

## *Feminist Research for reasserting women's rights within contested globalization*

by Josefa "Gigi" S. Francisco

Executive Director of the Women and Gender Institute, Miriam College, Philippines

Economic globalization or the integration of the global market through the framework of the World Trade Organization and is linked by lateral and multilateral free trade agreements are neither necessary nor inevitable. Rather than accept this framework as a new given context, feminists must continue to challenge and resist not just hyperliberalization policies but the whole economic paradigm of marketization. This is my first point and the core argument of this presentation.

Although the official rhetoric around a global free market claims that trade can make poverty history, the reality shows otherwise. At best, trade liberalization set out along the lines of the World Trade Organization has spawned uneven and uncertain benefits for developed and least developed economies. Women's jobs in the FDI-led manufacturing and services sectors in the South have had the dramatic turnaround in only 10 or 15 years. Now, the FDIs are gone, and a mass of unemployed women left behind. While jobs have come and gone, the incentives that have been set up for foreign direct investments including the policy of national treatment remain entrenched. The reason is simple: the new trade rules of the WTO for big countries to alter WTO compliant regulatory and administrative regimes that favor foreign direct investments and transnational corporations. It doesn't matter if these policies were proven to be costly or wrong. The point is governments signed onto a piece of paper that bound it to a set of legal obligations, which these kinds of answers come from.

Anyone in the European Commission or in the US Representative's trade office will tell you that this charge is totally false. They will claim that the WTO is there for governments to take or leave. Certainly, there is some truth to this assertion but it exists only hypothetically. In the last 10 years of the WTO, no poor country has ever turned around from its commitments of the WTO for fear of costly lawsuits from transnational corporations, trade reprisals from rich countries as well as major implications on loans being negotiated with the multilaterals such as the World Bank, the International Monetary Fund and the Asian Development Bank. Another aspect of the official rhetoric says that the world needs a uniform set of trade rules in order to level the playing field for all countries and economies.

Facts reveal a contrasting and distressing reality. Ten years of the WTO produced a set of trade rules that allow rich countries to use protective measures through various forms of non-tariff barriers as well as to continue providing huge subsidies for the agricultural sector. While the same trade rules pry open to dumping developing and least developed economies. In the process, poor women's and men's livelihoods have been destroyed, and poverty in the rural areas has worsened. In India and elsewhere, farmers who could not compete and been drawn to extreme poverty by Monsanto and other agribusiness giants have resorted to suicide. The same is true in Korea. I was in the People's Resistance Rally in Cancun when Farmer Lee took his life. Yes, the WTO kills farmers. It killed Farmer Lee and countless others like him.

Publicly provided services have become a major target of privatization and free trade. The privatized services sector in developing and least developed countries many of which have been privatized under structural development programs are bound to open up their services sectors to international trade. It is obvious that such an arrangement will most likely benefit developed countries that have better supply capacity and export infrastructure. In fact, the US, the EU and Japan that have moved out of the industrial economic stage and have entered well into a technology led services economy are the most gung ho about the liberalization of services. But what we should really be worried about is the marketized logic applied to services. It is claimed that governments are best left to ensuring that there existed a legal and regulatory context, which allows for the unbridled functioning of the market. The market when left to itself becomes an efficient distributor of

resources. This logic however carries a big assumption in that everyone has the same set of capabilities, neither to take advantage of market opportunities.

Those of us who grew up in societies where there are deeply entrenched inequities based on class, ethnicity, religion, race, and sex and gender systems know fully well that this assumption does not hold water. It never did. We know that the capitalist market only works for the poor if it is regulated with regulations being adjusted from time to time on the basis of achieving some social goals linked to equity and poverty eradication. Ask any economist what economics is about and she will tell you that this is about provisioning. However, hyperliberalists are intent in putting in place only one way of provisioning: a global system where transnational corporations dominate the distribution of goods and services and everyone acquiring this as out-of-pocket expense. Monetized incomes have never been as critical as they are now, when basic necessities for survival like food, education, health, water, power need to be wholly purchased from the market. In the North, the welfare state has retreated. In the South, the traditional mutual health systems and social networks have been devastated by the intrusion of monetized relations. At the same time that incomes have become much more critical for meeting daily needs, our incomes have also become more volatile, uncertain, irregular, and access to money in the form of loans more costly.

Feminist economists will further remind us that the economy has a social reproduction or a care aspect to it, which the production of goods and services is not primarily about profit; it is principally about provisioning, about sustaining life through generations. The neoliberals have a distinct way insuring the care of humans. A corporatized and marketized world is what they have in mind, one that is placing our future into the care of the world's richest corporations and governments. I ask: Is this what we hope the world to be? The good news is the project of hyperliberalization and trade intensification is not a done deal. The collapse of the Seattle and Cancun WTO ministerial meetings are significant moments that reveal the fractious and little fights at developed, developing and least developed economies. South countries have also come together to revive talks under a separate trade framework, that of the GSTP, or the Global System of Trade Preferences, which allow the exchange of trade preferences among developing and least developed economies. New negotiating blocks within the WTO such as the G20, G33 and the G90 have taken to task developed countries and are showing more resolve to getting significant and firm trade concessions from the richer economies as well as pushing forward the modalities for special and differential treatment.

More recently, the defeat of the European Constitution adds yet another side to the complexities and symmetries that need to be taken on board if fair trade rules were to be realized. Even the institutional reformers and official negotiators in Geneva and New York have been heard to say no deal is better than a bad deal. While neoliberalists have not won the day, they certainly have not given up the fight. Right after the collapse of Cancun, the developed countries went to work fast and succeeded in passing the July framework at the general council level that was attended by delegates from only 40 member countries. The July framework serves as a basis for the United States to justify its dreaded farm deal and for the European Union to position the category of sensitive products for protection. It also carried an assessment to push liberalization further in other areas. A case in point is Annex B, or non-agricultural market access, that binds developing countries to tariffs, sealings and measures for products including fisheries and environmental products, which cannot be unbound in the future.

Politically, there had been maneuvers to ensure that a trade deal is finally won at the forthcoming 6<sup>th</sup> ministerial meeting in Hong Kong. Former EC Commissioner Pascalani is now heading the WTO. Blair has been all over the news seeking an agreement on the so-called DORA developing round. The forthcoming Millennium Plus Five Summit and MDGS is also being used to legitimize a DORA development round that in concrete is really nothing but the July framework just described. Finally, the formation of the FIPs, Five Interested Parties, in the WTO is a skillful maneuver to coopt India and Brazil as the most vocal of the developing countries into the fold of developed countries. The developed countries are desperate to get an agreement signed in Hong Kong. A third feature of the ministerial talks will certainly bring devastating ramifications to the legitimacy of

the neoliberal project of global market integration. There is much to lose and little to gain from an agreement that is being rushed because of political expediency.

Time and again, we have said we want fair trade rules but fair trade rules can only be realized if systemic the issues such as those of debt and of volatile financial architecture are addressed. Time and again, feminists have raised the need to move beyond the superficial divide between economic and social policy. We cannot have trade rules that are simply concerned with trade outcomes and not with social outcomes. The challenge for feminists, especially for feminist economists, is not to demonstrate how women could take advantage of the new opportunities opened up by economic globalization; rather it is to show the way to alternative, more heterodox thinking and provide us with tools for putting in place alternative economic systems. And because feminists are also activists, we need to be at the forefront of the global people's resistance against unjust trade rules and hold hands with other social movements at national mobilizations that take our governments to account for disastrous economic and trade policies.