

# 6 Women as Agents of Change



One of the great expectations people have of the transition to democratic governments and market economies in the region is the increased opportunity for citizens to participate in and benefit from a society of their own making. In a society that values equality, this requires the representative involvement of constituents at all levels and in all fields of decision making so as to ensure that people have a voice in the decisions which affect them and that the decisions taken are more well informed and therefore more effective.

In the international arena, there is a growing recognition that women's representative participation in decision making is a fundamental condition of women's equality and a hallmark of an inclusive society that values and capitalizes on the contributions of all its members. The 1979 UN Convention on the Elimination of All Forms of Discrimination against Women specifically requires states to promote women's equal representation in the formulation and implementation of government policy, women's equal access to employment and promotion opportunities, and women's equal participation in non-governmental organizations and associations. The Platform for Action of the Fourth World Conference on Women, held in Beijing in 1995, states that the equal participation of women and men in decision making strengthens democracy and promotes its proper functioning.

There is often an impression that women enjoyed a particular prominence under communism both in the workplace and in political life. The reality, however, was that men dominated in the decisive positions in government, the party and state enterprises. There were quotas for the representation of women in elected bodies, but this exercise was largely cosmetic, as the representatives were, in fact, appointed, and the bodies had little real power. The ideological promise of gender equality under communism went unfulfilled, as did the assurance of self-government and national sovereignty.

With national autonomy restored and cultural traditions revived, there is concern that, in some areas, a revitalization of pre-communist patriarchal values might stifle the voices of women. There is also a broader risk that during the transition women's interests will be subordinated to, rather than integrated into, national agendas for change.

The disintegration of Soviet control in the transition region has created a host of new frontiers – economic, political and social – and a multitude of new possibilities. Some observers are asking, however, whether equality of opportunity, including a meaningful role for women as agents of

change, will grow in the new ideological and economic spaces being created. Difficult features of the political and social topography in the transition region must be negotiated in order for women to increase their claim on this territory.

In the command-and-control environment of the communist countries, the vast majority of people were disempowered. There was little opportunity for women and men to participate in genuine decision making at any level or in any area of life. This was true in government, the workplace and social organizations and even in personal lifestyle decisions such as whether to buy health insurance or a particular piece of property or how to save for retirement.

Now, there is the challenge and the opportunity in these countries for women not only to aspire to decision-making positions at the top of society's institutions, but to build decision making and participation in institutions from the ground up – in families and communities, in local governments and the workplace. The meaningful representation of women at the pinnacles of economic and political power implies the existence of a power base which is well anchored.

This chapter explores the participation of women in decision making in the transition countries – in government and business, in the family and civil society. The impact of the transition on women has in many ways inhibited their capacity to participate in public life. Women across the region tend to face higher unemployment, lower real income, a gender gap in wages, loss of formal childcare supports, increased violence, and a deterioration in health.

However, women in the region have also demonstrated resilience and initiative in this unsettled environment. They have ably leveraged their flexibility and exploited social networks in their efforts to help themselves and their families survive the shocks of transition. The social resources and skills that women exercise at this immediate and intimate level are valuable building blocks for their increased participation in civic, economic and political life.

Section 6.1 examines the representation of women at the top levels of government and business across the region. Section 6.2 explores women's participation in local politics, non-governmental organizations and small business enterprises. Section 6.3 looks at avenues for women's increased participation at all levels of decision making in society. The Conclusion summarizes the findings and points to the need for more active measures to empower women as agents of change.



## 6.1 Women as Political and Economic Leaders

Each child should be able to dream of becoming the leader of his or her country. This pinnacle of aspiration means that every other position of authority and decision making is also accessible. Boosting the representation of women in decision making at all levels of government raises the chances that girls will believe they, too, can eventually have a say.

When government is truly representative of the society it serves, its decisions will also fully serve society. For example, if more women are involved in decision making, this may result in more family-friendly policies because of women's primary responsibilities for children.

However, experience shows that women have to make up a sizeable proportion of any decision-making group in order to reach a "critical mass" and represent their unique priorities and concerns and become a genuine and effective voice for substantive change.

Compared to Western countries, the communist countries of Europe and the Soviet Union were quick to grant women legal rights and favour important attainments for them in employment, education, health care, and childcare. However, the socialist state also claimed control over the issue of gender equality. As in the case of many other areas, the politics of gender equality was suppressed, and there was little public discourse to shape and advance women's equality and a fairer sharing of power, including in the household. In effect, women were unable to exercise ownership over women's issues. Public discussion was monopolized by official ideology.

### Women in national politics

The communist legacy in the representation of women in politics must also be overcome. The former governments featured "elected" parliaments, but all candidates were designated by the ruling communist party. In this system, quotas ensured seats for women, but little power for them. The highest share of women "elected" to parliament was 34 percent – in Romania under the dictatorship of

Ceaușescu. In reality, women were picked to fill the "workers and peasants" quotas as well – killing two political birds with one stone – and were rarely "re-elected". The real power remained with the male-dominated "nomenklatura".

The token representation of women in public life is well illustrated by a biting description referring to Albania. "Women were often seen on platforms at solemn meetings, serving the same function as the potted plants – decoration."

Real power was held by the communist party. Though women did have the formal right to belong to the highest organ of the party – the political committee, their participation in this top body never exceeded 5 percent in any country during the 1960s and 70s. In 1989, there were no women on the political committees of the USSR, Czechoslovakia and Bulgaria and only two women of the 15 members in Hungary, two of the 16 in Poland, and two of the 21 in Romania.

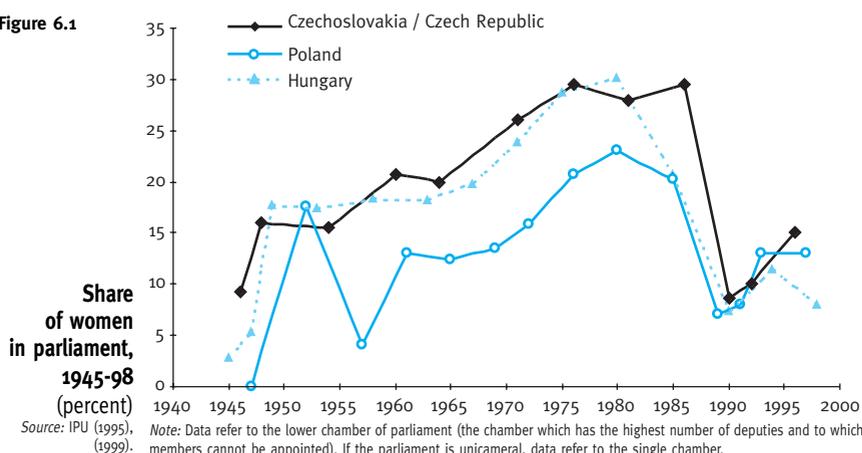
Under communism, civil institutions were limited because the state did not tolerate free association among citizens. Social, political and economic change was usually initiated by the party. Civil associations, such as youth groups, were often supplanted by state-sponsored and state-controlled organizations. There was also little incentive to form interest groups since the authorities were not democratically elected and therefore were not accountable to the people.

With the introduction of democratic multi-party elections, the number of women in national parliaments has been drastically reduced across the region. Partly this is the outcome of the abolishment of quotas for women in elected bodies. Figure 6.1 clearly illustrates the effect of political liberalization on the representation of women in Central Europe, where democratic elections first took place. At the outset of transition, the share of women elected to parliaments plunged from 23-30 percent to less than 10 percent in Poland, Hungary and Czechoslovakia.

Recent experience indicates that women who engage in political competition have less chance than their male colleagues of being elected. In the 1998 elections in Hungary, women made up 14 percent of the candidates, but won only 8 percent of the seats in parliament. The lower success rate obviously discourages women from participating and political parties from backing them. This pattern is also evident in Southeastern Europe. In Bulgaria in 1990, for example, almost 12 percent of the candidates to the national assembly were women, but less than 9 percent of the members were women.

However, observers agree that women elected in the new democratic parliaments are involved in politics in their own right, and the

Figure 6.1



## Box 6.1

### Women in politics and child welfare: the case of the Nordic countries

The Nordic countries – Denmark, Finland, Iceland, Norway, and Sweden – stand out among the nations of the world for both their strong social welfare policies and their significant representation of women in parliament.

The Nordic countries are widely regarded as progressive and committed to social justice and equality. They are characterized by high levels of women's participation in the labour force: around 85 percent for women aged 25-49 in 1996, compared to an average of 71 percent in the 15 countries of the European Union (which includes Denmark, Finland and Sweden). They also exhibit a relatively high proportion of part-time work among women (except in Finland): 45 percent in Norway, 40 percent in Sweden and 35 percent in Denmark in 1996, compared to an average of 32 percent in the EU (with shares below 20 percent in countries such as Greece, Spain, Italy, or Portugal).

