

HISAR SCHOOL

JUNIOR MODEL UNITED NATIONS 2017

“Globalization: Creating a Common Language”

Economics

Diminishing the gender wage gap



**RESEARCH
REPORT**

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Forum: Economics Committee

Issue: Diminishing the gender wage gap

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Introduction

Throughout its existence, humanity has been working on several issues: curing diseases, investing, exploring, and etc. but some issues in the world remain unsolved. "The gender inequality" is one of them and it has significant affects on the economy such as "the gender wage gap". Even though some countries do not have this issue, it is very important for the whole world to work towards putting an end to it universally as the theme of this conference is "Globalization: Creating a Common Language". Basically, women generally work less than men because similar opportunities are not given to them. In addition, circumstances that women are in sometimes block them from joining the workforce - especially in traditional and religious countries. Sometimes women are judged by their capability of working. It is obvious that these factors are important if you consider "the modernized countries" in every section such as Iceland, Norway. There is a huge gap between these countries and the nations that are in the war, plus the traditional and more religious ones such as Yemen, Saudi Arabia, and Syria. The role of women is subject to change all around the globe. In some environments, women are labeled as "machines" who only give birth to babies, whereas in others they are accepted as world leaders who improve, enhance and lead the community.

Looking at the gender wage gap data, countries' information in terms of economy, culture and education level can be analyzed. Even though the graph measures inequality and not necessarily discrimination, it provides a comprehensive overview of the current state that helps to meet the gap. So "the gender wage gap" is one of the key issues that play a role in globalization and the world economy.

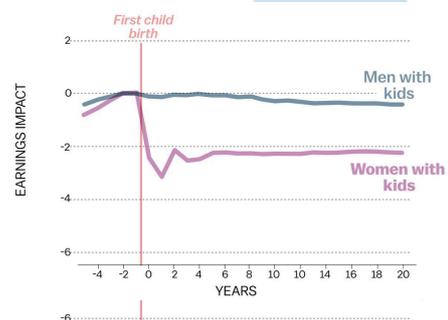


Figure 1: Kliff, Sarah. "A Stunning Chart Shows the True Cause of the Gender Wage Gap." *Vox*, Vox, 19 Feb. 2018,

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Definition of Key Terms

The gender wage gap: According to “Our World in Data”: “The gender pay gap (or the gender wage gap) is a metric that tells us the difference in pay (or wages, or income) between women and men. It basically the data of various socioeconomic, policy and cultural variables. By looking at the gender wage gap, these factors of the countries can be compared.

Discrimination: According to “Canadian Human Right Commission”: “Discrimination is an action or a decision that treats a person or a group badly for reasons such as their race, age or disability. The gender wage gap can be related to discrimination on some aspects.

Inequality: Inequality is an unfair situation in society when some people have more opportunities, money etc. than other people. The gender wage gap is an economic inequality that is between the genders.

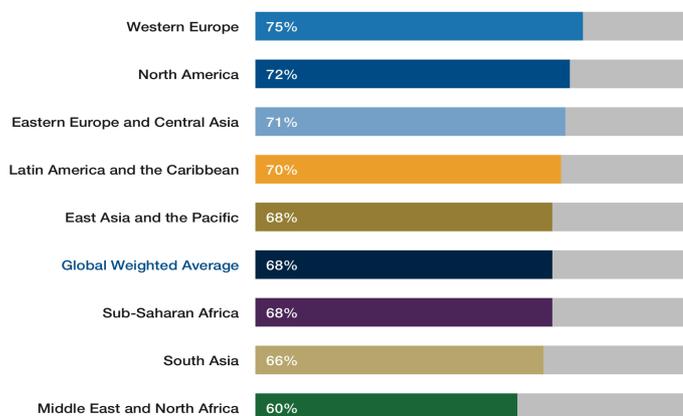
Wage: According to “Merriam-Webster” : Wage is a payment usually of money for labor or services usually according to contract and on an hourly, daily, or piecework basis – often used in plural

Gross Domestic Product (GDP) : “GDP is the final value of the goods and services produced within the geographic boundaries of a country during a specified period of time, normally a year.” The data which comes from GDP is illustrating the contribution of the genders’ work.

