanced economies. The main thrust of this debate revolves around the understanding that mainstreaming gender equality in economic policies is a political/cultural issue: its relevance is usually affirmed in principle with very little follow-up in practice.

This part reconstructs gender mainstreaming approaches emerging out within the international community and specifically throughout the Central Asian region. Drawing upon existing -- yet scattered -- materials, the following analysis accounts for current patterns of gender mainstreaming. We specifically underscore the smart economics approach to gender mainstreaming. Although this is not yet a fully articulated policy framework, it aims to systematically feed macroeconomic policy domains with gender sensitive schemes to minimize adverse effects, while tapping into under exploited resources. In light of this approach, following we take stock of the steps undertaken by Central Asian and Caucasian countries. The country-by-country analysis acknowledges relevant national variations, pinpointing the progress made toward gender equality as well as those areas in need for future improvement.

Although relevant legislative initiatives have constitutionally been adopted, formally assuring equal rights, increasing attention is devoted to the investigation and measurement of gender gaps within national development and poverty reduction strategies. Yet, gender mainstreaming in economic policies is still scant. The aim of this part is, therefore, to provide evidence and policy suggestions to turn frequent aspirational statements into more concrete policy applications.

1. Smart economics in gender mainstreaming: from redistributive practices to macroeconomic programming

Born in North America and Western Europe, the mainstreaming of gender equality has been spread by the United Nations (UN), the World Bank, and the European Union (EU) over other advanced and developing countries. Gender mainstreaming represents a comprehensive strategy aimed at achieving greater gender equality. This is attained by integrating a gender perspective into existing mainstream institutions and all programmatic areas or sectors (e.g., trade, health, education, environment, transportation, etc.).

In the UN system, gender mainstreaming was defined and adopted in 1997. The official UN definition of gender mainstreaming is:

“... the process of assessing the implications for women and men of any planned action, including legislation, policies or programmes, in all areas and at all levels. It is a strategy for making women’s as well as men’s concerns and experiences an
Gender mainstreaming makes a gender dimension explicit in all policy sectors. Gender equality is no longer viewed as a “separate question,” but it becomes a concern for all policies and programs. Furthermore, a gender mainstreaming approach does not look at women in isolation, but both at men and women, as actors and beneficiaries in the development process. The key features of gender mainstreaming consist, therefore, of both specific gender equality actions and cross-cutting gender equality lenses systematically incorporated across all policy areas and evaluation processes. The dual aspects of the strategy complement each other in crucial ways, ensuring focused resources and expertise as well as reaching out into new policy domains.

Table 7 - Current projects in the gender and economy area implemented by United Nations agencies

<table>
<thead>
<tr>
<th>Gender and economy areas</th>
<th>Project focus</th>
</tr>
</thead>
<tbody>
<tr>
<td>Gender equality, poverty reduction, rural development and MDGs</td>
<td>- Incorporation of gender as development factor into governmental agenda (UNFPA Kyrgyzstan); &lt;br&gt;- Capacity development for women’s empowerment: legislative and institutional approach (UNDP Uzbekistan)</td>
</tr>
<tr>
<td>Women’s position in the labour market and entrepreneurship</td>
<td>- Support for women in business in rural areas (UNDP Kyrgyzstan); &lt;br&gt;- Promotion of women’s labour rights, including for women migrants (UNDP Uzbekistan); &lt;br&gt;- Economic advancement of women in rural areas (UNDP Kazakhstan); &lt;br&gt;- Business skill and support training for women in small business (UNDP Kazakhstan)</td>
</tr>
<tr>
<td>Women’s access to finance, land and assets</td>
<td>- Promotion and support for women’s rights to land and sustainable livelihoods (UNIFEM Kyrgyzstan); &lt;br&gt;- Governmental cooperation on increasing living standards through partnership mechanisms (UNDP Uzbekistan); &lt;br&gt;- Support for micro credits for women entrepreneurs, particularly in rural areas (UNDP Uzbekistan)</td>
</tr>
<tr>
<td>Reforms of social protection system, including pension reforms</td>
<td>Support for Government in the engendering of social development strategies (UNIFEM Kyrgyzstan) &lt;br&gt;Support to the social protection concept (UNDP Kazakhstan)</td>
</tr>
<tr>
<td>Gender responsive budgeting</td>
<td>Facilitation to local governmental administration in gender analysis of budgets (UNIFEM Kyrgyzstan)</td>
</tr>
<tr>
<td>Mainstreaming gender into National Development Strategies</td>
<td>- Support in engendering National Development Strategies (UNDP Kazakhstan, UNIFEM Tajikistan, UNDP Uzbekistan); &lt;br&gt;- Support to Government in establishing gender focal points in governmental bodies (UNIFEM Tajikistan); &lt;br&gt;- Support to Government in elaborating gender equality law (UNIFEM/OSCE Tajikistan)</td>
</tr>
<tr>
<td>Gender statistics and indicators</td>
<td>- Support to Government in engendering statistics and indicators (UNFPA, UNIFEM Tajikistan); &lt;br&gt;- Support to Government in provision of transparency of municipal finances (UNDP Kyrgyzstan); &lt;br&gt;- Statistical capacity building for MDG monitoring and reporting (UNDP Uzbekistan)</td>
</tr>
</tbody>
</table>

Source: Information provided by UNDP Offices in Kazakhstan, Kyrgyzstan, Uzbekistan and UNIFEM Office in Tajikistan quoted in UNECE Stocktaking Study (2008)

As previously emphasized, the international community of donors has substantially promoted gender mainstreaming for development and poverty reduction. Building upon the information contained in the 2008 UNECE Stocktaking Study, tables 7 and 8 illustrate the types of initiatives promoting gender equality, which have been undertaken by the UN, the IMF and the World Bank.
What is worth noting is that there is no single gender mainstreaming approach across countries: differences in gender mainstreaming are deep-reaching diversities related to the institutional characteristics of welfare regimes, trade and services, and often go back much further, to the historical and institutional origins of such regimes. In fact, welfare and care regimes are intertwined to capitalist sectors and, in turn, interact with different welfare measures, such as family policy, the regulation of income support, labor market and social shock absorbers, and, above all, with family obligations. Such multiple dimensions related to the way a society balances productive and social reproductive needs intersect and forge the space within which gender sensitive policies develop in each country.\(^{22}\)

**Table 8 - World Bank and IMF Board presentation of Poverty Reduction Strategy Papers (PRSPs) in Central Asian countries**

<table>
<thead>
<tr>
<th>Country</th>
<th>I-PRSP</th>
<th>PRSP</th>
<th>APR(^{\ast}1)</th>
<th>APR(^{\ast}2)</th>
</tr>
</thead>
</table>


Note: Data reported in the table is available only for listed countries.

Thus far, research findings have shown that gender mainstreaming has entailed two different, but mutually influencing, perspectives. The first is the typical redistributive concern to redress social inequalities, while the second aims to build and nurture human capabilities (Sen, 1999; Nussbaum, 2002) as a way to invest for human development. These two perspectives underlie policy design and implementation, in that, those policies, which focus more on redistributive issues and interventions, address how women are disadvantaged targets across different markets and institutional settings. By contrast, the human development perspective unveils how human development investment policies give rise to differentiated impacts (Garofalo and Marra, 2007).

