

## IMPACT OF GLOBALIZATION ON WOMEN\*

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### *Abstract*

*The move toward a "borderless" world in trade and industry has had adverse effects on women. Studies of the impact of globalization on the garments industry in which women workers predominate reveal changes in structure of the garments industry (e.g., by-passing of middle-level subcontractors) due to increased global competition; the Asian financial crises which led to only the big firms surviving; the shrinking of the domestic market due to the flood of cheaper imports and the introduction of new technologies such as computer aided embroidery have made women workers and homeworkers highly vulnerable, subject to lay-offs, loss of orders and other economic difficulties. In the Cordilleras, a study of open-pit mining (OPM) focused on the effects of OPM on women's workload, access to and control over resources and household decision-making among women from the Ibaloy and Kankanaey ethnolinguistic groups. The study found the effects to be "catastrophic", not just on the women but on the economy, environment and culture of the region. The results of these pioneering studies call for more and continuing research on the impact of development projects on women in the context of globalization.*

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Globalization, considered “a dominant force in the 20<sup>th</sup> century’s last decade” (UNDP Development Report, 1999) has become the new theme of research by academics and activists alike, as its “positive, innovative and dynamic aspects” as well as its “negative, disruptive and marginalizing aspects” are experienced by many sectors. Analyses have centered on the impact of the new economic arrangements in a “borderless world.”

As the UNDP Report emphasized: “Driving this globalization are policy shifts to promote economic efficiency through the liberalization and deregulation of national markets and the retreat of the state from many economic activities, including a restructuring of the welfare state. Driving integration even faster are the recent innovations in information and communications technology. But global integration is still very partial — for one thing the flow of labor is restricted, with borders closed to the unskilled. . . .”

Despite the tremendous advances in many areas of life, poverty, deprivation and inequality remain in many countries and regions. Gender disparities in the economic, political, and social arenas remain large.

With global integration “proceeding at breakneck speed” in all parts of the world, the question has been asked? Who benefits from this, “shrinking time, shrinking space and disappearing borders” phenomenon?

In its first quarter 1998 release, the Public Policy Journal of the UP focused on the theme: “Globalization in Turmoil”. The issue included analyses of the “perils and pitfalls of economic globalization” as the Asian financial turmoil swept many countries of Asia as a result of the currency crisis that broke out in Thailand and spread to many countries including the Philippines. Massive exposure of a country’s economy

to foreign capital and foreign loans brought about this crisis. Gonzalo Jurado elaborates:

“The controllers of foreign short-term capital saw in the misaligned fundamentals of Thailand an opportunity to attack the baht. Their success there emboldened them to assault the Philippine peso, the Indonesian rupiah, the Malaysian ringgit, the Singapore dollar, the South Korean won, with varying results”. . . (1998:16-17).

### **What have been the impacts of this crisis on women?**

A number of recent studies address this concern.

A UCWS-supported set of studies examined in more depth the impact of globalization on the garments industry in which women workers predominate. The study was conducted by faculty researchers in the Women and Development Program of the CSWCD and the School of Labor Relations (R. Pineda-Ofreneo, R. del Rosario, M. Pagaduan and M. Aganon. 1998).

The studies presented the profile of the Philippine garments industry under globalization, documented labor flexibilization in two multinational firms, undertook case studies of a) subcontracting enterprise and its workers in Taytay, Rizal, b) trade union organizing with a focus on gender-based strategies and c) an organized homeworkers' community in Pandi, Bulacan.

Among their major findings are:

With the deceleration in export growth as a result of increased competition from other countries, significant changes occurred in the structure of the garments trade (e.g., bypassing of middle-level subcontractors). The financial crisis saw only the big firms surviving. Moreover, with the flood of

cheaper imports, the domestic market has shrunk. Lay-offs and flexibilization (job-rotation, job sharing, flexitime, sub-contracting, contractual employment) have made women workers highly vulnerable, leading to gender-based problems and increasing burdens of women workers. The introduction of new technologies such as computer-aided embroidery has also severely affected homeworkers with subsequent decline in orders, forcing them to look for alternative livelihood.

In the light of these adverse impacts, the team focused its recommendations both on the improvement of productivity and performance of the industry as well as the individual women workers themselves and their groups/unions.

