

People's Power vs. Rising Inequality: Demanding change locally, nationally, & globally

January 2017



Activists march through the streets demanding equality and an end to homophobia and prejudice during the annual Soweto Pride, South Africa.

PHOTO: KATHERINE ROBINSON/ACTIONAID

Introduction

ActionAid's cycle of three reports on inequality, from global, national, and local perspectives, concludes with the release of *Shifting Power*. This summary looks at each report.¹

A year of surprising rightward political shifts in powerful countries has left many people around the world concerned about progress in the struggles for women's equality, protection of human rights, and curtailing discrimination against minorities and migrants. Many fear also that with the election in the US of a billionaire businessman who is making other ultra-wealthy executives and investors his top advisors², the fight against economic inequality also faces substantial new obstacles.³ Already the failure to implement more effective regulations and redistribution measures since the onset of the global financial crisis in 2008 has meant a lot more resources for the very richest,

but hardly anything for everyone else. Since the crisis, the OECD has found that levels of income inequality within and between countries are the worst in half a century.⁴

Now, during the first month of 2017, we are witnessing two spectacles that will highlight those very inequalities.

The first is an annual celebration – the World Economic Forum (WEF) in Davos, Switzerland (17th-20th January). It gathers the mega-rich and powerful from around the world to talk about creating still more wealth. Once an unreservedly glitzy affair of triumphant hyper-capitalism, in recent years it has become more subdued, addressing, however intermittently, the deficiencies of the global economic system. The Forum has even sprouted its own think-tank, and inequality has become one of its main areas of focus. In October

1. Links to the full cycle of ActionAid inequality reports are at the end of this paper.
 2. <http://qz.com/862412/trumps-16-cabinet-level-picks-have-more-money-than-a-third-of-american-households-combined/>
 3. See: <http://www.oecd.org/social/inequality.htm>
 4. See: <http://www.oecd.org/social/inequality.htm>

it made headlines by releasing a report estimating that at the current rate of progress it will take one hundred and seventy more years for women to receive pay equal to men's.⁵

But the more unique and momentous event will be the inauguration of Donald Trump as the President of the United States on 20th January. This spectacle is shot through with irony: many of the people who voted for Trump have suffered the most from that country's burgeoning economic inequality. Yet Trump has built his fortune through inheritance, dubious business deals⁶ and tax avoidance,⁷ and his political success through exaggerations and lies.⁸

Both the WEF and the Trump Administration will portray themselves as friends of those on the other side of the inequality equation. And indeed they may well take steps: persuasive studies or selfless speeches in Davos; small business loans or an "America First" approach to trade policy from Trump – seemingly intended to reduce the gap.

But the problem of inequality is systemic. It is that systems of governance, of finance, and of social order, are devised and maintained by those who already have power. Even the best-intentioned people with power are unlikely to take steps to meaningfully dismantle the system that has sustained them and their peers. We cannot afford to be blinded by the WEF's critiques of and solutions to global inequality, or Trump's inflated promises. Both the WEF and Trump are products of a global economic system, underpinned by patriarchy, that creates and sustains gross imbalances of power and wealth. Their concerns for the plight of those with less, sincere or not, are greatly outweighed by the impact of the very systems that amplify their claims and promises.

ActionAid's approach

Over the past nine months, ActionAid has published three studies on inequality. The first, *The Price of Privilege*, staked out definitions and explored the magnitude of the global inequality problem, identifying women's disproportionate burden of unpaid care work as a key factor underpinning inequality; the second, *Not Ready, Still Waiting*, examined both what countries have promised to do about the problem and what they have done in practice; and the recently-published *Shifting Power* features experiences of inequality and how to fight it from women in seven developing and emerging economy countries where ActionAid works.

