

# Because I am a Girl

THE STATE OF THE WORLD'S GIRLS 2009

Girls in the Global Economy: Adding It All Up



*"Investing in girls is  
the right thing  
to do."*

*It is also  
the smart thing  
to do."*

Ngozi Okonjo-Iweala  
Managing Director, World Bank



**Plan**

The global financial crisis is taking a heavy toll on families and communities everywhere, and when money is short it is girls and young women who are most affected.

As a result of the current crisis, in 2009 alone an estimated additional 50,000 African babies will die before their first birthday.<sup>1</sup> Most of these will be girls.



But it's not just the infants that are suffering. As parents face job losses and reduced income, younger girls are being pulled out of school and sent to work to earn money for their families. Global economic development and human rights for girls will be set back decades if the impacts of the financial crisis are ignored.

Yet, even before this current crisis, millions faced a harsh and insecure future. Many young women are employed as casual labour, enduring long hours in garment or electronic factories and are often the first to lose their jobs during economic downturns. Thousands end up working in the sex trade and other high-risk jobs.

This is a personal tragedy for each and every young woman and a financial disaster for struggling economies. Each year, these countries lose billions of dollars because of failing to invest in girls and young women.

There are over 500 million<sup>2</sup> adolescent girls and young women in developing countries who could and should play a crucial part in the next generation's economic and social development – but many do not have the opportunities for education or worthwhile economic activity.

Yet investment in girls means growth and development and there is clear evidence linking a lack of investment in girls with a lack of economic growth.

### ***Girls in the Global Economy: Adding It All Up***

The latest report in Plan's *Because I am a Girl* series presents new analysis of the important role that girls and young women play in economic growth and the missed opportunities of failing to invest in their futures.

Many girls face harsh challenges from birth and the report is also a call to action to invest early in girls' education and meaningful work opportunities to ensure a more prosperous and equitable society. It's in everyone's interest to invest in girls.

1 Taken from a forthcoming report – How Many More Infants are Likely to Die in Africa as a Result of the Global Financial Crisis? – by Jed Friedman and Norbert Schady, Development Research Group, The World Bank. To be published September 2009.  
2 Plan UK (2009). *Because I am a Girl. The State of the World's Girls 2009. Girls in the Global Economy: Adding It All Up*, p.10. London, Plan UK.



*"Of particular concern to me is the plight of women and girls, who comprise the majority of the world's unhealthy, unschooled, unfed, and unpaid. If half of the world's population remains vulnerable to economic, political, legal, and social marginalization, our hope of advancing democracy and prosperity will remain in serious jeopardy."*

Hillary Rodham Clinton<sup>3</sup>

### **Immediate impacts of the global recession**

- young women, millions employed in the informal and export-related sectors, are the first to lose their jobs
- remittances (money sent home by workers abroad) fall and migration decreases
- lending for microfinance and other projects is restricted
- more girls become involved in child labour
- girls are pulled out of education and into domestic and other work
- infant deaths increase – the majority of them, girls
- more girls and women are forced into the sex trade

### **Long-term impacts of failing to invest in girls**

- billions of dollars lost each year to local economies
- undermining and reversal of past progress made on girls' rights

<sup>3</sup> Plan UK (2009). Because I am a Girl. The State of the World's Girls 2009. Girls in the Global Economy: Adding It All Up, p.27. London, Plan UK.



## Facing the axe



The rapid expansion of transnational corporations and the private service sector means that there are now more women in paid work than ever before but, despite this, their economic empowerment has not been achieved. Globalisation has, in many cases, led to deteriorating economic environments for the poor, including women in the informal economy.<sup>4</sup>

Evidence shows that over 60 per cent of women workers in developing countries are in informal employment outside of agriculture. This rate is far higher when the numbers of women working in agriculture are included.<sup>5</sup>

Most informal workers are young women who are in the most precarious jobs including domestic workers and piece-rate home workers. Many work long hours on low or irregular pay and in extreme conditions in garment, toy or electronics factories. They live a hand-to-mouth existence that makes them vulnerable to the effects of economic and social change.

Due to labour market arrangements, young women workers are often considered part of the flexible workforce, easily discarded during economic downturns. While labour flexibility makes enterprises and countries more resilient to economic downturns, the social cost to households living such an unstable and uncertain life is significant. Their income is essential to supporting their families, sending their children to school or for healthcare.