A UNICEF study exploring convergence and divergence in child welfare indicators in the EU shows that, in the 1990s, the Netherlands and the three Nordic countries which belong to the EU have the lowest under-5 mortality rates and the lowest share of births to 16-year-olds. The proportion of children living in poverty in Denmark (5 percent) is by far the lowest in the EU, where the proportion is a two-digit figure in all non-Nordic countries.

Many factors have been put forward to explain the egalitarian and social welfare model of development in the Nordic countries. One is related to economic development. Rapid growth in the 1950s and 60s and a high demand for labour caused a massive shift of women from the household economy to the paid labour mar-

ket. Since the late 1960s, the welfare state has, in effect, taken on both some of the traditional male role of economic provider and some of the female role of childcare provider. Women, in turn, have become the premier client group of the welfare state not only as parents, but likewise as paid state employees. Indeed, the labour market in the Nordic countries is highly segregated by gender, and the state remains a primary employer of women, despite a reduction in public expenditures during the economically troubled 1990s.

The Nordic countries are rather small in population and relatively homogeneous ethnically, making it easier for society as a whole to share and embrace similar values, including those around gender equality. This homogeneity also renders the job of the state more straightforward, and the state has long played an active role in the economy and in society in these countries. Most importantly, citizens have viewed the state positively, an important element for the success of progressive policies.

It appears that the high levels of women's participation in Nordic society is the result of a virtuous circle. To begin with, the strong tradition of social solidarity mitigates against sharp disparity among population groups, including women and men. The state, in turn, promotes gender equality, both as governor and as employer. Progressive public policies resonate strongly with the values of citizens, thereby reinforcing the cultivation of an environment of equality in the daily lives of people. This means not only that there is a sympathy between government and citizens, but that the cycle of adjustments required to reach equality is self-perpetuating.

lower share may therefore be more credible and effective than the mandatory high numbers of the past. Figure 6.1 also shows an encouraging upward trend after the initial drop in the number of women elected, with the exception of a sharp fall in Hungary after the 1998 elections.

In the West, the Nordic countries have led the way with a consistently high representation of women in parliament. (See Box 6.1.) This is the fruit of progressive attitudes and of voluntary quotas applied by political parties for their own candidates. After 1998 elections, the Netherlands and Germany joined the ranks of the Nordic nations among countries with women making up more than 30 percent of the members of parliament.

Figure 6.2 reports trends in the percentage of women parliamentarians in OECD countries. It must be emphasized that there is no uniform pattern in OECD countries. At present, the shares range from lows in Japan (less than 5 percent) and Turkey (below 3 percent) to Sweden (more than 40 percent), with the highest share in the world.

Although the figure shows a definite upward trend, progress has often not been smooth. For example, the 1997 victory of the Labour Party in the United Kingdom doubled the proportion of women parliamentarians to 18 percent. Though commitment to women's representation

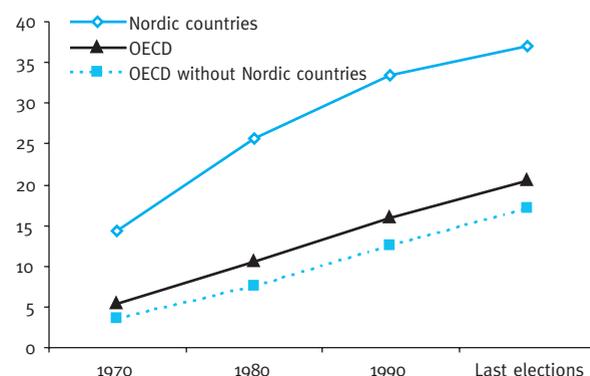


Figure 6.2

**Women members of parliament in OECD countries, 1970-98 (percent)**  
Source: IPU (1995), (1999).

Note: Averages exclude Iceland for Nordic countries and, for OECD, exclude countries which have become members in the 1990s. See also note to Figure 6.1.

is most frequently associated with left-wing and liberal political parties, the 1996 right-wing coalition in Spain raised the share of women parliamentarians by one-third, bringing the proportion to a noteworthy high of 24 percent.

A comparison between Figure 6.2 (where separate blue lines show the women's share of parliamentary seats for Nordic countries and non-Nordic OECD countries) and Figure 6.1 reveals an interesting parallel. While, before transition, the share of women deputies in the Central European communist countries followed the numeric pattern of Nordic countries, after the fall of communism the ratios of women appear similar to the non-Nordic OECD average. In the Czech Republic and Poland, the proportion of women who won in the last elections (15 and 13 percent, respectively) is higher than in Italy (11 percent, 1996), France (11 percent, 1997), or the US (12 percent, 1996).

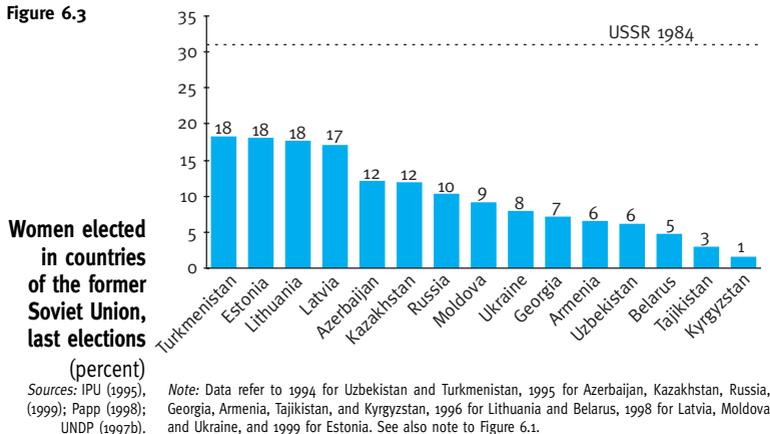
In the former Soviet Union, the significant decrease in the number of women parliamentarians began with reforms instituted by Gorbachev in the 1980s. In the 1989

elections, quotas were partially lifted, and the share of women deputies halved, falling from 31 percent in 1984 to 16 percent. Figure 6.3 shows the results of the last elections in the Baltic and CIS countries. The Baltic countries are all at the top, with 17-18 percent of parliamentarians being women. The western CIS countries are in the middle or the lower half of the spread. The highest rate in the entire region – slightly more than 18 percent – has been noted in Turkmenistan, where there is only one political party represented in parliament; the lowest rate – 1 percent – has also been reported from a Central Asian country, Kyrgyzstan.

There is some evidence that in the countries of the former Soviet Union, women also have less chance than men of winning a free political competition. In 1996, in Lithuania, a country with a high number of women parliamentarians, women made up 20 percent of candidates, but only 17-18 percent of those elected. Box 6.2 looks at three countries to cast some light on the attitudes of people towards women in politics.

Political parties are a crucial part of the new civil society in the region, but they are no exception in terms of gender inequity. Women usually make up a smaller share of party members than men, and the representation of women on party executive committees is invariably less than their share in the membership. In Hungary in 1992, for example, women made up 25 percent of the membership, but less than 5 percent of the executive of the Hungarian Democratic Forum, which led the coalition government after the first democratic elections. The same was true of political parties in Slovenia, where in 1998, for instance, women constituted 60 percent of the membership of the Christian Democrats, but accounted for less than 20 percent of the leadership positions. This unwritten, but common practice discourages the active participation of women in politics by limiting their potential,

Figure 6.3



## Box 6.2

### Public attitudes towards women in politics: Lithuania, Poland and the Czech Republic

Public opinion polls from the region reveal that people are generally supportive of a greater role for women in politics, although there is a clear gender difference in attitudes. However, neither women, nor men show much support for compulsory measures to raise participation by women in political life.

A public opinion poll carried out in Lithuania in 1994 found that only 28 percent of women and 18 percent of men believed women should participate more in politics. Yet, the majority of respondents also did not feel that greater representation by women would lead to a deterioration in economic and political decision making. Indeed, they even felt it might result in improvement in some areas, such as health care. The major obstacle to women's greater participation in politics was seen to be their family commitments.

In Poland, 50 percent of women and 28 percent of men surveyed in 1997 did not agree with the statement that men are more well suited to politics than women. A random sample of 1,000 people found that almost 60 percent of men voted only for male candidates; a pattern followed by less than half of the women respondents.

