

Missing Women: The G20, Gender Equality and Global Economic Governance

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Executive Summary

The Group of 20 (G20) has declared itself the “premier global economic forum” and was created to tackle the most pressing challenges confronting the world economy today, including reducing instability and preventing future financial crises. The G20 has committed itself to a goal of shared and inclusive growth. Given this commitment, it is striking how little attention has been paid to issues of gender equality in its policy frameworks, summits, and declarations.

This report examines the G20’s strategies and their effects on gender equality. It finds that the G20 has not seriously considered the consequences for women and men when formulating policies and setting its agenda. There are indications that this situation has changed somewhat, with a commitment to gender equality made at the 2012 Los Cabos Summit in Mexico. Nevertheless, questions remain over whether gender equality will be taken seriously. Representation within the G20 is unbalanced – only 25 percent of the heads of state of the G20 member countries are currently women. The figure for the official government representatives, the “sherpas,” is lower – just 15 percent are women.

Broad-based economic policies have gender-specific effects because sources of gender inequality interact with changes in the economic environment to produce distinct outcomes for women and men. Gender-blind policies are rarely gender-neutral. Gender bias must be identified within the G20’s approach to economic governance if the commitment to inclusive growth is to be realized.

This report analyzes the policy areas identified in the G20’s *Framework for Strong, Sustainable and Balanced Growth* and subsequent summits and processes, including fiscal policy, monetary policy, global rebalancing, financial regulation, trade, social protection, and employment. Although the G20 has committed to policy positions in each of these areas, actual implementation frequently falls far short of the mark.

The G20 has embraced a strategy of “fiscal consolidation” which requires reductions in government borrowing and public debt. Although consolidation could be achieved by raising taxes, the emphasis has been on spending cuts. In terms of monetary policy, the G20 has emphasized price stability, which typically involves targeting low rates of inflation which may negatively affect employment.

There are several possible sources of gender bias in these policy stances. Spending cuts and restrictive monetary policy may have a larger negative effect on women’s employment relative to men’s. Fiscal consolidation may reduce public resources for programs that promote gender equality. Slower growth and higher unemployment associated with lower levels of spending and tighter credit policies reduce household incomes, increasing pressures on women’s unpaid work.

Several G20 policies have implication for international trade: exchange rate policies, multilateral trade negotiations, and “rebalancing” the global economy between major exporting and importing countries. Because women work in different jobs than men, changes to the trade regime affect sectors of the economy differently and have specific consequences for women’s and men’s employment.

The G20 has pledged to strengthen financial regulation to avoid the conditions that led to the 2008 global crisis. The regulatory reform agenda promises to implement new banking standards, review executive compensation, harmonize accounting practices, regulate over the counter (OTC) derivatives, rethink the role of credit rating agencies, and strengthen the supervision of institutions seen as “too big to fail.” Financial reform has important implications for gender equality, since crises have specific impacts on women and men, yet the implementation of reforms remains weak. The G20 has also endorsed improvements to social protection policies. Social protection not only assists those worst affected by crises, but also supports recovery by bolstering demand. Developing effective social protection policies requires taking gender dynamics into account.

Since 2010, the G20 has taken on issues of global development. The G20 *Seoul Development Consensus for Shared Growth* and the *Multi-Year Action Plan on Development* identify nine pillars of economic development: infrastructure, human resource development, trade, investment and job creation, food security, social protection, financial inclusion, domestic resource mobilization, and knowledge sharing. The development agenda explicitly refers to gender equality, but the focus is largely restricted to gender gaps in education and health. The *Development Action Plan* expires this year. As the G20 looks towards a revised Action Plan and the post-2015 development agenda, gender equality should be integrated throughout the policy

framework, including issues such as employment, social protection, unpaid care work, asset ownership, financial inclusion, violence against women, and reproductive rights.

Based on this analysis, the report makes five concrete recommendations:

1. Establish a G20 Task Force on gender equality to prepare a *Toolkit on Economic Policy and Gender* to integrate gender into the G20's agenda;
2. ensure that gender equality is more fully reflected in the G20's two primary policy frameworks – the *Framework on Strong, Sustainable, and Balanced Growth* and the *Development Action Plan*;
3. incorporate gender equality into the G20 monitoring activities of international organizations, such as the IMF, OECD and WTO;
4. use existing gender equality indicators and develop new indicators to assess progress within the G20 and internationally; and
5. initiate a consultation process with key stakeholders on the *Toolkit on Economic Policy and Gender* and the ways in which the G20 should be held accountable for advancing gender equality.

If adopted, these recommendations would represent significant steps towards integrating gender throughout the G20's policy priorities and would fill a gap that currently undermines the goal of shared and inclusive growth.

Introduction

In the aftermath of the 2008 global economic crisis, the Group of Twenty (G20) emerged as an influential new global institution, one with the potential to shape international economic governance in the years to come. The G20 identifies itself as the “premier global economic forum,” created to tackle the pressing problems associated with the globalization of finance and economic activity.¹ To the extent that the G20 realizes this mandate, its policy positions will fundamentally drive the future direction of the global economy. The G20 acknowledges that economic growth must be both shared and inclusive. Given a commitment to inclusive growth and recognizing that women make up half the global population, it is striking how little attention has been paid to issues of gender equality within the G20 itself, its summit declarations, and its policy positions.²

This report examines the structure, policy focus, and commitments of the G20 with regard to gender equality and the group's commitment to shared growth. As a major forum for pursuing economic cooperation and coordination, the decisions made and statements issued by the G20 have critical consequences for distributive outcomes, including the effects economic policies have on men and women. The ways in which growth regimes, macroeconomic management, and financial policies reinforce or challenge gender biases must be identified and understood if the G20's approach to shared growth is to be realized.

A detailed auditing of the policies adopted by G20 member governments with regard to gender equality is beyond the scope of this report. The membership of the G20 is diverse, representing a range

of economies, cultures, levels of development, and gender dynamics. Gender-specific outcomes in response to policy decisions are sensitive to these differences and we would expect similar policy approaches to have distinct effects in different countries. Therefore, this report emphasizes the ways in which economic policies could affect gender equality given the strategies adopted by the G20 without assessing the outcomes for each individual country.

The report is organized as follows: The next section reviews the history of the G20 and examines the group's recognition of gender equality which, up to this point in time, has been minimal. Then the report turns to the question of evaluating policy positions for their impacts on women and men, making the distinction between “gender-blind” and “gender-neutral” interventions. After this foundation has been established, the report explores the possibilities for gender bias in a number of policy areas which the G20 has prioritized: fiscal policy, monetary policy and exchange rates, global rebalancing, reform of financial regulation, international trade negotiations, and social protection and employment policies. In each thematic area, the gender dynamics associated with policy positions are discussed. The report then turns to the G20's approach to global development and the future development agenda. A brief conclusion pulls the discussion together and highlights key recommendations.

The Group of 20 and Gender Equality

The first G20 meeting was held in Berlin in 1999 following a series of financial crises that occurred in East Asia, Russia and Latin America, but raised concerns about the stability of the global economy more generally.³ At that point, the group was comprised of high-level representatives of finance ministries and central banks. The formation of the G20 expanded country membership compared to earlier groupings, such as the G-7 and G-8⁴ in order to recognize the growing influence of emerging and rapidly developing economies.

With the 2008 global financial crisis, the profile of the G20 was raised significantly and representation shifted from finance ministries and central banks to the level of country leaders. The first meeting of the G20 at the heads-of-state level took place in 2008 in Washington, D.C. Since that time, the G20 has held a series of summits focusing on responses to the crisis and, more generally, issues of global economic governance.

The core membership of the G20 includes representatives of 19 countries and the European Union.⁵ In addition, the International Monetary Fund (IMF) and the World Bank are represented, and the President of each summit invites approximately five other countries and additional international organizations to particular G20 meetings and summits.

