

# Four Things to Know about **THE PURPLE ECONOMY**



IWRAW Asia Pacific calls on policy makers to design and implement economic policies that recognise, reduce and redistribute care work. Until this is done, gender inequalities will not be addressed.

**Ipek Ilkkaracan** is Professor of Economics at Istanbul Technical University and a member of IWRAW Asia Pacific's advisory committee. She coined the term 'purple economy' to convey the need for an economic model which recognises care work. Without it, the sustainability of human societies will be threatened. Here, she explains her thinking.

## one

The current free market system is such that **those who provide unpaid care work (mostly women) are penalised in market terms**, and those who do not (mostly men) are rewarded. Care work consists predominantly of cooking, washing, cleaning, shopping, and taking care of babies/ill/disabled/elderly as well as taking care of healthy adults. This work that we take so much for granted actually consists of millions of work hours. Global time-use statistics show that unpaid care work constitutes approximately 42% of total global work hours; three quarters of this is women's unpaid labour. This has a direct impact on women's economic rights and empowerment.

It was long assumed that the economic gender gaps would erode over time in the course of economic growth. Yet into the 21st century, even the most developed economies are still grappling with them. In the best-case scenario, the employment gap closes but the gender wage gap and job segregation persist. This is because **the more time one allocates to unpaid care work, the less time one has to commit to paid work**, advancement in the labour market, access to income and accumulation of wealth.

The purple economy foresees an economic system which acknowledges care as an economic issue, and as a persistent source of inequalities unless the responsibilities for caring are equally distributed. Purple is the symbolic colour of the women's movement in many countries around the world, including my native country, Turkey.



Ipek Ilkharacan

## two

The purple economy entails four pillars aimed at recognition, reduction and redistribution of unpaid care work:

- **A universal infrastructure of social care services** whereby all households have equal access to quality professional paid care services for children, ill, elderly and disabled. This enables transformation of some of the burden from the households/unpaid care work to the state, and through public subsidies to private producers/paid care work.
- **Regulation of the labour market for work-life balance** - transforming some of the burden from women's unpaid work to men's unpaid work, through regulations such as paternity and parental leave, shortening working hours, and so on.
- **Special measures aimed at reducing the unpaid work burden of rural households.** An efficient rural physical infrastructure reduces women's unpaid work of carrying water, collecting firewood, farming and food processing.
- **An alternative macroeconomic policy framework** that enables the undertaking of the above three pillars, by prioritising sufficient job generation and creating the fiscal space for social spending.

## three

When care work is left to private markets/solutions, the only women who have the option of pursuing a career are from the higher-income households that can afford market substitutes for care. **This is not simply an issue of gender, but of class, too.** Women of lower education are forced to drop out of the labour market after childbirth, because their low level of pay cannot afford market substitutes for care unless there are publicly provided/subsidised quality services.

The real solution lies with the State, in public provisioning of quality social care services and effective regulation of the labour market for a work environment that enables balancing of work and family. Private actors can contribute by innovating and implementing care-friendly work practices, and by investing in high-quality, user-friendly care services.

## four

**The international migration of domestic workers is the epitome of multi-layered inequalities** when the care economy is left to private markets/solutions. The care crisis of upper-income groups in richer countries is resolved at the expense of an emerging care crisis of lower-income groups in poorer countries. It is a tragedy that a mother leaves her own child to the care of relatives in order to go to another country to care for some other family's child. Exploited care labour is never a perfect solution for the receivers either - all kinds of problems and conflicts emerge when the very task-intensive work of care is left to an untrained person in very poor work conditions.

“Rural women and girls undertake a disproportionate share of unpaid care and domestic work [...] such uneven distribution of responsibilities is a significant constraint on women's and girls' completion of, or progress in, education and training, on women's entry and re-entry and advancement in the paid labour market and on their economic opportunities and entrepreneurial activities, and can result in gaps in social protection, pay and pensions.”

Agreed Conclusions, **Commission on the Status of Women** (2018)

**International Women's Rights Action Watch Asia Pacific (IWRAP Asia Pacific)** is an NGO in Special Consultative Status with the Economic and Social Council of the United Nations, working towards the realisation of women's human rights.

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