These two perspectives interact with each other in different ways highlighting multiple and stratified gender subsystems, varying across countries. On the one hand, a “social insurance” subsystem positions recipients as rights-bearing individuals entitled to assistance. Policies like workmen’s compensation, unemployment insurance, and social security bolster recipients’ provider roles and enable them to support their families. On the other hand, a social assistance subsystem positions recipients as users or beneficiaries of social services. Policies like mothers’ pensions, aid to dependent children, and aid to families with dependent children have accorded assistance based on a principle of care. They allocate benefits in a discretionary fashion that subject recipients to means-tests and considerable regulation (Nelson, 1990). Thus, different gender mainstreaming approaches bear upon different gender patterns of stratification, social/civil rights, economic performance, income organization, and power relations specifically in relation to the labor market, income support, and the care economy. The result is a multidimensional system of mostly redistributive practices, which align with oftentimes unexplored maps of the gendered dimensions of development and growth.

\(^{22}\) At the micro level, this concerns the work-life balance, men and women individually and within families seek to strike over time. This ever-changing balance relates to individual beliefs and preferences, as well as contextual and cultural influences, which interact with other. On this issue, see Garofalo, Marra (2007).
Recently, in the very light of economic and financial downturn, a third perspective has emerged, largely known as *smart economics*. This approach is predicated on the assumption that to increase the potential for economic growth and development, making women participate in the labor market and overall across all markets and institutions is crucial. Women’s engagement in economic activity and public life is expected to improve economic performance, and increase per capita and household income, while spreading human rights and more democratic institutions. For this purpose, gender mainstreaming is being advocated to become a systematic dimension of macroeconomic programming by incorporating gender sensitive schemes within the design and evaluation of international and domestic trade arrangements, price stability adjustments, taxation, credit measures, poverty alleviation programs, and, overall, within all fiscal and monetary interventions at the international, national, and sub-national level. The aim is to tap complementarities emerging across the core macroeconomic policy domains in addition to the traditional sectors, where gender friendly measures have been already experimented with, that is, the employment, welfare, and education policies.

Gender mainstreaming in economic policies means, therefore, to design first macroeconomic policies, which take into account that they may impact differently on men and women. When prices of basic commodities rise, it is often women who are most affected because they are the ones that have to buy the food and supply the family with the meals. When indirect taxation increases, women often bear the greatest burden. Second, gender mainstreaming in economic policies means that structural reforms need to include affirmative actions to fill those previously highlighted gender gaps related to poverty, access to resources, entrepreneurship, the labor market, the unpaid work, education, and decision making (see part one in relation to gender inequalities within Central Asian and Caucasian countries).

In this perspective, gender responsive budgeting (GRB) is key for macroeconomic programming and public expenditure assessment. GRB consists of very diverse processes and tools for the designing and the impact evaluation of government budgets in gender terms. In particular, auditing government budgets aims to account for their differentiated impact on women versus men. In these evaluations not only is expenditure (such as pensions, family benefits, income support, etc.) assessed, but also income or revenue of government (taxes, prices of public goods including privatized goods, tariffs, etc.). Yet, GRB reforms, according to Villagomez (2007), offer both opportunities and challenges specifically in relation to ongoing processes of administrative decentralization, which have a bearing on the location and scope of GRB. At this stage, as highlighted in next sections, specifically for Central Asian and Caucasian countries, GRB is more an expedient for advocating gender equality at the national level, rather than a concrete tool for local policy making.

Although growing is the awareness of gender inequalities as well as gendered adverse effects emerging out economic growth and development, a comprehensive macroeconomic approach to gender mainstreaming is still lacking. As shown later on, this lag seems to be a commonly shared feature throughout not only the Central Asian region, but also across more advanced economies. Evidence of gender friendly policies being incorporated within core macroeconomic policies is scarce, calling for a more systematic investment in institutional capacity, while gaining political commitment from the international community and national governments. The analysis turns now to account for the concrete steps undertaken by Central Asian and Caucasian governments gender mainstreaming.

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23 Jashi (2009) on this point, lists all challenges Georgia is facing in implementing municipal gender budgeting.
2. Policy framework for gender equality: country-by-country progress and gaps

Central Asian and South Caucasus countries are latecomers, yet fast paced countries, quickly equipping themselves with the necessary gender mainstreaming tool kit as well as the legal framework to make their “gender systems” compatible with international standards. Looking more deeply into the concrete applications of gender mainstreaming alongside with the transformation of welfare regimes and economic policies across these countries, we can unearth relevant variations. As previously pointed out, there is not a single, uniform gender mainstreaming approach, but variations related to welfare system types as well as economic development and poverty reduction priorities. Gender mainstreaming shows, therefore, significant differences in the way it is conceptualized, institutionally designed and concretely implemented.

Aligned with the Millennium Development Goals (MDGs), each country has set its own national targets and indicators for gender equality promotion. While national MDGs are long-term development agenda with a very broad-based vision, National Development Strategies (NDSs) design specific policies, allocate resources while setting targets and indicators for progress monitoring. The formulation of NDSs often goes in parallel with the discussion of countries’ MDGs, thus ensuring consistency and complementarity between them. Furthermore, Poverty Reduction Strategy Papers (PRSPs), contrary to their predecessor, Structural Adjustment Programs (SAPs), make an explicit link between growth, debt reduction, and poverty reduction and, in principle, should pay attention to gender-related issues.

Within such encompassing policy framework, all Central Asian and Caucasian countries with the have developed a full-fledged legislative system or specific initiatives including the mechanisms for promoting gender equality in the aftermath of the Beijing Conference. Legislation in favor of gender equality has been enacted with the aim of ensuring equal opportunities in access to education, health, employment as well as women’s participation in decision making processes. These efforts represent relevant steps towards the articulation of a comprehensive gender mainstreaming strategy. However, there is still need to set in motion a viable mix of gender sensitive measures as well as effective governance and institutional systems both at the national and sub-national level.

The following sub-sections seek to assess how and to what extent gender issues are addressed in the area of economic development, poverty reduction, and gender-specific actions as explicitly formulated in national MDGs, NDSs, and PRSPs in Kazakhstan, Kyrgyzstan, Tajikistan, Uzbekistan, Armenia, Georgia, Azerbaijan, and Turkmenistan. The analysis presents the overall policy framework set in place for explicitly dealing with gender issues and/or gender sensitive policies. Where data is available, the analysis assesses the extent to which proposed policies have been adequate to overcome the previously highlighted gender gaps.

25 Information provided in this section is based on an extensive search for reports and policy documents of governments as well as reports prepared by United Nations agencies (UNIFEM, UNDP and ADB (see references).
The overall policy framework

In Kazakhstan, the main concern for gender mainstreaming is closely linked to development and poverty reduction strategy. The Kazakhstan Long-Term Development Strategy 2030 (2030 Vision) set out development goals and strategies in 1997, while in 2001 the Government announced the 2010 Strategic Development Plan. Three areas of public investment strategy were identified, that is, (a) State Program for Poverty Reduction, 2003–2005; (b) Rural Area Development Program, 2004–2010; and (c) The Industrial Innovation Strategy, 2003–2015. Specifically the agro-industrial policy aimed to improve the welfare of the rural population through increased productivity and profitability of agrarian production, creation and support of employment in rural areas, and industrialization, with a special section on gender and development.