Without the use of any formal criteria, just two individuals selected the countries that form the core membership of the G20: Canadian Finance Minister, Paul Martin, and U.S. Treasury Secretary, Lawrence Summers.⁶ The countries invited to participate were deemed to be “systematically important” and, to some extent, representative of major geographical areas.⁷ The G20 does not have a permanent secretariat or administrative staff, but rather a rotating presidency that hosts the summits and meetings. The management of the activities of the G20 is supposed to be overseen by a troika – made up of the current president, the past president, and the future G20 president. At present, the troika is comprised of Russia, Mexico, and Australia.

The group's broad approach to economic policy and governance is laid out in the *Framework for Strong, Sustainable, and Balanced Growth* which was developed during the Pittsburgh Summit in September 2009.⁸ Major components of the framework include:

- Implementing responsible fiscal policies, which balance long-run sustainability and short-run responses to economic fluctuations;
- strengthening financial supervision and regulation to reduce volatility and the likelihood of future economic crises;
- improving the balance of payments between countries to reduce the size of current account deficits and surpluses while maintaining open trade and investment policies;
- adopting monetary policies that focus on price stability and market-determined exchange rates;
- adopting structural reforms to improve growth performance and economic safety nets; and
- promoting globally-balanced and sustainable economic development that reduces poverty and narrows inequalities between countries.

Although subsequent G20 summits elaborated upon this framework, the core macroeconomic policy areas have remained the same. Importantly, later summits have reaffirmed the need for growth to be shared, inclusive, and sustainable. The *Seoul Action Plan* and the *Seoul Development Consensus for Shared Growth*, both coming out of the 2010 Korean Summit, placed additional stress on the importance of employment and job creation, green growth, and "shared" growth – i.e. insuring that vulnerable groups benefit from G20 economic policies aimed at promoting growth and development.⁹ The final declaration of the Cannes Summit of 2011 highlighted the importance of international cooperation "for the benefit of all."¹⁰ The *Declaration* of the 2012 Mexican Summit emphasized the need for strong, *inclusive*, sustainable and balanced growth (emphasis added).¹¹

These commitments to shared and inclusive growth, poverty reduction, and narrowing economic inequalities imply the need to incorporate a gender perspective into the formulation of economic policy and the management of macroeconomic dynamics. Growth cannot be "inclusive" if inequalities between women and men persist or worsen. Poverty reduction requires the identification of vulnerable families and households, such as those maintained by single women. There are multiple dimensions to economic inequality, which includes gender-based inequalities. For these reasons, the G20 commitment to shared growth must include a focus on enhancing gender equality.

The issue of gender equality has only recently been recognized within official G20 documents – specifically, in the Leaders Declaration from the 2012 Mexican G20 Summit, which stated:

"We commit to take concrete actions to overcome the barriers hindering women's full economic and social participation and to expand economic opportunities for women in G20 economies. We also express our firm commitment to advance gender equality in all areas, including skills training, wages and salaries, treatment in the workplace, and responsibilities in care-giving."¹²

The Los Cabos declaration represents a breakthrough with regard to gender equality within the G20. Prior to the Mexican summit, there had been little or no attention paid to women or gender issues.¹³ A search for the words "women," "gender," and "children" in all the summit declarations since Pittsburgh found a single reference in the *Cannes Action Plan for Growth and Jobs* which called for increasing women's labor force participation.¹⁴

Despite the language of the Los Cabos declaration, concerns remain over whether gender issues will be seriously taken on board. At a basic level, there is the question of women's representation within the G20 itself. For instance, only 25 percent of the heads of state of the G20 member countries are currently women.¹⁵ In five of the 19 member countries, excluding the EU, women account for less than 10 percent of public leaders – Saudi Arabia, Japan, Korea, India, and Indonesia.¹⁶ Since public leaders are elected in individual countries, it could be argued that the G20, as a global institution, has little control over the representation of women independent of national processes to select leaders. However, the appointed representatives of heads of state at the G20 – a group of individuals called "sherpas" – are also predominantly male. At the time of this writing, 85 percent of the sherpas are men, the exceptions being those from Argentina, Mexico, and Russia.¹⁷

Assessing Economic Policy: Gender-blind v. Gender-neutral

Women's representation at the G20 is a useful indicator for assessing the extent to which women's issues and perspectives are likely to receive attention. An unequal gender balance within the G20 is indicative of broader patterns of gender inequality. Yet, as an indicator, it is imperfect. Having more women represented among the G20 leaders and decision-makers is no guarantee that a gender perspective will be incorporated into policy positions and deliberations. Similarly, male leaders and decision-makers are able to place gender equality on the table as a G20 priority.

Auditing the policy positions of the G20 for possible gender biases provides a more detailed foundation on which to determine whether the G20 priorities with regard to economic governance provide sufficient support for the goals of shared, inclusive, and, more recently, gender equitable growth. One difficulty with doing this is that much of the focus within the G20 is on macroeconomic and financial policies. These policy areas deal with economic aggregates, and macroeconomic targets are set without reference to gender. For instance, the G20's approach to monetary policy emphasizes general price stability, and broad monetary policies do not distinguish between price stability for men and women. For these reasons, macroeconomic policies are often said to be gender-blind. They are not formulated with any reference to gender.

However, gender-blind policies are often not gender-neutral. Suppose a government decides to cut back public expenditures by across-the-board reductions in payroll expenditures and downsizing its workforce. This represents a gender-blind policy. However, in many countries, public employment represents a particularly important source of jobs for women. Therefore, across-the-board reductions in public employment may have gender-specific effects when women are less likely than men to be re-employed in similar jobs in the private sector. Therefore, in assessing G20 policies and strategies, it is important to examine possible gender biases in outcomes

even if government conduct is gender-blind.

Broad-based economic policies have gender-specific effects because sources of gender inequality interact with changes in the economic environment to produce distinct outcomes for men and women. For instance, women are typically over-represented in certain occupations relative to men – e.g. common female-dominated jobs include administrative services, retail, health, education, personal services, labor-intensive manufacturing and childcare. Because of occupational segmentation, economic policies that have distinct effects on particular sectors of the economy will affect women and men differently.

Women also perform more unpaid household work than men, including taking care of children, the elderly, and other dependents. Demands on unpaid work may intensify during times of economic stress in order to make up for lost income, increasing the burden of work on women. Women's responsibilities for unpaid work mean that they have less labor market experience than men and, because of lower earnings, they occupy more dependent positions in households. This can make it hard for women to leave dangerous and abusive situations, reinforcing women's economic vulnerability.

Since women earn less on average, there may be less investment in women's education and skills, bolstering existing inequalities with respect to economic opportunities. Women frequently have fewer assets and lower incomes than men, putting them in a weaker position when faced with economic shocks – such as those arising from a financial crisis. This also suggests that gender-blind economic policies will have different effects on women and men and reinforce existing patterns of gender inequality. The challenge in assessing the G20 policy agenda is to identify possible sources of gender bias within the overall approach to economic governance.

The support for gender equality in the Los Cabos Summit declaration indicates that the group is committing to gender equality as a social and economic goal. That is, there is intrinsic value to pursuing greater gender equality for its own sake. It is worth noting that achieving gender equality may also help the G20 achieve its other economic objectives. For instance, improvements in gender equality – e.g. greater parity in educational attainment – can support better economic performance and higher rates of growth.¹⁸ Although the benefits of improvements in gender equality for meeting other economic goals are important to keep in mind, this report emphasizes the intrinsic value of gender equality for a more inclusive and just world.

A Critical Assessment of the G20 Approach to Economic Policy from a Gender Perspective

The G20 approach to economic governance encompasses a range of priority areas, each with implications for advancing gender equality. The aim of this section is to identify, in general terms, potential sources of gender bias in the formulation of economic policy. Drawing on the *Framework for Strong, Sustainable, and Balanced Growth*, the elaborations on the *Framework* from subsequent summits, and the major themes identified as part of Russia's 2013 presidency of the G20, a core set of economic policy areas were selected for more detailed discussion of their possible gender-specific impacts.

The policy areas examined here include:

- fiscal policy – with a specific emphasis on government expenditures and the G20's movement towards "fiscal consolidation";
- monetary policy – with a consideration of the question of price stabilization and exchange rate policies;
- international financial flows and the balance of payments – with a specific emphasis on the G20 goal to achieve "rebalancing";
- financial policies – including regulation, speculation, commodity prices, and financial inclusion;
- international trade – highlighting the G20's approach to trade negotiations; and
- social protection and employment policy.