The team believes that “the fate of women workers in the garments industry lies largely in their own hands. They have to struggle to keep their jobs; to maintain and increase their wages and benefits; to have a safe and protected environment at work, at home, and in the community; to have equal rights and entitlements with men; to educate themselves and develop their capabilities and thereby increase their employability and options in life; to get organized and join organizations which can make a difference in setting national directions; and to have access to services and assistance from both government and non-governmental organizations at the community and other levels.”

They also identified the roles that various organizations and agencies can play in enhancing women workers' welfare, rights, and interests. These include:

- Local unions, federations, homeworkers' networks, women's organizations, and community-based groups can help raise awareness about globalization and its impact on women workers, monitor economic “devel-

opments closely and help in making contingency plans, mainstream gender concerns in organizing, assist in capability building and livelihood generation, to dialogue and negotiate with management and government so that women workers' interests are upheld in all initiatives meant to ensure the survival as well as improve the productivity and performance of the garments industry.”

- Employers can move towards “rationalizing their business operations with women workers' participation, to have continuing programs for women workers on skills enhancement and capability building, and to study trends and assess their moves in the light of globalization.”
- “Government agencies, specifically, the Department of Trade and Industry and the Department of Labor and Employment, should take appropriate steps, including comprehensive and up-to-date research, to ensure the survival and enhance the competitiveness of the garments industry, particularly its more vulnerable subsectors like the small subcontractors, even while strengthening the protection and increasing the options of women workers through the provision of safety nets, alternative employment opportunities, education and training programs, closer monitoring as well as reorientation of employers for more humanistic labor management. They should network with the Department of Health, the Department of Social Welfare and Development, local government units, and NGOs in the community.”

The effects of open-pit mining operations (OPM) on women and their households was tackled by the Kasarian

Gender Studies Program of the Cordillera Studies Center in UP Baguio (Josef and Rovillos 1998). Given the differential impacts on women and men of development interventions, the study sought to determine the effects of OPM on the women's workload, access to and control over resources and household decision-making. Twenty indigenous women from the Ibaloy and Kankana-ey ethnolinguistic groups in the Cordillera — considerably poor and working mostly in the informal sector served as resource persons of the study.

The study found the impact of OPM on Itogon's economy, environment, culture and on women to be "catastrophic". Elaborating on this, the researchers point out that "the extractive and destructive manner of OPM has caused irreversible damage to the land and water resources and has threatened the lives and cultures of the people" (p. 188).

The women in particular suffered immensely from the effects of OPM. Loss of land, environmental degradation and displacement of male labor have adversely affected women in their caregiving, nurturing, productive and community management work. The loss of water resources, loss of soil fertility, depletion of forest resources have increased women's workload.

The authors recommend continuing research on the impact of other development projects on women in the context of globalization. In particular, the areas of Itogon and other municipalities within the BLIST area, should be studied to get a broader picture of the impact of globalization. There is a need to explore more sustainable alternative development programs for people in Itogon, given the environmental degradation brought about by extractive mining industries. People's organizations have displayed the power they wield in previous conflicts. What is needed is to ensure that this

people's power is used for the general welfare of the affected communities/stakeholders.

The University Center for Integrative and Development Studies has recently published a compilation of essays and analyses on the effects of the 1997 Asian financial crisis on women and girls (Illo & Ofreneo 1999).

J. Illo summarizes some of the gender effects of the crisis as a result of the peso devaluation. These include:

- Women may be harder hit by the crisis than men . . . Women who used to do subcontracted work in textiles and garments have also joined the informal sector.

Moreover, women are more willing to accept inferior work contracts and lower pay than the men. Thus it was not surprising that some firms have been replacing male workers with females. Despite these, women were losing jobs in factories and were being driven out of agriculture. . .

- Falling real wages deepen poverty.  
As a consequence, "women are also working longer hours. . . as they strive to bring in more income."
- Incidence of violation of labor standards and domestic violence has increased.
- Cutback in social services expand women's responsibilities.
- Cheap credit for women entrepreneurs are drying up.
- Migrant workers are returning home without jobs. Some of the workers affected are women working in Hongkong, Malaysia and Singapore, male and female production workers in Korea.