In many developing countries, the current economic crisis is having a negative impact on young women just as they were beginning to make inroads into the labour market. Even in the formal sector, women are often the first to lose their jobs as they are still considered to be secondary earners.

In the formal sector, 7 out of 10 workers being laid off due to the impact of the financial crisis are women, according to GABRIELA, the National Alliance of Women, Philippines.<sup>6</sup>

4 United Nations Economic and Social Commission for Asia and the Pacific (UNESCAP) (2007). Economic and Social Survey of Asia and the Pacific [Internet]. [Accessed 4 August 2009].

5 United Nations Development Fund for Women (UNIFEM) (2005). Progress of the World's Women: Women, Work and Poverty, p.9. New York, UNIFEM.

6 Plan UK (2009). Because I am a Girl. The State of the World's Girls 2009. Girls in the Global Economy: Adding It All Up, p.30. London, Plan UK.

## Sending money home

Millions of women have migrated out of their countries and are working abroad; at least half of all international migrants are women.<sup>7</sup> Young women often see migration as an opportunity but it can expose them to jobs that are open to exploitation. These include jobs in agriculture, heavy industry, household service, tourism and entertainment industries. They send millions of dollars in remittances back to their homes and families; money spent on food, clothing, education and healthcare, adding to the local economy.

However, with the financial crisis, significant numbers of these young women are having their incomes cut or losing their jobs and returning home. The World Bank has predicted that the flow of remittances to developing countries will decline by 7.3% in 2009.<sup>8</sup>

Falling remittances have an impact on national economies: in the Philippines remittances make a major contribution to the country's Gross Domestic Product (GDP). In 2007 overseas workers, who make up around 10 per cent of the population, sent home US \$14.5 billion.<sup>9</sup>

Connie Bragas-Regalado of Migrante International, the Filipino migrant rights alliance, warns that many young women working in Hong Kong or Singapore face the threat of redundancy.

"Of particular concern are the domestic helpers or maids and other contract workers. If their employers lose their jobs or their jobs are affected by the crisis, the maids could be sent home or they may be forced to take pay cuts. If the workers cannot send home money to their families, this would also lead to social problems."<sup>10</sup>

She has seen this all before as a maid in Hong Kong for 13 years: "When the Asian financial crisis struck in 1997...there were massive job cuts. We are likely to see the same trend now, since this fresh crisis is global."<sup>11</sup>



7 United Nations Population Fund (UNFPA) (2006). State of World Population. A Passage to Hope. Women and International Migration [Internet]. [www.unfpa.org/public/cache/offncc/publications/pid/379](http://www.unfpa.org/public/cache/offncc/publications/pid/379) [Accessed 4 August 2009].

8 World Bank (2009). Migration and Development Brief 10. Outlook for Remittance Flows 2009-2011: Remittances expected to fall by 7-10 per cent in 2009 [Internet]. [www.worldbank.org](http://www.worldbank.org) [Accessed 4 August 2009].

9 Philippines Overseas Employment Administration (POEA) (2007). Overseas Employment Statistics. Mandaluyong City, POEA [internet]. [www.poea.gov.ph/html/statistics.html](http://www.poea.gov.ph/html/statistics.html) [Accessed 4 August 2009].

10 IRIN (2008). Philippines. Contingency plan for army of migrants. Press release, 22 October 2008 [Internet]. [www.irinnews.org/Report.aspx?ReportId=81050](http://www.irinnews.org/Report.aspx?ReportId=81050) [Accessed 4 August 2009].

11 Ibid.

## Out of school – into work

Estimates from the International Labour Organization (ILO) indicate that the number of children involved in child labour has been consistently falling, but that the current financial crisis threatens to erode this progress.

Cuts in national education budgets and a decline in remittances of migrant workers, which often help to keep children in school, could increase the number of children working. Recent global estimates indicate that more than 100 million girls are involved in child labour,<sup>12</sup> for example as farm labourers or domestic workers.

The ILO estimates that there are more girls under 16 years old in domestic service than in any other type of work.<sup>13</sup> Conventionally, domestic work is regarded as a 'safe' form of employment, but in reality conceals a wide range of abuse and exploitation, including physical, psychological and sexual violence. Over 100 million people, predominantly young women and girls, are estimated to be working in this least regulated and protected of sectors.<sup>14</sup>



12 International Labour Organization (ILO) (2009). Give Girls a Chance – Tackling Child Labour, p.2 [Internet]. [www.ilo.org/ipec/Campaignandadvocacy/](http://www.ilo.org/ipec/Campaignandadvocacy/) [Accessed 4 August 2009].

