The Impact of the Deepening Economic Crisis on Women and Gender Equality in Western Europe

Wendy Harcourt and Lois Woestman
2010 Edition
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Summary

This paper looks at the differential impact of the economic crisis on women and gender roles in Western Europe. It begins with an overview of some of the broader impacts of the economic crisis in the region, and the different types of ‘recovery’ programs instituted by national governments. The paper highlights in particular the experience of Greece and the growing divide between European countries where some countries are being forced to make deep cuts while others are maintaining high spending levels to stimulate economic recovery. Updating an earlier AWID commissioned paper by Wendy Harcourt in 2009 this edition expands the original analysis through an in-depth case study on Greece and a series of interviews with women rights activists from around Europe. It first presents an overall update on the situation and then looks further at the increasing uncertainty, precarity and unrelenting pressure for women’s reproductive and productive work in the wake of the crisis. The paper also discusses some further trends that have emerged in the last year, such as the growing divide between North and South Europe, the lack of trust in the EU, increased racism and difficulties for migrants around fears about social unrest. Finally, the paper looks at the search for ‘alternatives’ to the current economic model that could inform a renewed feminist vision for Western Europe.

Footnotes

1 - The interviews were mostly undertaken at the 25th WIDE Annual Conference held in Bucharest in June 2010 and through individual telephone interviews.
Introduction

While the global economic crisis has hit all Western European countries, it has taken different forms with diverse ‘recovery’ programs leading to differing impacts on women and gender roles. Across the board gender and class inequalities have worsened as the emphasis continues to be on saving men’s jobs, cuts in public spending, such as health and education, in a return to true neo liberal economic policy tradition, after some talk of neo-Keynesian spending. Gender gaps and social inequalities are widening as those already on the social and economic margins such as the young, the elderly, single and migrant women experience the most savage bite.

The European Commission (2010) reports on the latest figures which show how the economic crisis has led to an increase in unemployment. In September 2009 women’s unemployment in the EU was 9%. The female unemployment rates are now moving ahead of men’s in at least 12 EU countries. As women’s jobs are concentrated in the public sector, the Commission predicts women will be disproportionately affected by job losses due to ongoing budget cuts in the public sector. In addition the EC Report warns that women are less likely than men to be re-employed. In reflecting on the current crisis the Commission predicts that households will be more severely affected by a loss of income (due to job losses) in those countries where a male-breadwinner model still predominates.

The official figures inevitably hide what is happening in the informal sector. In the EU women represent over two thirds of the 63 million people between 25 and 64 years old who are part-timers, unemployed or not registered as working. Women have a higher incidence of precarious contracts, involuntary part-time reflected in the gender pay gap (last measured as 17.6% on average in the EU in 2007). This precarious situation has repercussions on women’s lifetime earnings, social security protection and pensions, resulting in higher poverty rates, especially for retired women. The EC measures the at-risk-of-poverty rate as 22% for older women compared to 17% for men and for single parents 34%.

Even though women in Europe outnumber men among university graduates (59% of graduates in all subjects in 2006) women continue to be concentrated in traditionally feminized and often lower-paid sectors (health and care services, education, etc.) and there continues to be inadequate life work care balance with women doing unpaid care work and part time paid work. In 2008, 31.1% of women worked part-time compared to 7.9% of men. (European Commission 2008)

As the European Women’s Lobby stated in December 2008 (EWL 2009), the European Recovery Plans are ‘gender neutral’ with no plans to invest in care, community-based services, education or health. This gender blindness continues to be a feature of the economic crisis with little mainstream public recognition of what is happening to women’s economic activities including pay cuts, loss of work or the increase in unpaid care work and domestic work at home.

To quote one woman from the UK: “Now there are no resources for women’s rights and there is a huge contraction in funding. Women’s organizations will no doubt be a major casualty of the crisis. In the UK, women’s issues are not being taken seriously.” (Bucharest, June 6, 2010)
The Impact of the Deepening Economic Crisis on Women and Gender Equality in Western Europe, Harcourt and Woestman. AWID

prepare for hard times. The cuts are now regarded as usual. The cuts 'start to bite'. Reports on the working poor show that although there are differences in North and South Europe, unemployment and the risk of poverty is increasing across the board. The cuts 'start to bite'. Reports on the working poor show that although there are differences in North and South Europe, unemployment and the risk of poverty is increasing across the board. (Hanzl Weiss and Vidovic 2010) There is now concern at the austerity cuts in big EU economies such as Britain, Germany and Italy (The Guardian 30 June 2010 p 2) There is a bleak mood across Western Europe with people living in Spain and Greece (see box on Greece below) in even more precarious positions with stringent economic changes reminiscent of the 1980s neoliberal structural adjustment programs of the Global South.