Gender and poverty

Within the overarching poverty reduction strategy, the poverty assessment has focused mostly on income poverty measurement, failing to account for the diverse features of poverty related to women. Although the State Programme for Poverty Reduction illustrates how women and gender imbalances are identified as contributing to poverty levels in Kazakhstan, design and implementation of concrete measures to address these gender dimensions in poverty reduction strategies and programs are not well articulated. The poverty profile in the State Programme stresses that women are vulnerable to poverty because of their double burden of work inside and outside the home, discriminatory employment practices, and poor reproductive health status. There is also awareness and understanding of the inability of even well-educated women to fully compete in the labor market with men as well as the persistent wage gap between the earnings of women and men and its critical level in rural areas. However, the poverty reduction objectives and detailed strategies do not translate analysis within concrete actions to reduce gender inequalities.

Access to resources and entrepreneurship

Micro-credit is the only area where special actions are recommended to correct unequal access to economic resources for socially vulnerable groups. Vulnerable groups are only broadly targeted in the State Program, as are principles to guide the implementation of the program. Also discrimination against women is understood as a factor of female poverty, but concrete measure still lack to operationalize the overarching principles. Specific initiatives are indeed suggested as needed to assist rural women to organize their own businesses. This recommendation builds on an offers a special credit line to support women entrepreneurs working in the production sector.

Gender-related indicators

Collection of some sex-disaggregated data and publication of specific statistical reports focusing on the status of women and gender differences have surely improved. However, the data do not reappear in many mainstream poverty assessments. For instance, as reported by the UNECE Socktaking Study (2008) none of the 18 performance indicators for the State Programme are sex-disaggregated, apart from the longevity target and the inclusion of maternal mortality. Key stockholders are then unable to track progress in addressing the specific vulnerabilities of women.

identified by the Government. If outcomes of these programmes are not sex-disaggregated, it is not possible to identify where and how future programming can be adjusted to reduce emerging gender gaps.

KYRGYZSTAN

The overall policy framework

The development goals and strategies of Kyrgyzstan are contained within (i) the Comprehensive Development Framework (CDF) of Kyrgyzstan to 2010; and (ii) the National Poverty Reduction Strategy, 2003-2005 (NPRS). The first document dates back 2001 and develops a 10-year national development vision setting out broad-based national goals. The second document seeks to operationalize CDF vision and objectives. Furthermore, the Government has developed a set of national targets towards achieving the MDGs and, through the National Council on Women, Family and Gender Affairs and its Secretariat, *a detailed National Plan of Action for Achieving Gender Equality 2002–2006*.

Indeed, CDF explicitly addresses some gender problems, and the need to protect the relatively high social status of Kyrgyz women, by engaging the non-governmental sector in such efforts. Yet, deeper analysis should focus on the assessment of current status of the health care and education systems and the sections on living standards, employment, and social protection in order to understand the nature and magnitude of gender inequalities on the ground.

Gender and poverty

Although none of the nine key national priorities identified by CDF for achieving the identified goals and objectives specifically address gender issues, the development of rural and remote areas as well as depressed small towns have clear gender dimensions. Across rural areas, poverty levels are severe considering also men’s internal/external migration and thus the increasing number of FHHs. The latter often live on a bare subsistence wage and on earnings from seasonal agricultural employment and in the informal sector.

*NPRS* acknowledging gender priorities also deserves further analysis of gender problems and political support for effective implementation. The NPRS does include a separate subsection on gender issues that identifies a number of key priorities requiring government action such as employment and social protection, representation both in administration and politics, access to healthcare and education, violence and trafficking, and public awareness on gender issues. This section explores those contextual barriers against gender equality such as, for instance the strong patriarchal culture, the poor understanding of gender issues, unbalanced decision making, unequal pay levels, and overall weak institutional capacity to undertake gender analysis and gender mainstreaming.

However, taken as a whole, the NPRS does not take a gender mainstreaming approach to analysing and diagnosing the various dimensions of poverty. Nor does this policy document present an adequate understanding of the economic dimensions of gender inequalities—such as income differentials, lack of access to productive inputs like credit, or gender biases in the labour market. Also for the “non-economic” dimensions, such as political representation and time poverty arising

27 The information contained in this section is mostly drawn on the website: Gender Mainstreaming Strategy of UNDP Kyrgyzstan.
from increased and unpaid domestic work (including child care), there is substantive examination and critical discussion (directly quoted from the UNECE Stocktaking Study, 2008). As a result, gender issues outside the allocated gender chapter appear in a piecemeal and fragmented fashion.

Social protection reforming

There are no clear gender dimensions of proposed reforms in social protection and pension system. Despite considerable evidence that large and increasing numbers of women are working in the informal and micro-enterprise sector, and the considerable scope for expanding this involvement to the SME sector, the strategy identified for development of SMEs does not highlight the considerable obstacles facing women in this sector and does not include any specific measures aimed at increasing women’s access to resources and participation rates. Also NPRSP social protection reforms fail to address the gender implications emerging out the transformation of previous social protection framework.

Gender-related indicators

As a result of this lack of a gender mainstreaming approach within the document as a whole, and despite having an Appendix dedicated to the identification of indicators, the NPRS does not contain meaningful gender sensitive indicators against which progress can be measured nor does the National Plan of Action for Achieving Gender Equality compensate for this lack.

TAJIKISTAN

The overall policy framework

The State Programme for Equality between Men and Women promotes gender equality and the status of women with a specific poverty reduction focus. The Programme foresees budgetary allocations for social sectors explicitly in favor of women’s capabilities eroded during the transition period. Yet, policy priorities and budgets appropriations do not align.

The Poverty Reduction Strategy Paper (PRSP), based on the MDGs aims to: (i) sustained high economic growth, (ii) improved governance, and (iii) improved access to and better targeting of social services. Although PRSP objectives and corresponding targets provide space for addressing gender gaps in economic and human development, specific reference to either gender-related targets or indicators is limited. The revised version of the Poverty Reduction Strategy Paper (PRSP-2) for the second medium-term plan (2007-2009) towards economic growth and improved service delivery to the poorest sets more explicitly gender equality as one of the goals.

In fact, the recent gender-related evaluation by UNIFEM and the Canadian International Development Agency selected particularly three objectives potentially contributing to gender equality, that is: (i) improved institutional gender policy base, (ii) creation of effective mechanisms aimed at providing equal access to resources, (iii) reducing the level of domestic and society

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29 UNIFEM & CIDA, 2007, Gender Equality in the Sphere of Employment, Tajikistan.
violence. The PRSP also aims to create gender friendly machineries within the existing legislative system and introduce a “soft quota” to women in placement of civil servants’ positions.