In the Czech Republic, survey respondents in 1998 cited tradition and family commitments as important factors inhibiting a larger political role for women. Almost half thought that men "do not let [women] in" politics or claimed politics was a hard or dirty job unfit for women. One-third of the respondents believed women were less assertive than men. Still, two-thirds said women were insufficiently represented in political life.

thereby perpetuating a cycle of inequality: if women are unable to acquire leadership experience they will remain less likely to become elected leaders.

Imposed quotas are a discredited strategy in these former communist countries, but there is pressure for proactive measures by government to promote gender equality in politics. In Russia, it is being debated whether the law on equal opportunity should authorize the imposition of quotas among all elected posts. The deputy speaker of the Senate in Poland, a woman, told the UN Status of Women Commission that all democratic countries should have a law requiring equal gender status in order to surmount existing barriers like gender stereotypes and traditions within political parties. The law would mandate a parity threshold whereby no fewer than 30-40 percent and no more than 60-70 percent of elected positions would be held by each gender. There are political parties in a number of Western democracies that have voluntarily adopted such balancing mechanisms for their own candidates – a positive measure arguably quite different in spirit and outcomes from the quota system of the communist governments since it has been generated from the bottom up within the parties.

### Women's low share of senior government posts

It is one thing for women to be elected to parliament and another for them to rise to senior decision-making positions such as cabinet minister, deputy minister or secretary of state. Table 6.1 reports the proportion of women in top government jobs across the region and compares this to the average for OECD countries. (Once again, the Nordic countries stand out, with more than 20 percent women ministers on average and with Finland and Sweden above 30 percent.) The representation of women among top government decision makers is low in the transition countries.

In 1996, in only four countries (Slovakia, Croatia, Latvia, and Kyrgyzstan) did women make up more than 10 percent of government ministers, and only Slovakia was close to the OECD average. In nine countries (including Estonia, Lithuania and the Czech Republic), there were no women ministers in 1996. (Even in Latvia, there were no women in the first two cabinets formed after independence.) In Hungary, after the 1998 elections, there was only one woman in the cabinet.

Women ministers can shape decision making, but can also act as important role models in society. Adding the shares of women in sub-ministerial positions – deputy ministers, secretaries of state and their deputies – gives a statistically more positive picture of women's presence in government decision making across the region. Figure 6.4 presents the share of women, by sub-region, among all senior government positions (also see the last column in Table 2.1) and, for comparison, shows the Nordic and non-Nordic OECD averages.

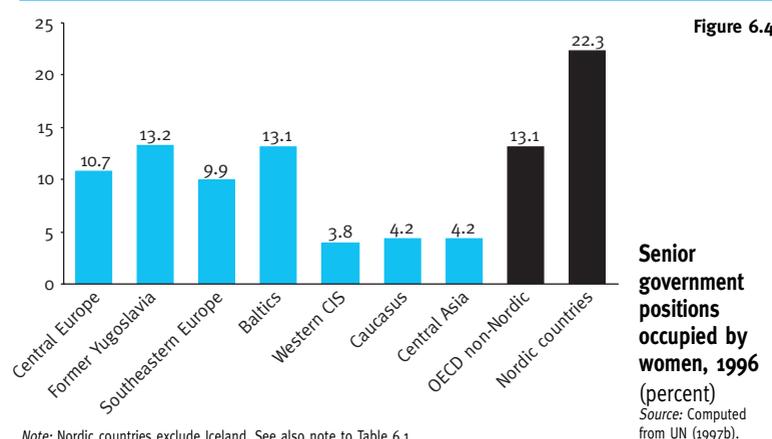
The gap between Central and Eastern Europe and

**Table 6.1**  
**Senior government positions occupied by women, 1996**  
(percent)

	Ministerial level	Sub-ministerial level	Total
Central Europe	7.2	11.4	10.7
Czech Republic	0.0	12.6	10.6
Slovakia	15.0	15.7	15.6
Poland	8.3	10.1	9.8
Hungary	5.6	7.1	6.9
Former Yugoslavia	7.0	15.8	13.2
Slovenia	9.1	19.7	16.9
Croatia	11.5	21.1	19.0
FYR Macedonia	8.7	25.0	20.0
Bosnia-Herzegovina	0.0	4.6	2.8
FR Yugoslavia	5.9	8.7	7.3
Southeastern Europe	3.4	11.4	9.9
Albania	5.3	14.0	11.8
Bulgaria	4.8	16.2	14.6
Romania	0.0	4.1	3.3
Baltic States	3.7	14.2	13.1
Estonia	0.0	16.8	14.3
Latvia	11.1	19.0	17.6
Lithuania	0.0	6.8	7.3
Western CIS	1.9	4.7	3.8
Belarus	5.3	7.0	6.6
Moldova	0.0	7.0	4.3
Russia	2.4	2.6	2.6
Ukraine	0.0	2.2	1.7
Caucasus	2.6	4.8	4.2
Armenia	0.0	2.9	2.1
Azerbaijan	7.7	6.9	7.1
Georgia	0.0	4.7	3.4
Central Asia	4.5	3.5	4.2
Kazakhstan	2.6	1.7	2.1
Kyrgyzstan	10.5	12.0	11.4
Tajikistan	3.7	3.9	3.8
Turkmenistan	3.1	0.0	2.2
Uzbekistan	2.6	0.0	1.3
OECD	16.8	13.8	14.6
Nordic	33.1	19.0	22.3
others	13.5	12.8	13.1

Source: Computed from UN (1997b).

Note: Regional values are unweighted averages. Ministerial level positions refer to ministers or equivalent positions. Sub-ministerial level positions refer to deputy or assistant ministers or equivalent, secretaries of state or permanent secretaries or equivalent, and deputies of state or directors of government or equivalent. OECD does not include countries which have become members in the 1990s. Nordic excludes Iceland.



Note: Nordic countries exclude Iceland. See also note to Table 6.1.

the three CIS sub-regions is clear. Unlike Central and Eastern Europe, all CIS sub-regions and most CIS countries fall far below the non-Nordic OECD average. In Russia, Ukraine and Uzbekistan, the first, second and fourth most populous countries in the entire region, the share of women in senior government positions is strikingly low. (The averages do obscure the fact that the ratios in Bosnia-Herzegovina and Romania, both around 3 per cent, are more in line with the CIS countries than with Eastern Europe and that Kyrgyzstan, with a relatively high share, stands out in Central Asia.)

There seems to be no statistically significant relationship in the transition countries between the proportion of women in parliament and the representation of women in senior government positions. (There also appears to be little association between rates of female labour force participation and women's presence in top government posts.) Kyrgyzstan, with a relatively high share of women in senior government positions (11 per cent), has a low proportion of elected female deputies – 1 per cent in one chamber and 5 per cent in the other. In Kazakhstan, by contrast, the proportion of women in parliament almost doubled, from 7 per cent in 1990 to 13 per cent in 1995, but representation in top posts remained slim. In the Baltics, Lithuania has a high percentage of women deputies, but a low share of women in government decision-making positions.

The link between women's share among legislators and senior government positions is stronger for OECD countries (correlation coefficient = 0.45, compared to 0.06 in the transition region). This may be explained by the fact that in OECD countries there has been a steady (although non-linear) growth in the numbers of women parliamentarians in the last 50 years, and this process has created a stronger precedent for the attainment of government positions by women. Hopefully, the transition countries will not take such a long road to fairer representation for women.

Overall, there has been little vocal demand for increased political participation for women, and even some women politicians have claimed that, because of the transition crisis, this is not an appropriate time to deal with women's issues. In 1990, the Czech ambassador to the UN, a woman, said "feminism is a flower on democracy"; in other words, a stable democratic system must be in place before issues of women's equality can be addressed. Nonetheless, women's equality might be more solidly integrated into the foundations of a developing democracy. Yet, as some commentators note, the political transformation promised by transition has so far built upon, rather than levelled, existing gender inequality.

Women also appear to have lost ground during the transition in another important area of public leadership: the judiciary. In Kyrgyzstan, women held 31 per cent of the positions in the justice system in 1985, but only 8 per cent

a decade later. In Moldova, there were 13 women judges on the Supreme Court in 1990, but only seven in 1994. Not only are these posts prestigious, but judicial decisions affect the political, economic and social life of a nation. The influence of the judiciary is bound to grow in the newly democratic societies of the region, and it is important that women be represented equitably in these centres of influence. Similarly, women are poorly represented in top positions in foreign affairs and international relations. Moldova, for example, has no female ambassadors.

### Women in top economic positions

A role in high-level economic decision making is as important to women's participation in society as is equitable representation in political bodies. Leaders in business and industry help set the direction of economic policy and development and are part of the power elite in any country; there is often an overlap and career interplay between top economic and political positions. Economic leaders include the executives of national public bodies dealing with economic matters, senior managers of enterprises, senior managers of international and regional financial institutions, and the leaders of trade unions and professional and business organizations.

