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Economic Freedom: Revolutionary Empowerment for Women

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It is a privilege to return to the United Nations, where I served so many years as a diplomat representing my country, in my new capacity as Director of the Center for International Trade and Economics at the Heritage Foundation. I am particularly pleased that the occasion for the return is the 52nd Session of the Commission on the Status of Women.

I came here today to issue a challenge. It is a challenge to seek truly revolutionary change for women. It has been over 60 years since the creation of the Commission on the Status of Women (CSW), and in those 60 years the status of women has improved for some women in some countries. For most of the women of the world, change has been painfully slow, if it has occurred at all.

Even after 60 years, we still need a revolution for women. We need to free women from discriminatory ideas and practices that hold them back. There is no excuse for laws or cultural practices that relegate women to second-class status.

It is not enough to eliminate discrimination in law. Almost every country represented in this room has signed on to the Convention on the Elimination of All Forms of Discrimination Against Women (CEDAW), committing themselves in law to ending discrimination in the political, social, economic, and cultural life of their countries. The United States, one of the few countries that is not a party to the Convention, nonetheless has a massive body of domestic law and regulation designed to ensure freedom from discrimination.

Talking Points

- The concept of individual liberty and freedom, articulated in the American creed as the right to life, liberty, and the pursuit of happiness, remains a truly revolutionary ideology in the world today.
- It is individual liberty that challenges the status quo, existing privilege, and elite presumptions of the right to rule. It is through individual liberty that women will, at last, be freed from the shackles of traditional or modern societal mores.
- If we make space for individual women, they can find and define for themselves their unique roles as individuals in society. Surely, this is the most practical way to do the greatest good for the greatest number. Economic freedom works. It works in every cultural context. It works for men, and it works for women.

This paper, in its entirety, can be found at:
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Unfortunately, in many parts of the world, there is a large gap between law and practice.

Law vs. Practice

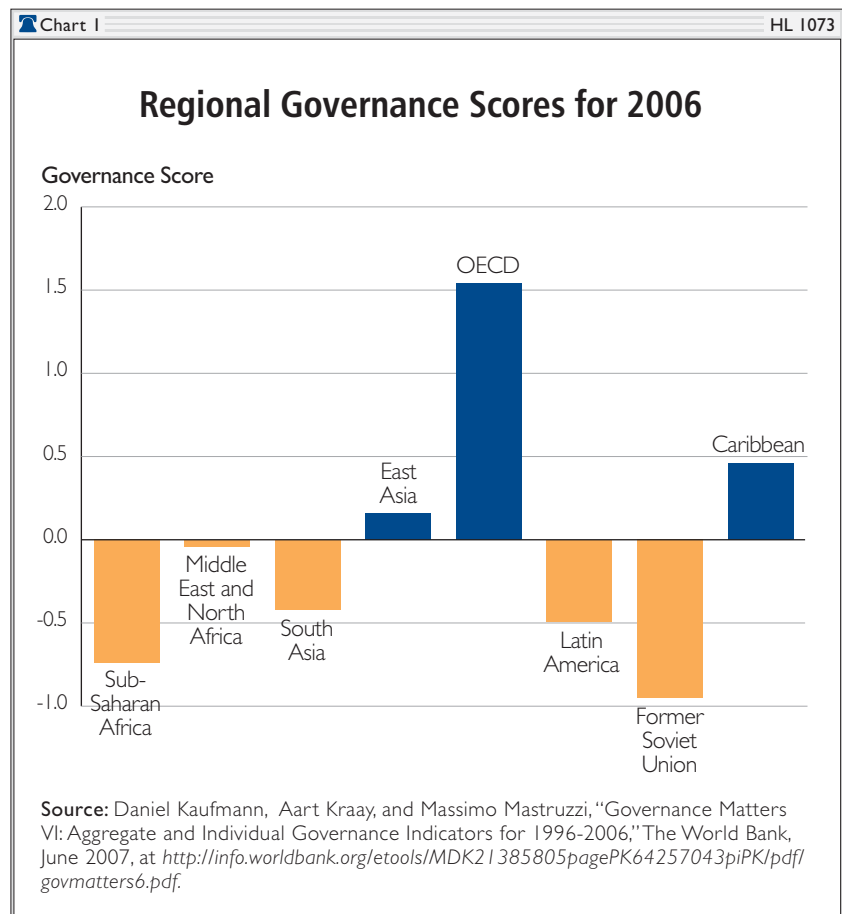
Chart 1 provides information on the rule of law drawn from the World Bank's Governance Indicators. The scores indicate relative differences among countries or regions in observing the rule of law. A positive number is an above-average score. A negative number is a below-average score. If you are from a country in one of the regions indicated by the bars that drop below the line, there is a high probability that there is a significant gap between protection in law for women and the conditions that actually prevail for women in society.