Access to resources and entrepreneurship

Quoting the 2008 UNECE Stocktaking Study, the Government acknowledges unequal access to benefits from development programming without conceiving of different distribution mechanisms though. Increasing women’s competitiveness and reducing segregation in the labour market is mentioned in the programme. However, it contains neither a section on trends in workforce participation of women nor the policy of effective use of women’s potential. According to PRSP, to provide equal access to resources, there is need to regularly collect information on the most acute needs of women entrepreneurs, looking at possibilities to include gender in the social and demographic statistics sections. By this means the Government proposes to facilitate a reduction of vertical segregation and expanding access to resources.

The labor market and education

The labor market and education are identified as key weaknesses and crucial policy areas to yet be concretely developed. The background analysis of poverty explores gender gaps in relation to education and the labor market, but fails to detect the causal factors leading to those gaps. MDG indicators are way too aggregated to serve as monitoring targets measuring progress towards women’s empowerment. Furthermore, women are not identified as target group in reforms of vocational trainings with no explicit concern for equality of employment opportunities neither in PRSP nor in other national priorities.

Social protection reforming

The section of the State Programme on social protection does not differentiate action by genders nor does it analyze lacks through gender sensitive lenses. The major lack is linked to the inadequate understanding that women have lower average salaries and correspondingly lower contribution through employment, with evident implications in terms of vulnerability to poverty during the old age.

Gender-related indicators

The 2008 UNECE Stocktaking Study reports that among the 100 indicators originally identified to monitor progress of implementation of the PRSP, 48 quantitative and 6 qualitative indicators were addressing gender related aspects. The resulted aggregation though does not contribute unmasking gender-based differences in outcomes of poverty reduction programming, while several areas of the PRSP are no longer covered by explicit indicators.

The system of gender statistics is not yet officially incorporated within the framework for the PRSP. The indicators are envisaged only in the proportion of women in the total economically active population, gender imbalance in salary, proportion of women at all levels of legislative and executive power. PRSP-2 does not include gender-disaggregated indicators such as the economic activity rate among men and women, unemployment level and timeframe by gender, gender employment structure by sector and profession, average remuneration for men and women by sector and profession, proportion of women among heads of small- and medium-sized business enterprises by sector, and proportion of money allocated to women under loan programmes for small- and
medium-sized businesses. More sex-disaggregated indicators are, therefore, needed to include MDG related indicators into the PRSP.

**UZBEKISTAN**

The overall policy framework

In the period 2003–2004, thanks to the Asian Development Bank’s technical assistance program for developing Living Standards Strategy (LSS), the Government of Uzbekistan made an attempt mainstream gender issues across the whole spectrum of public policies, but in fact explicit concerns emerge only out some selected sections of the strategy, such as those related to maternal and child welfare, and the main legislative acts relating to gender equality. The LSS sets out, as one of its main directions, the need to “ensure gender equality and full participation of women in public and economic processes.” However, few concrete policy actions point to how this goal can be achieved. The policy matrix attached to the LSS does not include specific measures to address gender aspects of employment, rural development, education, health care, social protection, or the environment.

The 2005 Poverty Reduction Strategy Paper and the 2007 Welfare Improvement Strategy are more concrete steps forward gender equality, providing a fairly substantive framework for gender mainstreaming. In particular, in 2005, the Interim PRSP (I-PRSP), within a separate subsection on gender equality, stresses the need to support maternal and child care; improve women’s health status; increase employment opportunities for women, especially in rural areas, and their participation in entrepreneurial activities; and develop links with national NGOs working on women’s issues. Special focus is on employment, entrepreneurship, and competitiveness in the labor market, while promoting the public, political, and social participation of women through the introduction of quotas for women’s representation in public authorities.

The institutional machinery in place can facilitate gender mainstreaming policy formulation and implementation. The PRSP is linked with other sector-oriented, regional and special targeted governmental programmes, covering gender issues with national national budgetary commitments. However, there is still lack of feedback mechanisms ensuring the actual alignment of programming and funding for gender equality since there is no a Mid-term Expenditure Framework in Uzbekistan nor a full-fledged GRB. This affects the sustainability of financing most of the NDSs, including those dealing with gender issues.

Access to resources, the labor market and education

Occupational segregation and education are considered key issues. The Government aims to increase female active participation in the labor market as 60 per cent of women do not have the opportunity or desire to start working because of their high level of family responsibilities. Chapter 1 of the LSS highlights some gender aspects of poverty, looking in particular at occupational segregation and the fact that women are concentrated in the low-paying sectors of the economy, heightening their vulnerability. For this reason, attention is devoted to expand access to credit for setting up small businesses to promote income generation, particularly for rural women. Interestingly, special concern is also related to employment solutions for women with children, including the development of home-based employment to improve work-life reconciliation.

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30 The information contained in this section is mainly drawn on the website: UNDP | Europe & CIS | Improving Gender Mainstreaming in Uzbekistan
Decision making

Overcoming gender stereotypes in women’s access to higher level of education is another gender sensitive objective of Uzbeki government, which explicitly in PRSP intends to increase women’s role at high level of decision-making and in managerial positions. However, the PRSP itself mentions that there is a lack of financing in implementing measures on gender policy (especially in the area of employment), lack of readiness of government employees to resolve gender issues, weakness of the gender analysis methodology and lack of research and indicators on the gender related issues.

Gender-related indicators

Surprisingly monitoring indicators are not gender related and are still needed to strengthen the way in which the employment problems of women in agriculture and rural areas are addressed. Efforts should also be put to pay more attention to the gender aspects of social protection, reform of health care and education services, regional reforms, and environmental policies.

GEORGIA

The overall policy framework

Georgia partakes in the Convention on the Elimination of all forms of Discrimination Against Women (CEDAW) and joined the Beijing Platform of Action in 1995. Georgia has showed its commitments to the improvement of women’s status and gender equality through the State Commission on Elaboration of the State Policy for Women’s Advancement, established in 1998, which drafted the “National Action Plan for Improving Women’s Conditions in Georgia for 1998-2000”, approved by the President of Georgia. The Plan covered such areas as: 1) the establishment of institutional mechanisms; 2) the increase in women’s role and participation in decision-making processes; 3) economic policy; 4) women and poverty; 5) women and armed conflicts; 6) women and health improvement; 7) women’s rights. The Plan was extended in 2000 as a Plan of Action for Improving Women’s Conditions in Georgia (2001-2004) by Presidential Decree.

The goal of European integration puts gender issues at the top of the political and policy agenda. A State Commission on Elaboration of the State Policy for Women’s Advancement was created in 2005 within the Office of the State Minister on European and Euro-Atlantic Integration. The Commission acts as an inter-agency body, with all line ministries invited to participate at Deputy Ministerial level, in charge of coordinating gender policy and to develop a new Action Plan on Gender Equality through the mainstreaming agenda, especially in the realm of macro-economic reforms, trade and investment, labor laws, pension reforms, demographic policies, etc..