Women's low representation in key economic positions under communism more genuinely reflected their lack of influence in decision making than did their share among parliamentarians and in other government bodies. Women directors at large state enterprises were rare. In Hungary in the mid-1980s, for example, almost 90 per cent of top managers were men. Women managers tended to have positions in sectors of lower strategic importance (where women were often over-represented among employees, such as in retail trade, hotels and restaurants, and the textile industry).

Available evidence suggests that men have preserved their dominance in key economic decision-making positions during the transition. Women make up the majority of public-sector employees, but are scarce at senior levels. In the Czech Republic in 1997, only 7 per cent of the directors of state-owned enterprises were women. Much of the new private sector in the region consists of former state enterprises that have been privatized. A sample of directors of large private organizations and companies in the Czech Republic found a ratio of one woman to every 10 men (with women earning on average 63 per cent of the salary of their male colleagues, pointing to further male advantage). In Russia, almost half of the women managers are employed in retail trade and in the hotel and restaurant industry, but even in these sectors women account for only one-fourth of the managerial posts. Box 6.3 presents one possible explanation for women's low share of top decision-making positions: gender stereotyping that acts as a powerful invisible barrier to women's upward mobility.

## Box 6.3

### Gender stereotypes limit women's potential

*Managers have to be aggressive to succeed; women are not aggressive by nature: therefore, women cannot succeed as managers.*

Stereotypes and the exclusionary logic that goes with them are so commonplace, they usually go unnoticed and, so, unchallenged and unchecked. The stereotype described above demonstrates how narrow definitions (in this case, of both managers and women) can lead to seemingly logical – but actually flawed – conclusions. In this example, the stereotype puts limits not only on the participation of women in management, but on the styles of management available as well.

Stereotypes affect women's aspirations and self-image and promote a biased evaluation of their actions and capabilities, thus confining the opportunities and potential of women. Such thinking is an extremely powerful barrier to women's access to decision-making positions.

Women in politics typically endure more public scrutiny stemming from stereotypes. Their physical

appearance and family status and private relationships are referred to more frequently by commentators, factors often ignored for male candidates. The effect of these comments is to undermine women as serious political representatives. In an interview with Radio Free Europe/Radio Liberty in December 1995, Irina Khakamada, one of Russia's most well known women politicians, said that women in politics are subject to discrimination and, to succeed, are required to be "stronger and cleverer" than men. Women parliamentarians in Romania complain they are not taken seriously by male colleagues and that their speeches are received with scorn.

One of the most effective ways to counter stereotypes is to give prominence to role models, that is, individuals whose stature and accomplishments successfully challenge pre-conceived labels. It is crucial that role models be held up to view and receive attention. Expectations greatly influence outcomes. If girls and women and men and boys believe that women can participate in the highest levels of decision making, this will happen.

Women in the region have been, in some ways, in a good position to benefit from the economic liberalization of the transition. They are not only educated and experienced in the workplace, but are concentrated in fields of study and business with strong growth potential. Still, men have often been able to leverage their advantages under the old economic system to their profit in the new marketplace, entering the more promising professions and occupying top-level posts. In Russia, the share of women employed in sectors of the economy where the pay prospects have improved with marketization – trade, credit and financial institutions, insurance, the hotel and restaurant industry – shrank by 15-17 percent between 1990 and 1996. (This did not happen in all countries. For example, in Romania during the same period, women maintained their share of employment in financial, banking and insurance services.)

It is generally difficult to find internationally comparable data on the gender distribution of high-level economic managers in the region. Figure 6.5 offers some statistics from the region and a few Western countries using the International Labour Organization's ISCO-88 definition of "legislative, senior official and manager posts". This definition embraces occupations in which decision making constitutes a major part of the job activity. Although countries do not necessarily consider such positions in the same way, broadly speaking this classification

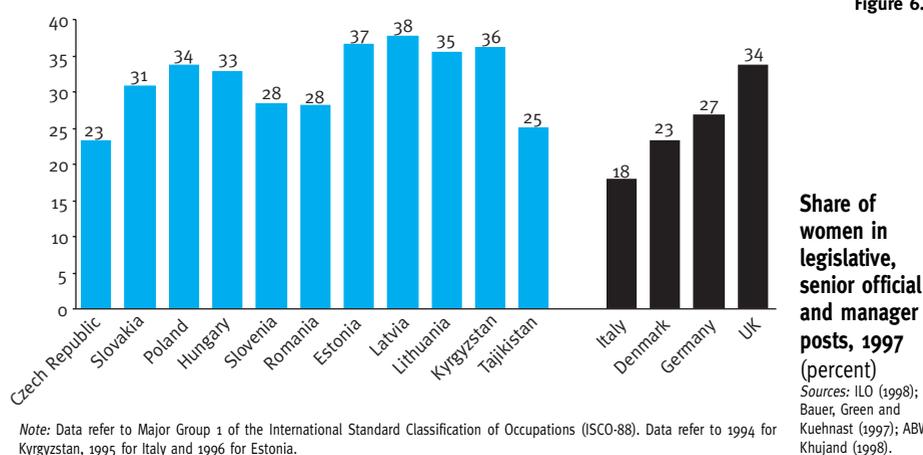


Figure 6.5

Share of women in legislative, senior official and manager posts, 1997 (percent)  
Sources: ILO (1998); Bauer, Green and Kuehnast (1997); ABW Khujand (1998).

covers all persons with managerial responsibilities: according to data, about 3-7 percent of the workforce.

Several conclusions may be drawn from Figure 6.5. First, although the ratios show variance, the overall situation of women within the wider pool of business and public service decision makers compares favourably with that in the West. Poland, Slovakia and Hungary have relatively more female managers than Germany (although the Czech Republic has fewer); the three Baltic countries have more than Denmark or the UK; Slovenia, Romania and even Tajikistan have more women in this broadly defined decision-making position than Italy. There are hardly any data on the extent to which these gender ratios were different pre-transition (as most countries shifted to the ISCO-88 definition after several years of transition). In Estonia, the Czech Republic and Hungary some erosion

### The glass ceiling: invisible barriers to women's upward mobility

The “glass ceiling” is a term coined in the 1970s to describe the invisible matrix of attitudinal and organizational prejudices that keep women out of top jobs. In the 1990s, it has been joined with the term “glass walls” to describe the gender bias that confines to less strategic and, therefore, less important areas those women who do become senior managers.

It was assumed that, once women had the same education, experience, abilities, and career ambitions as men and had entered the same fields, they could rise up the workplace ladder in the same way as men. In fact, the ascent of women to the top jobs has not been easy. Research shows that, when all else is equal, women are still heavily under-represented in senior positions. In the absence of obvious barriers that they can identify and set out to overcome, women have said that they feel like they have come up against a “glass ceiling” – invisible and seemingly impenetrable.

The term illustrates well that the obstacles preventing women from attaining decision-making positions are often non-explicit and, therefore, hard to challenge formally or informally. These obstacles may consist of the sheer prevalence of men in the ranks, unwritten rules, traditions and codes of conduct, the cumulative effect of years of networking, and long- and strongly held views about the appropriate roles for women and men in society.

In the West, more direct efforts are being made today to promote the rise of women up the ladder in both the public and private sectors. At the same time, in the 1990s significant numbers of women executives and women on the executive track have decided to leave organizations to set up their own businesses. Women's entrepreneurship seems particularly strong in North America: according to some reports, for example, women are now starting 1,600 businesses in the US per day, twice the rate among men.

seems to have occurred in women's relative status; in Slovakia, Slovenia and Romania data for 1993-94 imply some recent improvement.

Second, it is also clear from a comparison of these data and the low ratios at the very highest ranks of political and economic leadership that women do have a relatively stronger position at lower levels of the economic decision-making ladder (including top positions in mid-sized firms and small enterprises); even in countries where this share is smaller, the gender balance seems more equitable at middle levels of decision making than at top levels. Moreover, women in many transition countries appear

to have an equal or stronger position than men in the next rung down in the ILO classification system – the “professionals”. For example, half of all professionals in Romania are women, two-thirds in Slovakia, and 70 percent in Lithuania.

These positions – either already shaping decisions even if mostly at lower levels, or close to the key decision makers – provide a substantial base from which women can chip away at the “glass ceiling” that keeps them from top jobs (see Box 6.4) or, alternatively, gain the experience they need to become heads of their own businesses. ■

## 6.2 Women's Participation in the New Civil Societies

Decisions about development in democratic countries are not taken solely by top-level political and economic leaders. They are also shaped by civil society, including lower level administrators, entrepreneurs, households as economic actors, special interest groups, trade unions, social movements, non-governmental organizations (NGOs), and the news media.