We also measure respect for the rule of law in The Heritage Foundation's *Index of Economic Freedom* through two indicators focused on respect for property rights and freedom from corruption. Of the 10 indicators we measure, scores on these two are the lowest, below 50 percent in both cases.

There is a gap, sometimes large and sometimes small, in every country between the status women are promised in law and the status they actually enjoy in society. It would truly bring revolutionary change in the lives of women if governments would simply live up to the commitments they have made to eliminate discrimination.

Why has the gap between promise and performance endured?

Part of the problem lies in a lack of clarity, or confusion, or even downright disagreement about the meaning of some of the provisions embodied in international normative instruments like CEDAW or in the resolutions adopted by the CSW or the General Assembly. These resolutions or agreements represent attempts to identify areas of consensus on things that are needed to improve the status of women. They often try to identify conditions in which women might live that would represent an ideal to which we all subscribe.



Unfortunately, this is a more complicated question than we like to admit. In an era in which it is popular—indeed, almost mandatory—to talk about the universality of human rights, we find it difficult to admit that we still live in a world of diverse cultural values and norms. Not every woman, or man, will necessarily be striving for the same ideal.

The normative instruments that are offered to us by the United Nations—the Universal Declaration of Human Rights or the Convention on the Elimination of All Forms of Discrimination Against Women, for example—are attempts to codify common principles for humankind. Any such undertaking is fraught with difficulty and even danger. Cultural imperialism can take many forms, even the form of a U.N. declaration or treaty. "Universal" is a big word, and anything that purports to be universal has very high hurdles to overcome if it is not to be met with those twin killers of idealism and progress: cynicism and hypocrisy.

I have always thought that the U.N.'s best products were those that proposed modest but clear and realizable steps toward lofty goals: those that acknowledged human and institutional frailty while staying true to the idealism of the U.N. Charter.

CEDAW: Undermining Tradition

No one is likely to question the goals of eliminating discrimination or improving the status of women, but that's because these broad goals are easily viewed and interpreted and accommodated within different cultural traditions. In other words, they can mean different things to different people.

CEDAW rejects this point of view, and does so directly. The preamble contends that "a change in the traditional role of men as well as the role of women in society and in the family is needed to achieve full equality between men and women." That's a bold statement. Any change in tradition is by its very nature an ambitious undertaking. This one is bold particularly—and erroneously, in my view—in its use of the singular form to describe the role of men and the role of women.

Hopefully, our understanding of culture and anthropology has advanced to the point that we can acknowledge that both men and women have multiple and often overlapping roles in society. Can we acknowledge that these roles may differ among individuals within a single society and differ even more among the range of cultures whose representatives mingle together here at the United Nations? We must find a way to reconcile the idea of universal norms with cultural diversity. If we don't, we will foster conflict rather than consensus.

The preamble to CEDAW challenges tradition without defining it. It calls both men and women to adopt a new role (singular) in society without defining what that role should be.

This is a recipe for controversy, and we have plenty of that in debates and discussions in the Commission on the Status of Women. When each delegation or even each delegate comes to these deliberations with their own idea of the appropriate role for women in society, and when those views differ across cultures, and when they are strongly held, it is likely that the debates will produce either conflict or meaningless platitudes. Here at the U.N., we see both.

The Convention tries in its articles to go into greater detail and specify exactly what must be done. But when language, even if couched in legal phrasing, is subject to interpretation, you can be sure that governments, even the most progressive, will interpret it in whatever way most suits their particular political views.