Implementation of the G20's policies is monitored by the International Monetary Fund's Mutual Assessment Process (MAP). The MAP aims to track progress, or the lack of progress, towards goals identified in the *Framework for Strong, Sustainable, and Balanced Growth*. The IMF issues periodic reports on the compliance of each G20 member state with the commitments made and presents an umbrella report on the overall state of implementation.¹⁹

Fiscal Policy

Fiscal policy refers to government spending, taxation, and public borrowing. With the onset of the 2008 global economic crisis, the appropriate role of fiscal policy has become a major concern of the G20. The sharp economic downturn following the crisis in financial markets reduced economic growth, international trade, and employment. As a result, government tax revenues fell. At the same time, there was pressure to maintain public spending in many countries to provide a stimulus to counter the effects of the crisis. Demands for social protection, such as unemployment insurance, and public services grew as joblessness expanded and households lost income, placing additional pressures on government budgets. In some countries, taxpayer money was mobilized to bail out financial institutions considered "too big to fail." In order to prevent a collapse in spending, many governments had to borrow to make up the difference between declining revenues and efforts to maintain or shore up expenditures. Public debts rose relative to the size of the economy in countries hit hard by economic collapse.

The G20 approach to fiscal policy was developed in the context of the crisis. The G20 has embraced a strategy of "fiscal consolidation" which requires reductions in borrowing and public debt. The *Declaration* of the 2010 Toronto Summit stated that:

"...advanced economies have committed to fiscal plans that will at least halve deficits by 2013 and stabilize or reduce government debt-to-GDP ratios by 2016... Those with serious fiscal challenges need to accelerate the pace of consolidation. Fiscal consolidation plans will be credible, clearly communicated, differentiated to national circumstances, and focused on measures to foster economic growth."²⁰

There was recognition that the nature and timing of consolidation should vary from country to country and that fiscal policy should be

coordinated to avoid triggering another recession.²¹ Concerns remain that excessive fiscal conservatism could hinder a global recovery in the short-run.²²

Nevertheless, despite the ongoing problems stemming from the 2008 financial crisis, the G20's declarations have placed significant emphasis on medium-term consolidation. In the policy commitments made by G20 members at the 2012 Los Cabos Summit, nearly all member states pledged to reduce public debt or public borrowing relative to gross domestic product.²³ Although consolidation could be achieved by either raising taxes or cutting spending, the emphasis has generally been on expenditure reductions. For instance, recent G20 summits have stressed the importance of fiscal consolidation to address the Euro Zone sovereign debt crisis.²⁴ But the policies adopted to achieve fiscal consolidation in Europe in the wake of the 2008 crisis have favored spending cuts over policies to boost tax revenue.²⁵

Fiscal consolidation can have gender-specific consequences that disadvantage women relative to men. As previously mentioned, employment in the public sector is often an important source of quality jobs for women. When this is the case, downsizing will have a disproportionate effect on the employment opportunities available to women. Government budgets represent an important instrument for mobilizing resources in order to advance gender equality. Analysis of spending priorities (through such initiatives as gender-responsive budgeting) shows how public expenditures benefit women and men differently and reveals gender biases associated with broad fiscal policies.²⁶

To give a concrete example, the G20 fiscal commitments should be evaluated with regard to how they may affect budget allocations that support programs to improve gender equality, such as reproductive and maternal health services and efforts to reduce violence against women. Cutbacks in spending on public services are often justified on the grounds that efficiency gains will allow the same services to be delivered at lower cost. However, such efficiency gains may contain hidden gender biases. For instance, reducing the length of hospital stays may appear to represent added efficiency in public health services, but in reality it may just shift the burden of care to unpaid work performed in households, predominantly by women.²⁷

The Women's Budget Group in the U.K. provides an example of how a gender perspective is being applied to the fiscal consolidation policies of one of the G20 members.²⁸ It estimates that single parents, of whom 95 percent are women, will be hardest hit by U.K. cuts to expenditures on public services as part of that country's fiscal consolidation policies. The estimated decline in income for this group of parents is 8.5 percent, more than four times that of childless couples who stand to lose the least.²⁹ The Women's Budget Group has documented gender biases with respect to a wide range of government taxation and spending policies and provides a model for assessing the gender-specific consequences of the G20 fiscal consolidation commitments.

Monetary Policy

The G20 *Framework for Strong, Sustainable, and Balanced Growth* pledges to "undertake monetary policy consistent with price stability in the context of market oriented exchange rates that reflect market fundamentals."³⁰ The goal of price stability typically means targeting low rates of inflation.³¹ Central banks can implement mon-

etary policies that aim to lower inflation by raising interest rates, restricting the growth rate of the money supply, or making it more difficult to extend loans. In these cases, the cost of borrowing is raised and/or the availability of credit is reduced. This restricts demand in the economy by making it more difficult to access credit to finance consumption or investment. As the overall level of demand weakens, the upward pressure on prices tapers off, leading to lower rates of inflation.

Monetary stances aimed at reducing inflation often come at a cost. Weaker demand in the economy slows growth, reduces job creation, and leads to higher rates of unemployment. Increased costs of borrowing adversely affect consumers. As with other types of macroeconomic policies, monetary policy interacts with sources of gender inequality to produce different outcomes for men and women. Restrictive monetary policy may reduce women's employment relative to men's. Slower growth and higher unemployment may reduce household income, increasing pressures on women's unpaid work. However, monetary policy, including the approach endorsed by the G20, is rarely evaluated for its gender-specific impacts.

Reductions in inflation, which are associated with restrictive monetary policy in developing countries, have been shown to have a larger negative effect on women's employment relative to men's.³² However, the gender-specific effects of monetary policy differ depending on the context and the indicators used – e.g., a study of monetary policy among OECD countries found no evidence of different effects on women's and men's unemployment rates.³³ Research on the U.S. economy found evidence that higher interest rates, set through monetary policy, have a stronger negative effect on women's unemployment relative to men's, but this relationship varies from state to state and changes with the racial composition of the population.³⁴ These findings suggest that, while monetary policy along the lines proposed by the G20 can reflect gender biases, the outcomes associated with such policies will not be the same in all circumstances. Although the effects vary depending on the context, there is still a need to evaluate how G20 approaches to monetary policy reinforce or reduce gender inequalities.

The IMF notes that monetary policy in many G20 countries since the onset of the global economic crisis in 2008 has been "unconventional."³⁵ Despite the objective of price stability put forward in the *Framework for Strong, Sustainable and Balanced Growth*, monetary policy has primarily focused on stabilizing the financial sector and demand, instead of lowering inflation. Currently, the IMF warns against pursuing restrictive monetary policy before a recovery is well underway.³⁶ It will be important to track the evolution of monetary policy in the future – from crisis management to a more orthodox position – in order to assess its impact on gender equality.

In addition to monetary policy focused on price stability, the G20 endorses market-determined exchange rates. In other words, governments should not intervene to influence a country's exchange rate. An exchange rate is the price of one country's currency relative to the currency of other countries. Monetary policy can be used to change exchange rates by buying or selling foreign exchange – i.e., the currencies of major economies. For instance, if a country wants to lower the value of the domestic currency relative to other currencies, it would sell the domestic currency in international markets and buy foreign exchange.

The G20 approach to monetary policy does not support these interventions, preferring exchange rates to be determined by global

markets.³⁷ An alternative approach would be to allow countries to manage their exchange rates in ways that facilitate economic, social, and developmental goals. Coordination of exchange rate policies across countries could support other G20 objectives (e.g., rebalancing the global economy) in ways that market-driven exchange rates may fail to do.

