

WOMEN, TRADE AND LAW: LEGAL PERSPECTIVES ON WOMEN'S ECONOMIC EMPOWERMENT

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Abstract

This article examines the intersection of trade, law, and gender to explore how international trade can serve as a catalyst for women's economic empowerment. It traces the transformative role of trade in enhancing women's access to employment, wages, and skills, drawing on global evidence and the case study of Bangladesh's garment sector. The article critically analyzes how trade liberalization, global value chains, and WTO-led initiatives including Aid for Trade, the Buenos Aires Declaration, and the Informal Working Group on Trade and Gender have advanced gender equality while also identifying persistent barriers that limit women's participation. Contemporary perspectives on digitalization, sustainability, and post-pandemic realignments are integrated to highlight both emerging opportunities and risks for women in global markets. The discussion underscores the importance of applying a gender lens to trade policies, particularly in areas such as tariffs, data collection, digital inclusion, and trade agreements. The article concludes with policy recommendations to operationalize gender-responsive trade frameworks, thereby aligning women's empowerment with sustainable and inclusive economic growth.

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INTRODUCTION

The “Trade can expand women’s role in the economy and decrease disparities with men by giving women more and better employment opportunities. Seizing these opportunities will be even more important in a post-COVID-19 world.” - Mari Pangetsu, World Bank Managing Director

Trade has the potential to greatly enhance the lives of women by creating job opportunities, expanding consumer choices, and empowering women in society. The impact of trade policies on economic and social activities often varies significantly based on gender, primarily influenced by a combination of cultural, social, and economic factors. Women and men often possess different skill sets, face distinct challenges, and have unequal access to productive resources. For instance, they may secure stable wage employment but have limited opportunities for skills enhancement. They may benefit as consumers when tariffs are reduced on products crucial to their consumption, yet face disadvantages when their own products compete with cheaper imports.¹

Policies that overlook gender considerations in trade and other macroeconomic realms often serve to exacerbate existing gender disparities.

ENHANCING WOMEN’S LIVES THROUGH TRADE

In a globalized world, trade-induced competitive pressures reduce the costs associated with gender discrimination. Nations that fail to facilitate full female economic participation find themselves at a disadvantage on the international stage, “particularly those countries with export-oriented industries that have a significant female workforce”.²

Trade in fact has the potential to significantly enhance economic prospects for women. It achieves this by increasing employment opportunities, raising wages, creating higher-quality jobs, and reducing overall costs. However, these positive trade effects for women can only

¹ Marc Bacchetta, Emmanuel Milet & José-Antonio Monteiro (eds), *Making Globalization More Inclusive: Lessons from Experience with Adjustment Policies* (World Trade Organization, Geneva, 2019).

² World Trade Organization, *The Economic Impact of COVID-19 on Women in Vulnerable Sectors and Economies* (2020), available at: https://www.wto.org/english/tratop_e/covid19_e/covid19_e.htm (last visited on: Sept. 30, 2025).

materialize if we dismantle the barriers that hinder women's progress and implement appropriate policies to address adjustment challenges.³

Some important facts and figures to note:

- Businesses engaged in international trade tend to employ more women. In developing nations, "women constitute 33.2 percent of the workforce in firms engaged in international trade, compared to 24.3 percent in non-exporting firms and 28.1 percent in non-importing firms". Moreover, women are better represented in firms integrated into global value chains (GVCs) and foreign-owned firms.⁴
- Trade raises women's wages and contributes to economic equity. Globally, women tend to receive a smaller share of total wages. "In developing countries that experience a doubling of their manufacturing exports, which is a common outcome when they open up to trade, women's portion of total manufacturing wages increases by an average of 5.8 percentage points." This increase results from a combination of greater employment opportunities and higher salaries.⁵
- Trade leads to the creation of higher-quality jobs for women. In both developing and emerging economies, individuals employed in sectors with substantial export activity are more likely to have formal employment arrangements. Specifically for women, the likelihood of informality decreases from "20 percent in sectors with low levels of exports to 13 percent in sectors with high export levels".⁶

