Women’s Economic Empowerment: An Overview for the MENA Region

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What is Women’s Economic Empowerment?

Women’s Economic empowerment is the ability of women to contribute to and benefit from economic growth so that the value of their contributions is recognized and their dignity respected. This, in turn, will enable them to negotiate a fairer distribution of the benefits resulting from said growth. Accordingly, Economic empowerment increases women’s access to economic resources and opportunities, including jobs, financial services, property and other productive assets, skills development and market information (OECD, 2019).

Why Bother with Women’s Economic Empowerment?

Feminist scholars see women’s empowerment as an important goal in itself; while, instrumentalists see it as a tool for achieving other development goals related to the health and wellbeing of empowered women, their children and their households, as well as overall economic growth and other societal benefits (Nazier and Ramadan, 2018). The evidence shows that women’s control over income has a multiplier effect on their families, their community and the nation as a whole in decreasing poverty, improving the health of women and welfare of all (e.g. Burges, 2007; Buvnic et al, 2008; Ferrant, 2010; Gowan et al, 2005; World Bank, 2013). Women’s disempowerment does not only reflect negatively on development and welfare but also incurs a greater risk of armed conflict (Blumberg, 2016).

The idea that women’s empowerment plays an important role in economic development has long been evidenced in the literature. Several studies have confirmed that lower or weak female labour force participation hinders economic growth, and that enhancing women’s empowerment has significant economic benefits, in addition to promoting gender equality (Dandan and Marques, 2017). Accordingly, at the global level, women’s empowerment has been stressed as a key objective for development policies and programmes, as evidenced by the third Millennium Development Goal (MDG) of promoting gender equality and empowering women, and the fifth Sustainable Development Goal, with a similar content (Nazier and Ramadan, 2018).

MENA and Women’s Economic Empowerment: The MENA Paradox

Similarly, women’s empowerment has been a concern in MENA countries during the past 30 years. This was further intensified by the Arab Spring, after which concerns rose over women’s roles inside their own households, in the public sphere and in economic life (Nazier and Ramadan, 2018). MENA countries have been aware of the importance of education in general and, more specifically, for empowering women. It was, therefore, included as a fundamental part of their development strategies. Accordingly, enrolments at different levels of education have considerably improved over the past few decades. At primary school level, for example, enrolment reached 100% in most MENA countries (Farzaneh and Moghadam, 2003).
Although the gender gap in education has been reversed for many MENA countries, this improvement has not translated into a narrowing of the gap in the labour market. Recent data illustrates that the MENA region continues to rank lowest overall in the world on measures of women’s economic participation and opportunities (World Economic Forum, 2012). The gap between men and women’s unemployment rates is particularly wide in the region when compared with the rest of the world (Mcloughlin, 2013). The region is characterized by the world’s lowest female labour force participation rate, with only 21% (Nazier and Ramadan, 2018) of women in the region economically active. The corresponding numbers for South Asia and sub-Saharan Africa, for example, are approximately 40 and 60 percent, respectively. Jim Yong Kim, the former President of the World Bank, stated that women’s low economic participation in the MENA Region has led to income losses amounting to 27 percent of the region’s potential GDP (Abbott, 2017).

In sum, investments in human capital, increased levels of female educational attainment and delayed age of marriage have not translated into increases in women’s participation in labour markets in the region. This situation is known as the “MENA paradox” (World Bank, 2012).

In this context, this article will overview women’s economic empowerment in the MENA region. It aims to contribute to available knowledge through: first, providing an overview of women’s economic empowerment in the region in selected labour markets; second, following the evolution of those indicators over time; and third, providing a guide to a regional strategy for women’s economic empowerment, by identifying specific areas where gender inequalities persist, and hence where policy interventions are needed (World Bank, 2018).

**Trends of Women’s Economic Empowerment in MENA: Evidence of the MENA Paradox**

In a nutshell, statistics for the MENA countries suggest that improvements in women’s health, lower fertility rates and improved educational outcomes have not translated into an increase in women’s economic empowerment. The gender gap in labour market outcomes remains large. However, MENA economies are not homogenous and variation does exist between them (Abbott, 2017).

**CHART 11** 
**Adult Literacy Rate by Gender in MENA and the World (1990-2015)**

![Adult Literacy Rate by Gender in MENA and the World (1990-2015)](chart)

Source: WDI.
Data shows that developments in health and education indicators in the region are satisfactory. Average life expectancy from birth increased from 58.9 years in 1980 to 72.9 years, in 2014. This was higher than the world average of 71.5 in 2014 (Dandan and Marques, 2017).

Similarly, in recent decades, the region has made notable improvements in raising the educational levels of its citizens. The average literacy rate in the region increased at a faster rate than in any other region in the world, reaching 79.2 percent points in 2015, up from 57.8 percent in 1990 (WDI).