In 2010, Governments are providing much less support to large companies, though still some support, direct and indirect, is being given to the automobile and construction industry, to try and bolster the functioning and competitiveness of their national economies; there is less hope that this is the way out of the crisis.

As one woman commented on the newspaper coverage of the crisis in Austria, "there continues to be reports of continued negotiation with trade unions and industry to save jobs in the metal, car and construction industries, but with little obvious success."

Speaking about the drastic situation in Spain another woman reported that "the financial stimulus to construction companies was 100% to men's jobs, but now all construction has stopped. They invested millions but everything came tumbling down."

This confirms the earlier observation by Dutch feminist researcher Dutting (2009) : 'The crisis has shaken the belief in the free market, but ... the only change is that the national state [has acted] as the vehicle to allocate national tax money to bankrupt banks and other transnational corporations. As European states are transferring the money, the costs and risks are left for the general public and more precisely, for the tax-payers.'

The debts which the states created in the rescue of banks and industries early on in the crisis are now being called in, along with the cuts in social expenditure, the reduction in public services, and privatization of public goods and institutions.

The newly elected coalition in the UK cut 1.3 million state jobs in the 2010 budget (The Guardian June 30, 2010) There is a sense of great uncertainty about just how far these cuts will go. The political correspondent of The Guardian (Stratton, July 2010) reports that the coalition plans are the worst for women since the welfare state began. Of the eight billion sterling of planned cuts in net revenue, six billion sterling will come for women. A study by the House of Commons library on behalf of the shadow welfare secretary Yvette Cooper under took a gender audit of the budget revealing that more than 70% of the revenue raised from direct tax and benefit changes is to come from female taxpayers. The prediction is that as women make up more of the public sector workforce they will be more heavily hit by the public sector pay freeze and the projected 600,000 net public sector job losses.
There is a sense of great uncertainty on what the cuts will mean for women. In the Netherlands one woman working in the NGO sector in a centre to support migrants reported that, “nobody knows just how deep the cuts will be. All I know is that everyone is losing jobs. Some projects have had to cut 75% of their staff. We are still waiting for decisions [post elections]” (Interview, Bucharest June 6, 2010)

In Italy, the current government maneuver is being met by major opposition at regional level as well as resistance on the streets, but as one woman stated:

“I work in the university and we already expect a reduction in pay, perhaps we lose our 13th month salary, anyhow, we already do not have research money. But it is not my salary which is the point, it is the quality of education which has already been so run down by the Berlusconi’s right wing government. Government employers are already so badly paid I cannot imagine what will happen to the schools if they are cut further.’ (Interview June 2010)

The ‘PIIGGS’ (Portugal, Italy, Ireland (Iceland), Greece, Great Britain and Spain) – countries with high government debt levels and deficits relative to annual GDP – have been in the most precarious economic situation, least able to spend to support their economies, and most open to pressures to introduce mainstream neoliberal adjustment programs. The most extreme example is the recently-introduced EU-IMF brokered ‘recovery’ program introduced by the Greek state.

The Greek crisis is part of the acceleration of the whittling away of the European welfare state. It highlights the growing schism between the economies of north-western and southern Europe, resembling global north-south divides. Northern EU countries are using the Greek EU-IMF ‘bail out’ to pressure the rest of the southern PIIGGS — Italy, Spain and Portugal — to undertake further recessionary structural adjustment measures ‘on their own’, so they will not have to resort to a harsh ‘rescue’ package the likes of the Greek one. Both Spain and Italy are trying hard to do so, with a great deal of social unrest.