TRADE LIBERALIZATION AND GENDER EQUALITY

Trade liberalization is closely connected to the increased accumulation of education and skills, known as human capital, as well as a rise in gender equality. Furthermore, trade can serve as a catalyst for countries to expand women's legal rights and their access to vital resources such as education and technology. In turn, improved women's rights have also facilitated increased trade, creating a mutually reinforcing relationship between trade expansion and gender equality. In contrast, regions characterized by high levels of gender inequality tend to experience lower levels of product and export diversification. This

³ Romina Kazandjian, Lisa Kolovich, Kalpana Kochhar & Monique Newiak, 'Gender Equality and Economic Diversification' *Social Sciences* 8 (4) 118 (2019), available at: <https://doi.org/10.3390/socsci8040118>

⁴ *Ibid.*

⁵ Masha Brussevich, 'Does Trade Liberalization Narrow the Gender Wage Gap? The Role of Sectoral Mobility' 109 *European Economic Review* 305-33 (2018), available at: <https://doi.org/10.1016/j.eurocorev.2018.02.007>

⁶ *Ibid.*

phenomenon is particularly evident in lower-income countries, where gender disparities in education and the labor market can hamper potential innovation. “*The greater a country’s global integration, the more trade can serve as a catalyst for improving women’s rights and enhancing their participation in the economy.*”⁷

♦ The Case Study of Bangladesh⁸

The transformation of women’s lives in the last three decades, as exemplified by the ready-made garment sector in Bangladesh, underscores how trade can be a powerful force for change. This sector has experienced remarkable average growth of 17 percent per year since 1980 and now accounts for more than three-quarters of Bangladesh’s export earnings. Its transformative impact lies in its ability to provide formal job opportunities for women outside their homes, thereby directly increasing women’s incomes and labour force participation. Currently, the sector employs “approximately 3.6 million workers, with an estimated 53 percent of them being women”.⁹

THE TRADE AND WOMEN’S ECONOMIC EMPOWERMENT NEXUS

There are four fundamental elements that demand discussion:

1. Firstly, it’s important to consider that “*the trade and global value chains have reinforced specialisation, compartmentalisation, and clustering of economic activities, which can create more economic opportunities for women*”¹⁰. As these sectors grow, there is an increased demand for female labour, leading to higher employment and income for women. They can also tap into valuable export opportunities that typically arise when trade is liberalized and markets open up. International trade has played a pivotal role in generating employment opportunities in many developing countries. This has been achieved by expanding both export and import sectors and by introducing structural changes that have boosted the

⁷ Matthias Busse & Christian Spielmann, ‘Gender Inequality and Trade’ 14 (3) *Review of International Economics* 362-79 (2006), available at: <https://doi.org/10.1111/j.1467-9396.2006.00589.x>

⁸ Rachel Heath & A. Mushfiq Mobarak, ‘Manufacturing Growth and the Lives of Bangladeshi Women’ (2015) 115 *Journal of Development Economics* 1-15 (2015), available at: <https://doi.org/10.1016/j.jdeveco.2015.01.006>

⁹ Arun Devnath, ‘European Retailers Scrap \$1.5 Billion of Bangladesh Orders’ *Bloomberg* (22 March 2020, updated 23 March 2020), available at: <https://www.bloomberg.com/news/articles/2020-03-23/europe-retailers-cancel-1-billion-of-bangladesh-garment-orders> (last visited on Sept.30, 2025).

¹⁰ Maurizio Bussolo & Rafael E. De Hoyos (eds), *Gender Aspects of the Trade and Poverty Nexus: A Macro-Micro Approach* (World Bank, Washington DC, 2009).

employment of lower-skilled workers who might otherwise struggle to find work or remain in the informal economy.