13 International Labour Organization (ILO) (2004). Helping hands or shackled lives: Understanding domestic labour and responses to it [Internet].

[www.ilo.org/global/What\\_we\\_do/Publications/](http://www.ilo.org/global/What_we_do/Publications/) [Accessed 4 August 2009].

14 International Labour Organization (ILO) (2008). 301st Session of the Governing Body, 6-20 March 2008, GB.301/2 [Internet]. [www.ilo.org/global/What\\_we\\_do/Officialmeetings/](http://www.ilo.org/global/What_we_do/Officialmeetings/) [Accessed 4 August 2009].

## The cohort study – girls face harsh challenges from birth

In 2007, Plan UK set up a cohort study – Real Choices, Real Lives – to follow a group of 142 girls from birth until their ninth birthday in 2015, when the Millennium Development Goals should have been reached.

Their stories show the decisions their families have to make as their daughters grow up and the serious challenges the girls face from birth. It follows the lives of girls in nine countries – Brazil, El Salvador, Dominican Republic, Benin, Togo, Uganda, Cambodia, Philippines and Vietnam. This year the evidence shows that poor families are being pushed even further into poverty by the current economic crisis as well as food and fuel shortages. The pressure for girls to drop out of school when families cannot afford school fees or uniforms or indeed food can be enormous.

Despite the economic challenges they face, the families, like parents everywhere, tend to have high aspirations for their children. All parents expressed high hopes for their daughters and a willingness to invest in their education to support them to reach their potential. More than half would like to see their daughters pursue careers that require further education and training, such as midwifery, nursing and teaching.

The mother of Sokhea in Cambodia speaks for many of them. “I don’t want her to be like us,” she says, adding with a small laugh: “It would be great if she could become a nurse and she could help the family but I have very little hope for that.”

Sokhea’s mother’s lack of hope is something that we all need to address – her daughter’s future is dependent on all of us.



Sokhea and her mother.

### Girls in the global economy: the experiences of Tatiana and Ashlin

Tatiana, from El Salvador, is two and a half years old. Tatiana lived with her mother, Nataly, although her father, Vicente, has lived in the United States for most of her young life. When researchers visited the family in February 2009, they realised that life has changed drastically for Tatiana, as her mother, Nataly, had also moved to the United States. Tatiana is now looked after by her grandparents.

Three year-old Ashlin also lives with her grandparents. Her mother lives in Italy and her father lives in the United States. The challenges of international migration are obvious for this young family – her mother is currently without work in Italy and is unable to send money back home for Ashlin’s maintenance. Ashlin’s father is able to provide enough money for her grandparents to buy milk for Ashlin. In El Salvador, this is a weekly expense of around \$30 a week but his support ensures that Ashlin continues to be well fed.

As the world becomes increasingly connected, this kind of movement is expected to increase. In fact, researchers have reported a feminisation of international migration.

As Plan’s latest *Because I am a Girl* report illustrates, where legal protection is lacking for migrant workers, particularly girls and young women migrating for employment as domestic workers, additional legislative protection is needed to improve their working conditions.



*"Let me be honest with you, for women and especially young ones like us, it is difficult to get a job here without having sex with the bosses."*

Rosaline, a seamstress in an EPZ, Kenya<sup>20</sup>



## Desperate times, desperate measures

Young women will pay a heavy price for the current financial meltdown. Evidence from the Asia financial crisis in 1997 showed that many women were forced into the sex trade – as sex workers, escorts and karaoke singers – after they lost their jobs. In Jakarta (Indonesia) alone it is estimated that two to four times more women became sex workers in the year immediately after the crisis.<sup>15</sup> There is also evidence that financial crises increase the number of desperate families selling their daughters into prostitution. Every year, one million children are forced into prostitution or are sold for sexual purposes.<sup>16</sup>

Sexual exploitation in the workplace also is likely to increase. A study by the Centre for Women's Resources, a research institute for women in the Philippines, showed that women may be so desperate to keep their jobs that they may have a higher tolerance of the sexual advances of those who have the power to hire and fire.<sup>17</sup>

Even before the financial crisis, women often had to undertake sexual favours in order to keep their jobs. According to a 2007 Kenyan human rights and business country risk assessment, over 90 per cent of women working in export processing zones (EPZs) have experienced or observed sexual abuse at their workplace. More than 40,000 people are employed in EPZs in Kenya, producing around 10 per cent of the country's exports.<sup>18</sup>

Jacqueline is a casual labourer working in an EPZ in Kenya. Her manager is also her boyfriend. She said: "The person who is recruiting you is not the same person who will be supervising you or renewing your contract. You have to please all these people and they just want to sleep with you."<sup>19</sup>

15 Kabeer, N. (2003). Gender Mainstreaming in Poverty Eradication and the Millennium Development Goals. A handbook for policy-makers and other stakeholders. Ottawa, Commonwealth Secretariat.