Unjustly, the EU-IMF program constitutes a net transfer of wealth from Athens in large part to German and French banks, which had received hefty bailouts from their governments. In effect, speculators are using bailout money against the governments that saved them, by speculating against their bonds. Even more unfairly for Greece, a three-year, 750 billion euro European Stabilization Mechanism was announced a few days after Greece signed the EU-IMF program, with bilateral loans and loan guarantees worth 440 billion euros. Eurozone policymakers also demolished a taboo of EU regulation by allowing the ECB to intervene directly in the market buying EU government bonds to stabilise their price should speculators appear bent on dumping them by gambling on the countries’ default. These measures have come too late for Greece.

Footnotes

2 – According to Wikepedia, PIGS, PIIGS and PIIGGS are acronyms that originally referred to the Portugal, Italy, Greece, Spain. The original term dates from the mid-90s when it was used to refer the southern economies of the European Union and became commonly used since the financial crisis 2007 onwards. These economies are seen to have high government debt and high government deficits relative to annual GDP despite being in the eurozone. Less frequently it has been used to refer to Ireland, Iceland, and Great Britain. The acronym is understood by many to be pejorative.
Neoliberalism Home to Roost in the Eurozone: Greece

Reasons for the crisis

Greek economic and financial woes are a result of home grown dynamics embedded in and fostered by a neoliberal global economic and financial system largely outside of the country’s control. The revision of Greek economic and financial statistics at the end of 2009 exposed the country’s weaknesses: meager productive sector, large public sector budget deficit and debt caused not least by widespread political corruption and mismanagement and tax evasion, especially by the well-off. This opened up Greece – and by extension the Euro – for “attack” by financial speculators, who fuelled and profited from uncertainty about the Greek financial situation, driving up the cost of debt until Greece appealed to the EU for help. These processes also opened up Greece for attack by other European governments, with IMF backing, that were pushing neoliberal economic agendas, which Greece had been resisting.

The EU-IMF “rescue” package

The EU and IMF stepped in with a “rescue package” when the Greek “contagion” affected the euro. They agreed to loan Greece EUR 110 billion over the next three years.

EU policy conditionalities for these funds were as draconian as the IMF’s. The Greek government agreed to a harsh structural adjustment program that embodies – but goes beyond – changes other European countries have been undertaking over the past decade. As with structural adjustment programs in the Global South, this program aims to enable Greece to repay its foreign debt, and to “fix” its economy by making it more competitive – meaning cutting especially wages and social security entitlements.

Over the past six months, the government has slashed spending through repeatedly harsher public sector wage and job freezes then cuts, raised retirement ages, and pension cuts. The private sector is following suit. The government has attempted to raise revenues by repeatedly increasing taxes: not only on “sin” items such as cigarettes and alcohol, but also on basic ones such as food and petrol.

EU demands for repayment of EU-IMF rescue package monies were harsher than the IMF’s. Though some eurozone countries were willing to lend to Greece at lower interest rates, at the insistence of Chancellor Merkel of Germany, the EUR 80 billion to be lent by eurozone countries will have to be paid back at market rates of around five percent. Arguing that this would make it difficult for Greece to ever pay back its debt, the IMF lent Greece 30 billion at a concessionary rate of about half the EU’s.

These dynamics are part of a growing schism between north-Western and Southern Europe, resembling global north-south divides. The program constitutes a net transfer of wealth from Athens in large part to German and French banks, which have received hefty bailouts from their governments. Northern EU countries are using the “bail out” to pressure the rest of the “PIIGGS” — Italy, Spain and Portugal — to undertake further structural adjustment measures, so they will not have to resort to such a package. Moreover, shortly after Greece signed the agreement, the EU announced a EUR 440 billion European Stabilization Mechanism, and it allowed the ECB to buy EU government bonds to stabilize their prices. These came too late for Greece.

Effects

The economic crisis and the structural adjustment program are heightening class inequalities and social unrest in Greece. They are aggravating, but also mitigating, some gender inequalities—and are causing a crisis in the Greek unpaid “care economy” along with the paid one.

Unemployment is increasing. While men’s employment was initially hit hardest, women’s unemployment has now surpassed men’s, and is growing with public sector freezes and cuts, especially in the health and education sectors in which women predominate. New jobs are usually part-time and/or insecure ones.

