

Economic Freedom Is the Key to Female Empowerment

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Rafia Zakaria made some outstanding points in her recent *New York Times* <u>op-ed</u>, "The Myth of Women's 'Empowerment" – but she also made some conspicuous omissions. In her piece, she draws attention to the international aid industry's flawed and patronizing approach to female empowerment. However, she overlooks the importance of women's economic empowerment, focusing solely on political empowerment, as if the two were not intimately linked.

Zakaria eloquently summarises some of the problems with Western development professionals and their organizations. In particular, she says, their top-down approach to development, with its narrative of heroic humanitarians bestowing charity upon the world's poorest women, is profoundly condescending. "Non-Western women are reduced to mute, passive subjects awaiting rescue," Zakaria writes.

Economic Freedom Leads to Social Freedom

Patronizing attitudes aside, development professionals are also largely ineffective at alleviating poverty. The feel-good programmes that give chickens to poor women, for example, don't lead to any long-term economic gains.

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These criticisms have been made before. New York University's William Easterly has <u>documented</u> in great detail how the top-down "technocratic" approach to development often serves only to enrich "expert" development professionals and dictators in poor countries. The documentary <u>Poverty</u>, <u>Inc.</u> similarly shines light on the problems plaguing the aid industrial complex.

The truth is that aid has never lifted a single country out of poverty and in some cases even hinders international development. Haiti is famously host to over 10,000 aid NGOs, but the inpouring of charity has perversely harmed local industries and led to a cycle of dependence that worsened poverty.

As we know, poverty renders women particularly vulnerable. Indeed, a <u>review</u> of the development literature, published in the *Journal of Economic Literature*, suggests that "gender inequality declines as poverty declines, so the condition of women improves more than that of men with development". In other words, women's social empowerment is intimately connected to economic empowerment, and women stand to gain the most from prosperity.

Letting women achieve greater economic clout enables them to lobby for social change, from which flows political and legal change. Milton Friedman <u>stated</u> that "economic freedom is ... an indispensable means toward the achievement of political freedom". In some countries, women are still not even legally allowed to pursue paid employment without spousal permission. As my colleague Guillermina Sutter-Schneider <u>notes</u>, "Gender equality under the law improves as countries become more economically free."

Rescuing Damsels

In her piece, Zakaria does recognize that the aid industry is bad at combating poverty and promoting development, but she then, unfortunately, dismisses those goals. And yet economic development *is* achievable. An overwhelming amount of data shows that just within <u>my lifetime</u>, extreme poverty has halved, with particularly heartening progress having been made in Asia.

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This economic progress was not driven by aid, but by private enterprise. Economic growth in China and India significantly outpaced Sub-Saharan Africa despite <u>far less</u> per person aid. That economic growth coincided with policies of economic liberalization. People in poor countries are not passive victims awaiting rescue. They possess agency and are lifting themselves out of poverty wherever they have the freedom to do so.

That is particularly true for women. Consider Bangladesh, which has seen a <u>dramatic</u> decline in poverty and positive change in women's lives. As London School of Economics' social economist Naila Kabeer <u>observed</u>: "It took market forces, and the advent of an export-oriented garment industry, to achieve what a decade of government and non-government efforts had failed to do: to create a female labor force."

Industrialisation has <u>increased</u> women's educational attainment and <u>lowered</u> rates of child marriage. According to Kabeer, it has also softened the social norm of *purdah* or female seclusion and improved the court system's responsiveness to women. "Garments have been very good for women," one factory worker told Kabeer. Her earnings had enabled her to escape her physically abusive husband. "Now I feel I have rights," she continued, "I can survive." Escaping poverty and achieving equal rights often go hand in hand.

"The concept of women's empowerment needs an immediate and urgent rescue from the clutches of the would-be saviors in the development industry," Zakaria concludes, powerfully. On that much, we can agree.

I also agree that political freedoms are vital, but we must not ignore the importance of economic freedom. The alleged damsels in distress in the developing countries are completely capable of rescuing themselves if only given that freedom to do so.

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