

Feminism, Free Trade, and Policy Frameworks: How Could a German Feminist Trade Policy Contribute to Fair North-South Trade?

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Trade policies and agreements may not purposefully exclude women, yet they oftentimes reproduce existing gendered asymmetries and inequalities. This holds particularly true for North-South trade relations, where power imbalances remain strong. While Germany's newly formulated feminist development and foreign policy both acknowledge an existing gender bias in trade, they hardly aim to tackle its root causes. Considering the significant impact of global trade on the socioeconomic inclusion of women, Germany should thus commit to an intersectional (see infobox 1) Feminist Trade Policy. This would entail a rigorous engagement for the promotion of gender mainstreaming at various governance levels — e.g., to advocate for intersectional feminist approaches within the World Trade Organization, for more equitable trade agreements in the European Union, and to harmonize national policies such as the Supply Chain Act.

Keywords: *Feminist Trade Policy, North-South trade, free trade agreements, intersectionality in trade, gender mainstreaming, impacts of trade liberalization*

Acknowledging a structural gender bias in global trade patterns: Why Germany needs to adopt a Feminist Trade Policy

Policy frameworks and regulations that shape international trade relations, such as tariffs, export regulations, or quality standards, have long been presented as gender-neutral (Hannah et al., 2022, p. 2) — an assumption that recently has been increasingly criticized as dangerously flawed:

Women^{*1}, in their multiple roles as workers, producers, consumers, and caretakers, are among those most negatively affected within today's heavily globalized value chains and demand markets (Cheung et al., 2021, p. 14; Hannah et al., 2022, p. 2). For example, the higher proportion of women in informal and unpaid work sectors leaves them out of reach of many of today's neoliberal free trade agreements (FTAs) that merely aim at fostering economic growth within formal economic structures (CSIS, 2021; Cheung et al., 2021, p. 14). Furthermore, in many countries of the Global South, low wages paid to women (and men) serve as a significant competitive advantage for companies. The resulting job opportunities are predominantly found at the lower end of global value chains and export-oriented sectors like textile or agriculture, where employment for women remains particularly labor-intensive and dangerous (BMZ, 2023, p. 4; Faißt et al., 2022, p. 13; Zamfir, 2019, p. 1).

In many countries, gender-biased laws and procurement processes prevent women from entering the labor market, setting up a business, or owning land (WTO, 2017, p. 6), thereby significantly limiting their participation in international trade. Wherever women – against these unfavorable conditions – do own a business, 70% of them suffer from inadequate access to finance (Renew Europe, 2021, p. 7; Zamfir, 2019, p. 1). Wherever trade liberalization leads to national governments downsizing public sector spending, women are disproportionately more affected – because they are significantly overrepresented among public service users, but also constitute the majority of workers in sectors such as health, education or social work (GADN, 2017, p.3; Hannah et al., 2020, p.3). In such cases, trade liberalization and FTAs thus not only disregard the needs of women but may, in fact, deprive them of their existing socioeconomic participation (Cheung et al., 2021, p. 14). The same holds when standardized due diligence criteria designed by stakeholders in the Global North neglect the multitude of local realities among female business owners and traders in the Global South and thereby limit their access to global value chains. Women are also more severely affected by regional conflicts, when in addition to gender-based violence, small-scale female traders also suffer from, e.g., economic shocks and declining or more dangerous access to local markets (Tayo, 2021).

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¹The asterisk after "women" serves as a reference to the constructivist nature of "gender" and is intended to clarify that it refers to all persons who define themselves by the term "woman."

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Infobox 1

The concept of intersectionality portrays and analyzes how different forms of inequality and discrimination come together and reinforce each other. As such, discrimination based on gender identities, ethnicity, socioeconomic status, or other forms cannot be described in isolation, but new forms of (multiple) discrimination emerge at the intersections. An intersectional approach to policymaking thus puts the perspectives of marginalized people at its center and addresses different forms of discrimination and different systems of power as well as their intersections simultaneously.