For those with jobs, wages are being cut – first in the public, now in the private sector. Middle class jobs are now subsistence ones; subsistence incomes now sub-subsistence. Already rock-bottom pensions have been cut. The cost of living is on the rise due to the tax hikes. Pre-hikes, the cost of living in Athens was already higher than Amsterdam’s or Berlin’s. The gap between incomes and cost of living is growing. As a result, poverty — already higher than the rest of the EU at 20% pre-crisis — is rising. More women than men are poor and the elderly the most vulnerable. A large “new poor” group is emerging. "They tell us to tighten our belts. But we can only tighten them so much", commented a female Greek civil servant. Social security is being cut at a time when it is needed more than ever.
A care crisis — for individual women, families and the country — is looming. Pension ages have been evened out, precluding women from early retirement which they had used to take care of their, or their children’s, children – not least because public daycares are few, and private ones expensive. Fewer families can pay immigrant women to help out. “Who will look after my children now?” ask many women, who are seen as solely responsible for child care.

Tensions are rising – not only on the streets, but inside homes. Men losing their ability to play their role as breadwinner are beginning to take their frustrations out on their partners. Children are starting to feel the brunt of parents’ worries. Foreigners, especially male ones, are increasingly maligned as “taking Greek men’s jobs”.

Resistance / “Alternatives”

Greeks are resisting, and proposing “alternatives”. We have strong labour unions, though they are under attack, that have proposed “alternatives”, which have run the gamut from: Make those responsible pay, have wealthy Greeks cover the debt, sell off state assets, take the state to court for contravention of EU social policy/laws, balance austerity with growth, bring in a new global economic governance structure, stem the tide of the neoliberal EU project.

In Greece, such proposals have carried little weight, because trade unions and other leftist groups have not been able to turn to a socialist party for support. These draconian measures have been pushed through by a “socialist” government.

Feminist organizing

One of the downsides of a strong labour union system, at least in Greece, is that women’s issues and voices have been sidelined, considered “secondary”. The independent feminist movement is small, not only because organizing has traditionally taken party form, but also because conservative notions about gender roles held by women as well as men make feminist organizing challenging.

One potential “positive” effect of emerging dire circumstances, and ineffectiveness of traditional unions/parties to stem the austerity tide, is the potential crystallization of women’s organizing in extra-party form. Some of the issues around which organization is likely to crystallize over the next months could/should include:

- More public daycares – of decent quality – are required to prevent a care crisis.
- Care work needs to be included in years counted toward pensions. Military spending should be cut – and used to create jobs in the paid “care” economy, especially dependent and health care, and education.
- Gender mainstreaming – gender specific statistics, impact assessments, and budgeting — needs to be incorporated into government processes to better map, and change, the gendered dynamics of ongoing and planned policy changes
- The state General Secretariat for Equality Research and Center for Gender Equality Research (KETHI) need to be re-jumpstarted and funded.

Where to go from here?

The feeling in Greece these days is that the rails are pretty much set – at least for the next three years of the EU-IMF package duration. During that period, changes can/will be only “band-aids” – minor alterations — but worth fighting for. If nothing else, these three years provide time for alternative proposals and organizations to emerge. One of the advantages of being in the centre of international attention over the past months has been openings in international fora providing Greek activists with international exposure and support – which will continue to be greeted with true Greek warmth and hospitality.
Impacts on Women and Gender Roles in Western Europe

The earlier 2009 Harcourt review of how the economic crisis is hitting women and changing gender relations in Western Europe took up several key issues. We take another look at these issues below, reflecting on the trends in 2010 drawing heavily on interviews undertaken with women from Austria, Bulgaria, Germany, Italy, Spain, The Netherlands and UK.

**Employment precarity**

High on the European social agenda has been the commitment to maintain and improve social protection and social inclusion – including gender equality and class solidarity. However, this has been contradicted by increasing recourse to neoliberal economics of governments and their better-off constituents. The growing “flexibility” in the labour market during the restructuring of the European economies along neoliberal lines in the 1980s and 1990s – exacerbated with the newest recovery packages – has made finding decent paid work a continuous struggle for men and women. (ILO 2009)

Even as women have been entering the paid work force in increasing numbers, the increase in women’s employment has largely been in part-time work or on short contracts for low wages. (Fagen and Hebson 2006; Matthoni and Doerr 2007; Harvey 2009)

As reported in the 2009 paper by Dutting, the initial figures coming out from the ILO suggested that women were not the first to lose paid work in the crisis. The first job losses were in the banking sector, the car industry and construction sector. These traditionally male sectors were hit hard by lay-offs, or by changes in working conditions from permanent to temporary employment contracts with less benefits as well as pay cuts.