Decision making

Progress has been achieved in political representation and decision making with a younger generation of women entered into ministries and other public institutions. Furthermore, legislative efforts to promote gender equality have created a favorable climate for gender mainstreaming, thanks particularly to the fact that the Georgian Parliament ratified the UN Convention on the Elimination of all forms of Discrimination Against Women (CEDAW) in 1994. With respect to this,

31 The information contained in this section is mainly drawn on the website: UNDP | Europe & CIS | Improving Gender Mainstreaming in Georgia
the Government submitted various reports on its implementation complemented with “shadow reports” produced by independent NGOs. Particular attention is devoted to the protection of women’s rights as part of broader human rights. For this purpose, with the support of USAID, a Law to Combat Domestic Violence was drafted and approved by the Parliament, as was an Anti-Trafficking Law. Domestic violence solicited a lot of public debate, especially after a high profile case involving a public official was exposed. UNDP’s initial WID Project was instrumental in supporting the preparation of CEDAW reports, both for the government and for NGO shadow reports.

**The labor market and the unpaid work**

In the economic sphere, a number of factors have been identified as hampering gender equality, such as the absence of family benefits, increased unemployment particularly among men, and a substantial increase of women’s labor. These factors have reinforced women’s double role of reproductive and productive responsibilities. Rural women are often self-employed and effectively engaged in production of tradable goods but their access to markets is poor. According to the MDG Report, the target of ensuring gender equality in employment and facilitating an environment conducive to equality was not achieved.

Cultural barriers based on deeply rooted stereotypes on strict division of gender roles at family and community level present a challenge for gender equality in Georgia. Partly because of the demographic problems, and because of the nature of economic growth model, Georgian society experiences renewed traditions of patriarchal family values. This may raise some concerns since there is not widespread public awareness on gender issues in Georgia, but the perception that gender inequalities are a problem of interest to mainly donors and civil society organizations.

**ARMENIA**

**The overall policy framework**

In 2003, the Republic of Armenia ratified the European Social Charter where social rights without discrimination on the ground of sex were set as a fundamental principle. This goal addresses the issue of equality between women and men from two important perspectives, namely, work and family. Also, the Poverty Reduction Strategy Paper (PRSP) stresses the need for equal rights and opportunities for men and women. But it is the National Action Plan (NAP) on Improving the Status of Women in the Republic of Armenia and Enhancing their Role in the Society 2004-2010, which defines the principles, priorities, and key targets of the public policy that is pursued to address women’s issues.

In particular, the NAP builds upon relevant provisions of the Constitution and is targeted at the fulfillment of the UN Convention on the Elimination of All Forms of Violence against Women, the recommendations of the Fourth Beijing Conference, the MDG requirements, the documents of the Council of Europe Committee for the Equality of Rights of Women and Men, and the commitments of the Republic of Armenia under other international agreements. The NAP aims at supporting equal rights and opportunities for women and men, as a prerequisite to shape a democratic, social,

32 The information reported in this paragraph is mostly drawn on the UNESCO/Human Rights Defender of Republic of Armenia – Newsletter “At the Heart of Armenia”, Summer 2007.
and legal state and a flourishing civil society. It is clear, therefore, that the NAP helps frame the national political debate, but still lacks specific gender sensitive policy measures to be acted upon.

AZERBAIJAN

The overall policy framework

In Azerbaijan, there is a full-fledged gender plan and the institutional framework has been set up. Since regaining its independence the Republic of Azerbaijan joined almost all essential international agreements on the protection of women's rights. In 1992, the Republic of Azerbaijan signed the UN Convention on the Political Rights of Women and in 1995 became a party to the UN Convention on the Elimination of All Forms of Discrimination against Women. The Government of Azerbaijan has made certain achievements in the sphere of gender policy. The State Committee on Women's Issues was established by Decree of the President of the Republic of Azerbaijan dated 1998 with a view to implement the state policy on gender to protect women’s rights, and increase women’s participation in social and political life.

In 2000, the Decree “On Implementation of the National Gender Policy in the Republic of Azerbaijan” affirms the principle of equal representation of women and men in all state structures of the Republic; provides female refugees and internally displaced women with working places; reviews the legislation taking into account gender aspects. In 2000, the Republic of Azerbaijan adopts the National Plan of Action on Women Issues for 2000-2005, elaborated on the basis of Beijing Strategies. It covers political, social, economic, cultural, and educational, issues, seeks to address health and refugees’ problems, and envisions the implementation of relevant measures for more active participation of women in decision making, both in state structures and NGOs.

Decision making

The main reason of the low participation of women in social, political and public life of the country is related to the existing traditional stereotypes of the image of woman in society, whose role is limited by the boundaries of family. This situation demands the new approach to the building of the national gender strategy. In this respect, the gender focal points in the ministries constitute the working group under the State Committee for Women's Issues which meets every month to elaborate new gender policy within each ministry and to discuss what have been done in this field.

TURKMENISTAN

The overall policy framework


34 The information reported in this paragraph is mostly drawn on the UNDP Turkmenistan Website: http://www.undptkm.org/index.php?option=com_content&task=view&id=383 as well as UNDP Europe & CIS Website: http://europeandcis.undp.org/Home/show/F602AD7C-F203-1EE9-BE5913BA1F876CA2
Turkmenistan has not yet developed a comprehensive strategy for gender mainstreaming, especially for economic programming. Following its independence in 1991, Turkmenistan embarked on a gradual transition from the socialized ownership of the Soviet era to a market economy, with a new state structure.

The labor market

A 2001 study by the National Institute of State Statistics and Information revealed familiar patterns of gender stratification in economic activity, with women being employed largely in the informal sector. Women in the formal sector are concentrated at the lower end of the scale in certain segments including health care, education and the food industry. As in other Central Asian countries, there is some evidence that the top-down imposition of gender equality by the previous regime was not entirely successful in addressing some deep-rooted traditional gender biases. Perceptions of women’s roles still center on marriage and motherhood. Differences also exist in representation of men and women in public life.

Thanks to UNDP capacity building for gender mainstreaming, a gender specific program for rural women was launched. This has proved to be a highly successful program centered on increasing self-employment opportunities for rural women in Dashoguz and Mary should concluded in wrap-up conference. Participants of the Forum agreed that projects should be replicated throughout the country. More than 60 rural women, selected from a pool of 400 applicants, received training in business development and operations. With a broader goal of improving rural women’s family role, social status and income, activities included training in finance, cases studies, marketing and sales. Additionally, small grants were available to fund new businesses, which included carpet making, flower growing and ceramics.

Social protection reforming

The government developed an extensive social safety net system that supports basic needs and minimizes social costs. The government follows the principles of equal distribution of resources both for urban and rural territories and among its people. However, the most important challenge to development is now to ensure a balanced growth, one that avoids a sharp rise in income inequalities and living standards, one that equally benefits men and women, urban and rural populations, and different generations.

3. Strengths and weaknesses at the regional level

As highlighted above, almost all countries have put in place both the legislative framework and the institutional machineries to mainstream gender sensitive interventions across the whole public policy spectrum. This development seems to be mainly the result of external pressures by the international community to raise policy makers’ awareness not only on the unfair treatment of women but also and most importantly on the crucial advantages of women’s involvement for economic development, growth, and democracy.

Gender concerns encompass broad-based national development and poverty reduction strategies, legislation in favor of human rights, and constitutional rules for political representation. Despite the
country-specific genesis and evolution of gender mainstreaming, current patterns emerging throughout the region seem to converge towards mainly:

(i) social protection reforms,
(j) poverty reduction strategies, and to a lesser extent,
(k) gender responsive budgeting.

