

Ensuring women's meaningful inclusion in the digital economy: Some reflections

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01 June 2018

(Input presented at the Conference on 'Digital Trade in Africa: Implications for inclusion and human rights' organised by UN Economic Commission for Africa, Friedrich Ebert Stiftung, and UN OHCHR between 31 May-01 June 2018 at Addis Ababa, Ethiopia)

The policy interventions that we adopt towards ensuring women's meaningful inclusion in the digital economy are predicated upon the framework through which we approach this issue. When we look around us, it seems that there are mainly two ways in which this debate is being framed.

1. The instrumental approach

The first approach (the mainstream one that's also reflected in the SDGs debate) is to view the Internet and ICTs as tools/instrumental enablers of pathways to women's economic empowerment, viz. women's inclusion in the marketplace, enhancement of women's access to financial services and credit, new income generation activities etc. Here, the emphasis is on the affordances of new digital technologies that break down traditional barriers to women's full economic participation – the expansion of informational, communicational and associational choices and the blurring of the divides between the public and the private. And naturally, when proceeding from this starting point, women's meaningful inclusion in the digital economy seems to be about bridging two major divides – the gender divide in access and that pertaining to capabilities.

1.1 Women's exclusion from connectivity: The ITU's [ICT Facts and Figures 2017 Handbook](#) has pointed out that the proportion of women using the Internet is 12% lower than the proportion of men using the Internet worldwide. In LDCs, only one out of seven women is using the Internet compared with one out of five men. While the gender gap has narrowed in most regions since 2013, it has widened in Africa. In Africa, the proportion of women using the Internet is 25% lower than the proportion of men using the Internet.

Contrary to early expectations, market forces are not automatically closing this gap. In fact, as the Broadband Commission highlighted in its [2016 report](#), in the 48 poorest countries, Internet growth rates are slowing despite 85% of the population still being offline. These populations are “*found in more remote, rural areas, and consist disproportionately of poorer, minority, less educated, and often female, members of society*”. Unfortunately, there is no compelling business case to extend Internet services to these groups. The world's poorest and most disadvantaged women are finding themselves in an access trap.

In this scenario, when the market has clearly failed in closing the gender divide in access, it may be time for policymakers to re-examine an old idea that has now become unfashionable – universal service obligation funds to support public investment in building connectivity infrastructure for women and marginalised groups. A [2018 study](#) from the Web Foundation has highlighted how it is crucial for African countries to strategically deploy the currently unutilised US\$408 million of universal service funds in Africa for improving women's Internet access and use in order to staunch the worsening gender connectivity divide.

1.2. The gender divide in digital capabilities: Merely bringing women online will not open up their access to economic opportunities. A 2015 [research study](#) by the World Wide Web Foundation across 9 developing countries in Asia, Africa and Latin America (a study in which we contributed to the development of the overall research framework and the implementation of the India leg of the field research) has revealed that when online, women are 30-50% less likely than men to use the Internet to increase their income, and 25% less likely to use the Internet for finding job opportunities. The commonly held assumption that social uses of the Internet serve as an entry point for women's expansion of informational, economic and political choices was completely overthrown by the findings of this study. And from the discussions at this workshop, it is becoming increasingly clear that none of us is convinced that access is enough to bridge women's exclusion from the benefits of connectivity.

1.3. Women's capabilities to participate in the digital marketplace – Beyond the rhetoric: But though over time we have nuanced our analysis of how the capabilities divide operates in determining the experience of connectivity, we do not seem to be using the same yardstick when discussing the hot topic of 'women's access to the global e-commerce marketplace'. In mainstream policy discourse, the celebratory narrative of the platform economy opening up new doors for women-run MSMEs in the global South is not backed by a deeper investigation of what it takes to build a level playing field for such women-run MSMEs. Especially considering that they have limited ability to bear brokerage/commission fees of dominant e-commerce platforms or compete with larger retailers who may be able to offer better discount rates. Mainstream policy rhetoric – exemplified by the [Joint Declaration on Trade and Women's Economic Empowerment](#) that was issued on the sidelines of WTO MC11 – tends to assume that the digital marketplace is 'flat' and gloss over the [unequal terms of e-commerce](#) that often disadvantage MSMEs from developing countries. We need a nuanced policy response that focuses on:

- (a) creating an equal playing field for MSMEs through exploring alternatives such as publicly owned and operated platform marketplaces or cooperativist enterprises.
- (b) ensuring that e-commerce negotiations do not compromise the right to development of marginalised women in the global South by prematurely opening up markets on terms that are not favorable to developing countries.