One concern that has been repeatedly stressed within G20 declarations is the need to avoid competitive devaluations of national currencies. A country pursuing a competitive devaluation deliberately lowers the value of its currency in a bid to boost exports and limit imports from other countries.³⁸ For instance, there has been concern in the G20 that China has kept its exchange rate at artificially low levels, making other economies less competitive and contributing to global imbalances.³⁹ Similarly, the Brazilian finance minister, Guido Mantega, accused the U.S. Federal Reserve in 2012 of engaging in a “currency war,” arguing that loose monetary policy used to shore up the financial sector had reduced the value of the dollar, making the Brazilian economy less competitive.⁴⁰ Competitive devaluations are a problem because individual countries pursue uncoordinated policies, in which one country takes actions that hurt other countries. However, coordinating exchange rate policies across G20 member states provides an alternative strategy to market-determined rates for achieving the group’s economic objectives.

Changes in exchange rates can have gender-specific consequences. For instance, in many countries labor-intensive export-oriented manufacturing represents an important source of wage employment for women.⁴¹ The competitiveness of export manufacturing is sensitive to exchange rate dynamics. If a country’s currency increases in value relative to other currencies, exports to other countries become more expensive and imports become less expensive relative to domestically produced goods. The result is a decline in competitiveness and, in certain cases, a loss of private sector jobs for women. In general, exchange rate policy has implications for gender equality that should be kept in mind when evaluating G20 positions with regard to monetary policy.

International Financial Flows and the Balance of Payments

The *G20 Framework for Strong, Sustainable, and Balanced Growth* commits member countries to “promote more balanced current accounts and support open trade and investment to advance global prosperity.”⁴² Some member countries in the G20 have large trade surpluses – exporting more than they import – while others have significant trade deficits – consuming more than they produce. The United States is a clear example of the latter category. Current levels of U.S. consumption are dependent on imported goods and services. The U.S. economy must finance the imports it consumes somehow. Financial flows into the U.S. economy give the U.S. the capacity to run a sizeable trade deficit.⁴³ In contrast, surplus countries – such as China and Korea – export more than they import. The surplus – the amount by which export earnings exceed payments for imports – can be invested by buying financial assets of other countries (e.g., U.S. treasury bonds, stocks, or other financial products) or by accumulating stocks of foreign exchange, such as dollars or euros.

The current situation among the G20 member countries – with large deficit economies being financed by large surplus economies – has been seen as a source of macroeconomic instability that contributed to the 2008 crisis. Specifically, it is argued that the financial inflows

into the U.S. economy helped to keep interest rates artificially low, raised the demand for U.S. financial assets, and helped to fuel the housing and financial bubbles that, when they burst, caused the crisis.⁴⁴ Because large balance of payments surpluses and deficits can contribute to economic volatility, the G20 has prioritized the “rebalancing” of the global economy – reducing the gap between deficit and surplus countries.

Rebalancing requires that surplus countries take steps to shift their economies towards domestic production and deficit countries expand their export capacity.⁴⁵ A range of policies could be used to facilitate this kind of structural change: exchange rate policies, sector-specific interventions, support for innovation and technological development, education and training, financial reforms, and trade and investment policies. Although a full exploration of the policies needed to achieve rebalancing is beyond the scope of this discussion, several of these policy areas are examined in greater detail in this section of the report.

There has been a degree of rebalancing since the 2008 global financial crisis, but this is not a result of structural transformations being realized among G20 member states, but rather due to a lack of demand that has dragged the global economy down.⁴⁶ Deficit countries imported less and surplus countries were unable to maintain export volumes, but rebalancing via crisis comes at a huge cost and fails to address the underlying structural problems.

Because labor markets remain segmented by gender – women work in different sectors, occupations, and jobs than do men – rebalancing will likely have gender-specific consequences. To the extent that women are concentrated in labor-intensive export sectors in surplus countries, rebalancing could have a negative impact on the jobs available to women. For these countries, rebalancing requires building up the domestic economy, but the net effect on women depends on where jobs would be created in the domestic economy. Some domestically oriented sectors tend to be more male-dominated than others – e.g. construction compared to retail and social services. Therefore, the impact that rebalancing would have on gender equality would depend on how such structural transformation is achieved. Similar arguments would apply to deficit countries. However, there has been little or no attention paid to the implications of global rebalancing for reducing or reinforcing gender inequalities.

Moreover, the definition of rebalancing should be broadened to incorporate concerns other than the balance of financial flows between countries. Rebalancing should also be considered with respect to environmental sustainability, greenhouse gas emissions, and the need to address climate change. Structural changes to economies are required to place the global economy on a sustainable path in the future, with some economies (e.g. those with high greenhouse gas emissions) making larger adjustments than others.⁴⁷ Environmental rebalancing would also have gender-specific consequences, and these issues need to be taken into account when formulating strategies for sustainable development.

Financial Policies and Financial Reform

The G20 was formed in the context of international financial volatility and one of the specific aims of the group is to prevent another global economic crisis. To this end, the G20 has pledged to strengthen the regulation of financial markets to guard against the reemergence of excess borrowing, financial fragility, and systemic

vulnerability such as that experienced prior to the 2008 crisis.⁴⁸ Regulatory changes that rolled back oversight of financial markets and encouraged unhindered flows of finance across borders contributed to recent economic crises.⁴⁹ Therefore, reforming financial regulation was an early priority of the G20.⁵⁰ At the 2009 London Summit, the G20 created the Financial Stability Board to address a range of issues relating to banking standards, regulation of financial markets, and coordinated responses to economic crises.⁵¹

The G20 has facilitated the development of new international banking standards, aimed at reducing the likelihood of a systemic crisis in this sector. These regulations include capital and liquidity standards. These standards stipulate that banks should maintain a minimum amount of resources to meet their obligations and guard against risk.⁵² This includes a commitment among G20 member states to implement the Basel II standards for capital and liquidity, plus a commitment to facilitate the G20's role in the development of new Basel III standards.⁵³ Other areas of regulatory reform identified by the G20 include: review of compensation packages of financial executives, harmonizing accounting standards, regulating over the counter (OTC) derivatives, evaluating the role of credit ratings agencies, and strengthening the supervision of systematically important institutions (which are seen as "too big to fail"). At the Cannes Summit, the G20 also established guidelines for the use of capital controls to limit volatile financial flows between countries.⁵⁴ Cross-border flows played a major role not only in recent financial crises, but also in the 1997 crisis that hit many East Asian economies particularly hard and led to the creation of the G20.⁵⁵

Although the G20 has made significant progress in identifying key areas of regulatory reform, implementation of these changes has generally fallen short.⁵⁶ Because proposed financial regulations are approved by central bank governors, finance ministers, and other regulators, the G20 has no ability to guarantee their implementation at the national level, with the result that implementation remains voluntary.⁵⁷ In many cases, the implementation of the reforms requires legislative changes that can only happen at the level of individual member states.⁵⁸ Although the G20 has, in many ways, been able to pull together an agenda for reform, it has been less successful in turning these proposals into real changes on the ground.

The success of the financial reform agenda has important implications for gender equality. The consequences of financial and economic crises are gender-specific, although, as is the case with the other policy areas explored here, the effects on women and men vary from context to context. A crisis that affects household income – e.g., through rising rates of unemployment – may increase demands on women's unpaid work in the household. However, it may also cause women to enter the labor force or work more hours in paid employment in order to make up for lost earnings. For instance, women's labor force participation increased during the economic crisis in Argentina that began in 1999.⁵⁹

But economic crises do not always lead to higher participation rates. In other circumstances, women may be the first to lose their jobs, possibly withdrawing from the labor market. This occurred in Korea following the 1997 international crisis that had its largest effects in East Asia.⁶⁰ A number of factors contribute to such differences in responses, including availability of childcare, social norms regarding women's work, decisions to safeguard male employment relative to female employment, and discriminatory practices. Nevertheless, in both examples, changes in women's employment and labor force participation represent an economic response to a crisis situation.

The 2008 financial crisis also exhibited distinct employment dynamics for men and women. Consider the example of the U.S. economy. In the initial months of the crisis, job losses showed a male bias, with men's employment falling more substantially than women's. This was because in the early days of the crisis, sectors that disproportionately employed men, such as construction, were the worst affected. However, a closer look at the employment numbers tells a more nuanced story. Certain groups of women were affected more severely than others. African-American, Latina and young women experienced significant employment losses, as did single women maintaining families on their own.⁶¹ Financial regulation that reduces the likelihood of economic crises helps to address these kinds of inequalities, including gender inequalities.