First, there have been substantive reforms of social protection programming in Central Asian and Caucasian countries during the transition period. Currently, social protection systems are very differentiated in scope and nature, but all reforms have elicited gender implications, regarding for example parental leave provisions, compensating women for unpaid care work, gender aspects of pension reforms, social benefits for part-time and flexible work arrangements, and gender sensitive benefits in the case of poverty and unemployment. Social protection provisions are currently targeted to the poor instead of being universally available and are aimed to improve efficient use of public resources.

Yet, the needs of women, especially those unemployed or expelled from declining industries, are not sufficiently taken into account. For example, the needs of well-educated women displaced from traditional sectors of the economy are very different from those of the hard-core rural poor. Social welfare programs usually include child, housing, and in some cases food benefits, but these provisions are not adequately tailored to women’s specific needs as caregivers and managers of family resources, often eliciting more dependence on state allowances than empowerment. Better coordination and targeting of programs is therefore needed, specifically for those measures promoting self-employment and income support.

Second, the Beijing Conference has led to the recognition by Governments that there is a gender dimension to poverty and the need for designing poverty eradication policies to address gender inequalities specifically across rural areas. Accordingly, all Central Asian and Caucasian countries have identified poverty as a major development problem. Azerbaijan, Kyrgyzstan, Tajikistan, Uzbekistan, and Georgia have prepared Poverty Reduction Strategy Papers (PRSP) (see Table 9), which though formally recognize the need to address poverty reduction, and include an analytical framework focused on gender inequalities. This framework is expected to integrate macroeconomic, sectoral and social considerations. However, as previously pointed out, those gender issues, which are incorporated into PRSPs do not go beyond the analysis of (a) poverty dimensions and (b) social issues. This undoubtedly accounts for an achievement at this stage, which requires further action and feedback through operational targets, financial allocations and M&E indicators.

Gender is completely absent in the macroeconomic framework of PRSP (Van Steveren, 2009). The narrow macroeconomic framework, that is, the heart of PRSPs, heavily constrains the integration of gender issues and actions, perpetuating a disconnect between the list of a country’s priorities in reaching MDGs and those government commitments, which appear within the policy.

It should be noted here that the use of PRSP has evolved since 1999, partly because the term “paper” is clearly inappropriate to describe what is, essentially, a process. An inconsistent approach has been used to address this issue with a range of qualified terms being used; for example, Poverty Reduction Strategy (PRS) process, initiative, approach or framework.

Lack of gender substantive policy concerns is usually very frequent both across developed and developing countries. Recently, Irene van Steveren (2009) reports that in a desk study of five 2001 PRSPs and nine 2004 PRSPs not specifically regarding Central Asian and Caucasian countries, none of them had a gender chapter.
matrix. The latter is gender neutral in many areas, leaving unaddressed the potential gender adverse effects.\textsuperscript{37}

Third, the GRB notion and practice has not yet spread sufficiently out across across Central Asian countries. The 2008 UNECE Stocktaking Study reports that the most advanced processes underway are to be found in Kazakhstan and in Azerbaijan where non-governmental organizations (NGOs) have begun to advocate for GRB. In Kazakhstan, gender budget mechanisms have begun to be advocated at the city and oblast levels. For example, Ust-Kamenogorsk Women’s Federation Status is implementing a project called Gender Budgeting at the Local Level. Georgia has put GRB as one of the areas for action in its Beijing implementation report. The GRB initiative was first introduced by a UNDP project, which included institutionalization of gender in the state budgeting processes, support to state gender statistics and public awareness on GRB. Georgia is currently developing the analysis of municipal budget with the consideration of gender aspects and the support of local administration (Jashi et al., 2009). However, as previously underscored, among the main challenges, lack of gender disaggregated data are crucial constraints.\textsuperscript{38} However, the most relevant GRB initiative, which is worth reporting, has developed in the Russian Federation, whose experience has extended to a new social technology of gender budgeting, as reported in box 2 below. This case can surely constitute a reference point for Central Asian and Caucasian countries.

**Box 2 – Synthetic description of Gender Budget initiatives in the Russian Federation cited from the 2008 UNECE Stocktaking Study.**

Gender Budgets project in the Russian Federation is being conducted during a period of full-scale reforms, which include fundamental changes in the budgetary-taxation relations of decentralisation, including devolution of competencies in the social sphere from federal to regional level. Therefore, it can address two issues simultaneously. First, it can increase gender sensitivity of the government and strengthen women’s decision-making role in Russia through their participation in the budgeting process. Second, supervision and control of budgetary flows to the regions and to different population groups by civil society and permanent analysis and monitoring through gender budgeting methods can provide effective mechanisms for upholding human rights for both men and women.

This initiative, started in 2004 and supported by UNIFEM and UNDP, attracted high-level experts in budgeting and gender for the development of the methodology of gender budgeting in Russia. It also allowed cooperation of representatives of the executive and legislative power authorities, civil society, mass media and the experts. The key results achieved:

- Methodology of gender budgeting at federal and regional levels was elaborated, taking into account the changes made to the Budgetary Code in the context of decentralisation;
- Gender analysis of Federal (national, Russian Federation) and Regional (local, Komi Republic) budgets, and gender analysis of the set of Laws influencing budgetary policy decisions was conducted together for the first time in Russia (The Law on ‘Minimum wage rate’; the Law on ’State allowances to citizens having children’; and the Law on ‘Budget of Federal Fund for compulsory medical insurance’);
- The following amendments were approved by the local government of the Komi Republic:
  1. Increase in salary rate of the state employees by 20 per cent;
  2. Special amendments to add to the pensions of women-veterans of the Second World War;
  3. Increase in funding for housing improvements for women-veterans of the Second World War;
  4. Increase the funding of the republican programme “Children of the Republic of Komi”.

\textsuperscript{37} Recently, a whole issue of the Human Development and Capabilities Approach (HDCA) Newsletter Maytree has explicitly addressed the relations between human development and macroeconomic policies. Irene van Staveren argues that gender still remains to be ‘mainstreamed’ in the PRSPs’ policy recommendations. Diane Elson analyzes how to monitor whether the articles contained in the Convention for the Elimination of All Forms of Discrimination against Women have been translated into government’s budgets. Marzia Fontana discusses the use of gendered Social Accounting Matrices and how they can be used to assess the impact of trade reforms on the lives of women (Maytree, 2009).

\textsuperscript{38} Information on this project is available at: [http://www.parliament.ge/index.php?lang_id=ENG&sec_id=1099](http://www.parliament.ge/index.php?lang_id=ENG&sec_id=1099)
These recommendations represent the redistribution of approximately 50 mlrd roubles in the Federal budget to cover the expenditures of gender responsive measures.

Source: Villagomez, Elizabeth. “Gender Responsive Budgets” in Gender Gap and Economic Policy, 2008, UNECE.

Table 9 – Gender in NDS/PRSPs in Central Asian and Caucasian countries

<table>
<thead>
<tr>
<th>Country</th>
<th>Policy Documents</th>
<th>Inclusion of gender</th>
<th>Inclusion of Gender Specific Indicators</th>
<th>Link to budgetary commitments</th>
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<tbody>
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<td>Social issues</td>
<td>Social issues</td>
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<td>Economic issues</td>
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<td>PRSP</td>
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<td>Kyrgyzstan</td>
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<td>Azerbaijan</td>
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<td></td>
<td>PRSP</td>
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xx = present  x = present to some extent  -- = absent  ? = information not available.