16 Plan UK (2009). Because I am a Girl. The State of the World's Girls 2009. Girls in the Global Economy: Adding It All Up, p.30. London, Plan UK.

17 Ibid. p.31

18 Ibid. p.117

19 Ibid. p.117

20 Ibid. p.117



## Missed opportunities

Countries are missing out on opportunities for significant local economic growth. Plan's 2009 *Because I am a Girl* report analyses OECD statistics, showing that countries with the lowest number of girls in education lie at the bottom of the human development tables.

An extra year of education increases a girls' income by 10 to 20 per cent<sup>21</sup> and is a significant step on the road to breaking the cycle of poverty. Educated girls mean the chance of a better life for themselves and their children, a more prosperous community, a better workforce, and a wealthier nation.

But more action needs to be taken at all stages of girls' lives.

By age 24, many more men than women are in the labour force in all developing countries. The largest gap is in South Asia, where 82 per cent of men are working as opposed to just 27 per cent of women.<sup>22</sup>

By ensuring that women work and are an integral part of the labour force, families are kept out of poverty and children are educated which, in turn, leads to economic growth.

In emerging markets, such as India and in South East Asia, young women with secondary education form an important pool of labour for the expanding service sector in banking and insurance, particularly as workers in call centres.<sup>23</sup>

And research shows their wages are well spent – women reinvest 90 per cent of their income back into the household, whereas men reinvest only 30 to 40 per cent.<sup>24</sup>



*"In the future, I want to go into hotels and tourism to be of service to tourism in Egypt, strengthen tourism and national income ... . And where my future is, I will push myself ahead until I feel that I am successful and doing really well in my work."*

Basma, 13 years old, Egypt

A study carried out by the Nike Foundation estimates that adolescent pregnancy costs Kenya's economy US \$500 million per year, while investing in girls would potentially add US \$3.2 billion to the economy.<sup>25</sup>

21 Plan UK (2009). *Because I am a Girl. The State of the World's Girls 2009. Girls in the Global Economy: Adding It All Up*, p.11. London, Plan UK.

22 Ibid, p.10.

23 Moore, W. (2002). *Call Centres Under Pressure*, Channel 4 [Internet]. [www.channel4.com/health/microsites/0-9/4health/stress/saw\\_callcenter.html](http://www.channel4.com/health/microsites/0-9/4health/stress/saw_callcenter.html) [Accessed 4 August 2009].

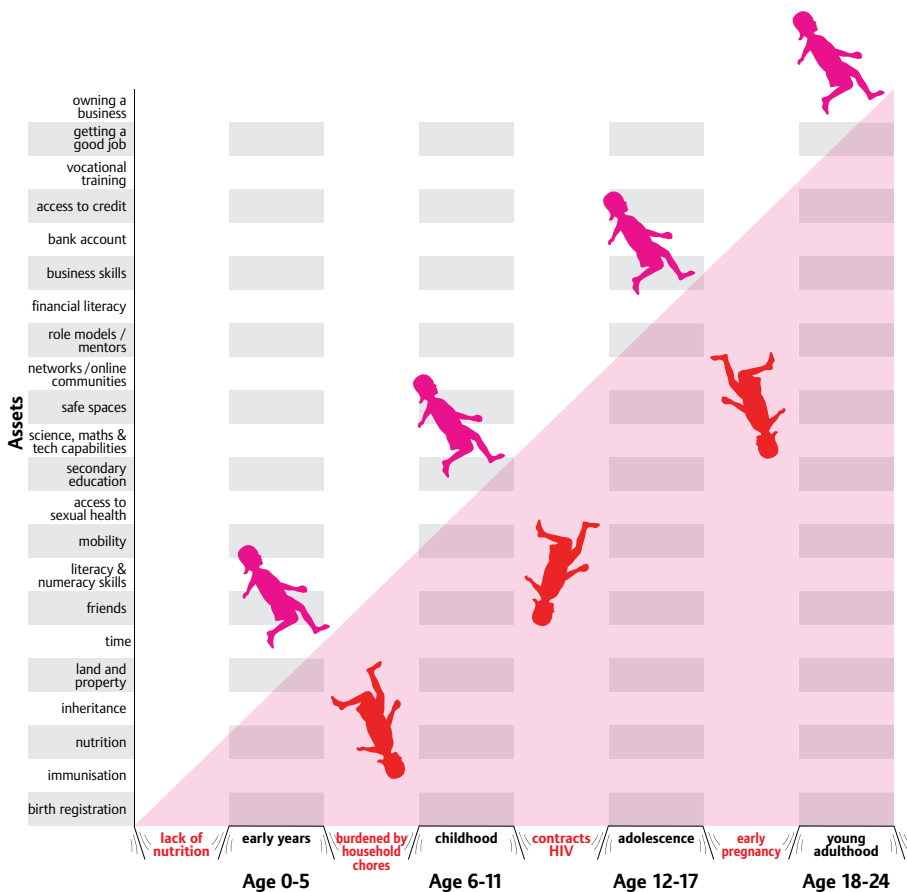
24 Nike Foundation. (2009) *The Girl Effect: Not Just about Girls: Engaging Men and Boys is Key to Girls' Ability to Achieve their Full Potential* [Internet]. [www.nikefoundation.com/media\\_room.html](http://www.nikefoundation.com/media_room.html) [Accessed 19 May 2009].