2. The second crucial point to consider is that trade has the potential to enhance employment quality and labour conditions. The heightened competition resulting from “increased trade and trade policies, often driven by international agreements, encourage companies to formalize their employment practices and adopt improved labour standards.” This development, in turn, paves the way for broader initiatives aimed at empowering women both economically and socially.¹¹
3. Thirdly, trade and active involvement in global value chains can facilitate the transfer of technology and skills, fostering creativity, innovation, and efficiency within firms. This process holds the potential to “promote the expansion and enhancement of skills development opportunities for women, thereby increasing inclusiveness in education”.
4. Fourth, it is important to note that trade can significantly influence “women’s labour market participation and wages”¹².

KEY INITIATIVES FOR TRADE AND WOMEN’S ECONOMIC EMPOWERMENT

▪ WTO’s “Aid for Trade” Initiative

The “Aid for Trade” initiative was established during the “Hong-Kong Ministerial Conference in 2005”. In 2006, a dedicated “Aid for Trade Task Force”, composed of WTO Members, was formed to operationalize the initiative and define its objectives. The final report of the Task Force, released in July 2006 (WT/AFT/1), explicitly mandated the inclusion of gender equality within the Aid for Trade framework. **Article 42**¹³ of the report also emphasized the joint commitment of donors and partner countries to harmonize their efforts on cross-cutting issues, with gender equality being a prominent example.

¹¹ Linda Scott, *Private Sector Engagement with Women’s Economic Empowerment: Lessons Learned from Years of Practice* (Saïd Business School, University of Oxford, 2017).

¹² Nadia Rocha & Deborah Winkler, *Trade and Female Labor Participation: Stylized Facts Using a Global Dataset* (Policy Research Working Paper 9098, World Bank, Washington DC, 2019), available at: <https://documents1.worldbank.org/curated/en/193111577420193090/pdf/Trade-and-Female-Labor-Participation-Stylized-Facts-Using-a-Global-Dataset.pdf> (last visited on: Sept. 30, 2025).

¹³ World Trade Organization, *Aid for Trade Initiative, Women’s Economic Empowerment* (Staff Working Paper ERSD-2019-08, 2019), available at: https://www.wto.org/english/res_e/reser_e/ersd201908_e.pdf (last visited on: Sept. 30, 2025).

The findings from the 2022 Monitoring and Evaluation Exercise underscore that 92 percent of developing countries have included women's economic empowerment as a fundamental component of their Aid for Trade objectives. These efforts particularly emphasize enhancing the capacity of women entrepreneurs and farmers. Aid for Trade programs predominantly support the policy initiatives of WTO members in areas such as infrastructure development, access to finance, climate change mitigation, digitalization, female leadership promotion, and combating gender-based violence. The primary sectors targeted by these programs encompass agriculture and fisheries, tourism, and the textile and clothing industry.

- **The “Buenos Aires Declaration on Trade and Women’s Economic Empowerment”**

In December 2017, during the sidelines of the “11th Ministerial Conference of the WTO”, 118 WTO members and observers gave their endorsement to the “Buenos Aires Declaration on Trade and Women’s Economic Empowerment”¹⁴. The primary objective of this declaration is to amplify the involvement of women in international trade and eliminate the obstacles that hinder women from entering and thriving in the global marketplace. It aimed at:

- Enhancing the responsiveness of trade and development policies to gender considerations, which includes sharing experiences related to policies and programs aimed at fostering women’s engagement in trade.
- Sharing best practices for conducting gender-based analyses of trade policies and for monitoring the outcomes of these policies in terms of gender equality.
- Collaborating on methods for collecting gender-specific data and analyzing statistics that are focused on gender-related aspects of trade.
- Working collectively within the WTO to eliminate barriers that hinder women’s economic empowerment and increase their participation in trade.¹⁵
- Informal Working Group on Trade and Gender, formed in September 2020, brings together WTO members and observers with the shared goal of enhancing efforts to promote women’s involvement in global trade. It was established as a follow-up to

¹⁴ World Trade Organization, *Buenos Aires Declaration on Trade and Women’s Economic Empowerment* (2017), available at:

https://www.banwagonghuaile.sbs/english/tratop_e/womenandtrade_e/buenos_aires_declaration_e.htm (last visited on: Sept. 30, 2025).