Within the broad set of policies for financial reform, the G20 has prioritized financial inclusion as a major initiative. Financial inclusion aims to extend financial services to groups that are currently excluded from or have limited access to credit and financial markets. At the G20 Seoul Summit in 2010, the Global Partnership for Financial Inclusion was launched.⁶² Financial inclusion represents one area of financial reform in which the G20 specifically targets women.⁶³ However, financial markets, like labor markets, are segmented along gender lines, with women often having less access to credit, on average, than men. When credit is extended, it may be on unfavorable terms, as the predatory lending practices associated with the U.S. subprime mortgage crisis demonstrate.⁶⁴ Therefore, financial inclusion is an insufficient goal in itself unless the conditions under which individuals are included in the financial system are regulated through consumer protection legislation and non-discrimination policies.⁶⁵

The G20 recognizes the importance of small-scale self-employment as an important source of women's livelihoods, particularly in developing countries and emerging economies. Therefore, one aspect of the G20's approach to financial inclusion involves extending financial services to self-employed women. A common way of doing this is through micro-credit or microfinance institutions and programs. In some cases, microfinance has a positive impact on women's livelihoods by providing resources needed for small-scale investment and managing cash flow at critical junctures. There is a good deal of evidence showing that microfinance can contribute, to some degree, to gender equality.

However, not all microfinance is empowering and positive outcomes depend on whether women actually control the money they borrow, the design of the program (including the existence of additional support services beyond simply providing loans), the cost of credit, and the sustainability of the microfinance program.⁶⁶ It cannot be taken for granted that all programs that promote financial inclusion will have a significant positive impact on gender equality, and the characteristics of the programs that are successful in improving women's economic position need to be reflected more strongly within G20's approach to financial inclusion.

International Trade

In documents and summit declarations, the G20 has consistently voiced its support for liberalized trade and an end to any protectionist trade policies. As early as the first G20 leaders summit in 2008 held in Washington, D.C. the G20 declared its "commitment to an open economy" including unrestricted trade and a rejection of protectionism.⁶⁷ Since that first declaration, the commitment to lib-

eralized trade has been reiterated in all subsequent summit declarations. The G20 has stressed its support for multilateral agreements orchestrated by the World Trade Organization (WTO), including the 2001 Doha Round of negotiations – the latest round of WTO talks. The group has also called on international organizations, including the WTO, to continue to monitor progress towards freer trade.⁶⁸

Whether the G20's approach to trade is the correct one to support inclusive growth is debatable. It is unclear that any benefits of trade reform will be broadly shared – those in more vulnerable positions may be harmed by rapid deregulation of trade while a relatively small number, those well-positioned in the global economy, reap the lion's share of the benefits.

Even on the basis of its own stated objectives, the G20 has failed to deliver. The group has repeatedly emphasized the importance of liberalized trade to its economic strategy, yet the G20 position appears to be long on rhetoric and short on implementation. Following the 2008 financial crisis, additional trade restrictions have been put in place, although beginning in 2012 there has been a slowdown in the pace at which new barriers are being thrown up.⁶⁹ The WTO, in its October 2012 report to the G20, puts it plainly,

“Multilateralism is struggling on many fronts ... The world urgently needs a stronger and renewed commitment, in particular from the G-20 economies, to revitalize the multilateral trading system which can restore economic certainty at a time when it is badly needed.”⁷⁰

Despite the G20's declared support for the Doha Round of trade talks, progress on implementation has been less than spectacular.⁷¹ Many of the agreements arising from the Doha round have yet to be implemented a full decade after the core negotiations took place. In its 2012 *Annual Report*, the WTO recognizes that “the Doha Development Agenda ... negotiations are at an impasse. Despite numerous pronouncements and commitments, members failed to finalize the negotiations as they had envisaged...”⁷² The lack of progress on the Doha round has important implications for the G20's commitment to shared and inclusive growth, since the Doha talks were specifically aimed at reducing the inequalities between developed and developing countries within the current global trade regime.

The G20 has not examined how reforms to international trade policy may affect gender equality, either positively or negatively. This report has already considered issues relating to gender and trade in the discussion of exchange rates and global rebalancing. In some countries, women are concentrated in labor-intensive export sectors, such as garments, electronics, cut flowers, or horticultural products. In other countries, women work in agricultural activities, often on small allotments of land (“smallholder agriculture”) and without secure land tenure.⁷³ Shifts in the international trade regime will affect these sectors and will have distinct consequences for women and men. These distributive issues – including the degree to which trade reform could be said to support inclusive growth for women – have not been addressed in any detail by the G20.

Some G20 policies regarding international trade could potentially reinforce gender inequalities with regard to women's employment. In summit declarations, the G20 has stressed the goal of improving global competitiveness in order to support growth. However, gender inequalities may contribute to export competitiveness when women's wages are lower than men's for similar work.⁷⁴ By dis-

proportionately employing women in labor intensive export sectors, companies reduce labor costs and boost their competitive position. Therefore, the G20's goal of increasing competitiveness could be achieved by sustaining, or widening, existing gender wage gaps. This is not the only way to improve competitiveness (i.e. firms could make productivity-improving investments), but it represents a possible outcome of the drive to ratchet up competitiveness.

These dynamics are also relevant for the governance of global value chains, which the G20 recognized as an important issue at the Los Cabos Summit.⁷⁵ In global value chains, or global supply chains, international trade is organized in terms of relationships between companies operating in different countries. For instance, a large retailer in the U.S. market may source its goods from smaller producers in low wage countries in Latin America, Asia, or Africa. Typically, the large retailer has significantly more power than the small-scale manufacturers since the retailer can easily source from different firms if costs were to rise. Under these conditions, the benefits of greater competitiveness and improved productivity get captured by the retailer (in terms of higher profits) or the final consumer (in terms of lower prices).⁷⁶ Workers at the bottom of the chain, who may be disproportionately women, often receive few or no benefits. For these reasons, the ways in which international trade is structured and governed matter for gender equality. These are important issues to take forward as the G20 develops its position on trade and global value chains.

Social Protection and Employment

Although the G20 acknowledged the importance of social protection and employment creation in earlier summits, these issues began to receive more attention after the final declaration of the Cannes Summit, *Building Our Common Future: Renewed Collective Action for the Benefit of All*, was released in 2011.⁷⁷ The Cannes Declaration stated that “employment must be at the heart of the actions and policies to restore growth.”⁷⁸ A task force on employment was created and met for the first time during the 2012 Los Cabos Summit. Unemployment remains stubbornly high and there has been little movement in resolving the current global employment crisis. The situation is particularly dire for vulnerable groups, such as youth.⁷⁹ Given this reality, the G20's focus on jobs, and not just growth, has been supported by labor organizations, including the international trade union movement and the Labor-20 (L20), a group made up of representatives of trade union organizations from G20 countries.⁸⁰

Despite the rhetorical commitment to jobs, actual progress has been weak.⁸¹ The L20 has stressed that prior commitments to improving the jobs situation have not been acted upon and a more effective mechanism needs to be put in place to monitor the G20's progress in supporting better employment outcomes.⁸²

Moreover, there are potential contradictions between the G20's emphasis on employment creation and its other policy stances. For example, if fiscal consolidation is achieved through reductions in government spending, this could undermine social protections, the expansion of key social services, and job creation. Similarly, monetary policy that defines price stability as reducing inflation to very low levels may inhibit employment growth, for the reasons already discussed. In some cases, reforms to labor market regulations are identified as a job creation strategy, but, depending on the reforms, deregulation could erode employment-related social protections.