Socioeconomic status: “Socioeconomic status is defined as a measure of one’s combined economic and social status and tends to be positively associated with better health”

Data: Facts used as a basis for reasoning, discussion or calculation.

General Overview



Source: Global Gender Gap Index 2017.
Note: Covers all 144 countries featured in the 2017 index.

Figure 2 :
http://www3.weforum.org/docs/WEF_GGGR_2017.pdf

The gender wage gap is still a big issue in the world even though there was a %30 decline between the years 1960-1990. As the years went by, women started to participate in education and in

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the workforce more, but unfortunately, that was not enough. According to the study by the British CMI, the gender wage gap will not be fully diminished until 2109 considering the current situation.

On the other hand, there are some countries such as Iceland, Denmark, and Norway that have been practicing gender equality in every section. But it does not change the fact that women get paid less than men in general. The research made by the World Economic Forum shows the comparison between continents, regions and member states. Figure 2 illustrates how the culture, tradition, and religion are affecting the socioeconomic status. While the distance from gender equality in Western Europe is 75%, it is 60% in the Middle East and North Africa. Observing at the data, we see that while Iceland is in the first place in terms of maintaining gender wage equality, Saudi Arabia takes 138th place. Iceland is closing more than 87% of its overall gender gap. The reason behind this success of Iceland is the educational attainment and small population. Even though Iceland contributes to the gender equality well, there was an expansion in gender gap 2 years ago. So even for a developed and small country, maintaining gender equality needs so much effort. But it is also obvious that the countries which contribute the gender equality the most have the fastest growing economies such as Norway, Finland, and Iceland due to the fact that the attendance of women in an equal way affects not only workforce but also reinforces and helps to stabilize the economy. However, Saudi Arabia is a country where the cultural and religious factors on the economy can be seen clearly. With the new king, Saudi Arabia passes a new pathway to modernization. With the improvements, on Educational Attainment, it became the fifth-most improved country in the world. Even though it re-closes its gender gap in enrolment in primary education and sees more progress in gender parity, it experiences a decline in wage equality due to the fact that religion or the law does not allow women to participate in the workforce equally. Plus, the population of men is greater than women in the country.