¹⁵ *Ibid.*

the “Joint Declaration on Trade and Women’s Economic Empowerment”¹⁶, which was initiated during the “2017 Ministerial Conference in Buenos Aires”. The primary objectives of this group include:

- Facilitating the exchange of best practices for removing barriers that hinder women’s participation in international trade.
- Engaging in discussions about how to incorporate a gender lens into the work of the WTO, ensuring that gender considerations are an integral part of WTO activities.
- Reviewing gender-related reports produced by the WTO Secretariat to better understand the gender dynamics of trade.
- Exploring how women can derive benefits from the Aid for Trade initiative, which aims to support developing countries in enhancing their trade capacities.

Encouraging a collaborative effort to promote gender equality and women’s economic empowerment within the realm of international trade.

CONTEMPORARY PERSPECTIVES: DIGITALIZATION, SUSTAINABILITY, AND POST-PANDEMIC REALITIES

In recent years, global trade has begun to evolve in ways that create both fresh opportunities and new obstacles for women’s participation in the economy. Earlier debates on trade and gender were largely framed around tariff reductions and export-led growth. Today, however, three themes dominate the discussion - the digital economy, sustainability, and the lasting disruptions of the COVID-19 pandemic. Together, they highlight how gender and trade are increasingly intertwined.

▪ Digital Trade and the Gender Divide

The rapid expansion of digital trade has changed how women can engage with global markets. E-commerce platforms, online payment systems, and gig networks allow many women, particularly in developing economies, to reach consumers directly and bypass

¹⁶ World Trade Organization, *Joint Declaration on Trade and Women’s Economic Empowerment* (2017), available at:

https://www.intracen.org/sites/default/files/uploadedFiles/abmfiles/BuenosAiresDeclarationonWomenand_20Trade.pdf (last visited on: Sept. 30, 2025).

traditional barriers such as limited mobility or access to credit.¹⁷ Yet this potential remains unevenly realized. A survey in 2025 showed that almost half of women entrepreneurs in developing countries lacked regular internet access because of affordability issues, while “women were still about 15 percent less likely than men to use mobile internet in low and middle-income countries.”¹⁸ Without targeted measures to bridge this digital divide, technology could end up reinforcing pre-existing inequalities rather than breaking them down.

▪ **Sustainability and Green Trade**

Another defining feature of the current trade landscape is its growing connection to sustainability and climate policy. Women who work in agriculture and fisheries are among the most exposed to climate change, given their reliance on natural resources and the limited tools available for adaptation.¹⁹ At the same time, new trade measures - ranging from eco-labels and carbon standards to sustainable sourcing rules - are opening up fresh markets for women-led enterprises. These opportunities, however, carry risks: compliance often requires capital, training, and access to technology that many women cannot easily secure. To prevent green standards from becoming exclusionary, governments and institutions must provide targeted financial support and skill-building initiatives.²⁰

▪ **Post-Pandemic and Geopolitical Shifts**

The pandemic starkly revealed how fragile women’s gains in trade can be. Industries with large female workforces - textiles, tourism, hospitality were among the first to contract, contributing to a global fall of more than two percentage points in women’s employment rates.²¹ At the same time, shifting geopolitical currents, from U.S.–China trade frictions to the war in Ukraine, have disrupted supply chains and forced firms to diversify production networks. While these shifts carry risks of exclusion, they may also generate new openings for women in regions where industries are relocating. The challenge lies in ensuring that

¹⁷ International Monetary Fund, *Trade Drives Gender Equality and Development* (2023).

¹⁸ Cherie Blair Foundation for Women, *Women in Business and the Cost of Mobile Data* (2025).

¹⁹ UN Global Survey, *Digital and Sustainable Trade Facilitation* (2023).

²⁰ World Trade Organization, *World Trade Report 2023: “Re-globalization for a Secure, Inclusive and Sustainable Future* (2023).