Source: Rielaboration and integration on a previous version contained within the 2008 UNECE Stocktaking Study.

As shown in table 9, across all countries reviewed in previous section, official policy documents frequently present specific accounts of gender problems and inequalities. Yet, policy action usually lack focus, remaining rather vague, more aspirational statements than actionable measures. This is a rather cross-cutting issue emerging out the country-by-country analysis of national gender mainstreaming approaches presented above. In other terms, gender analyses and available data do not adequately sustain gender sensitive policy proposals for economic programming. Although gender issues begin to emerge and examined across NDSs’ analytical sections, they do not translate into concrete measures to be acted upon (see table 9 for an overview of inclusion gender into NDSs and PRSPs). Nor is yet elaborated and publicly debated a set of verifiable indicators enabling progress monitoring and assessment.

The lacking availability of gender-disaggregated targets and indicators and the traditional perception that gender is a social issue may be part of the explanation of such a state of affairs. First, lack of gender sensitive indicators has been reported throughout the region as a crucial constraint for earmarking budgetary allocations in favor of gender friendly policy objectives and systematic monitoring of progress made toward equality of economic opportunities. This factor goes back to a more generalized weakness in the institutional and organizational capacity, which still plagues the economic development of this region towards full transition to high income economies. Investment in capacity building needs critical mass in order to set the full machinery in place. For instance, to carry out GRB initiatives, gender statistical disaggregated data is required, as explained in box 3, presented below.
The ability of a government to carry out useful gender budgeting crucially depends on the availability of appropriate data and statistics. Below, three specific examples are given for the different sources and types of data that are needed in order to conduct a gender-sensitive analysis of various policies.

1. **Gender-aware Medium Term Macroeconomic Policy Framework**

A gender-aware medium term macroeconomic policy framework incorporates gender analysis into the models on which medium term public expenditure planning is based. This can be done by disaggregating by sex the variables that refer to people, such as labour supply, or by including new variables to represent the unpaid care economy. Such a framework recognizes that women and men participate in economic activity in different ways and experience different costs and benefits from macroeconomic policies.

- **Data**: data from the local budget (total budget, percentage of specific programmes for women within the budget, number of women using special public or publicly funded services, etc), basic labour market indicators by sex and age (activity rates, employment and unemployment rates, sectorial employment, occupational structure), tax-benefits system data by sex and age as well as other relevant characteristics such as lone parent status and widowhood etc.

- **Sources**: specific questionnaires, labour force surveys, administrative data; satellite accounts on unpaid/informal economy

- **Administration in Charge**: Central Government, Finance Ministry

2. **Gender-disaggregated Revenue Incidence Analysis**

Gender-disaggregated revenue incidence analysis is a calculation of the relative amount of direct and indirect taxes and user fees paid by women as opposed to men.

- **Data**: Individual and household data of tax payers (different rates of taxation: effective, marginal), household data composition (number of members, ages, martial status, etc), income-expenditure data by sex and age and other relevant characteristics

- **Sources**: administrative records of tax payers and service users, income-expenditure surveys

- **Administration in Charge**: Central Administration, Finance Ministry, Tax Agency, Statistical Office

3. **Gender-disaggregated Beneficiary Assessments**

Gender-disaggregated beneficiary assessments are surveys or focus group studies designed to find out how men and women evaluate whether public services meet their needs and how existing patterns of public expenditure are in accord with their priorities.

- **Data**: can include the data of the previous tools

- **Sources**: questionnaires and focus group results, public services satisfaction surveys, labour force surveys etc

- **Administration in Charge**: depending on decentralisation, central or regional/local governments in charge of public employment services


However, the lack of sex-disaggregated indicators casts a few shadows on the political commitment to overcome persistent gender unbalances. This is a deep-seated issue, which ultimately goes back to at least two factors: that is, (i) the gendered roles and (ii) the power structure existing and perpetuating at the macro as well as micro level throughout transitional societies. The gendered role factor sheds light on the difference between the sex of the person playing a role and the gendered nature of the role, which in turn shapes personal views, structures social action and cultural values (Litton Fox, Murry, 2003; Herts, 1997). This factor reflects how women’s aspirations are formed and whether, how, at what costs they can be modified according to the situation, in which they act. So, for instance, caring labor has been, historically, the unpaid work for women. If child and elderly care is perceived as an exclusive female role, there will be a latent or open conflict within the family and within the society at large to the extent to which the mother is engaged in paid work and is forced to or chooses to delegate caring labor to the market (Garofalo, Marra, 2008). The existence of gendered roles highlights, therefore, the flawed assumption that female and male roles are interchangeable and that policy elicits the same meanings to men and women.
The power dimension sheds light on the subtle ways male domination and female submission perpetuate in couple relationships within transitional societies. In this regard, economic change mechanisms may have a strong bearing on the power relations within the family and society. Conventional wisdom is that through economic independence women can achieve greater power on their own lives and therefore more influential decision making power. Yet it is oftentimes overlooked how female income is considered and perceived vis-à-vis male income. Mansdotter et al. (2007) note that the base case of production losses due to parental leave, and of savings due to decreased sickness leave, is calculated by sex-diverse income, building upon the assumption that men produce more of societal value than women. Across the Central Asian region, gendered roles and power structures undoubtedly help account for the limited impact of gender sensitive policies as well as their lack of focus within the overall national development and poverty reduction strategies.

Another issue that explains why gender mainstreaming approaches still lack concrete application relates to the fact that gender issues are mainly relegated to social policies, hence women are understood as a disadvantaged group within society. Gender inequalities are, therefore, the primary focus of welfare and social assistance measures aimed at vulnerable targets (i.e., social transfers, access to public services). Also within the domain of labor market policies, income support, and reproduction gender aspects to some extent cogent and relevant; but, as previously mentioned, actually designed and implemented policies need to be included within a more comprehensive economic development strategy.

As previously emphasized, gender mainstreaming materializes as multiple redistributive practices, while such policies as financial markets liberalization, private sector development and the overall government spending remain allegedly gender neutral. Gender equality is not taken into account as an economic asset and economic policies fail to explicitly consider gender measures as productive investments both for human development and economic growth. It is, therefore, clear that the predominantly redistributive approach to gender mainstreaming, which has been illustrated above, does not rise up to the challenge of needed structural change. This calls for innovative solutions to address existing gaps, especially to contrast the unfavorable outcomes of current financial and economic crisis.

39 The authors develop a number of alternative reasons to justify the variant of mean income by gender equality reasoning (“women’s lower income should not be used to distort the division of parental leave”), health equity reasoning (“men’s higher income should not be used to attach relatively more value to added male health”) and rational reasoning (“the sex difference in income does not characterise the true difference in women’s and men’s productive value”); see Mansdotter et al. (2007).
Conclusions

Over the past decade, Central Asian and Caucasian countries have experienced high growth and diminishing poverty in their economies. However, several aspects of economic development still need the attention of policymakers, specifically under current unfavorable economic and financial circumstances. Current international crisis casts serious shadows on the sustainability of high economic growth rate as declining economic performance may increase poverty, which, in turn, may exacerbate gender asymmetries, and create new ones.