The Cannes *Declaration* contained a strong endorsement for improving social protection:

“We [the G20] recognize the importance of investing in nationally determined social protection floors in each of our countries, such as access to health care, income security for the elderly and persons with disabilities, child benefits and income security for the unemployed and assistance for the working poor. They will foster growth resilience, social justice and cohesion.”⁸³

The policy commitments relating to social protection and employment are wide ranging and vary across member states. They include: enhancing competitiveness to facilitate job creation, investing in education and skills, revising tax policies, reforming labor market regulations, expanding social spending, increasing public investment in infrastructure, supporting vulnerable populations, implementing poverty reduction strategies, and improving housing policies.⁸⁴

The G20 recognition that social protection needs to be strengthened is supported by the findings of an influential report, *Social Protection Floor for a Fair and Inclusive Globalization*, based on the work of a prominent international advisory group chaired by former Chilean President, Michele Bachelet (often referred to informally as the “Bachelet Report”).⁸⁵ The report stressed the importance of social protection in the context of an economic crisis, not only providing a core level of support for those worst affected but also in supporting economic recovery by bolstering demand in the economy. Looking beyond times of crisis, the report recognized that inclusive growth requires effective social protection, and it specifically discussed social protection as an essential component of any strategy to promote gender equality.⁸⁶

Gender-responsive employment and social protection policies are critical for advancing gender equality, but the scope of the G20’s approach to gender equality, as reflected in the Los Cabos Declaration, is overly narrow. In addition to anti-discrimination measures and investments in women’s education, other essential policies include improving access to childcare services, paid paternity and maternity leave, and allowance for paid time off so employees can care for sick dependents. The G20 should go beyond a simple recognition of women’s responsibilities for care giving and commit to policies that promote sharing the burden of care between women and men. In order to limit the harm caused by economic crises, social protection policies must recognize that the coping strategies adopted by households place different burdens on women and men, and a failure to take this into consideration will reinforce existing inequalities.

The G20 should commit to structural changes that reduce the degree of gender segmentation in the labor market and explicitly acknowledge, when formulating policies, that women tend to be concentrated in more precarious forms of employment, including in informal activities where social protections are often absent altogether.⁸⁷ Although the G20 has stated its commitment to gender equality in employment and social protection, the realization of this goal requires that significantly more detailed analysis for gender-sensitive policies must be put in place. More generally, there must be dramatic improvements in the implementation of the commitments made by member states to prioritize social protection and employment policies.

G20 and Global Development

Global development became a major feature of the G20’s agenda following the 2010 summit in Seoul when the *Seoul Development Consensus for Shared Growth* was announced.⁸⁸ With the introduction of a framework for economic development, the agenda of the G20 was broadened to include concerns that went beyond those of the member states. The inclusion of global development in its remit has been interpreted as an effort to raise the profile of the G20 to a global forum for economic policy.⁸⁹ However, in this regard the G20 remains a select group in which the world’s least developed countries have little effective direct representation.

For instance, the G20 president has usually invited two representatives from Africa – the presidents of the African Union (AU) and the New Partnership for Africa’s Development (NEPAD) – and one representative from the Association of Southeast Asian Nations (ASEAN) as “guests” at the summits. However, these representatives are not well integrated into the G20’s preparations for the summits. The G20 president often conducts regional consultations with governments and, to some extent, civil society, but these do not systematically influence G20 policies. In recent years, business summits (the B20) have overlapped with G20 Summits and, not surprisingly, the influence of business has grown. Therefore, the priorities set for the global development agenda generally echo the approach taken towards other areas of economic policy in which the G20 is engaged, including a focus on growth, addressing global imbalances, and managing the threat of systemic risk.⁹⁰

The *Seoul Development Consensus for Shared Growth* identifies nine pillars within the overarching agenda for economic development: infrastructure, human resource development, trade, investment and job creation, food security, social protection, financial inclusion, domestic resource mobilization (i.e. tax policy), and knowledge sharing.⁹¹ Many of these themes overlap with the policy areas already discussed in the report, and many of the issues raised, including those relevant for gender equality, apply to the G20’s development agenda. Up to this point in time, the priorities of the Development Action Plan (DAP) have been infrastructure and food security.

The *Seoul Development Consensus* explicitly refers to gender equality, stating that the G20’s development principles are expected to “improve human rights and promote gender equality.”⁹² However, within the document itself, the mention of gender issues is restricted to human resource development, specifically gender gaps in education and health. The progress reports of the G20 Development Working Group in subsequent summits, e.g., Cannes and Los Cabos, extend the discussion of gender to include women’s access to land and capital, and women’s role in agricultural production.⁹³

Despite the inclusion of gender equality as a theme in the G20’s development agenda, the issue of gender equality is not systematically incorporated into the nine pillars of the *Seoul Development Consensus*. For instance, infrastructure receives a good deal of attention in the development agenda, yet different types of infrastructure have different consequences for the lives of women and men. The installation of communal water taps can make an enormous difference to women, since such infrastructure cuts down on the unpaid time needed to fetch water for daily use. Instead, the types of infrastructure emphasized in the G20 framework are those that may promote economic growth, not those that primarily enhance gender equality or reduce the work burden of women, although there is some overlap between these two types of infrastructure. Unpaid household work is

often excluded from measurements of growth. Therefore, an emphasis on infrastructure that is intended to support faster growth would exclude investments that make huge differences in people's lives, but are not reflected in officially measured growth rates.⁹⁴

The core economic agenda of the G20 member states also has implications for the countries outside of the group, including in critical areas such as food security and gender equality. For instance, the reform of financial regulation in G20 countries will potentially affect food security in countries around the world.⁹⁵ Investment by large financial players in commodity futures markets has been linked to the volatility of food and energy prices over the past decade.⁹⁶ The major commodity futures markets are located in G20 countries, including the cities of New York, London, and Chicago, and regulation of these markets is the responsibility of the states in which they are located.

Although the G20 has recognized the potential importance of greater oversight of these markets and commissioned numerous studies, little change has taken place and the G20 remains skeptical of the connections between financial speculation and commodity prices.⁹⁷ The dramatic increases in global food prices witnessed in recent years have specific consequences for women. When women are responsible for the preparation of meals, the provisioning of food, and the care of dependents, higher food prices squeeze household resources with the burden of adjustment often falling disproportionately on women.⁹⁸

The G20 development agenda repeatedly stresses the importance of meeting the Millennium Development Goals (MDGs). The MDGs are a set of eight development goals that were set up following the Millennium Summit of the United Nations General Assembly in 2000. The MDGs are time-bound, and they are meant to be achieved by 2015. With 2015 fast approaching, attention has turned to what will come after the MDGs, and the post-MDG agenda has been identified by the 2013 Russian presidency of the G20 as an important area of focus.⁹⁹ The post-2015 development agenda is a strategic area of engagement, since the new framework will influence policy priorities and the allocation of resources to support economic development in the years to come.

The MDGs incorporated issues of gender equality to some degree. The third MDG is to "promote gender equality and empower women." However, under MDG 3, the major target is to eliminate the gender disparity in education – which represents only one aspect of gender equality and women's empowerment. There are other goals that have a specific gender focus. For instance, MDG 5 is to improve maternal health, with a target of reducing maternal mortality rates. Maternal mortality is a critical issue, but as with MDG 3, it represents just one challenge among many to achieving gender equality. In many respects, the G20 development agenda exhibits a similar narrow focus when it comes to gender equality. As discussed above, the *Seoul Development Consensus* emphasizes gender gaps in education and health – the same issues stressed in the MDGs.

Other processes currently underway may create space for the development of a richer perspective on gender equality linked to current development challenges, including environmental sustainability. The 2012 United Nations Conference on Sustainable Development (commonly referred to as "Rio +20") called for the creation of sustainable development goals, or SDGs, which would be consistent with the outcome document of the conference.¹⁰⁰ The Rio +20 outcome document, *The Future We Want*, outlines a framework for sustainable development that explicitly incorporates issues of gen-

der equality and women's economic empowerment.¹⁰¹ The document calls for the development of gender-sensitive indicators to assess progress towards sustainable development. At this time, the sustainable development goals are in the process of being developed along with the post-2015 agenda, representing an opportunity for incorporating a more comprehensive approach to gender equality into the development framework.