²¹ N Khan et al., ‘The Impact of COVID-19 on Women’s Empowerment’ *Public Health in Practice* (2023).

policies for recovery and realignment deliberately integrate women into these reconfigured trade flows.²²

▪ Global Initiatives and Policy Momentum

Recent multilateral discussions reflect this new reality. The WTO's *World Trade Report 2023* placed digital inclusion at the center of inclusive trade strategies,²³ and India's G20 Presidency the same year elevated "women-led development" as a guiding principle for global economic cooperation. These initiatives signal that gender equality in trade is no longer treated as an afterthought but as a priority within international economic governance.

Additionally, the Global Gender Gap Report 2025 indicates that progress may be accelerating: the gender gap has closed to 68.8 percent, with strides in economic participation and political empowerment leading the way.²⁴ Additionally, policy interventions around digital payments, identity systems, and financial inclusion suggest that trade policy is increasingly thinking in infrastructure and equity terms, not just tariff lines.

▪ WTO Initiatives & Recent Programs

A concrete example of how the multilateral trade architecture is adapting with gender and digital trade in mind is the WEIDE Fund (Women Exporters in the Digital Economy), launched by the WTO and ITC in 2024. This USD 50 million initiative offers *Discovery* and *Booster* grants, alongside training, mentorship, and connecting women-led MSMEs to digital platforms. Institutional capacity building is also central, via local Business Support Organisations in pilot countries such as Nigeria, Jordan, Mongolia, and the Dominican Republic.²⁵

These developments show that the WTO is not just studying gender trade issues but is also putting in place instruments to operationalise inclusion.

SUGGESTIONS & CONCLUSION

²² International Monetary Fund, *Digitalization and Employment Gender Gaps During the COVID-19 Pandemic* (2024).

²³ World Trade Organization, *World Trade Report 2023* (2023).

²⁴ World Economic Forum, *Global Gender Gap Report 2025*, showing overall gender gap closed to 68.8%, major gains in economic participation and political empowerment.

²⁵ World Trade Organization, 'Pilot Countries Selected for WEIDE Fund Implementation' (Press Release, 22 April 2025), available at: https://www.wto.org/english/news_e/news25_e/weide_22apr25_e.htm (last visited on: Sept. 30, 2025).

Applying a gender perspective to national trade policies is crucial for promoting gender equality in international trade. Following the examples set by countries like Sweden and Canada, several steps can be taken.

Review Tariffs: Examine tariffs with a gender focus and consider negotiations to “reduce tariffs on products that disproportionately affect women”, acknowledging that tariffs can impact women differently.

Collect Gender-Disaggregated Data: Start collecting data that separates trade impacts on women and men. This data can help gauge how trade policies affect women’s wages, employment, and opportunities.²⁶

Combat Gender-Based Discrimination: Consider enacting domestic laws to prohibit gender-based discrimination, particularly in access to economic opportunities and credit.

Enhance Digital Infrastructure: Collaborate with public and private entities to improve digital infrastructure, enabling women to access the digital economy, especially during times like the pandemic.

Include Gender Language in Trade Agreements: Incorporate gender-specific language in trade agreements, supported by robust implementation and enforcement mechanisms.²⁷ By incorporating these measures, countries can advance gender equality and empower women in the global economy, aligning with international goals for sustainable development.

²⁶ Guido Cozzi, Marco Francesconi, Shelly Lundberg, Noemi Mantovan & Robert M Sauer, ‘Advancing the Economics of Gender: New Insights and a Roadmap for the Future’ 109 *European Economic Review* 109 1-8 (2018), available at: https://pure.bangor.ac.uk/ws/portalfiles/portal/20481769/CFLMS_2018_05_31.pdf (last visited on: Sept 30, 2025).

²⁷ J-A Monteiro, *Gender-Related Provisions in Regional Trade Agreements* (WTO Staff Working Paper No. ERSD-2018-15, World Trade Organization, Geneva, 2018).