Admittedly, trade policies and FTAs do not purposefully exclude women. But, as the previous paragraphs vividly underline, they bear the potential of reproducing or exacerbating existing gendered inequalities and are thus never gender-neutral. A particular emphasis hereby needs to be put on gendered asymmetries within trade relations between stakeholders from the Global North and South, where – despite the heterogeneity of contextual realities – power imbalances and information asymmetries remain particularly strong (BMZ, 2023, p. 11). Only by first and foremost acknowledging a structural gender bias in global trade patterns and the potentially exacerbating effects today's trade liberalization may have on women in their multitude of roles in a variety of contexts, policymakers will be able to formulate policies that directly address the discrimination of women while harnessing the full potential of trade for all members of society. Germany, as the largest economy in the European Union (EU) and one of the world's strongest trading partners, should thus take up its responsibility and formulate a separate Feminist Trade Policy.

Feminist policy frameworks on the rise

For centuries, a multitude of feminist networks, organizations and individuals have fought for social, political and economic gender equality. Only in recent years, however, policy-makers on different governance levels have built upon longstanding transnational civil society movements, articulating agendas particularly coined as feminist policies (Zilla, 2022, p.2).

In March 2023, Germany's Federal Minister for Foreign Affairs, Annalena Baerbock, and the country's Federal Minister for Economic Cooperation and Development, Svenja Schulze, simultaneously published guidelines on two newly spun feminist policy frameworks: a feminist foreign policy and a feminist development policy. Closely coordinated with each other, the two documents outline an intersectional feminist approach to policymaking in the two ministries. As such, both ministries pledge to put the rights, resources, and representation (known as the 3Rs) of women and marginalized groups at the center of their decision-making processes. With regards to international trade relations, the two ministries' feminist policies both acknowledge existing gendered asymmetries in trade as well as the necessity of addressing these via specific policy measures. For Germany's foreign ministry, these entail the continuous support for the WTO's Informal Working Group on Trade and Gender, as well as the promotion of a more gender-sensitive regulation of digital spaces and artificial intelligence (AA, 2023, p. 50-52). Germany's development ministry, on the other hand, plans to promote better labor conditions in global value chains and the access of women to financial services as part of its feminist development policy (BMZ, 2023, p. 24, 32). For both ministries, the integration of gender-

specific aspects into the trade policy of the EU constitutes a sub-chapter of their respective policies (AA, 2023, p. 51; BMZ, 2023, p. 27).

With these two policies, the German government is joining a handful of nations that have officially proclaimed a feminist approach to foreign and/or development politics. Besides Sweden, these include Finland, the Netherlands, Luxembourg, France, Spain, Libya, Canada, Mexico and Chile (Zilla, 2022, p. 1). While these policies have so far addressed trade superficially, in 2019, it was Sweden's foreign minister at the time, Ann Linde, who coined the term of a separate Feminist Trade Policy – thereby detaching feminist trade from foreign policies. Several countries worldwide have since begun to adopt a more gender-sensitive approach to their trade policies (often simply without a clear label of such policies as *feminist*). For example, Chile has included specific gender chapters in its bilateral FTAs with Argentina, Uruguay, and the EU (Hannah et al., 2022, p. 7). On the European level, the European Parliament adopted its own-initiative resolution in March 2018, advocating for more gender sensitivity in the EU's trade agreements (Renew Europe, 2021, p. 3).

Despite these efforts, Germany's new feminist foreign and development policies as well as gender approaches within the EU's trade policies do not adequately respond to gender inequalities. The German government should thus commit to an explicit Feminist Trade Policy.

Adopting a Feminist Trade Policy: Avoiding neocolonial and neoliberal continuities

Having established the need for a Feminist Trade Policy, any further discussion of a potential agenda must continue with questions of who should design it and with what legitimacy. Feminist foreign and development policies have been criticized as paternalistic and neocolonial in nature. According to critics, white, liberal feminism from the Global North disregards the contributions of women's organizations from the Global South concerning feminist policies and merely constitutes a "new norm export" (Zilla, 2022). For a Feminist Trade Policy to anticipate this criticism, it must be designed and oriented intersectionally, and address grievances from the perspectives of the women affected both in North and South. The unilateral imposition of standards from the Global North must, of course, be avoided. However, one of the core problems concerning global trade lies in Global North countries enforcing liberalization policies that rather erode social and environmental standards and are strongly opposed by Global South women's rights, human rights, and environmental organizations. For example, liberalizations of the agricultural sector, allowing cheap foreign imports and undermining environmental standards, severely endanger small-scale women farmers' livelihoods (GADN, 2017, p.5).