However in 2010 it is increasingly women’s work in the public sector that is being cut. Education and nursing sector jobs numbers are being cut — traditional work for women in countries such as the UK, Sweden, Spain Italy and Greece. For those with jobs, there have been big pay cuts along with an increase in working hours and a loss of benefits. As the interviews underlined people are willing to take these pay cuts because they just want to stay in a job. As one woman from Austria described it: “There is a lot of pressure for women both at work and at home, many are being fired and then being rehired on short term contracts, with no pensions or benefits, longer hours and less pay. People are accepting it because anything is better than no job at all.” (Interview Bucharest June 6, 2010)

The increased precarity of work and reduction of social protection particularly for poorer segments of the population has major gender implications throughout Europe. Already trade unions and social movements – and European citizens themselves – are talking about the people newly at risk of poverty, the new poor. Poor women figure predominantly in this group particularly those in southern Europe, where gender gaps are greatest and social protection less extensive than in northern countries. These are the countries that, like Greece, are set to take on the most stringent “recovery” practices – so that women, especially migrants and single parents, are most at risk and hardest hit. (Women’s Working Group on Finance for Development 2009)

In Spain, cuts have now been made to benefits enjoyed by women workers; to quote one Spanish woman activist “The crisis has also resulted in policies that have reduced the number of days given for maternity leave, disproportionately affecting women, and particularly poor women.” (Personal Email July 2010)

Female under/unemployment has been causing less concern than male unemployment in the press and among policy makers, who are still working under the assumption of the male family wage earner. Concern has been raised about the increase in youth unemployment. In places like Italy and Spain where tertiary education is more or less free, there has been an increase in enrollments in both higher education and internship programs (unpaid on the job training, or job experience) with even less guarantee of employment at the end of the training period.

**Cuts in public sector spending; paid and unpaid work**

Whereas the financial market and “real economy” are defined as productive and value-adding processes, neoliberal economists assume that childcare and natural cycles of the environment are outside of economics and do not create value. The interests of capital promote market principles of competition, efficiency and profit over provision and care. Yet, they depend on care work for workers to be productive.
As Wichterich points out “industrial and financial value creation is based on a thick layer of social regeneration, care work and social safety nets on the one hand and the regenerative power of nature on the other. The capitalist valorization process constantly appropriates those social and natural performances, without remuneration or by mercilessly underpaying for personal services such as care for the elderly – work allegedly considered of little productivity.”

As literature on structural adjustment and then post-socialist transition has been noting for decades, when cuts in government spending for basic social services – such as health care, and education — are made as part of restructuring programs, much of the care of children, the elderly, the ill, and other community work is taken up by women as unpaid labour.

The roll-back of the European welfare states and the neo-liberal reforms in all European countries have meant diminished social provisions of all kinds, including public transport which has become more expensive, increased user fees in national health care systems, a decrease in general social benefits, and cuts in child care programs. (Pestiei 2006)

Interviews with women from around Europe reported in Austria, cuts in kindergartens; in Italy, major cuts in hospitals and education budgets; in Spain, cuts in transport subsidies; and in the UK, closure of shelters. (Bucharest June 6, 2010)

Care work and the impact of the crisis on migrant women

We are facing what some call a “care crisis”. As more and more unpaid work is being put on women’s shoulders, women are reaching a fracture point. Too little attention is being paid to redistribution of the unpaid work evenly among men and women or on how to redistribute the unpaid work back to the state, where Europeans have long argued that it belongs. (Razavi 2009)

In southern Europe, middle-aged women in paid employment have often relied on their mothers to take care of their children. Care work has been passed up the generational ladder. Recent changes in retirement policies in Greece, e.g., will make this more difficult, as early retirement ages for women are being cancelled. As they remain for up to 15 more years in paid employment, older women’s options for providing this type of assistance disappear. Who will do this care work?