Experience shows that a strong civil society can provide a sound foundation for economic and political development in the transition countries. How women participate in this process is vital for women's well-being and, no doubt, for the success of the transition itself. Just as participation in local politics and NGOs can help women develop political and social power, the acknowledgement and cultivation of women's work in the household economy and small entrepreneurship can help establish a broad base of economic power.

### Women in local government

Democracy is new in much of the region, but where data are available they show that women are consistently more well represented in local governments than in national governments. (See Figure 6.6.) There are many reasons for this greater success, not least of which may be that local politics is literally closer to home. Women may be more likely to participate because it is easier to combine family responsibilities with local political work, and issues tend to have a more immediate impact on families and their communities. The lower cost of local political campaigns means women can afford to compete more readily and political parties may be more willing to invest the smaller sums in women candidates. There is also evidence that the belief that politics is a tough business unsuitable for women may not extend to local government, perhaps

because this is seen more as a community activity. Local media may sometimes be less inclined to play up the gender angle in politics and more inclined to portray female candidates as individuals in the community.

In all but two of the 11 countries for which data are available, the proportion of women elected to local governments is higher than that of women elected to national parliaments. In Latvia, the share of women in local councils is about 40 percent, more than double that in the national parliament. The difference is also great in Hungary, Bulgaria and Moldova. In Romania and Azerbaijan, the proportion of women elected to local governments is slightly less than the success rate of women in national elections.

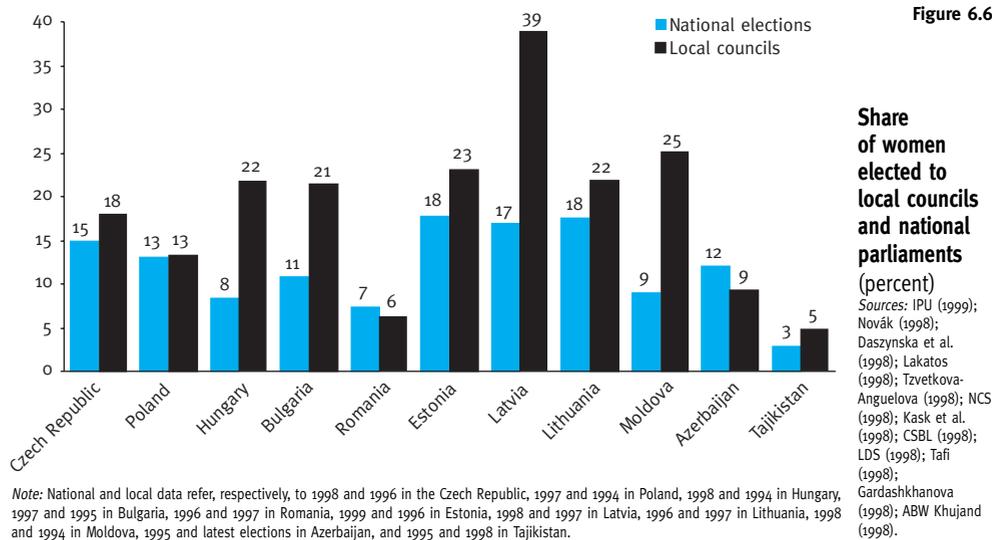
The high share of women elected to local bodies in many countries is especially significant because, during transition, countries are moving away from the heavily centralized governments of the communist era. Local governments are becoming more and more responsible for the provision of public services, such as education and social care, though the economic recession accompanying transition has left many of them with few resources. Indeed, local governments have often been put on the frontline of the transition crisis in that they have been given the responsibilities but not the resources to provide public services. The vigorous participation of women in local politics is proof that women are intensely interested in taking up decision-making positions.

Data on the number of female mayors are less encouraging, underlining the continuing exclusion of women from top political jobs even at the local level. In Hungary, Bulgaria and Estonia, 10-13 percent of mayors are women (including the mayor of Tallinn, Estonia's capital); in the Czech Republic and Moldova somewhat less, and only 2-4 percent in Romania and Lithuania. In Russia, only one of 89 regional governments (that is, oblasts, republics, or autonomous districts) has a woman governor.

### Women in grassroots movements

Civil organizations are an indispensable part of democratic societies and constitute an increasingly powerful "third" sector that balances and acts in partnership with the public and private sectors. In almost all transition countries, political liberalization has encouraged the formation of NGOs, social movements, grassroots groups, and media organizations; the long-standing repression of autonomous civil associations has largely evaporated. The number of NGOs is growing in the transition region, filling the space left by the retreating state and fulfilling the desire for a civil society.

In today's world, civil associations are important



incubators for leadership and are becoming bodies of consequence in society. They are therefore major vehicles in which women can gain experience, build skills and exercise influence. In Western democracies, a broad-based women's movement has been the primary force in advancing women's equality, in part by putting and keeping equality issues on the public and political agenda.

Under communism, the state appropriated women's organizations and representation and turned the concept of the active promotion of gender issues into an empty, imposed ideology. This may explain the signs in the region that both women and men are disenchanted with the words "feminism" and "gender equality" and have even developed "an allergy to feminism". However, as an observer has noted, top women decision makers in Poland may eschew the label "feminist" and yet still act as advocates and role models of equality for women. (A backlash against the term "feminist" has also emerged in Western countries during economically troubled years.)

The distaste in the region for gender equality as a political concept raises an obstacle to the public discussion of women's rights. Still, a range of initiatives has sprung up to move beyond the communist women's associations which were frequently accused of poorly representing the political interests of women. One remarkable initiative is the Women's Party in Russia that gained 8 percent of the seats in the 1993 elections to the Duma. In the following elections, however, the party failed to pass the 5 percent threshold. Women's parties have also been created in other countries, for example in former Czechoslovakia, but none has gained political representation. In Western democracies, women's political parties are rare. Instead, equality issues have tended to be incorporated into the platforms of mainstream political parties.

For many countries, the Fourth World Conference on Women, held in Beijing in 1995, was a catalyst for the organization and mobilization of new women's groups and organizations advocating women's equality – fresh alternatives to discredited national women's organizations inher-

ited from the communist state. This UN Conference relied firmly on the promotion of NGO participation before, during and after the conference so as to make NGOs an effective partner in the conference discussions and outcomes.

The Beijing Conference also acted as a catalyst for the new governments of the transition countries, stimulating recognition of and action on women's equality issues. For example, in Latvia and Lithuania, the process of collecting data to be presented at the conference helped establish official national machinery to promote the improved status of women. Contact with Western academics has encouraged the creation of gender studies programmes at universities. Women have also been active in the establishment of their own business associations.

Table 6.2 presents the results of an inquiry carried out in 10 transition countries for this Report on the numbers and main focus of women's organizations in the region.

The range of issues serving as the focus of NGO activities is often quite similar across the region, with four prominent areas of interest: political concerns and rights, the promotion of business and professional activities, social services such as health care and education, and activism against violence against women and domestic abuse. There is, however, substantial variation in the strength and autonomy of the NGOs.

International and Western NGOs have been active in the region, especially in Central and Eastern Europe, starting projects and supporting the formation of local associations, notably self-help groups, hotlines and shel-

ters for battered women that deal openly with the problems of domestic violence and sexual abuse. In Poland in 1997, there were reportedly 73 women's organizations and informal groups, including six religious associations, eight research centres and six political groups attached to political parties or trade unions (where women are said to have a strong presence). In FYR Macedonia, 154 of the 271 registered NGO activists are women.

Women's NGOs are numerous in Russia, but appear to be less vigorous in other CIS countries. Established under Gorbachev in the 1980s in an effort to stimulate discussion and debate, many women's groups have continued to develop autonomously since transition. For instance, housing groups have grown out of neighbourhood committees. Women of Russia and the Free Association of Feminist Organizations and Independent Women's Fora are examples of umbrella groups which have emerged in the 1990s. Women are active in ethnocultural affairs. For instance, the International Women's Organization for Keeping and Developing the Culture of Turkic Nations was recently founded in Moscow. Women's business organizations are also becoming more active. In 1998 the Confederation of Businesswomen of Russia jointly organized a major conference, "Women and Management", with the International Institute of St Petersburg. In 1992, among women's groups, a "Group of Gender Expertise" of 15 independent experts was established within the highest legislative body of the Russian Federation.