A comprehensive treatment of gender equality within a future development agenda would need to consider a broader range of issues, such as women's human rights, violence against women and a more thorough treatment of reproductive rights and health. In the economic realm, gender equality with regard to employment opportunities, social protection, unpaid care work, ownership of assets (e.g., land), and financial inclusion are critical to take on board.

Improvements in gender equality in key economic areas have been shown to have an impact on a range of indicators of women's empowerment. For instance, access to paid employment outside the home, particularly quality employment, has been shown to be linked to women's ability to make decisions about their lives, including the use of household income, choices with respect to their own health, and political participation.¹⁰² The G20, if it is committed to taking on the issue of gender equality, would need to push these issues forward in its engagement with the processes defining the post-2015 development agenda.

Conclusions

The G20 has paid almost no attention to gender equality in developing its policy priorities and setting its agenda for global development, despite repeatedly committing to shared and inclusive growth. There are some indications that this situation is changing, with an initial expression of commitment to gender equality made at the 2012 Los Cabos Summit. However, this recognition of gender equality has not been integrated in the rest of the G20's policy thinking and it is difficult to know at this stage whether the breakthrough at the Los Cabos Summit amounts to anything more than lip-service. Pressure by civil society organizations will be necessary to keep a commitment to gender equality on the table and to make it meaningful.

This report has discussed the possibility of gender biases within the policy areas identified in the *Framework for Strong, Sustainable and Balanced Growth* and subsequent G20 summits and processes, including fiscal policy, monetary policy, global rebalancing, financial regulation, trade, employment policies, and social protection. It is clear that the formulation of policies in these areas will have significant consequences for gender equality, yet there is no mechanism for assessing the impact of the G20's current approach or for taking gender issues on board when considering the future directions of global economic governance. Similar concerns are evident with the G20's approach to development. This is particularly worrying since the G20 members are likely to be influential in determining the shape of the post-2015 development agenda.

Given the assessment and analysis of this report, a number of concrete recommendations can be put forward. If adopted, these recommendations would represent significant progress towards integrating gender issues throughout the group's activities and policy priorities. Moreover, a serious commitment to gender equality is essential if the G20's goal of shared and inclusive growth is ever to be realized.

(1) Establish a G20 task force on gender equality to prepare a Toolkit on Economic Policy and Gender to integrate gender into the G20's agenda. The Task Force would be required to formally report to the G20 at each summit. The Toolkit on Economic Policy and Gender would assess the degree to which the G20 is making progress on gender equality within its commitment to shared and inclusive growth in the context of the Framework for Strong, Sustainable and Balanced Growth and Development Action Plan. The task force would also be charged with examining the G20's influence over other international organizations, such as the IMF, to ensure that concerns over gender equality are raised in these interactions and reflected in efforts to coordinate policy formulation.

(2) Ensure that gender equality is more fully reflected in the G20's two primary policy frameworks: the *Framework on Strong, Sustainable, and Balanced Growth* and the *Development Action Plan*. Gender equality is unevenly reflected in the G20's economic policy and development agendas and, when it is addressed at all, tends to be narrowly focused in specific areas, such as education, health, agricultural production, and certain forms of financial inclusion. A comprehensive approach is needed, one that includes broad-based economic empowerment, access to resources and economic and social rights. The G20 should take gender equality on board in its engagement with the post-MDG process.

(3) Incorporate gender equality into the G20 monitoring activities of international organizations, such as the IMF, OECD and WTO. International organizations are already charged with evaluating G20 progress and assessing the current economic situation, through activities such as the Mutual Assessment Process. Gender equality indicators and gender-responsive policy analysis should be introduced into these processes and used to gauge the G20's success in improving gender equality.

(4) Use existing gender equality indicators and develop new indicators to assess progress within the G20 and internationally. A number of indicators of gender equality exist which the G20 could use in its policy analysis and to identify areas in which more concerted effort is needed. In addition, comparable information in some areas, i.e. reliable statistics on violence against women, are not readily available. The G20 should play a pivotal role, in conjunction with other international organizations, in mobilizing resources to improve gender equality indicators.

(5) Initiate a consultation process with key stakeholders on the *Toolkit on Economic Policy and Gender* and the ways in which the G20 should be held accountable for advancing gender equality. Civil society, national and international organizations, and social movements have pushed for improvements in gender equality that have achieved real gains. A consultative process between the G20 and relevant stakeholders would facilitate the incorporation of gender equality into the group's policy framework and would establish a channel to enhance implementation through greater participation and accountability.

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- 21 *G20 Toronto Summit Declaration*, G20 Toronto Summit, June 2010.
- 22 For example, see the *Los Cabos Growth and Jobs Action Plan*, G20 Los Cabos Summit, Mexico, June 2012.

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- 43 The balance of trade represents the difference between the value of goods exported and the value of goods imported. When a country has a trade deficit, the value of imports exceeds the value of exports. The current account balance (deficit or surplus) includes the balance of trade (exports less imports) and other short-term cross-border payments (e.g. interest payments). In the case of the U.S., the trade deficit drives the current account deficit. In order for the U.S. to consume more than it produces, it must rely on foreign savings – financial inflows (on the "capital account") which finance the current account deficit.

44 Rajan Raghuram. 2010. *Fault Lines: How Hidden Fractures Still Threaten the World Economy*. Princeton University Press. See also: Bernanke, Ben S., Carol Bertaut, Laurie Pounder DeMarco, and Steven Kamin. 2011. "International capital flows and the return to safe assets in the United States, 2003-2007." International Finance Discussion Paper No. 1014. Washington, DC: Board of Governors of the Federal Reserve System.

45 More specifically, deficit countries would expand production in tradable sectors (i.e. companies producing for export and firms that compete with imported goods from abroad) and surplus countries would shift towards non-tradable activities.

46 IMF. 2012. *Global Prospects and Policy Challenges. Meeting of G-20 Finance Ministers and Central Bank Governors*, Mexico City, November 4-5.

47 The UN Framework Convention on Climate Change explicitly recognizes the uneven contribution of developed and developing countries to total greenhouse gas emissions. <http://unfccc.int/resource/docs/convkp/conveng.pdf> (accessed February 2013).

48 *G20 Framework for Strong, Sustainable, and Balanced Growth*, G20 Pittsburgh Summit, September 2009.

49 See for example: Stiglitz, Joseph. 2000. "Capital market liberalization, economic growth, and instability." *World Development* 28(6): 1075-86. Stiglitz, Joseph. 2008. "Reversal of fortune." *Vanity Fair*. October.

50 Helleiner, Eric. 2012. "The limits of incrementalism: the G20, the FSB, and the international regulatory agenda." *Journal of Globalization and Development*, 2(2): article 11.

51 *Declaration on Strengthening the Financial System*, G20 London Summit, April 2009. The Financial Stability Board (FSB) includes the G20 membership plus representatives of other important financial centers, including Hong Kong, the Netherlands, Singapore, and Switzerland. The FSB also has representatives from additional international organizations, such as the Bank for International Settlements, the Organization for Economic Cooperation and Development, and the European Central Bank.

52 "Liquid" assets refer to assets that can quickly sold and converted into cash (or which can be used to settle existing obligations). The "liquidity" of a bank refers to the size of liquid assets relative to all assets. For example, long-term loans are not liquid assets, while cash reserves are highly liquid.

53 G20 Civil. 2012. "Mapping G20 decisions implementation: how G20 is delivering on the decisions made." Report by the G20 Civil (C20). The report is available at: <http://g20civil.com/newsq20/1325/> (accessed February 2013). At the time of writing, many of the Basel III guidelines have been developed but have not been fully implemented at the national level. See www.bis.org/publ/bcbs232.pdf (accessed February 2013).

54 *G20 Coherent Conclusions for the Management of Capital Flows Drawing on Country Experiences*, G20 Cannes Summit, France, November 2011.

55 Stiglitz, Joseph. 2000. "Capital market liberalization, economic growth, and instability." *World Development* 28(6): 1075-86.

56 Helleiner (2012); G20 Civil (2012).

57 Griesgraber, Jo Marie. 2012. "What is the financial stability board (FSB)? Why does it matter?" *G20 Update*. Issue #14. Berlin: Heinrich Böll Stiftung.