For example, Article 6 of CEDAW would seem to be a straightforward condemnation of trafficking in women and prostitution. The language says: "States Parties shall take all appropriate measures, including legislation, to suppress all forms of trafficking in women and exploitation of prostitution of women." Yet some countries that have ratified the Convention interpret this phrase to allow not only legalized prostitution, but its financial exploitation by the state through the taxation of prostitutes' earnings. The state's role here—taking a share of a prostitute's earnings and providing protection or care in exchange—is remarkably similar to the role of a pimp.

In its articles, the Convention sets out what the U.N. refers to as an "agenda for equality." That agenda has three broad themes: civil and political rights, health and reproduction, and establishment of "the new international economic order."

Nothing is sadder in CEDAW than this call in the preamble for a "new international economic order." Nothing sets the convention more in its time and place than this reference to an economic debate that was highly controversial and dominated this organization at the time but which has thankfully faded into obscurity and irrelevance. Like the call for a new international economic order, much in the economic provisions of the Convention is almost quaint, certainly out of touch with economic reality in a globalized world. Women suffer as a result.

The Convention calls in broad strokes for equal treatment of women and men in economic activities. There is nothing wrong with that. Unfortunately, the Convention is oriented toward socialist thinking about the role of the state in the provision of goods and services. It calls for the state to ensure the provision to women of everything from health care to agricultural credit to housing, sanitation, electricity, water, transport, and communications.

It is here that the Convention fails most miserably in improving the actual conditions of life for

women, because states that provide all of these things to their citizens generally don't do a very good job of it. Providing equal opportunity for women with men when opportunities for either are poor doesn't do much for women.

A Revolution of Economic Freedom

We need an economic revolution for both women and men: a revolution of economic freedom to provide opportunity, economic growth, and prosperity.

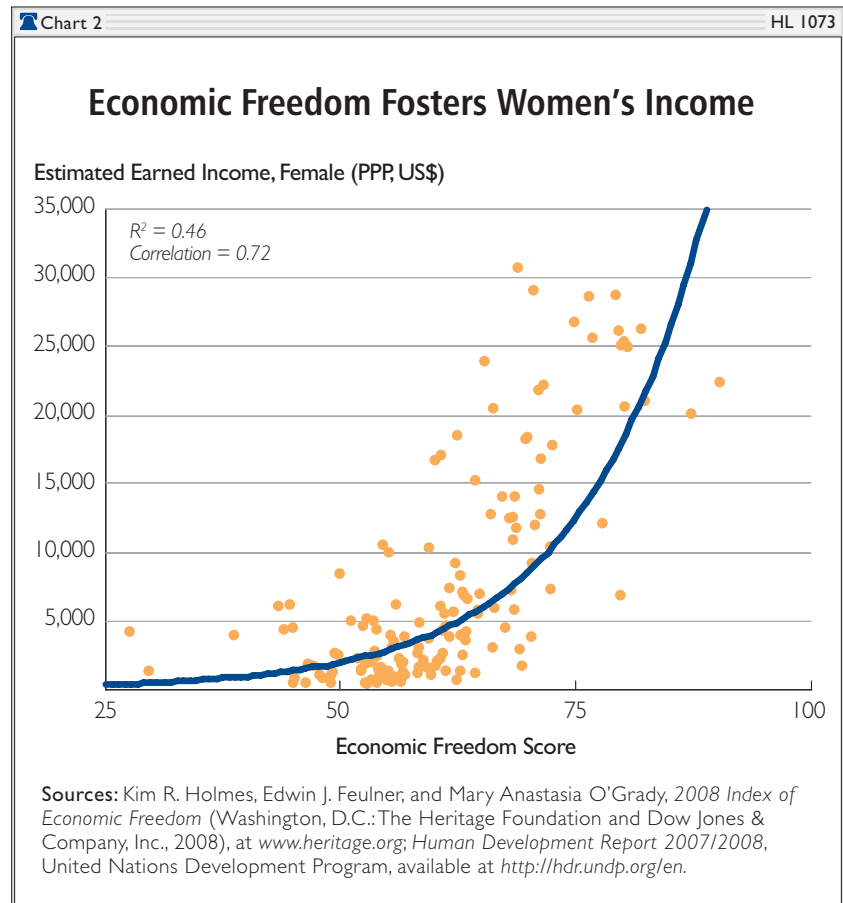
At The Heritage Foundation, we have been measuring economic freedom for 14 years. The *Index of Economic Freedom* measures 10 categories of economic freedom and ranks countries both regionally and worldwide. One of the most striking results from these rankings is the strong correlation between economic freedom and prosperity.