25 Ibid.

## Negotiating the pitfalls

As they grow up girls face a series of potential pitfalls. The diagram below illustrates what might happen to any one of the little girls in our cohort group, both the good things and the bad.

She could get the care and investment she needs from her family, community and the state and go on to be a secure and active citizen or she might not. She could fall through the trap door of poor nutrition, lack of education and vulnerability to early pregnancy or HIV and AIDS. These could keep her trapped in poverty – a poverty she will hand on to her own children. This is not inevitable – investing time, care and money in these young girls will bring about personal and economic change.



- 26 United Nations Economic and Social Commission for Asia and the Pacific (UNESCAP) (2007). Economic and Social Survey of Asia and the Pacific [Internet]. [Accessed 4 August 2009].
- 27 Esteve-Wolart, B. (2004). Gender Discrimination and Growth: Theory and Evidence from India [Internet]. London, London School of Economics and Political Science. [www.sticerd.lse.ac.uk/dps/de/dedps42.pdf](http://www.sticerd.lse.ac.uk/dps/de/dedps42.pdf) [Accessed 14 May 2009].
- 28 International Finance Corporation (IFC): World Bank Group (2007) Tanzania Gender and Economic Growth Assessment, Washington, DC., IFC. See also: DFID (2008). The Gender Manual.
- 29 Klasen, S. and Lamanna, F. (2003) The Impact of Gender Equality in Education and Employment on Economic Growth in the Middle East and North Africa. Munich, World Bank.
- 30 "According to a study conducted by the International Food Policy Research Institute, if men and women had equal influence in decision-making, an additional 1.7 million children would be adequately nourished in sub-Saharan Africa": ILO (2009) Global Employment Trends for Women, p. 15 [Internet]. Geneva: ILO. [www.ilo.org/global/What\\_we\\_do/Publications/](http://www.ilo.org/global/What_we_do/Publications/) [Accessed 14 May 2009]. See also: UNICEF (2006) State of the World's Children 2007: Women and Children: The Double Dividend of Gender Equality [Internet]. New York: UNICEF. [www.unicef.org/sowc07/docs/sowc07.pdf](http://www.unicef.org/sowc07/docs/sowc07.pdf) [Accessed 15 May 2009].

## Smart moves

If female participation in labour rose to the United States of America's levels, Malaysia's GDP (Gross Domestic Product) would grow by 2.88 per cent, a 0.77 percentage point increase in the growth rate, and Indonesia's GDP would grow by 1.38 per cent, a 0.56 percentage point increase in the growth rate.<sup>26</sup>

If the ratio of female to male workers in India increased by just 10%, the country's GDP would increase by 8 per cent.<sup>27</sup>

If barriers to women entrepreneurs in Tanzania were removed, economic growth in the country could increase by 1 per cent.<sup>28</sup>

If women's labour force participation had increased at the same rate as education during the 1990s in the Middle East and North Africa, the average household income would have increased by 25 per cent.<sup>29</sup>