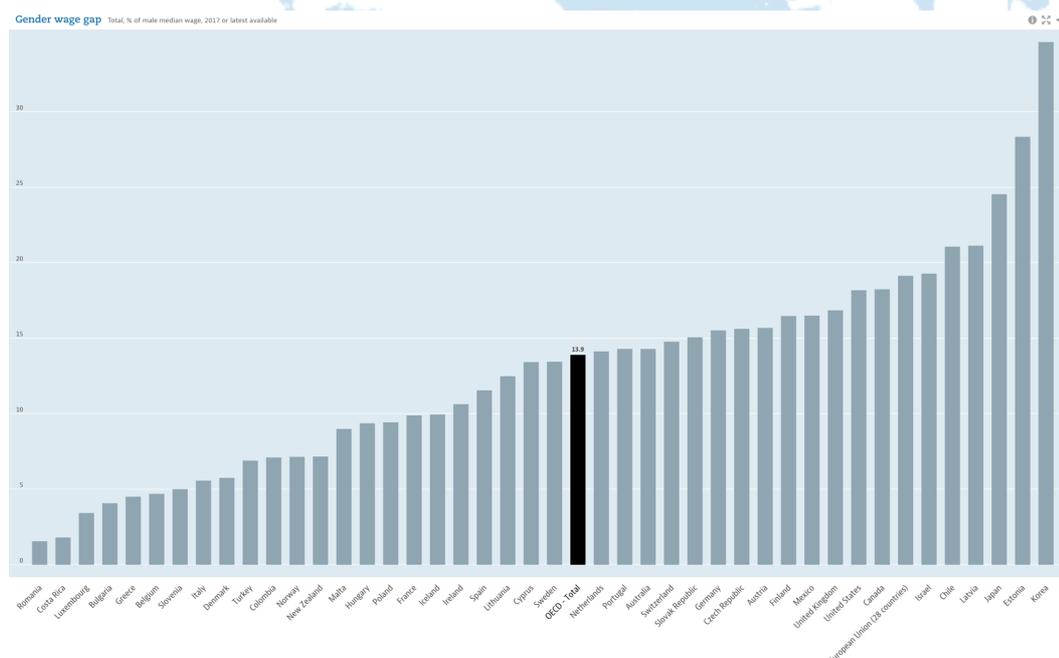


Figure 3: <https://data.oecd.org/earnwage/gender-wage-gap.htm>

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The common problem of the region, the Middle East, lays on similar issues that Saudi Arabia has. Syria and Yemen which score in the global bottom three have no changes at all due to wars and crises in these countries. So the geographical location of countries determines the fate of the countries' socioeconomic status. Rather than geographical location, "Educational Attainment" and "Political Empowerment" are the key sub-indexes as well. Since no country in the world has fully closed its gender wage gap, there is still room for improvement. Although the status of Middle Eastern and African countries may seem to be hopeless, by looking at Global Gender Gap Index 2017; 13 countries (Burundi, Benin, Botswana, Rwanda, Namibia and Guinea) have closed more than 80% of their gap. Also, 18 countries (13 from the Middle East and North Africa region) have closed less than 50% of their gap. Basically, the money women get are less than men in so many countries and it seems like it will go for a long time.

Major Parties Involved and Their Views

Organization for Economic Cooperation and Development (OECD): OECD is an international organization that helps people to collect data about the economy from all around the world. It provides information about countries' business investors and can comment on the future and draw possible pathways for the fate of the country.

Nordic Countries (Iceland – Norway – Denmark): They have been closing their the gender wage gap drastically and all of them encourage women not only to participate in workforce but also "brain force". They have been educating and promoting women to be good leaders. They are good role models. Since the gender wage gap in their countries is not so dramatic, their economies are the fastest growing economies in the world. They are still improving themselves and trying to close more. Women get high income in comparison to other countries

Middle Eastern Countries (Saudi Arabia – Yemen – Syria): Even though they have been trying to close their gender wage gaps, there are some obstacles for women to get equal income as men. In these countries the rights of women sometimes can be limited that leads to gender inequality. Since some of the countries are in war or passing refugee crisis, their perspective to the topic is not enough to tackle down the issue. There are some other important things to consider before solving gender wage gap such as the lack of infrastructure and unemployment.

International Labor Organization - Women's Entrepreneurship Development (WDE): It is a program which has been empowering women entrepreneurs in developing countries and supporting them in starting and growing their businesses. It is a great example for efforts about closing the gender wage gap. Also it is a great role model for the countries that have wide gender wage gap to tackle down the issue. The program looks forward to diminishing gender wage gap.

The United States: Even though the U.S. has the second biggest GDP after China, the gender wage gap can be seen. Since "The Equal Pay Act" has become a federal law, the country has been trying to close its gender wage gap.

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Timeline of Events

Date of Event	Description of Event
Jan 1, 1883	<i>An early public demand for fair pay</i>
1912	<i>Women's minimum wage set at 54% men's wages</i>
Nov 11, 1918	<i>World War I (women's work)</i>
Jan 1, 1942	<i>World War II (many women were taking on jobs in the war industries during that time)</i>
1950	<i>Women's minimum wage set at 75% of men's wages</i>
Jun 10, 1963	<i>Equal Pay Act (it became illegal to pay women lower rates for doing the same job as a man strictly because of their sex)</i>
1986	<i>Affirmative Action Act (Equal Employment Opportunity for Women) introduced</i>
Jan 1, 1980	<i>A Rapid Reduction in Wage Gap</i>
Jan 1, 1996	<i>Equal Pay Day</i>
1999	<i>Equal Opportunity for Women in the Workplace Act (EEOWA)</i>
Jan 29, 2009	<i>Lilly Ledbetter Fair Pay Act</i>
April 4, 2017	<i>Equal Pay Day</i>