Chart 11 shows that during the period from 1990 to 2015, the improvement in the adult female literacy rate in MENA countries has been greater than that of adult men in the region, as well as in the rest of the world.

Moreover, Chart 12 shows great improvement in enrolment ratios in secondary education for both men and women in MENA with a higher rate for women. The rates for both sexes are higher than the world average. The rate for women has improved from 48.02 percent in 1990 to 76.9 percent in 2015, compared to 64.18 and 82.06 percent for men.

Generally, improvement in education is believed to reflect positively on women’s labour market outcomes. However, data shows that this is not the case for MENA countries.

Chart 13 shows that, compared to the world average and male labour force participation rate (LFPR) in MENA, female LFPR in MENA has been very low and stagnant throughout the 1990-2018 period, whereas for men in the region it is far higher and within the world average.

Chart 14, shows great variations within MENA countries in terms of female participation, and the extent to which it has changed from 2000 to 2018. Israel and Gulf countries reported the highest rates in 2018, while Yemen and Syria reported the lowest rates. However, it is worth noting that actual rates may be substantially higher as many women work in the informal sector. Qatar, Bahrain and United Arab Emirates witnessed the most substantial increases in their female labour participation rates between 2000 and 2018, while Syria and Yemen have recorded a decline in their female participation rate, which is expected due to the conflicts they are currently facing.

Not only are women in MENA much less likely to be economically active than men, but even when they are active they are much more likely to be unemployed than men. Chart 15 shows that the overall unemployment rate in MENA is higher than the world average.
for both men and women. However, women in MENA had far higher unemployment rates than both men in MENA and women worldwide. Unemployment rates for women in MENA decreased slightly from 18.08% in 1991 to 17.98% in 2018, compared to a higher decrease for men’s rates from 10.7% to 7.93%, and to an increase from 5.64% to 5.92% for worldwide female unemployment rates during the same period. Chart 16 shows noticeable variations in female unemployment rates among MENA countries, with countries experiencing conflict (Palestine, Syria, Yemen and Libya) recording the highest rates in 2018.
According to Chart 17, the female employment-to-population ratio tells the same story: it is stagnant and below the average worldwide and for men in the region. The ratio of female employment to total female population aged 15 years and above was only 14.32 percent in 1991, and improved slightly to 16.9 percent in 2018, compared to 68.9 percent and 67.9 percent for men of the same age group during the same period.

Chart 18 demonstrates that MENA’s women work mainly in the service sector, followed by agriculture and then industry. Almost two thirds of women worked in the service sector in 2018, compared to less than 50 percent in 1995. MENA, like other regions of the world, witnessed a decline in women’s employment in agriculture from 30.4 percent of total female employment in 1991, to 23.4 percent in 2018. Women’s employment in the industry sector accounts for a minor proportion of all female employment in MENA. Moreover, this proportion declined significantly from 20.27 percent in 1991 to 15.16 percent in 2018.
On the other hand, men in MENA work mainly in the service sector, followed by the industry sector. Moreover, their employment in both the service and industry sectors increased between 1991 and 2018, while it decreased for agriculture during the same time period.

Chart 19 shows that, despite the fact that vulnerable employment in the MENA region for both men and women is less than the world average, the gap between men and women is higher in MENA. In 2018, 30.98% of women were in vulnerable employment, compared to 24.95% for men, while the average ratio
worldwide was almost equal for men (42.5%) and women (42.7%).
Chart 20 shows that in the MENA region, women are underrepresented in management positions, with Egypt reporting the lowest share of women in total employment in senior and middle management positions - 7.11% -, while Palestine reported the highest share at 19.28%.
Chart 21 shows that the share of female employers from total women employed is less than for men in both MENA and worldwide. However, the gap between men and women is persistently higher in the MENA region. Yet, it is worth noting that the women’s share in the MENA region is within the female average worldwide.
Formulating appropriate employment legislation is a prerequisite to ensuring that women are able to compete equally with men and to promote gender equality. However, data for five MENA countries for which information is available show that legal protection for women in employment is negligible, with the exception of Morocco (Table 2). Only two rights are ensured in the five countries: entitlement to paid maternity leave and nursing breaks for nursing mothers. None of these countries give parents the right to request part-time/flexible working hours. In addition,
these legal rights, by default, only apply for, and hence protect, women working in the formal sector, leaving those working in the informal sector and as dependent family workers (vulnerable employment) with no protection.