58 Helleiner (2012).

59 Lee, Kye Woo and Kisuk Cho. 2008. "Female labour force participation during economic crises in Argentina and the Republic of Korea." *International Labour Review*, 144(4): 423-50.

60 Lee and Cho (2008).

61 Grown, Caren and Emcet Tas. 2010. "Gender equality in the U.S. labor markets in the "Great Recession" of 2007-2010." Working Paper. Washington, D.C.: American University.

62 *Seoul Development Consensus for Shared Growth*. G20 Seoul Summit, Korea, November 2010.

63 G20 documents tend to use language identifying self-employed women in very small scale enterprises as women entrepreneurs. See, for example, the *Global Partnership for Financial Inclusion Report to Leaders*, G20 Cannes Summit, France, November 2011.

64 Heintz, James and Radhika Balakrishnan. 2012. "Debt, power, and crisis: social stratification and the inequitable governance of financial markets," *American Quarterly*, 64(3): 387-409.

- 65 Inzunza, Adriana. 2012. "The current banking system: for whom and what purpose." G20 Update. Issue #13. Berlin: Heinrich Böll Stiftung.
- 66 For a review of the literature on microfinance and women's economic empowerment, see Kabeer, Naila. 2009. *Women's Control Over Economic Resources and Access to Financial Resources Including Micro Finance. 2009 World Survey on the Role of Women in Development*. Department of Economic and Social Affairs, Division for the Advancement of Women (now part of UN-Women), New York: United Nations.
- 67 *Declaration of the Summit on Financial Markets and the World Economy*. G20 Washington DC Summit, November 2008.
- 68 The G20 has called on the WTO, the OECD (Organization for Economic Cooperation and Development) and UNCTAD (United National Congress on Trade and Development) to monitor G20 commitments regarding trade. See, for example, the Toronto Summit Declaration and subsequent summit documents (*G20 Toronto Summit Declaration*, G20 Toronto Summit, June 2010).
- 69 *Reports on the G20 Trade and Investment Measures (mid-May to mid-October)*, reports issued under the Director-General of the WTO, the Secretary-General of the OECD, and the Secretary-General of UNCTAD, October 2012.
- 70 WTO 2012. *Report on G-20 Trade Measures (mid-May to mid-October, 2012)*. Geneva: World Trade Organization.
- 71 G20 Civil (2012).
- 72 *World Trade Organization 2012 Annual Report*. Geneva: WTO. p. 22.
- 73 See, for example, *G20 Leaders Declaration*, G20 Los Cabos Summit, June 2012.
- 74 Seguino (2005). See also: Seguino, Stephanie. 2000. "Gender inequality and economic growth: a cross-country analysis." *World Development* 28(7): 1211-30.
- 75 *G20 Leaders Declaration*, G20 Los Cabos Summit, June 2012.
- 76 Milberg, William. 2004. "The changing structure of trade linked to global production systems: what are the policy implications?" *International Labour Review* 143(1-2): 45-90.
- 77 Job creation was stressed in the second G20 summit held in London. At that time, the emphasis was on using macroeconomic policies to stimulate employment growth (*G20 Action Plan for Recovery and Reform*, G20 London Summit, April 2009). The *G20 Framework for Strong, Sustainable, and Balanced Growth* has a passing reference to social protection, calling for improvements in social safety nets "where needed" (G20 Pittsburgh Summit, September 2009).
- 78 *Building Our Common Future: Renewed Collective Action for the Benefit of All*, Final Declaration, G20 Cannes Summit, France, November 2011.
- 79 ILO. 2012. *An ILO Note to the G20 Task Force on Employment*. Geneva: International Labor Office.
- 80 See, for example, L20. 2012. *The Labor 20 Input to the Russian Presidency in the G20*, www.ituc-csi.org/IMG/pdf/en_1211_I20tog20_process_je_draft_rev02.pdf (accessed February 2013).
- 81 Evans, John. 2012. "Employment and the Los Cabos Summit." *G20 Update*. Issue #13. Berlin: Heinrich Böll Stiftung.
- 82 *The Labour 20 Input to the Russian Presidency in the G20*, www.ituc-csi.org/IMG/pdf/en_1211_I20tog20_process_je_draft_rev02.pdf (accessed February 2013).
- 83 *Building Our Common Future: Renewed Collective Action for the Benefit of All*, Final Declaration, G20 Cannes Summit, France, November 2011.
- 84 See, for example, the policy commitments of member states from the G20 Cannes Summit, France, November 2011. Many of the policies for employment and social protection are listed under the heading "structural transformation."
- 85 The advisory group was convened by the International Labour Organization with the collaboration of the World Health Organization. ILO. 2012. *Social Protection Floor for a Fair and Inclusive Globalization*. Geneva: International Labor Office.
- 86 ILO. 2012. *Social Protection Floor for a Fair and Inclusive Globalization*. Geneva: International Labor Office.
- 87 ILO. 2012. *Social Protection Floor for a Fair and Inclusive Globalization*. Geneva: International Labor Office.

- 88 *Seoul Development Consensus for Shared Growth*, G20 Seoul Summit, November 2010.
- 89 Kharas and Lombardi (2012)
- 90 Kharas and Lombardi (2012); *Seoul Development Consensus for Shared Growth*, G20 Seoul Summit, November 2010.
- 91 Social protection policies are referred to under the heading "growth with resilience." *Seoul Development Consensus for Shared Growth*, G20 Seoul Summit, November 2010.
- 92 *Seoul Development Consensus for Shared Growth*, G20 Seoul Summit, November 2010, page 3.
- 93 *2011 Report of the Development Working Group*, G20 Cannes Summit, France, November 2011 and *2012 Progress Report of the Development Working Group*, G20 Los Cabos Summit, Mexico, November 2012.
- 94 Theoretically, measurements of gross domestic product (GDP) should include unpaid labor used to produce goods consumed by the household and time spent collecting firewood and water. However, accurate assessments of these contributions are very difficult to come by. The measurement of GDP explicitly excludes household labor used to produce services (e.g. childcare).
- 95 Frenk, David. 2010. "Commodity speculation." *G20 Update*. Issue #2. Berlin: Heinrich Böll Stiftung.
- 96 Futures markets are financial markets in which individuals (or institutions) enter into a contract in which they agree to buy or sell a commodity in the future at a specified price. Investors in futures contracts do not have to have a concrete economic interest in the physical underlying commodity. Changes in futures prices have been shown to cause changes in the actual cash price of commodities. For a discussion of the links between financial investment and commodity prices, see Ghosh, Jayati, James Heintz, and Robert Pollin. 2012. "Speculation on commodities futures markets and destabilization of global food prices: exploring the connections." *International Journal of Health Services*, 42(3): 465-83.
- 97 A report of the G20 Study Group on Commodities recognized the dramatic increase in speculative financial investment in commodity futures markets, coinciding with the rise in food and energy prices. The study group found that "greater investor participation has at times affected commodity price volatility" (p. 6), but concludes that "assessments of the impact of financial investors on commodity prices remain inconclusive" (p 6). G20 Study Group on Commodities. 2011. *Report of the G20 Study Group on Commodities under the chairmanship of Mr. Hiroshi Nakanso*. Group of 20.
- 98 Holmes, Rebecca, Nicola Jones and Hannah Marsden. 2009. "Gender vulnerabilities, food price shocks and social protection responses." Background note. London: Overseas Development Institute. www.odi.org.uk/sites/odi.org.uk/files/odi-assets/publications-opinion-files/4287.pdf (accessed February 2013).
- 99 *Priorities of Russia's G20 Presidency in 2013*, www.g20.org/docs/g20_russia/priorities.html (accessed February 2013).
- 100 sustainabledevelopment.un.org (accessed February 2013).
- 101 United Nations. 2012. *The Future We Want*. Resolution 66/288 adopted by the General Assembly, New York. www.uncsd2012.org/thefuturewewant.html.
- 102 Kabeer, Naila. 2013. "Paid work, women's empowerment, and inclusive growth: transforming the structures of constraint." New York: UN-Women.