Treaties and Events

The Global Gender Gap Report 2017

"The Global Gender Gap Report 2017 presents information and data that were compiled and/or collected by the World Economic Forum (all information and data referred herein as Data).

http://www3.weforum.org/docs/WEF_GGGR_2017.pdf

The Equal Pay Act, 1963

"It is a landmark U.S. legislation mandating equal. Pay for equal work, in a measure to end gender based disparity."

John F. Kennedy

Equal Employment Opportunity Commission (EEOC)

"EEOC, government agency established on July 2, 1965, by the Title VII of the Civil Rights Act of 1964 to: ensure equality of opportunity by prohibiting discrimination in employment"

Evaluation of Previous Attempts to Resolve the Issue

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All of the member states except Yemen and Syria have started to close their gap. In Nordic countries the gender wage gap is nearly closed and even in Middle Eastern – African countries, there is progress toward gender equality. The Global Gender Gap Report (http://www3.weforum.org/docs/WEF_GGGR_2017.pdf) gives data about the progress of the countries.

Equal Pay Day

"It is the symbolic day dedicated to raising awareness of the gender pay gap." It is a current event that happened in the United States (April 10, 2018). Even though the other equal pay day was celebrated a year ago (April 7, 2017), this date symbolizes *"how far into the year women must work to earn what men earned in the previous year."* Not only the U.S. but also other countries such as Germany celebrate that day to raise awareness.

Possible Solutions

Bearing in mind the theme of the conference, "Globalization: Creating a Common Language", you, the delegates, should come up with solutions by considering not only their country but also other member states to make a globalized world. Since our issue is "the gender wage gap", the solutions should not be restricted to discrimination and inequality. You should consider the economic impact as well.

First of all, as it was mentioned before, geographical position, culture, religion and education affect the socioeconomic status. Young females can be the next entrepreneurs of their country. However, there are still some obstacles to consider. Since the geographical position of the country cannot be changed, you should concentrate on other aspects while seeking solutions. Improving the education system, encouraging girls to go to school and sponsoring them would increase the attendance of girls to education which will help to close the gap in the future. There are so many Non-Governmental Organizations in the world that are providing funds to girls with the goal of educating them. In addition, the public should be informed about the current situation, especially in the countries where tradition and religion play a big role. By doing that, the public would be more aware and may be willing to send them. But the situation that country is currently in should be considered as well. In war zones, such as Syria, this solution would be useless since there are other important issues to be solved.

Second of all, there are many women entrepreneurs who need sponsors. There could be a platform where women entrepreneurs can sign in and upload their projects, ideas, and they could be sponsored or be promoted. Some policies are obstacles for women entrepreneurs so this issue is related to governments as well. But by allowing women entrepreneurs into development and special training programs such as Women's Entrepreneurship Development (WED) female entrepreneurs could improve their market access and be encouraged. In addition, another obstacle that blocks women from getting involved in business could be child caring. Expanding subsidization of childcare would be a sufficient solution since childcare can be quite challenging for many families. It has started to be implemented in some European countries such as Denmark and it has been observed that it is beneficial.

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Finally, the major obstacle that makes it harder to close the gender wage gap is the government. Government interferes with the Equal Pay Act by its own laws. Whichever effort is taken, if the government does not allow it, it is useless. United Nations steps in here. Even though every country has its own issues, the world will be affected globally in the future. Member states should collaborate to tackle down the gender wage gap. The Nordic countries which are role models for closing the gender wage gap would face these issues in the future as well. The gender wage gap is a global issue so that governments should make a policy together which will have some basis considering every factor. It would be similar to the Equal Pay Act but some parts can be changed to countries' perspective. That will lead to the improvement of the culture around flex work policies which will improve performance reviews and feedback.

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