An intersectional, decolonial feminist approach to trade must foreground the concerns of those most disadvantaged by FTAs and Investment Protection Agreements, including women in conflict-affected areas, migrant, indigenous, and poor women, especially those working in the informal sector.

A Feminist Trade Policy agenda, therefore, has to be co-designed with women's organizations from the Global South. Through an intersectional approach, a Feminist Trade Policy must understand women in their diversity, considering their socioeconomic, ethnic, and religious backgrounds, sexual and gender identities, and overlaps of discrimination mechanisms they face as they assume multiple roles and identities at once. These aspirations need to be translated into material practice, allocating adequate financial resources, for example, to support women researchers from the global South (Faißt et al., 2022, pp. 23–24; Gender and Trade Coalition, 2022).

A central problem with many approaches to gender equitable policy is that (free) trade is understood as an engine for economic growth in which women need to participate more so that benefits are distributed more equitably. Many current efforts thus focus only on increasing the number of women entrepreneurs, without considering the quality of work or the socioeconomic reasons, such as poverty and limited access to formal employment, for which women become self-employed (TJM, 2018, p. 3; Hannah et al., 2020, p. 9). There is a risk that a Feminist Trade Policy could be used merely as a symbolic banner to legitimize further trade liberalization, under the pretext of, e.g., empowering women as consumers with more consumption options (Renew Europe, 2021, p. 5). Meanwhile, the negative impacts of FTAs on the "rights to life, food, water and sanitation, health, housing, education, science and culture, [...] labor standards, an independent judiciary, a clean environment and the right not to be subjected to forced resettlement" (OHCHR, 2015) remain overlooked.

It is thus imperative for an intersectional Feminist Trade Policy to ask itself which women will benefit from any proposed measure to avoid reproducing existing inequalities. A decolonial, feminist approach to trade must transformatively rethink the global trade structure. Overarching goals for the well-being of society as a whole must be prioritized over the dogma of endless growth (Hannah et al., 2020, p. 10). Social reproduction (see infobox 2) needs to be embedded at the core of a feminist economy. In practice, this means that reproductive labor should be considered in feminist trade policies and thus also in trade agreements (Cheung et al., 2021, p. 14).

Adopting a Feminist Trade Policy: Action recommendations for German policymakers

To implement a German Feminist Trade policy, a variety of actions are recommended at different policy levels:

Joining international efforts: In the context of rapid globalization and ever-greater integration, the first step should be to identify and join multilateral feminist efforts on trade policy:

I. Global Trade and Gender Arrangement: Joining the non-binding Global Trade and Gender Arrangement, launched in 2020 by Canada, New Zealand, and Chile, could prove advantageous to foster international collaboration for just feminist trade.

II. Supporting intraregional trade in the Global South: Comprehensive regional integration strategies for the Global South should be supported by the German government. This may include the establishment of effective mechanisms for joint resistance and the revision of multilateral trading system rules to combat unfair trade practices and policies of more powerful countries, as well as the expansion of South-South trade flows (Rodríguez, 2008, p.16of.). While, of course, not every South-South cooperation is inherently feminist, efforts to level the international playing field are most likely to account for the heterogeneity of the actors of the global South and their respective interests, as long as vulnerable groups and the voices of women are accounted for.

III. World Trade Organization: While transformative approaches are difficult to implement at the WTO level, some room for maneuver can be exploited. For instance, the German government could advocate for in-quota preferences that support women exporters (ITC, 2021, pp. 4–5). However, these measures must only be seen as first steps and it must be recognized that they can hardly remedy structural inequalities. Within the WTO informal Working Group on Trade and Gender, the German government should promote an intersectional perspective. Policies should not only focus on increasing women's participation in the export sector but tackle other gendered aspects of trade relations, such as the detrimental effects of imports on local and regional markets.

