

## Gender Mainstreaming and Empowerment under Agreement for the Establishment of the African Continental Free Trade Area (AfCFTA)

By:

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The <u>neoliberal framework</u> has, since its articulation in the Washington Consensus and <u>implementation of structural adjustment programs</u>, been met with resistance from workers movements, especially women at the domestic level. On the one hand, this resistance has highlighted as problematic the decrease in social security that emerges through the cost minimization under neoliberalism. This often has damaging effects on public resources available to the most marginalized – reliant on unemployment insurance, public healthcare and education services. On the other hand, the neoliberal approach has been <u>critiqued</u> by various actors for its associated dilemma - where it is impossible for a country to maintain a <u>fixed exchange</u>, <u>sovereignty over monetary policy</u>

and the free flow of capital. This has resulted in nation state shrinking in favour of foreign direct investment. As favour more <u>liberal trade</u> and tax policies, national governments tasked with delivering equitable democracy are faced with the challenge of implementing economic policies that may undermine their ability to implement broad social services. The effect of the dilemma is visible not only in the rollback of state capacity to deliver core services, but also in the increased precarious circumstances facing those in the labour market at the local level. Here <u>local workforces have been subject to increasing vulnerability</u> because of the contractualization and informalization of their work. The question therefore, is to what extent is African Continental Free Trade Agreement (AfCFTA) a panacea to the precarious situation of the informalisation of labour at the domestic level in most African states. It is important to note that what remains of <u>unionized worker cohesion and solidarity</u> has evoked conflict at the local level, as <u>workers mobilize for greater equity</u> in the liberalisation of trade where they are the most precarious.

The AfCFTA paves the way for expanded markets, economic growth and development. Once ratified, it will ensure unhindered, free market access and trade area for ratifying countries. It covers trade in goods, services, investment, competition and intellectual property. There is also the debate whether it will incorporate the Protocols on movement of persons, thereby guaranteeing open borders to Africans in particular. Either way, it is certain that this trade agreement facilitates continental market for goods and services. This is long overdue and a right step in the right direction for African trade. However, it is not clear whether AfCFTA considers the impact of gender inequality on trade facilitation, that is, looking at countries' socio-economic structure through a gender lens.

Informalisation (or formalization) of labour, largely unregulated, is the <u>engine</u> <u>room</u> of most African economies. How can this segment of the population, largely dominated by women, obtain the benefits under AfCFTA? Most African countries have a poor or unsaturated gender-based economic profile. Women are impacted due to the fact that they are mostly informal cross-border traders, have weaker bargaining power, travels long distances, and limited access to formal social protection measures. This situation is worsened by domestic market fragmentation, inadequate institutional and infrastructural linkages

between local, national and continental markets. Let's take <u>informal labour at</u> the <u>agricultural level</u> as an example. In subsistence-based agriculture, the influx of cheap food imports reduces the domestic price of subsistence-oriented crops and erodes the earnings of subsistence farmers, a group often dominated by women. Hence, trade liberalization is likely to have a negative effect on farmers in subsistence agriculture. For <u>market-oriented cash crops</u>, however, trade liberalization can expand exports and open up opportunities for women to participate in global value chains as producers. Despite the foregoing, there is, no doubt, huge potential for AfCFTA to benefit women because intra and intermarket becomes readily accessible and available, however, when not properly managed, such agreements as this discriminates against small-scale traders and those in the informal market. It is left to be seen if there will be any conflicting impact of AfCFTA on different women (rural or urban), and on the same woman in her different roles (producer or consumer).

The AfCFTA was opened for signature at the Summit in Kigali on 21 March 2018. Ironically, in Rwanda, there are reports of casual wage-workers (women) in various sectors of production. Besides, there are high levels of harassment and gender -based violence at border crossings. This is not peculiar to Rwanda alone. Due to their wage gap, women have become an attractive workforce to keep labour costs low, particularly in labour intensive export production. The quality of jobs crated and persistent gender segregation are relevant issues to be considered when assessing the impact of AfCFTA on women's employment. Gender empowerment and trade liberalisation are mutually exclusive, and to think they form an antipodal nexus defeats the purpose of regional trade as envisaged under WTO altogether. I hope that subsequent discussions around AfCFTA will seek to promote and stimulate gender mainstreaming in the carrying out of trade facilitation amongst African countries. Indeed, infrastructural deficit will hinder the realization of AfCFTA. To obtain the benefits under AfCFTA, African countries must aggressively develop their infrastructural capabilities. Most goods are transported through roads. Good road and rail networks facilitate trade within borders and regional areas.

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