This cycle of studies, looking at inequality from the community, national, and global perspectives, along with our work with the emerging **Fight Inequality Alliance**, positions ActionAid to play an active role in the struggle for systemic change to end inequality in all its manifestations.⁹

The Price of Privilege

In ActionAid's first inequality report, *The Price of Privilege*, we found that the economic policies that have led to a sharp rise in global inequality since 1980 have been thoroughly discredited. There is now ample evidence that policies such as trade and fiscal liberalization, privatization, budget austerity, deregulation and undermining trade unions lead not just to greater inequality but also to lower rates of growth. And we know that economic inequality entrenches other forms of inequality rooted in gender, sexual identity, religion, ethnicity, race, caste, disability or citizenship status, and that when we're looking at policy responses, they must address both inequalities of wealth and these other interconnected factors.

5. For headlines, see: <http://www.ndtv.com/world-news/women-and-men-wont-reach-economic-equality-until-2186-world-economic-forum-1479118>. For the report, see: <http://reports.weforum.org/global-gender-gap-report-2016/>

6. <http://www.nytimes.com/2016/11/19/us/politics/trump-university.html>

7. <http://www.nytimes.com/2016/10/02/us/politics/donald-trump-taxes.html>; <http://www.nytimes.com/2016/11/01/us/politics/donald-trump-tax.html>; <http://www.nytimes.com/interactive/2016/us/politics/trump-taxes-loophole.html>;

8. http://www.nytimes.com/2016/12/10/opinion/truth-and-lies-in-the-age-of-trump.html?emc=edit_th_20161211&nl=todaysh headlines&nlid=45648091&_r=0

9. See: www.fightinequality.org/en/about/

We know what it takes to reduce inequality within countries, because history shows that a combination of strong social protections (especially those that focus on women's empowerment), industrial policy, strong trade unions and progressive taxation lead to economically more equal societies. Implementation of these policies often leads to ordinary citizens having a greater voice in local and national government. Countries should focus on the creation of more and better jobs for women and men, and on ensuring that the rich pay their fair share of tax.

But this selection of policies may not be enough for the current moment. That is why *The Price of Privilege* recommends that countries and the global community in general consider how best to implement more far-reaching, radical policies such as instituting national, or even global, wealth taxes; reducing and redistributing women's unpaid care burden; increasing corporate democracy by implementing structural shifts towards employee control of companies; instituting a maximum wage that is proportional to the wage paid to the most junior workers in a company; and limiting private finance for political parties and political campaigns.

Not Ready, Still Waiting

Governments in 2015 pledged to implement many positive policies through the UN's Sustainable Development Goals (SDGs). ActionAid's second inequality report, *Not Ready, Still Waiting*, released on the one-year anniversary of the SDGs in September 2016, assessed whether governments are ready to address gender and economic inequalities.

In all our study countries – and equally in rich countries – women find one of the biggest obstacles to be their “unpaid care work” obligations - supporting children and elders and sustaining households, without due acknowledgment.

The cost of government inaction in tackling inequality is huge for women. ActionAid looked at the total amount of both paid and unpaid work undertaken by women and men and found that globally, a young woman beginning to seek income today can expect to work for the equivalent of an average of four years more than her male peers over her lifetime, as she is balancing both paid and unpaid care work. This amounts to the equivalent of an extra one month's work for every woman, every year of a woman's life.

Not Ready, Still Waiting examines the blockages at the national level which prevent the establishment of laws and policies that would reduce inequalities from being put in place. For example, social protection is widely recognised as a key redistributive policy with positive effects in reducing inequality, yet only two of the ten developing/emerging countries ActionAid studied, Brazil and South Africa, currently have comprehensive coverage.

Two examples of our findings on policy readiness – on social protection and equal pay legislation (both critical for addressing the unpaid care burden) - are shown in the following box. When quality legislation is in place, citizens have a tool with which they can more effectively demand government action.

Country Profiles on Indicators for general inequality (SDG 10) and gender inequality (SDG 5)

	Brazil	Ghana	Haiti	Liberia	Nepal	Nigeria	Senegal	South Africa	Uganda	Zambia
10.4 indicator effective social protection legislation	Yes	No	No	No	No	No	No	Yes	No	No
5.1 indicator equal pay legislation	No	Yes	Yes	Yes	Yes	No	No	Yes	Yes	No

Women around the world are not simply waiting for governments to take the actions needed. Even at the village level, women are organising and meeting in groups to discuss issues facing them.