Migrant women have taken up care work as accession has opened up possibilities for travel and work. Migrant women’s work has largely been informal, flexible, low paid, often illegal, and an extension of traditional ‘housework’ like cleaning and caring work, or sex work in the pleasure industry.

As their incomes are cut or they lose their paid work, formerly middle class – now new poor – Western European women are firing their nannies and carrying out the work themselves. Migrant women’s reduced income has had a domino effect in their countries, where remittances from family members abroad often constitute significant portions of national GDP. (Green et al 2010)

It is important to recognize that migrants in Europe are part and parcel of a new gender order where essentially domestic workers are helping to reconcile the balance between productive and reproductive work in family life in Europe. Beyond discussions about why men do not take up this care work easily, what is also important to note is that migrant women are invisible from European discussions around rights, benefits, health care and economic security. As a result they earn low wages, work long and antisocial hours, are often undocumented and in the informal sector. As women lose their jobs the need for migrant workers in the home will be reduced leading to increased poverty and insecurity for those groups.

Women in the Netherlands and UK report that migrant women, particularly undocumented migrant women are now losing domestic care jobs exposing them to even more invisible, undocumented and dangerous work. For example, in the UK many Latin Americans who were working in cleaning jobs in offices are now finding contracts are being changed so they work more hours for less pay. Or worse, they are losing those unskilled jobs and working in the informal sector in private homes for lower pay and no guaranteed conditions. But again, a badly paid job is better than no job for these women. One concern raised was that there are more reports of violence and abuse among migrant women since 2008, with shrinking resources and less facilities to help them. (Bucharest Interview June 6, 2010)

Insecurities and fears

Natisha Kaul (2009) speaks of the violence caused by spurious economics when people “lose their jobs and livelihoods, when they witness massively divergent rewards for work, when they see an endless perpetuation of inequality around them. Such involuntary unemployment in the long run leads to social breakdown and community fragmentation.” (Kaul 2009)

Intra-household tensions, which can turn violent, rise as both women and men reach breaking points. Xenophobia is also on the rise, as Western European citizens feel – rightly or not – that foreigners are taking ‘their jobs’. Potential increase in the ‘black economy’ activities, including expanding exploitation of local and immigrant
women as sex workers is also of concern.

In Spain reports are that “The levels of xenophobia against migrants — specifically from Eastern Europe and South America — have increased, as jobs have become more difficult to find.” (Personal Email July 2010)

Several women reported how government elections were run openly on racist lines: in The Netherlands, Spain and the UK. Austrian headlines were about migrants taking ‘our jobs’. The Dutch public openly debated the place of migrants in ‘our society’. The UK also campaigned around the ‘migration’ question.

Overall, there is a noted rise in xenophobia, as the competition for jobs increases. The gender dimension to these fears is pronounced with public anger and fear of foreign young men, and women portrayed as victims of backward cultures.

Xenophobia is not only evident within countries between native born Europeans and migrants, but also between European countries, with important implications for the eurozone. The ‘PIIGGS’ mostly located in southern Europe, are being met with xenophobic reactions by central and northern European countries – with recent German-Greek politics the most extreme example. Over the past months, German press has been awash with images of ‘the lazy Greeks’ who should pay for their lax lifestyle. German politicians have gone as far as to suggest that ‘sick’ economies be excluded from the eurozone.

As one woman from Germany stated, these relations are complex: “We are in solidarity with Greece ... The German Greeks have organized a campaign for Germans to holiday in Greece this summer. But you also have to be aware that many of us have already undertak-en many similar measures to those that Greece is undertaking now, with significant social protest at home – for example, in connection with pension changes. Maybe the pension cuts in Greece are more draconian, as they started out from an already lower basis. [but] there may be limits to solidarity from other European citizens who think that it is fair that Greece, which has an “old fashioned” welfare state, now has to undertake such changes too.” (Interview June 2010)

Solidarity protests

Along with xenophobic responses have been protests on the streets. Perhaps the most widely reported internationally have been the huge protests in Greece but there have been demonstrations and strikes elsewhere around Europe. In Italy, for example, there has been a spate of demonstrations by various groups including high school teachers and students as well as car industry and transport trade unions. There are ongoing and heated blog debates that keep up a running discussion about the anti-crisis measures which have reduced working hours and failed to support loss of jobs and security. Again women and gender remain elusive in the ‘male stream’. In Austria, a young women reported being the only one on the podium among the speakers at recent large scale demonstration. (Interviews Bucharest June 6, 2010)

It is notable that there is now a mix of people engaged as well as the more predictable unionized forms of struggles: demonstrations of formal and informal workers in France, strikes by Italian and German teachers and violent as well as broad-based peaceful protests in Greece.

