



# Debt and Women

Globally women bear the great responsibility of acting as central caregiver for their families. As mothers, wives, daughters, grandmothers, and aunts women see to it that sick family members are cared for, that water is gathered, that food is produced and children are educated. When the World Bank and IMF impose Structural Adjustment Programs on impoverished countries as conditions of loans or debt relief, women disproportionately bare the brunt of the consequences of these policies. Cuts to social services, privatization, trade liberalization and other free market reforms push women further into poverty and increase their work loads thereby jeopardizing the health and well being of all they care for.

## What effects do Structural Adjustment Programs have on Women?

Structural Adjustment programs or SAPs are economic reforms imposed on impoverished and heavily indebted countries as a condition of new loans and debt relief programs like the Heavily Indebted Poor Country Initiative. SAP's require countries to re-structure their economies to be more favorable to the international market. Trade liberalization, privatization and cuts to social spending are cornerstone reforms of SAPs.

- **Trade Liberalization:** Particularly in the agricultural sector, trade liberalization has a detrimental effect on women. In the Global South women produce between 60 and 80% of the food. Trade liberalization opens up agricultural markets in these impoverished countries to heavily subsidized thus cheaper agricultural goods. Most women farm on small farms that cannot compete with these cheap northern imports. Trade liberalization has also resulted in higher migration rate of men to urban centers in search of work. This leaves more women as sole providers for their families. When faced with the inability to produce food for subsistence and income, women turn to work in low paying, unsafe and exploitive factories in free trade zones. Women in these factories face constant sexual harassment, intimidation, unsafe work conditions, meager pay, high risk of repetitive stress injuries and much more.
- **Cuts to Social Spending:** When governments make cuts to social spending to meet budget requirements set forth by the World Bank and IMF women often have to make up for the loss to social services. Women and girls also lose the crucial ability to advance and grow personally and economically. Cuts to education spending and the increasing of the cost of education to the student's family often means that girls lose out. In countries where there are fees for education two thirds of the children who don't attend school are girls.
- **Privatization:** When health care services are privatized, health care becomes a "for profit" commodity. Rural hospitals are not profitable since most rural people do not earn enough to pay for medical care. The majority of people in impoverished countries live in rural areas, 60% are women living below the poverty line. Women as primary caregivers must shoulder the burden of this loss to medical treatment and preventive medicine. When a family member becomes ill the women will add caring for them to the already large workload. Without access to health services women also lose much needed pre-natal medical care. Privatization of water leads to higher costs to the consumer. When a family or area loses water service due to an inability to pay women have to devote more time to securing safe water for their families and household needs.

The burden of debt rests disproportionately on the shoulders of women. Formally women work as much as men but when informal and unpaid work is accounted for women's work makes up 70% of hours worked in the global economy. As social services are cut and trade liberalization reforms are imposed on impoverished nations by the World Bank and IMF, women must increase their workload to compensate. Or women turn to exploitive work in factories. This costs the family as now the woman has less time to spend on family and household matters. Further women are robbed of the valuable ability to further their own economic capability by losing out on educational and political opportunities as they have to spend more and more time seeing to it that their families don't starve.

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