If young women had better access to farming land, fertilizers, credit and agricultural training there would be more food available for more people, and the nutritional status of children would improve. When women receive the same levels of education, experience and farm inputs as men, they can increase yields of some crops by 22 per cent.<sup>30</sup>

If more young women were economically active there would be fewer girls getting married at a young age. Employment is linked to young women postponing marriage and scheduling births later in life.<sup>31</sup> Delayed marriage and fewer children creates economic change – increased per capita income, higher levels of savings and more rapid growth.<sup>32</sup>

If young women had better access to credit, more children would go to school and households would have more income. Female borrowing from micro-credit institutions has had a larger impact on children's enrolment in school than borrowing by males.<sup>33</sup> In Bangladesh, young women who borrowed credit over five years produced an increase in the annual per capita household expenditure by US \$9.<sup>34</sup>

*"Investing in adolescent girls is precisely the catalyst poor countries need to break intergenerational poverty and to create a better distribution of income. Investing in them is not only fair, it is a smart economic move."*

Robert B. Zoellick, President, World Bank

- 31 The Adolescent Girls Initiative (2009). The Adolescent Girls Initiative: An Alliance for Economic Empowerment [Internet]. World Bank. <http://go.worldbank.org/15PX4JETM0> [Accessed 14 May 2009]. See also: Mathur, S. et al. (2003) Too Young to Wed: The Lives, Rights, and Health of Young Married Girls [Internet]. Washington, DC., International Centre for Research on Women (ICRW). [www.icrw.org/docs/tooyoungtowed\\_1003.pdf](http://www.icrw.org/docs/tooyoungtowed_1003.pdf) [Accessed 15 May 2009].
- 32 Levin, R. et al. (2008). Girls Count: A Global Investment and Action Agenda [Internet]. Washington, DC: Centre for Global Development/Population Council. [www.icrw.org/docs/Girls\\_Count\\_a\\_Global\\_Investment\\_&\\_Action\\_Agenda.pdf](http://www.icrw.org/docs/Girls_Count_a_Global_Investment_&_Action_Agenda.pdf) [Accessed 15 May 2009].
- 33 Buvinic, M. et al. (2008). "Equality for Women: Where do we stand on Millennium Development Goal 3?" Washington, DC: World Bank, 7. Quote: Pitt, M. et al. (2003) Policy Research Working Paper: Does Micro-credit Empower Women: Evidence from Bangladesh (1998) [Internet]. <http://goqa.worldbank.org/NYPPLT3CM0> [Accessed 4 August 2009].
- 34 The Adolescent Girls Initiative (2009). The Adolescent Girls Initiative: An Alliance for Economic Empowerment, p. 2 [Internet]. Washington, DC, World Bank. [Internet]. <http://go.worldbank.org/15PX4JETM0> [Accessed 14 May 2009].



## Plan's call to action

*"We keep on talking about the fact that 'crisis is opportunity'. Here is an opportunity in the policies we are undertaking for the crisis. Here is our chance to address the adolescent girl issue and make sure that girls do not lose the chance for education."*

Mari Pangestu, Minister of Trade, Indonesia

As Mari Pangestu and many others have said, the current global crisis provides an opportunity to ensure that addressing poverty is prioritised, and that international commitments are adhered to. Now is the time to ensure that a new course is set in which investment in girls and young women becomes a priority. It is time for governments, businesses, civil society organisations and the families of girls and young women around the world to commit to, take action on and invest in policy and practice change, as outlined in our global charter.

***"This report adds evidence to the importance of investing in girls in the developing world. But it is more than that: it is also a call for action, for each of us to do our part ... especially during this challenging economic climate.***

***Investing in women is smart economics ... . Investing in girls is even smarter economics because investing in girls is at the centre of development."***

Ngozi Okonjo-Iweala  
Managing Director, World Bank



## A global charter for investment in girls: ten-point action plan

1. No compromise on global gender equality goals and international commitments.
2. Promote the full integration of gender equality principles into national and regional economic policies.
3. Prioritise girls' education from their earliest years through to adolescence and beyond.
4. Maintain national social protection programmes and safeguard social services.
5. Scale up investment in young women's work opportunities.
6. Support young women workers and ensure they get decent pay and conditions.
7. Invest in young women's leadership.
8. Ensure equality for girls and young women in land and property ownership.
9. Count and value girls and young women's work through national and international data disaggregation.
10. Develop and promote a set of practical global guiding principles on girls and young women at work.