Many use income generation as their entry point, and as they become economically autonomous, some begin to challenge power imbalance within their homes and communities.

Shifting Power brings to life the findings of *Not Ready, Still Waiting*. We feature the story of Jacqueline Féquière Morette, from central Haiti:

- ▶ ***'I have heard that there is a quota of 30% of women in all levels of decision-making but saying it is not doing it. You can see that after all no women were elected in the last parliament (2015).¹⁰ The only place where there is, is in town councils; they said every town council should have at least one woman. But you can count on your fingers which are headed by women. Women are human beings just like all human beings. Women shouldn't be marginalised to the point they need a quota assigned to them.***

We know that the ministry of women aims to help women improve their social and economic conditions in order to achieve equality. The ministry says it's working to support women but since its existence we haven't seen any concrete things to improve women's situation.

I am the coordinator and founder member of AFUP [Association des Femmes Unies de Pouly - Association of United Women of Pouly]. Initially there were only ten of us. We each made a contribution and every two and half months one of us could withdraw money. We sought legal recognition from the local government and this meant we could open ourselves to more people, and there are now 50 contributors. We wanted the organisation so that we could get stronger and we continue to increase in strength; no matter what the situation, if we collaborate we can achieve great things like everybody else.'



Jacqueline Féquière Morette, Co-ordinator of the Association des Femmes Unies de Pouly (AFUP) in the Central Plateau region of Haiti, standing outside the association's peanut depot. Peanuts are an essential source of income for the women, which they augment by transforming the nuts into peanut butter to sell in the local market.

PHOTO: DANIELLE PECK/ACTIONAID

So, reversing rampant inequality requires not just smarter policies and more open political systems. Lasting systemic change requires consistent and determined popular mobilization. Those who benefit from the current arrangements won't change the systems simply because it's the right thing to do. *Not Ready, Still Waiting* concludes that

we must shift power from the elites to the people who are feeling the sting of inequality, and keep working to make power more accessible and accountable. We need community action, national awareness-raising, and a strong global movement to end inequality.

10. See: www.fightinequality.org/en/about/

11. Preliminary results from the November 2016 election suggest 4 women of 106 parliamentarians have now been elected. see: <http://cepr.net/blogs/haiti-relief-and-reconstruction-watch/breakdown-of-preliminary-election-results-in-haiti>

Shifting Power

Our latest report, *Shifting Power* is based on focus group discussions and interviews in communities in seven developing and emerging economy countries where ActionAid is active: Brazil, Haiti, Liberia, Nepal, Nigeria, South Africa and Uganda. Groups of women were asked how they experience inequality and, most

importantly, how they are addressing inequality. We found that across the countries, when women like Jacqueline take collective action on the many challenges facing them, they feel better equipped to address inequalities within their families and communities. Their action is accelerated if women's economic autonomy is simultaneously built through income generation.

A woman from Lakenturum community of Gombe state, Nigeria, shares how she has saved money with her mother and this helps her to invest in livestock.

PHOTO: ACTIONAID



Solidarity and determination are at the heart of women's mobilizing in struggling communities, and women go to great lengths to change their lives.

In Lakenturum, Gombe state, in northeastern Nigeria, women involved in farming and livestock production in community have devised a way to ensure they can save money and build economic independence. Women are not allowed to own land, but most are given some land to farm by their husbands. In addition to farming, some are also involved in local enterprises and trading. However, they do not have control over their minimal incomes as their husbands insist on it being shared. They therefore withhold their full income from their husbands. They keep money with their mothers or sisters so that they can save for lean times.

The risks involved in this act of resistance cannot be overestimated: if women are discovered saving money with their mothers they may be beaten or even killed.

Amina Nasiru, who is married and has a grinding machine, says:

- ▶ ***'from the money I make I buy small animals (sheep and goats). I save part of my income with my mother or sister so that my husband will not collect the money for his own use. I am able to get the money anytime I want to use it, no one will question me or refuse to give it to me. I feel more powerful because this gives me the authority to contribute to the family's decisions as a woman. I cannot keep a bigger saving here because my husband will always demand for it and I have no control. This way I can keep my marriage and contribute only what I feel is necessary for my children's upkeep and school fees.'***

Shifting Power shows that the sustained actions of women's grassroots organisations, movements and civil society can challenge the structural

causes of gender inequality and place women's rights at the centre of progressive policies.