From the interviews however, it seems that many people are not protesting or seeing the point in doing so. As one woman stated boldly, people are too busy trying to make ends meet. There is not only tension but also fear and confusion as the target of blame keeps moving.

There still seems to be a strong need for more open discussion about what is happening and clearer ideas about how to respond positively. For example how to use knowledge gained from gender responsive budgeting experiments in localities around Europe?

EU and the accountability vacuum

One of the major emerging concerns of citizens in this last year has been the growing sense of an accountability vacuum. National governments pass the blame to the EU level organizations/processes and EU actors often blame the international environment. All blame “the markets” – as if they were somehow persons, and not mechanisms that we have created – and can change. No one takes responsibility.

The European Union is one of the major economic and political players in Europe and globally, and along with the US a driving force in promoting corporate interests and the neo-liberal agenda. In response to the crisis the EU has proven largely unwilling to impose fundamental reforms of the financial system or regulatory systems for the finance industry in Europe.

The fact that some countries within Europe are being asked to structurally adjust by stronger EU countries – hand in hand with the IMF – while stronger countries are still holding onto protectionist measures is starting to emerge as deeply worrying. Far from questioning the neoliberal agenda, it seems that the response is to push for further liberalization and deregulation of financial markets and aggressively pursue policies to open up emerging markets for EU companies, by promoting new,
ambitious Free Trade Agreements as the way out of the current crisis (Wichterich 2009).

It is no wonder that many women reported that the EU project is seen as far away from the national reality. Not one woman interviewed reported that the EU was seen as supporting people to weather the crisis. On the contrary it was seen as undermining national and local policies. (Bucharest Interviews June 6, 2010)

‘Alternative’
development vision: collective well-being

What has emerged from the interviews and our review of recent understanding by women of the crisis and its impact on Europe is that the economic and financial crisis is impacting on everyone’s daily lives and creating a sense of insecurity around their future, but that it is a European one, however divided Europe seems. One woman from Bulgaria spoke very revealingly about how Bulgaria is looking to Europe to see what happens, particularly as the biggest bank in Bulgaria is Unicredit of Italy. With a finance minister coming fresh from the World Bank, they are experiencing the impact of the neoliberal policy mantra of cuts, with the result that households, small businesses and services are all suffering. (Interview Bucharest June 6, 2010) What happens in different corners of Europe is impacting on other women’s lives and vice versa. As citizens of a powerful economic player, Europeans are also accountable for collective wellbeing in other places. Transnational feminism has worked for women’s right to social, economic and cultural wellbeing globally wherever women are placed. It is important that women in Western Europe remember that and the vision of a global cosmopolitanism and rights and livelihoods for all, including between the different pockets of Europe. (Harcourt 2009)

Taking responsible positions as Europeans means having the courage to change our lifestyles and expectations. In this, feminist solidarity is very important. In order to survive the crisis European women are beginning to dialogue about the different ways the crisis is hitting different women and to strategize across towns, provinces, countries and sub regions in Europe to mitigate the worst effects, learn from each other and support those that are suffering the most. In Europe working across the borders of the EU is critical to maintain and improve all European women’s social, economic and political positions. There are different strategies, from sharing analysis to supporting more women in European spaces such as the European Parliament. The crisis will no doubt bring about more informal networking and alliance building among women’s movements concerned with social and economic justice. It could mean moving more consistently into formal political decision making spaces in order to change them. It certainly means challenging and changing the rules and being in a position to do so, shifting the ethics in which economics is embedded.