**Root Causes of the MENA Paradox**

The MENA paradox has been explained as the result of a complex mix of interrelated socioeconomic, cultural, individual, structural and institutional factors, which interact both at the macro and micro levels. They can be summarized as follows (Mcloughlin, 2013; Markle, 2013; Dandan and Marques, 2017 and World Bank, 2018):

- **Restrictions on access to quality education**: although access to education has risen, significant barriers to girls’ educational attainment, particularly regarding quality education, remain.
- **Household work and the care economy**: norms and traditions put women in the region under the double burden of household duties, responsibility for the care of children and the elderly and market work. Coupled with the often-limited availability of childcare, this can prevent women from pursuing formal employment.
- **Impediments to working in the private sector after marriage**: the private sector is considered incompatible with women’s household responsi-
abilities, and so women often withdraw from work in the private sector after marriage.

— **Norms and social context towards gender roles:** culture and norms in MENA societies dictate that a woman’s role is in the home. Women can also suffer discrimination in the workforce because of such cultural norms. Culture and norms also dictate which type of work is appropriate for women, which is reflected in the concentration of women in a small number of sectors.

— **Discriminatory labour laws and practices:** in most MENA countries, laws and regulations are biased against women. For example, in many cases, labour laws forbid women from working in jobs believed to be dangerous, difficult, or harmful to women’s health or morals. Again, those laws are reinforced by cultural norms, yet they prevent women from participating in substantial sectors of the economy. In addition, in many cases maternity leave is often inadequate, and may discourage firms from hiring women when the employer (not the State) has to bear the cost.

— **Weak implementation of laws to protect women’s rights:** although laws in some cases treat both genders equally, customary practices may prevent women from exercising their legal rights and from doing business. For example, inheritance laws that leave property and collateral to men make it difficult for women to obtain loans to start businesses. Even if the inheritance laws offer equal rights to women, they are violated by customary practices. Similarly, labour laws that give equal rights to women are often violated, unimplemented or unclear.

— **Limited labour market mobility:** the concentration of women’s work in a small number of sectors is considered to be underpinned by cultural norms about what type of work is appropriate for them. In turn, limited labour market mobility contributes to women’s high levels of unemployment. Moreover, lack of safe, reliable transportation and fears of public harassment is a significant constraint on women’s economic participation.

— **Limited access to capital and finance:** one main obstacle that women entrepreneurs face in MENA is accessing credit, due to the prevailing conventional lending policies, the absence of collateral, or distrust between bankers and female entrepreneurs.

— **Limited access to information, networks and markets:** other obstacles that female entrepreneurs in MENA face include inadequate knowledge required to set up collaborations, and a lack of access to technology, support and information regarding business opportunities.

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**The Cure: What Needs to be Done?**

Achieving women’s economic empowerment in the MENA region is infeasible without the adoption of gender responsive policies. In this regard, recommendations from the literature reviewed for this article can be grouped into four main points:

**First: Construct and enforce a supportive legal and regulatory framework:** Reforming the legal and regulatory framework is a must to increase women’s legal access to property, control over assets, incentives to grow businesses, free mobility, ensure their safety in the workplace and relax restrictive regulations on their employment (World Bank, 2012 and Markle, 2013). This must be accompanied by the enforcement of those legal provisions, such as those that support childcare and part-time work.

Social policy reforms are also needed so that women are clearly recognized and compensated for their domestic care responsibilities, and thereby able to participate more in the formal economy. Moreover, the formalization of employment is an essential step to increase social protection coverage for women (Sholkamy, 2011 and Sieverding, 2011).

**Second: Improve women’s access to financial resources:** Policies aimed at women’s financial inclusion are also a key enabler for women’s economic empowerment. Evidence shows that microfinance has been a powerful tool to empower women. Women frequently face difficulties when applying for bank
loans. Domestic reforms, therefore, aimed at developing financial institutions’ capacities to better serve women, through training and capacity development programmes (IFC 2011), together with programmes that provide training for entrepreneurship, mentorship, financial literacy and financial inclusion, would enable women to have more control over financial resources (Markle, 2013).

**Third: Encourage and enable married women to enter into the private sector workforce:** Women prefer public sector jobs, which are considered family friendly in terms of working and hiring conditions and benefits. However, with the decrease in available opportunities for public sector jobs, the private sector should compensate and play a more central role in hiring women. For this to happen, violence-free working environments, safe public spaces and free women’s labour market mobility are prerequisites, in addition to tackling the existing gender biases within the private sector (World Bank, 2018).

**Fourth: Transform and change attitudes towards gender roles:** Place greater emphasis on changing attitudes towards women and the gender labour division, for both men and women, with a particular focus on younger men (Chamlou et al., 2011). Education is a fundamental tool in this regard. If children accept the idea at a young age that women and men are equal, they will be more likely to change their society in the future. This entails reforming outdated education systems and gender-biased teaching methods (ESCWA, 2012 and Markle, 2013). In addition, raising awareness through advocacy and communication campaigns is another key tool in promoting gender equality and transforming social norms and behaviours towards equal gender roles (World Bank, 2018).

**References**


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