Nirmala Mahatara takes a break from attending a national conference to share her views on women's organising.
PHOTO: ACTIONAID

Nirmala Mahatara is a central committee member of Mahila Adhikar Manch (MAM), a national network of rural women in Nepal. In her own words:

- ▶ *'Being able to raise my voice in front of the government officials, asking questions to the minister, and being able to represent thirty districts, - makes me feel very strong. I can make sure my voice is heard even by the [local] government or at national level.'*

My family comes from a rural community, and is marginalised. Before I joined MAM I had no identification with the issue of women's rights. For me, men went outside and worked and women worked inside the house doing unpaid care work. After I joined, I got familiar with the amount of work the woman does in the family and how much input the man has, and after identifying and taking that issue to my family, the male and female members help each other in household work and in income-generating work.

I've been involved at the community level since 2008 but in 2016, I become a national representative. MAM is a network of rural women across 30 districts. It is led only by women and campaigns on issues of rural land ownership - only 19.71% of women own land. MAM aims to eliminate violence and discrimination against women. We've campaigned against rape, the abuse of those accused of witchcraft and the dowry system, and have lobbied for joint land ownership, recognition of unpaid care work, and women's participation in all state apparatus.

Three thousand women slept on the road outside the constitutional assembly as part of a campaign for participation and women-friendly policies. MAM has assisted women as well as other organisations in the local community to find resources for women in the group to train other women to be entrepreneurs.'

To support women, local and national governments, donors, NGOs, religious institutions and media should resource and implement gender responsive public policies and services by providing public funding to implement gender-responsive policies that address the range of inequalities affecting women. Examples of such services, which will differ according to context, include early childhood education, women-focused agricultural investment and social protection mechanisms, increased street lighting, accessible and affordable water provision, etc.

Most importantly, all parts of society need to create space for women's organising and respect the role it plays in building a more equal society. Existing and new women's groups and movements must be able to work for their economic autonomy; support each other to shift power at home and in their communities; and hold local and national governments accountable for implementing gender responsive policies.

People's Power

Only people's power, united across borders, can reverse the hoarding of power and wealth by a tiny elite, re-democratizing our politics, our societies, and our economies.

As the world's media showcase Donald Trump and the World Economic Forum, we urge people to recall and stay focused on the presence of social movements and women's groups around the world that are doing the day-to-day work of building power and alternatives to the gross inequality that will be on display. We need to support those who are doing that work, remove barriers to their organising, and contribute to expanding and strengthening a truly global movement to challenge the structures that create and maintain that inequality.

ActionAid's Inequality Series:

ActionAid (2016) *The Price of Privilege; Extreme wealth, unaccountable power and the fight for equality*
www.actionaid.org/publications/price-privilege

ActionAid (2016) *Not Ready, Still Waiting; Governments have a long way to go in preparing to address gender inequalities and the SDGs* www.actionaid.org/publications/not-ready-still-waiting

ActionAid (2017) *Shifting Power; Learning from women's experiences and approaches to reducing inequality* www.actionaid.org/publications/shifting-power

ActionAid (2017) *People's Power vs. Rising Inequality: Demanding change locally, nationally, & globally*
www.actionaid.org/publications/peoples-power-vs-rising-inequality

ActionAid is a global movement of people working together to achieve greater human rights for all and defeat poverty. We believe people in poverty have the power within them to create change for themselves, their families and communities. ActionAid is a catalyst for that change.

International Registration number: 27264198

Website: **www.actionaid.org**

Telephone: **+27 11 731 4500**

Fax: **+27 11 880 8082**

Email: **mailjhb@actionaid.org**

ActionAid International Secretariat,
Postnet Suite 248, Private Bag X31, Saxonwold 2132,
Johannesburg, South Africa.

January 2017