The statement by Christa Wichterich that a crucial building block of a solidarity-based and justice-oriented economic regime would be a “redistribution and revaluation of waged labour and care labour, of production and reproduction,” still holds true. She sees this as, “the cornerstone for an economy which gives preference to provision for all and cooperation over growth, competition and maximizing profit and puts the economy as well as democracy back on its feet: it would plan, regulate and decide about the division of labour, markets, well-being and [social]development from the bottom up, in a decentralized and gender-just manner.” (Wichterich 2009)

The campaign around the Active Inclusion strategy for policy coherence between the Active Inclusion strategy, the European Employment guidelines and the Flexicurity principles continues in their work ‘Towards a European society that cares for all’. This includes the right to be cared for and to care for others, the roles of service provider and recipient, the issue of care in the context of EU policies, additional care needs in an ageing society, the specific issues for particular target groups (e.g. disabilities, mental health, community care, women as prime care givers, domestic migrant workers) and funding mechanisms. www.socialplatform.org

It is telling that the largest networks working on women’s rights in Europe: Women in Development Europe and European Women’s Lobby have both taken up migration as their key themes for 2010 meetings.
Conclusions

The search is now on among activists and economists to lobby governments to renegotiate economic rules, regulations and social contracts for new ways of organizing production and trade, consumption, care and social security. The hope is that popular coalitions among different citizen and civil society groups will be forged, building a new agenda that takes us beyond the crisis.

It also means being aware that this is a painful and difficult time and we need to support each other as we experience change. Such support for marginalized poor women in Europe, many of them migrants, could mean the difference between tipping over the edge. It is important to expose false fears about migrants, making visible the underlying causes and links between economic policies and migration, and looking for mutual interests in order dissolve the current climate of fear and dissatisfaction. We need to ensure that there is a revaluing of care work and ethics that move away from individual consumption and economic greed as social and economic drivers and towards collective well-being and responsibility for others. It is therefore important to use the entry points we have into economic and political institutions in order to use the tools developed such as gender budgeting and ensuring gender responsive women and men are in positions to build political change that can overcome systemic economic and social inequalities.

Nobel laureate economist Joseph Stiglitz (Conway 2010) and others have argued that ‘Deficit fetishism is a mistake.’ Austerity should be counter-balanced with growth-generation measures, Stiglitz suggests that a bond be launched by European states with countries most in need having better credit rates. European socialists had proposed something along these lines, though it was not implemented. Stiglitz also argued that the European Central Bank should loan states at the same interest rate it gives to banks.

In Western Europe citizens, particularly those in the PIIGS, feel deeply betrayed by their government, particularly when austerity measures have been introduced by socialist governments, and they don’t know where to turn. The grim circumstances and ineffectiveness of political parties and traditional unions offer a space for feminist voices to be strengthened, and to be heard. It is even more important for feminists to work together to produce critiques that could help create a much more gendered response to the crisis. (WIDE 2009) Such critique would need to recognize and address the growing unemployment of women due to public sector cuts in education and health along with women’s increased unpaid care work; improve the provision of public daycares; account for women’s unpaid work, perhaps to the point of counting the years taken out to mother children in contributing towards women’s pension years. More radically, there is also the call to cut military spending rather than social, education and health spending and the awareness that this is the moment to rethink the consumption and capitalist system itself.

European feminists need to respond not only to economic but also ecological and social systemic crises. We need to challenge corporate capitalism, along with its inequalities and power structures. It is critical that we draw out the interconnections between, for example, the degradation of ecosystems by unrestrained production and the voraciousness of global capitalism, along with the increasing vulnerability of particular communities, in Europe as well as outside Europe. How do we put ‘well-being’ and ‘sustainability’ of people and the Earth at the centre of economic policy along with gender equality? Feminists need to join with others to restructure economic, social and ecological relations. It is hard to find the places where these dialogues are happening consistently. European citizens have yet to swing behind the banner of less consumption, but perhaps as the climate justice movement underlines this more and more, it will be the harsh reality that will forces a change in the current social and economic order.
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New from AWID is this 2010 edition of the brief series: Impacts of the Crisis on Women’s Rights: Sub regional perspectives. We are excited to present an update, by region, to the exceptional research conducted in 2009 on the impact of the global financial crisis on women’s rights. This update provides relevant new data, testimonies, and voices from women activists on the ground. Each case presents an opportunity to unpack the in-depth challenges faced by different women in diverse contexts while examining possible policy solutions from a feminist perspective. This work takes us on a journey to help us think beyond the financial crisis and its implications, and start reflecting about the new world being created. At AWID we believe these studies contribute to building and supporting women’s movements.

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