2. The 'paradigm shift' approach

Now let's turn to the second – and also alternative – approach to framing the question of women's meaningful inclusion in the digital economy. Here, the digital economy is acknowledged as an entirely different economic paradigm in which economic activities across all sectors are being completely restructured by the forces of platformisation and datafication. In this view, the rise of platforms that orchestrate markets through leveraging the monopoly power of network effects and the capture of digital intelligence is as paradigm-shifting as the factory was in the nineteenth century. Relations of production and consumption as well as labour are fundamentally being reshaped. This churn raises some vital questions for women's right to economic participation, decent work, and social security, some key aspects of which are outlined below:

- (a) Digitalisation and its impacts on economic participation need to be studied not just through measures of net job growth but also in terms of their visceral impacts on the lives of women and men at the economic margins. As [Pratap and Bose \(2017\)](#) eloquently argue in their analysis of the Indian economy, “*In respect of new jobs - even if we take the view that any job opening that emerges is important, and the economy needs more jobs on the whole, there is the important question of net job growth. For every new job that digitalisation has opened up, how many are getting taken away? This becomes especially important when we are studying impacts. We may not*

realise what job opportunities are being taken away, because in the first place the majority are in the informal sector and may not be easily visible. For example, small groups providing urban catering can easily be affected by the digitisation of food orders, auto rickshaw drivers can lose out to Uber taxis. A squeeze on the informal sector will not really take the form of outright ‘job’ losses; indeed, in most cases there are not ‘jobs’ as such, to be lost, but livelihoods. What would happen is a steady compression of incomes, making survival precarious.”

The precarity that marks this new economic existence should not be passed off as flexibility that offers every enterprising individual an opportunity to better her life.

The effects on women of these developments are going to be especially pernicious. Globally, *informal employment is a greater source of employment for men (63.0 per cent) than for women (58.1 per cent)*. In low and lower-middle income countries, a higher proportion of women are in informal employment than men. In Africa, 89.7 percent of employed women are in informal employment. ([ILO 2018](#)).

(b) With respect to decent work, one oft-cited benefit of digitalisation is that it will reduce human drudgery and menial work that is performed under conditions that are degrading – such as manual scavenging. But [economists](#) have noted how advancements in digital technologies are likely to increase automation of all economic activities except those where wages are low enough to make automation uneconomic. Thus, automation is [not likely](#) to reduce human drudgery in menial occupations – and we know that most of these are highly feminised.

(c) The enormous market power that corporations will gain from access to digital intelligence and data sets about developing countries may further marginalise poor and marginalised women from the economy. For example, agricultural activists have already been talking about how the proposed [Bayer-Monsanto merger](#) will enable consolidated control over data about farm practices across numerous markets that can be crucial in pushing particular seeds and inputs at farmers and specific combinations of such products. Needless to add, it is smallholder and marginal farmers in the global South, the bulk of whom are women, who will suffer the greatest loss of decisional autonomy and control in this situation. This particular scenario may still be in the realm of the hypothetical but the monopoly power that control over data brings -- and what this can mean if this merger goes through -- is an undeniable reality.

(d) And in the final analysis, we must not lose sight of the extensive environmental exploitation that underpins the digital economy – the unsustainable exploitation of natural and common property resources in the global south that is behind the production of the material infrastructure of the ‘digital’ which results in shrinking access to fodder, fuel, water and other resources and devastating the ecological basis of the livelihoods of the most marginalised ([Gurumurthy and Chami forthcoming](#)). We urgently need an urgent, whole-of-planet approach ([Gurumurthy and Chami forthcoming](#)) to protect and promote the livelihoods and wellbeing of the women of the global South.