Over transition, market deregulation and the process of privatization were not equally beneficial for both genders. In the majority of the Central Asian countries state property was privatized by the governmental or managerial hierarchy. Currently, several areas of concern for gender inequality, including poverty, access to resources, entrepreneurship, labor market, unpaid work, migration, and political representation remain unaddressed. In particular, labor market analysis signals a deterioration of the position of women in most Central Asian and Caucasian countries, despite a comparable level of education. Although employment opportunities are legally equal, de facto women have more impediments for entering the labor market, are paid less than men, are concentrated in low paid sectors, bear a higher cost of transition and increasing difficulties of combining work and family responsibilities. This results in women’s standards of living declining more than those of men, with unfavorable effects for the whole economy in the long run, as the productive potential of many women is wasted and that of their children is jeopardized.

Those gender gaps, which have been identified in part one, suggest that, compared to men, women are likely to be more affected by poverty (“feminization of poverty”) and benefit less from emerging economic opportunities. Furthermore, reforms of social security systems, trade, and monetary policies have not been gender neutral. Free trade, undoubtedly, facilitates welfare improvement and expansion of opportunities due to increase in sales markets employment and income. Liberalization of all sectors encourages economic growth and GDP increase which enables to strengthen human capacity through more efficient social policy, increase government expenditures for welfare, healthcare, education, social services and so forth. Yet, these policies have thus far frequently led to adverse effects, heavily hitting more women than men.

By contrast, gender equality needs to be recognized as a driving force towards sustained economic growth and development. Promoting gender equality through mainstreaming approaches allows women to have better education and access to markets, including the labor market. This leads to higher labor force participation by women, increasing their own income and thus reducing poverty over time. In turn, the cumulative effects of higher savings rates, higher productivity and improved education for children translate into higher economic growth and lower poverty in the future.

Accordingly, gender equality and empowerment of women are top priorities within the national and international political agenda not only for reasons of fairness but are mostly importantly, because gender equality is instrumental for economic growth and poverty reduction. Increased gender equality helps reach MDGs directly (Goal 3 “Gender equality”) and indirectly (all other goals through higher economic growth). Thus, gender mainstreaming is a key issue within the macroeconomic framework and strategy of any country. Mainstreaming gender equality in economic policies means to design macroeconomic policies, which take into account that they may impact differently on men and women. Furthermore, gender mainstreaming in economic policies means that structural reforms need to encompass affirmative actions to overcome gender
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inequalities (see part one in relation to gender inequalities within Central Asian and Caucasian countries).

This approach has not yet been formalized as an explicit and comprehensive policy framework, hence it is still highly debated throughout the international community of scholars and practitioners. However, in light of this approach, we have assessed gender mainstreaming approaches by relying on the review of official documents available and of the existing literature related to gender equality, its measurement and policy toolkit, such as the Gender Responsive Budgeting (GRB). Furthermore, we have examined country-by-country the Central Asian and Caucasian governments’ responses to gender mainstreaming focusing on whether and how gender disparities have been addressed within National Development and Poverty Reduction Strategies.

Thanks to international organizations’ pressure through poverty reduction lending and MDGs, concrete steps in designing full-fledged gender plans have been undertaken. National legislation includes gender concerns and affirmative actions. Institutional machineries have been set up with varying degrees of effectiveness and organizational capacity. Overall, social protection reforms and social policies do make room for gender-related issues and take explicit measures for redressing gender unbalances related to weaker position of women in the labor market, their dual burden, and constrained access to resources. Dedicated policies include micro-credit allowances, quotas for political representation and high level posts within public institutions, specific pension schemes for female heads of household, and special measures for rural poor.

Yet, economic policy in trade and services remain discriminatory with regard to women due to multiple existing problems affecting sustainability of horizontal and vertical gender segregation (hidden forms of discrimination). Generally speaking, the core macroeconomic policies for market liberalization, credit availability, price stability, and poverty reduction do not envision gender sensitive dimensions nor actionable measures to avoid potential gender adverse outcomes. An inter-generational negative effect, which adds up to already adverse impact on women’ economic status can be generated also by the decrease in government funding for social, health care, and education. Budgetary cuts in these policy domains have a bearing upon the unprotected segments of the population, especially women and children. Strict fiscal and monetary policies may adversely hit those groups in society relying on redistributive policies through public expenditures.

In particular, trade policies that leave out consideration of the unpaid economy and only include the paid market economy will be biased against women, because women have a social obligation to provide care to their families in ways that men do not. Furthermore, financial markets and private sector development incentives should reconsider the pivotal role of women in mediating between economic efficiency needs with fair, collaborative, and community-based capacity to mobilization of resources. The current lack of reliable data hampers to some extent the assessment of these impacts. Even when data is available, national statistical offices do not regularly produce and disseminate gender-disaggregated statistics. This lack poses a serious constraint to develop GRB reforms for macroeconomic programming at the national level.

To overcome the above pinpointed weaknesses, there are at least two sets of challenges to be addressed. First a number of ‘methodological’ issues, which relate to the perceived and socially accepted gendered roles and the ingrained power structures. These are two crucial factors explaining why gender sensitive policies are not appropriately designed, and/or committed to, while expected change in living standards remains weak. Second, some policy areas need to be ‘gendered’ not only through strengthened gender assessment but also, and more importantly, through a
renewed gender policy approach forging gender equality strategies, which systematically incorporate gender perspectives.

Regarding the methodological challenges of gender mainstreaming, there is need to overcome the misperception that gender mainstreaming is costly only in terms of financial resources. By contrast, a gender-sensitive policy design proves itself to be effective on cultural grounds and not only on the amount of budgetary appropriations. Besides, there is need to clarify the misunderstanding that gender mainstreaming can replace other gender equality strategies, specifically addressing women. The challenge is to ensure appropriate action to create space for both strategies, while recognizing the gender inequalities oftentimes add to other inequalities, including those of ethnicity/race, religion/faith, disability, age and sexual orientation. To address such challenges, there is need of an economic strategy targeting diverse inequalities and ethnocentric bias, assuring adequate resources while combining both new forms of technical expertise and new forms of democratic representation.

Thus, new gender mainstreaming approaches need to cope with such methodological challenges by developing not only the required technical expertise, and the necessary institutional arrangements (i.e., through research, documentation, information dissemination, economic empowerment, capacity building and advocacy, networking, and the organization of events and conferences), but also and more importantly, by raising the political awareness and assuming the political commitment that gender equality pays off. Gender equality assures the expansion of the material base of development and the increase in the space of freedom and human liberties of individuals and societies. This allows for pluralism, preference diversity, broader democratic deliberation without the “one fits all” approach of traditional policy making solutions. Attention should then be devoted to policy measures to address gender concerns systematically through concrete targets, and monitoring indicators. Finally, policy-oriented research can generate the knowledge base enabling the exchange of experiences, the evaluative feedback and new insights for future gender friendly policy making.
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