



# Women's Economic Empowerment

## Why It Works for Women and the World

**What is women's economic empowerment (WEE)?** CARE defines women's economic empowerment as the process by which women access their right to economic resources and power to make decisions that benefit themselves, their families and their communities. When women are empowered to build stronger livelihoods, they earn more income and create businesses that provide jobs and boost local economies. With improved financial security, other areas of women's lives also improve: they can afford critical health services and education for their children, and they are more likely to play a leadership role in their communities. In other words: everyone benefits.

### Who does CARE work with?

CARE's work prioritizes marginalized women and girls living in poverty who have limited economic options and opportunities. We work with women who are micro-entrepreneurs, small-scale agricultural producers, workers in the formal and informal sectors and financially-excluded women to give everyone an opportunity to reach their full potential. We also work with men to help them achieve their own economic aspirations and to challenge gender stereotypes about men's and women's roles.

### How does WEE work?

WEE focuses on **four interrelated pathways** to economic empowerment:

**1. Financial inclusion:** CARE promotes women's ability to meaningfully access financial services and use these tools to advance their own economic prospects. This means linking women to resources such as informal savings groups that enable them to build financial skills and assets

and increase their ability to control resources. In the process, women achieve more decision-making power within their households and strengthen their voice in advocating for policies that affect their lives.

**2. Equal access to rights and opportunities:** CARE works to ensure that women have equal economic rights and access to, control over and the ability to benefit from the profits of their work. While much of the global economy's success depends on work performed by women, current societal norms and even some laws, undervalue the work that women contribute to the economy or erect structural barriers such as discrimination in women's ability to own land or open bank accounts. Women's average three to six hours of unpaid housework, child care and eldercare per day underpins the formal economy but is consistently undervalued. CARE works to support women as they shift those norms and barriers at the individual, community and national levels.



**3. Dignified work:** CARE strives to empower women to access their rights to safe, dignified and violence-free workplaces and other areas where women conduct economic activity. In the workplace – both formal and informal – women experience harassment, violence, discrimination and disparity in pay, and they take on a disproportionate share of unpaid work that opens them to risk of exploitation and limits their ability to grow economically and socially. A large proportion of female workers are found in informal, unregulated and unprotected jobs and in “invisible” roles like domestic work and as childcare providers. By emphasizing dignified work, CARE aims to support all workers’ rights, skills and opportunities to obtain safe, fair and paid employment.

**4. Entrepreneurship:** CARE works to promote women’s entrepreneurship, particularly by developing their business literacy and leadership skills and connecting them to tools such as mobile banking services. Women own approximately 31-38 percent of all small- and medium-sized enterprises in emerging markets. Their entrepreneurship is stunted, however, as many women lack the skills to start a business and millions have limited control over economic resources and earnings and access to credit or financial services. By investing in their skills and access to financial tools, CARE supports women in advancing their enterprises.

CARE-supported savings programs, like Village Savings and Loan Associations (VSLAs), help women living in poverty address some of these constraints through basic financial services, business skills training, and linkages to more formal financial services and markets. Currently, at least **95 financial service providers are offering 106 group savings and credit products to savings groups in 27 countries.**

### Does WEE work?

Yes! Women’s Economic Empowerment programs are proven to support women to:

- Grow businesses, increase financial self-sufficiency and respond to economic shocks

### The impact of women’s economic empowerment is wide-ranging

U.S. government investments in women’s economic empowerment catalyze broader development for communities and nations, which brings about stability and productivity and makes America and our allies stronger. Programs like CARE’s VSLAs have helped over 7 million members, primarily women, in 35 countries, where 85 percent of these groups are still operating five years after

CARE’s exit. In addition to greater financial security, members spend more on health, education, housing, food and businesses. Their household relationships are closer and they feel more respected and influential in their communities. Adequately funding expanding investments in women’s economic empowerment throughout its foreign assistance programs places America at the center of growth and development worldwide.

**We urge Congress to support a strong International Affairs budget no less than the FY2019 enacted level and oppose any deep and disproportionate cuts to critical, life-saving foreign assistance programs. Specific to WEE, we call on the Administration and Congress to prioritize approaches that help eliminate social and legal barriers that limit women’s opportunities, promote public private partnerships and invest in data and learning.**