Advocating for gender-equitable FTAs on EU level: As German trade policy is determined at the EU level, the EU's free trade negotiations have the most leverage for a Feminist Trade Policy:

I. Comprehensive impact assessments: The European Commission already considers gender equality under its Trade Sustainability Impact Assessment (SIA). Gender equality should, however, be analyzed as a cross-cutting issue. Germany should advocate for the EU to follow Canada's example of separate gender-based impact assessments (GBA+), which review all clauses of FTAs

Infobox 2

Social reproduction theory (SRT) highlights the vital role of reproductive labor in the capitalist system. Unlike classical Marxist theory, which focuses on how workers produce goods, SRT explores who produces and sustains the workforce. By recognizing the importance of feminized domestic labor in the capitalist production process, SRT advocates for a comprehensive understanding of value creation that goes beyond the traditional divisions between private and public spheres, as well as market and non-market activities (Bhattacharya, 2017).

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for gendered impacts. These should be further expanded to include not only ex-ante but also regular monitoring and ex-post evaluations. Furthermore, these analyses must look at society as a whole and also consider the indirect effects of FTAs, among them: the impact on public services and consequently on unpaid reproductive labor (Hannah et al., 2022, pp. 87–88), the impacts of agricultural liberalization on smallholder women farmers (Rodriguez, 2008, p. 158), and the nexus between extractive, often male-dominated infrastructure projects and an increase in trafficking and forced prostitution (Svampa, 2018, p. 76).

II. Democratization and transparency: The results of these impact assessments and the status of negotiations and draft agreements must be transparent and made available to the public in a comprehensible manner. Diverse stakeholders as well as human rights and women's organizations from the countries concerned must not only be consulted but actively involved in the negotiations and the drafting of trade agreements.

III. Enforceable and transversal standards: Existing initiatives, such as the inclusion of gender chapters in FTAs, are important first steps. However, separate chapters have little effect if they are non-binding and not harmonized with the rest of the agreement. Gender must not remain an add-on perspective but must be understood transversally. Gender chapters must contain binding provisions on rights for workers, women, and other vulnerable groups. These rights should be, at least, the maintenance of minimum standards, such as the prohibition of sexist discrimination in the workplace, and at best, advanced gender-responsive provisions (ITC, 2021, p. 7). The latter could mean, e.g., the inclusion of childcare support in export promotion policies (UNCTAD, 2017, p. 28) and trade agreements could safeguard access to affordable and high-quality basic public services (Fontana, 2016, p. 7). Investor-state-dispute settlement chapters must be eliminated or revised to ensure that they don't penalize states – especially low-income states that are structurally disadvantaged in trade negotiations – for implementing social and environmental standards (TJM, 2018, p. 3; OHCHR, 2015).

Promoting a Feminist Trade Policy bilaterally and on the national level: While acknowledging that Germany, as part of the EU, does not have its own trade policy, certain things are well within Germany's direct control and thus can have a more immediate impact:

I. Accountability of German companies in global trade: As a first step, the trading behavior of German companies operating in the Global South – directly or indirectly through outsourced supply chains – should be addressed. A role model effect may have an impact beyond this by holding them accountable, for instance, regarding occupational health and safety, unionization, and dumping.

II. Intragovernmental coordination and capacity development: To ensure necessary awareness in policy formulation, the German government should promote capacity development on gender equality in relevant ministries. A German Feminist Trade Policy must be aligned with the existing Feminist Foreign Policy and Feminist Development Policy. In this sense, also Bilateral Investment Treaties (BITs), the Supply Chain Act, as well as other economic decisions that could preempt feminist demands on trade, such as arms exports, should be revised from a gender and postcolonial perspective.

These policy recommendations may serve as a starting point to formulate a Feminist Trade Policy. Such a policy must be designed with the understanding that it will remain an empty formula as long as the different levels of governance of the global trade architecture are not holistically transformed, leaving the colonial division of labor untouched and legitimizing them with ever-new strategies. To achieve global trade justice, true transformative approaches have to be constantly and collaboratively renegotiated.

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Lebohang Liepollo Pheko
Senior Research Fellow,
Trade Collective

Christina Arkenberg
Co-Chair Supervisory Board,
Fairtrade Germany

Dr. Christoph Hoffmann
Member of the German Bundestag

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