In Ukraine, observers have been more sceptical of women's groups and the Women's Party in Ukraine, arguing that these organizations are isolated from each other and from the great majority of Ukrainian women and that they have failed to challenge prevalent patriarchal values and attitudes. However, some of the newly formed women's organizations also appear to have high numbers of members, which is a reason for optimism.

NGOs are often unregulated in the transition countries. This has meant that commercial businesses sometimes masquerade as not-for-profit organizations. Legislation and regulation are needed to define the differences between businesses and NGOs, so as not to discourage the growth of these important civic actors.

Given the history of oppression of associations of citizens in the former communist countries and the current economic problems in the region, the development of this sector has been modest. However, the emergence of women's groups is positive, as is the fact that governments do consult such groups on new policies and legislation. The challenge now is to promote and support the growth of these new and necessarily tentative

Table 6.2

**Women's non-governmental organizations in 10 countries, 1997-98**

	Estimated number	Areas of activity
Czech Republic	Unknown	Politics, social issues (education, refugees), health care, anti-violence, minorities, environment.
FR Yugoslavia	Unknown	Anti-violence, marriage issues.
Bulgaria	Unknown	Charity, family planning, legislative lobbying groups.
Romania	50	Women's equality, health care, education, professional groups, social issues.
Estonia	160	Politics, education, business interests, rural women.
Russia	600	Politics, education, health care, anti-violence, business interests.
Ukraine	70	Politics, social services (health care, anti-poverty), anti-violence, business interests, environment.
Georgia	43	Not reported.
Tajikistan	Unknown	Women's rights, health care, anti-violence, professional groups.
Uzbekistan	Unknown	Health care, education, anti-violence, professional groups, business interests, media, gender research.

Sources: Hendrichova and Kucharova (1998); Posarac (1998); Noncheva (1998); Zamfir and Zamfir (1998); Papp (1998); Kupriyanova (1998); Libanova, Makarova and Poznyak (1998); MEG (1998); ABW Khujand (1998); Marnie (1998).

beginnings. For example, grassroots women's groups are typically the first to address violence against women. The Crisis Centre for Women in Moscow responds to about 200 calls per month and also carries out media campaigns and public education, despite limited and fragile financial resources. The initiative of such NGOs should be matched with action by many other actors in society, including government and business.

### Women's participation in new private business

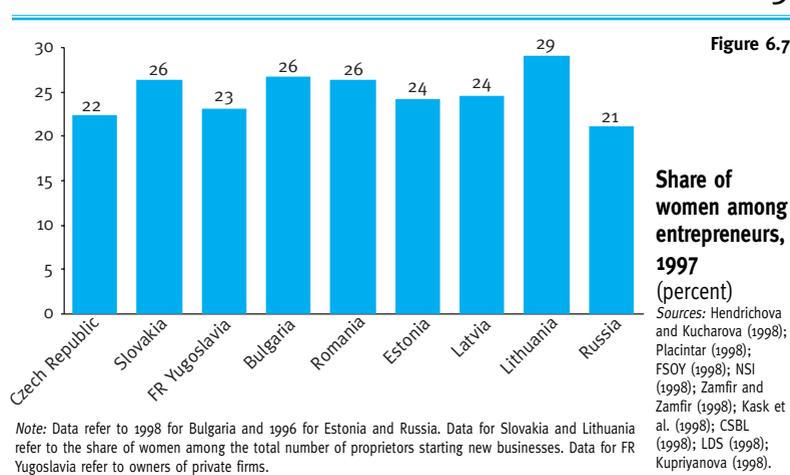
The creation of new private-sector businesses – rather than the often disappointing privatization process of state enterprises – has been the driving force behind the growing number of enterprises, improvements in labour productivity and much of the economic recovery in the “successful” transition countries. It is also evident from the data that women are less likely than men to be private-sector employees, self-employed or entrepreneurs. Still, there is now a significant block of women business owners in the region.

Figure 6.7 presents the share of women among entrepreneurs in nine countries from the region, showing that about one-quarter of all entrepreneurs are women. This is consistent with the share in many developed market economies: across Western Europe, women entrepreneurs head 20-30 percent of small and medium enterprises. The available data cover a range of concepts and activities. In Slovakia (26 percent) and Lithuania (29 percent), the definition covers founders and managers of new enterprises (small family ventures and big firms alike, though obviously most entrepreneurs run smaller firms). The Czech data (22 percent) refer to self-employed persons who have employees. For many countries the data simply refer to persons who are “employers”.

Enterprises are important engines of economic growth in the region, and women's ownership of businesses, no matter how big or how small, is an important form of economic decision making. The seeding and cultivation of women-led businesses represent an effective strategy for building the economy and supporting women's equality.

Entrepreneurial activities reflect risk-taking behaviour. The decision to start up a business can be prompted either by an entrepreneurial spirit, or by the more negative motivators of economic crisis and reduced employment prospects.

The mass collapse of former job, wage and career prospects at state enterprises has placed many families in a desperate situation. Despite the poor traditions, the meagre experience and the limitations on family assets that could help in setting up and financing an independent enterprise, venture, or farm, the economic crisis has generated a wide range of coping activities across the region. Many of these strategies, as Box 6.5 details, have remained within the household economy, but a substantial number of them has involved the creation of small independent enterprises, which, not infrequently, have



grown into medium-size businesses.

In established market economies micro-entrepreneurship is particularly important to women who have limited access to power through conventional employment, such as women who face barriers because of education, age, ethnicity, or rural residence. In the transition region, women's entrepreneurship has taken varied routes. In Kazakhstan, interviews with 100 women working in the Almaty wholesale and street trade in 1996 found that 52 percent had higher education, all but 2 percent had completed secondary school, and three-quarters had worked as professionals at one time. Most of the women interviewed also held regular jobs. In Kyrgyzstan, where economic reforms resulted in a significant economic shock, but also, in recent years, a more robust economic recovery, women with higher education are reported to be more likely than men with higher education to set up businesses and to focus on new technology enterprises such as copy centres and computer shops.

The biggest problem women often face is lack of access to credit. In Kazakhstan, for example, none of the women surveyed had received a bank loan, and many had been obliged to raise money from friends and family. In Lithuania, entrepreneurs cite lack of access to financing as their main problem, though this is only slightly more true among women business owners (85 percent) than among men (83 percent). In Western countries with long-established market economies, lack of access to credit is recognized as the biggest barrier to new businesses.

Women face particular obstacles to establishing and developing their own businesses. Women entrepreneurs may have good ideas, much insight into pent-up consumer demands and strong local networks, but they often lack business experience, training, capital, and influential connections in other organizations. They also still have substantial family responsibilities and may work in family businesses without direct compensation or much decision-making power. Women who do start businesses tend to have small enterprises. To support women as economic agents, there must be efforts to finance and otherwise encourage women-run businesses.

### Networks of women at the economic grassroots

Women in the transition region remain under-represented at senior levels of economic decision making, including in public and private enterprises. However, there is evidence of a groundswell of paid and unpaid, formal and informal work among women of the region that has the potential to enhance the economic opportunities for women at the grassroots.

While women may be under-represented in the suites in office towers, they are involved in an extensive layer of less visible economic activity that blankets the region – from making ends meet in the household to improving productivity on the farm or running a lively street stall. Women may end up in these activities because they find themselves out in the economic cold, but these activities nonetheless are an opportunity for women to build a power base that can increase their participation in decision making within the household, the community and the economy.

At the most basic level, women have played a central and distinctive role in economic survival during the transition. At the household level, women's coping strategies have required a mix of increasing income, reducing expenditures and borrowing. A project called the "Social Costs of Economic Transformation in Central Europe" has surveyed five countries and found that most households relied on a defensive approach for survival in the first half of the 1990s – cutting spending, bargain hunting, repairing instead of replacing appliances, household maintenance, and household food production. The next most common strategy was to attempt to raise income through extra work and the production of commodity goods. Since women spend substantially more time than men in household work and management, they have been more likely to take the initiative in devising strategies for household coping.

The pressing need to feed families has placed women in the trenches of economic development during transition, and they have drawn on the strength of their family and friendship networks to succeed. Women have used their social skills and networks to adapt strategies for household economic survival to the new economic environment of transition. Local studies suggest that, in both urban and rural areas, women have adapted to the exigencies of the transition by taking on

a "third burden" of household survival activities in addition to their double burden of unpaid household work and a paying job. Detailed qualitative studies in St Petersburg, for example, show it has been women who have made the essential connections in family and friendship networks that have resulted in the procurement of goods and services and in finding employment.