Chart 2 shows the relationship between economic freedom and women's income. Societies with high levels of economic freedom enjoy much higher levels of per capita income than those that are repressive.

There is also a striking relationship between economic freedom and gender equality, as can be seen in Chart 3, which compares scores from the *Index of Economic Freedom* and the U.N. Development Program's *Human Development Report*. These strong relationships between economic freedom, economic growth, and gender equality show clearly that we need to embrace an ideology of economic liberation for women, one that frees them from economic domination and economic repression.

To succeed in such a revolutionary undertaking, we must first identify the enemy. What are we revolting against? I am sure we would get many different answers just from the people in this room!

We need to take a clear-eyed and honest look at the forces in the world for freedom and the forces for repression. They will not be the same in every soci-



ety, nor will they be stable over time. Forces that favor liberation in one age may become agents of repression at a later time. Labor unions, for example, may empower workers in one context or enforce the status quo and existing privilege in another. Religion may be an agent for liberation in one society and a brutal oppressor in another. Even the nation-state may be a powerful force for freedom or, all too often, the primary agent of repression.

We could all give examples on both sides in each of these cases. Cultural traditions, gender roles, marriage practices, almost any arrangement by which we order our lives and societies can be in one age or context a force for oppression and in another a force for good.

Let me be clear. I am not advocating cultural relativism. Not every culture or cultural practice is of equal worth or equal value. Indeed, some will be good and some will be evil. We must try to discriminate among fundamental values and practices even

as we strive to end discrimination between men and women.

There is no magic formula, and certainly no one answer that will be right for everyone. But I think we could go a long way toward success if we focus our attention on the needs of the individual woman and look for policies and reforms that will liberate her, empower her, and increase her economic opportunities and economic choices. This is what we try to do by publishing the *Index of Economic Freedom*. It provides one tool by which members of a society can measure some aspects of their individual liberty against conditions in other countries.

Revolutionary Change Through Constructive Reform

There's plenty of evidence that economic freedom works. So what are some of the specific reforms for which we who want revolutionary change for women should be advocating?

- First, countries need to eliminate burdensome regulations on starting businesses. In some societies, it can take over 200 days to get the dozens of approvals needed to start a business. Each approval provides an opportunity for graft. Each is a burden that must be overcome. This burden is especially hard on small businesses and can be especially hard on women.
- Countries need to open their economies to foreign trade and investment. Multinational companies typically provide better working environments and higher wages than existing domestic firms and offer more opportunities for women who want to work.
- Countries need banking systems that are open and transparent and which provide competitive financial services to women at all income levels. It's not enough to provide microfinance, though that clearly has positive benefits. Women also need access to commercial banks and financial

institutions offering world-class services at competitive rates. You get that from the private sector, not state-owned banks.

- Countries need an independent judicial system that provides fair access to honest justice for all.

Sad to say, the concept of individual liberty and freedom, articulated in the American creed as the right to life, liberty, and the pursuit of happiness, remains a truly revolutionary ideology in the world today. It is individual liberty that challenges the status quo, existing privilege, and elite presumptions of the right to rule. It is through individual liberty that women will, at last, be freed from the shackles of traditional or modern societal mores.

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Chart 4 shows the differences in per capita income between people in the freest economies and those that are least free, in every region of the world. Incomes are three times higher in the freest European or Middle Eastern societies than in less free countries. The difference between incomes in the freest and the least free Asian societies is a stagger-

ing 900 percent. With figures like that, there is no excuse not to give economic freedom a try.

Conclusion

I came here today to issue a challenge. It is to think clearly, to be creative, and to reject stereotypes, whether those of tradition or those that we might try to impose in the name of change.

Let's make space for women, individual women, to find their own way—not my way or the U.N.'s way, but their own way—to lives of purpose and prosperity. Let us listen to women when they talk about the forces that hold them back, and let us help them fight their battles: not our battles, not yesterday's battles, but battles that liberate and empower them as the agents and directors and producers of their own lives.

—Ambassador Terry Miller is Director of the Center for International Trade and Economics at The Heritage Foundation. He delivered these remarks on the occasion of a meeting of the United Nations Commission on the Status of Women at U.N. headquarters in New York.