Women have also used their networking skills in urban kiosk-trading. One observer has noted that economic givens such as price, debt and profit have a different value in the context of these female-dominated networks in which social solidarity and mutual support often take priority over economic rationale, particularly in moments of conflict. It is also reported that women and men street vendors in Russia are viewed quite differently. The men are seen as profiteers who are out to exploit ordinary people and who undermine economic regeneration in the process. The women are seen as fair dealers who are compelled to trade because they must support their families or pay for the education of their children. In Kyrgyzstan and to a lesser extent in Kazakhstan, women have become prominent in the rapidly expanding informal "bazaar economy" and in the "shuttle tours" to import goods to sell at a profit, as Chapter 2 notes. Trips to neighbouring countries aimed at securing goods that are hard to obtain locally are estimated to yield US\$500-3,000 per trip in countries where the average annual wage income is less than US\$1,000. Middle-aged women, who are seen as less likely to be challenged by custom officials and less likely to drink or gamble away their profits, reportedly predominate in this type of commerce.

Women's cooperation is even more pronounced in rural areas, where women trade in "social capital" to improve the operation of small-scale agricultural production. For example, rural women have been primarily responsible for the intensification of production on small plots, assuring their own subsistence and frequently also that of urban relatives, as well as providing surplus for sale. Women have organized cooperative agricultural activities to tend the increasing number of cattle at pasture and to share responsibilities as production grows. In many countries, this intensification yields an impressive amount of agricultural output from a relatively tiny portion of the cultivated land.

## 6.3 Building Blocks and Ladders to Women's Success

The transition has been expected to expand the opportunities available to the people of the region, women and men alike. However, gender equality of opportunity has not flourished and, in some areas, has even diminished. Much undeniably remains to be done to build up civil

society and to cultivate an environment of gender equality in the region.

At its 39th session in March and April 1995, the UN Commission on the Status of Women discussed a series of general policy recommendations to help promote

women's equal representation in decision making. With regard to vertical discrimination, the commission recommended that the civil service set an example by promoting women to high ranks and that organizations:

- increase transparency in the selection for top posts;
- use gender-fair criteria, as well as affirmative action incentives;
- promote training in management skills;
- encourage the development of female networks.

With regard to horizontal discrimination, it recommended that organizations:

- encourage the recruitment of women in post-secondary business education through subsidies and quotas;
- promote training in management skills;
- encourage "mentoring" by senior women;
- promote credit programmes targeted at women entrepreneurs, including the provision of incentives to financial institutions to support credit programmes aimed at women.

These guidelines are clearly relevant to the situation of women in the transition countries. In particular, there is a tremendous opportunity in the region to adopt and adapt such initiatives and practices in order to cultivate women's equal participation from the ground up. Some basic building blocks of women's empowerment are already in place in the transition environment. From this foundation, ladders of access must be raised to enable women to move on to higher levels of decision making and more political and economic participation.

## Education and training

The importance of education to progress is evident in its inclusion, along with economic output and health, in the Human Development Index (described in Chapter 1). An investment in human capital through education and training is critical to improving economic productivity in the transition countries, especially in the context of the increasingly knowledge-driven world markets. Similarly, education for women represents a direct investment in the ability of women to participate in society, especially in decision-making positions. Although there are several pathways to power, in democratic countries education is the broadest avenue.

Fortunately, the transition countries have a legacy of good education systems for both girls and boys, and no evidence of a systematic gender gap at any level of education has appeared since the transition began. Tertiary education is especially important so that women can move

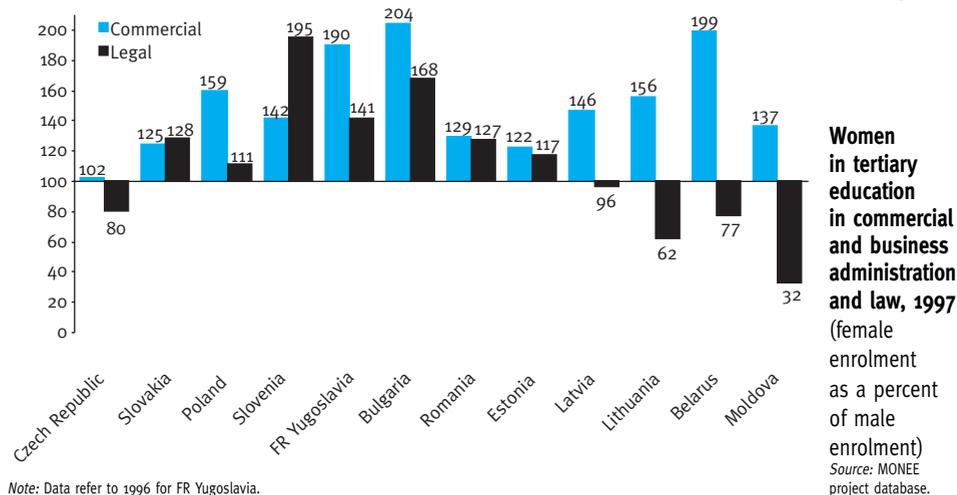
into positions of political, economic and social leadership, and enrolment rates have mostly risen during transition. As Table 7.5 in the Statistical Annex shows, the proportion of women in tertiary education grew or remained stable in all countries of the region with the exception of Kyrgyzstan, Tajikistan and Turkmenistan. The share is at or above 50 percent in 21 of the 27 transition countries and around 45 percent in two others.

As Figure 6.8 confirms, women tend to be well represented in fields common for senior decision makers, such as law and business administration. The diagram shows that in all 12 countries for which data are available female enrolment was higher – in several countries much higher – than male enrolment in commercial tertiary education in 1997. Overall, women had an advantage also in law studies, although here the picture is more mixed: in the Czech Republic, Lithuania, Belarus, and Moldova more men were enrolled than women. It is important to note that during the transition both disciplines have been much preferred by students, and enrolment has increased, often many times over. Therefore, young women have managed to maintain their high share in these areas of study despite a very competitive environment. This is very encouraging.

The gender distribution among business administration students is only slightly different from that in Western countries such as Sweden and the United Kingdom. However, the trends are somewhat opposite: in the West more women are entering the traditional male preserve of business studies; in the transition region the absolute numbers are rising for both women and men, but at times more rapidly for men in a field which, under communism, was dominated by women and was little valued.

## Government machinery

The Platform for Action of the UN Fourth World Conference on Women makes it clear that the state is crucial to the effort to advance women's equality through the development of "national machineries" for the advancement



of women. In the former communist countries, there may be an “allergy” to state intervention in general and to the imposition of “equality from above” in particular, but government agencies that promote equal opportunity among citizens are a legitimate feature of democratic societies. In other words, government has an essential role to play in building and maintaining a culture of equality in the nation.

The fact that a significant number of governments in the transition region have submitted national reports on the status of women in compliance with the UN Convention on the Elimination of All Forms of Discrimination against Women is a positive sign (see Chapter 1, Section 1.4). The participation of these national machineries in such an international milieu and in relevant conferences is important for the exchange of information – including information on best practices – and the reinforcement of commitments to progress in women’s equality.

The basic unit of a national machinery for improving the status of women is a central office or department within government with the mandate to coordinate the development of public policy so that a gender perspective is mainstreamed into all areas of public affairs. Such an office not only ensures that the needs and concerns of the half of the citizenry consisting of women are integrated into government laws, policies and programmes, but provides government leadership on women’s issues, works in partnership with other levels of government and civilian actors, and supports the activities of non-governmental women’s groups and equality-seeking organizations.

Since the collapse of communism in the region, existing mechanisms have evolved and new mechanisms have been established to monitor women’s issues. In Hungary, for example, a year after the Fourth World Conference on Women, an equal opportunities secretariat for women was created within the Ministry of Labour. Although agencies have been established in many other countries as well, an investigation in 10 countries (Table

6.3) found that in four of these countries there is still no government agency to promote gender issues.

To be effective, national machineries clearly require political will, legal clout and adequate resources. Moreover, only tight collaboration with civil organizations and dialogue among all relevant players – government, business, trade unions, religious organizations, political parties, women’s NGOs – can create an environment in which women are empowered.

### Promoting women’s ventures and small enterprises

Government and international agencies can play a crucial role in supporting women as agents of change by encouraging the development of small- and medium-sized enterprises in the transition countries. Women have established or own about one-quarter of the new businesses in the region – a promising start, given the newness of entrepreneurial freedom and the high-risk environment for small businesses.

The region has an historical deficit in small- and medium-sized enterprises (especially in consumer- and service-related fields). However, as recent experience shows, such businesses have become the spark plugs of new economic growth in Western countries. Because of the involvement of women as small-scale entrepreneurs, efforts to promote the development of small businesses in the transition countries could broaden women’s access to economic decision making and power.

The revitalization of economies in the transition region can be accelerated if support is offered to the new small-enterprise sector in general and to women in particular. Such investments would pay off in terms not only of gender equality, but of fresh approaches to business as well. While women entrepreneurs have much in common with men entrepreneurs, they may envision different business opportunities, structure business differently (for example so as to accommodate family responsibilities), have different aspirations for growth, and even have non-traditional business goals and operating practices.

The number of women who are managers and professionals in the transition region – relatively more than in many Western countries – shows that women stand out because of their strong potential as owners of new businesses. They therefore represent a good target for policies and programmes that aim to promote the growth of the small-business sector. Nonetheless, a survey carried out for this Report in 10 transition countries shows that public programmes promoting female entrepreneurship have been set up in only three of the countries (Russia, Romania and Estonia). In the other seven countries (the Czech Republic, Bulgaria, FR Yugoslavia, Ukraine, Georgia, Tajikistan, and Uzbekistan), no dedicated government programmes seem to exist to support the effort of women to engage in private economic activity.

Table 6.3

#### Equal opportunity agencies or ministry sections in 10 countries

	Special agency or ministry section (year)
Czech Republic	Special agency (1998)
FR Yugoslavia	No
Bulgaria	No
Romania	Ministry section
Estonia	Special agency (1996)
Russia	Special agency (1993)
Ukraine	Special agency (1996)
Georgia	No
Tajikistan	No
Uzbekistan	Ministry section

Sources: Hendrichova and Kucharova (1998); Posarac (1998); Noncheva (1998); Zamfir and Zamfir (1998); Papp (1998); Kupriyanova (1998); Libanova, Makarova and Poznyak (1998); MEG (1998); ABW Khujand (1998); Marnie (1998).

## Box 6.6

**Micro-credits targeting disadvantaged women**

Micro-credit programmes have become widespread as a development tool in the last decade, expanding greatly through the interest and involvement of international agencies. The underlying principle of empowerment is that it is better for the poor to have a chance to sustain themselves rather than being obliged to rely on charity.

In Central Europe, a tradition of credit unions has been reinvigorated by emigrant communities which are now helping to re-establish this type of member-driven financial institution in their home countries. In Central Asia, the economic crisis, the closure of state farms and the continued existence of centralized banking systems have prompted the creation of small-business financing associations sponsored by international institutions such as the Asian Development Bank.

Micro-credit or micro-finance entails not-for-profit organizations putting small-business loans into the hands of target groups whose credit needs are not served by regular financial institutions. Often banks do not supply this sort of credit because operational costs make small loans unprofitable or because borrowers are unable to provide collateral or proof of ability to repay. Borrowers may also find it difficult to deal with banks because of physical distance in rural areas or because bank procedures are inhibiting, for example, to poorly literate indi-

viduals. Micro-credit is available only upon approval of a business plan and, so, excludes consumer loans.

Micro-credit programmes also aim at the alleviation of poverty by sustaining farmers, self-employment and small entrepreneurship. Typically, in a rural context, micro-credit is made available to poor landless peasants and is tied to the agricultural production cycle. The most well known micro-credit scheme is the Grameen Bank of Bangladesh, which serves about two million landless villagers, 95 percent of whom are women, and has a remarkably high debt-recovery rate of 98 percent. Targeting women is particularly important because women usually have less access to resources and must bear full responsibility for child-rearing. Targeting poor women thus helps alleviate poverty among children.

A recent UN report states that,

“many micro-credit programmes have targeted one of the most vulnerable groups in society – women who live in households that own little or no assets. By providing opportunities for self-employment, many studies have concluded that these programmes have significantly increased women’s security, autonomy, self-confidence and status within the household.”

Much time, pressure and public leadership have also been necessary in many Western countries before financial institutions have begun to respond to the banking needs of small businesses. For example, the legislative mandate of the Business Development Bank of Canada, wholly owned by the Canadian government, was amended in 1995 to focus on supporting small businesses and targeting particular groups of entrepreneurs, including women. Studies have concluded that many micro-businesses and a majority of unincorporated or home-based businesses do not fit conventional loan models. (Research has also found that women-owned businesses pose no special risk of financial difficulty.)

Experience in established market economies demonstrates that women’s initiatives are also crucial in

this area. An example is offered by Mama Cash, an independent women’s financial institution which was set up in the Netherlands in 1983. Among other services, it provides advice on drafting business plans and gaining access to credit; it offers to act as guarantor for half of the loan made by a commercial bank to a female entrepreneur, and it cosponsors a “mentorship” programme with an association of experienced women entrepreneurs.

In many countries, a variety of innovative programmes has been developed in recent decades to help women overcome systemic barriers to entrepreneurship, especially obstacles to financing. Not infrequently, micro-credit schemes target disadvantaged groups of women (Box 6.6). ■

## 6.4 Conclusions

The transition is about change – the deep and wide-reaching transformation of social, political, cultural, and economic life in the 27 countries of Central and Eastern Europe and the former Soviet Union. The best-case scenario for human development holds that women, representing more than half of the population of the region, must be fully empowered as agents of this change. One of

the great political lessons of the 20th century is that one community of people cannot adequately represent the interests of another community, no matter how sincere their intentions, no matter how concerted their efforts. Such is the case with the rich and the poor, one ethnic group and another, the developed and the developing nations. And such is the case with women and men.

Women are the best able to espouse their own interests, and the whole of society is more effectively served if all its constituents are equitably represented in the processes of change and decision making.

Under communism, the voices of most women and men were not heard. The state and the party were the only sanctioned agents of change. During the transition, the voices of women have not been heard adequately, but there are significant building blocks in place to promote women's participation. The share of women in national parliaments has dropped substantially across the region – from the 30 percent or so imposed by quotas under communism to somewhere between 4 and 14 percent in most countries. Although these shares are low and fall far short of a representative “critical mass”, it can be argued that, unlike the women selected under communism's quota system, the women now serving are genuine political representatives of their communities. Women have enjoyed significantly better success in getting elected to local governments, which are not only important platforms for effecting community-oriented change, but a meaningful base from which women can expand their political power.

Pro-active measures are clearly necessary to increase the awareness of gender discrimination and to provide instruments for the promotion of women's participation in politics. Still, considering the historical context, caution is needed in the application of rigid quotas in political bodies and public administration. A combination of public and private pressure – from ordinary citizens and NGOs, business associations and business leaders, governments and international organizations – seems to deliver more lasting results. A strategy based on this approach, which is built on dialogue and partnership, seems to fit best with the new political cultures emerging in democratic countries in the region.

There is a strong case to be made that the full inclusion of women in positions of power is economically efficient, as well as socially just: the equal participation of women in decision making substantially broadens the pool of human resources which are the foundation of the economy. So far in the transition, women are not well represented in the privatization of large-scale enterprises in the former socialist countries, and they are less likely than men to work in the private sector or in their own businesses.

However, there are still some important basics that can be built upon. Women in the region are well educated, a resource that can be leveraged in the new economies. Small enterprises are vital engines of economic growth

and innovation, and women in the region have demonstrated interest and ability in establishing micro-enterprises – initiatives that need to be sustained and encouraged.

Governments and business both have an interest in the development of strong civilian institutions that can act as partners in community and national life. The establishment and growth of women's groups and equality-seeking organizations are an essential part of a revitalized civil society in the region. International NGOs and other agencies can support this process by supplying resources, funding and support for the efforts of the women of the transition region. Women from many professional areas elsewhere – parliamentarians, business leaders, educators, rights advocates – can extend their embrace to include the women of the transition region, who, in turn, can contribute to the global community of women.

There is evidence that women's NGOs are spreading across the region. The findings of this Report highlight the fact that the main concerns of groups – political and legal issues, the promotion of business and professional activities, social services such as health care and education, and the elimination of violence against women – are fundamentally important to the human rights of women and the advancement of women's equality in the region.

The advancement of women to decision-making positions will not necessarily be a spontaneous outcome of political or economic reform. It requires an environment in which women are encouraged and supported in their efforts, in which women have equitable access to resources and opportunities, and in which pro-active policies and practices are pursued by governments, business and civilian institutions. It is clear that women's concerns will not be addressed in the political sphere without the active participation of women, from the grassroots and local governments to national political and economic leadership.

There is an important role for the international community to play in the advancement of gender equality in the transition countries, as well as in the development of market economies and democratic governments. In particular, for UNICEF this will involve promoting and supporting the implementation of international conventions that focus on the rights of women and children. Envisioning a world where girls and women are fully active agents of change means planning a change for the better. It is not hard to argue that equality is a hallmark of human development, a goal all people would wish for themselves, their communities and their countries.

