

Women's Employment, Entrepreneurship and Empowerment in Small Island Developing States: the Maldives

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Introduction

The SIDS (Small Island Developing States) have been recognized as a distinct group of developing countries with specific social, economic and environmental vulnerabilities at the United Nations Conference on Environment and Development (UNCED), which is also known as the Earth Summit held in Rio de Janeiro, Brazil in June 1992. The Barbados Programme of Action was initiated in 1994 to support the SIDS in their efforts aimed at sustainable development. The UN considers the 38 UN Member States which belong to the Alliance of Small Island States (AOSIS) an ad hoc negotiating body established by SIDS at the United Nations. AOSIS also covers other island entities which are non-UN Member States or are not self-governing or non-independent territories being members of UN regional commissions. The United Nations Office of the High Representative for the Least Developed Countries, Landlocked Developing Countries and Small Island Developing States (UN-OHRLLS) represents these states so as to give them international support and resources to implement the Programme of Action for SIDS.

SIDS are islands covering three geographical regions: the Caribbean, the Pacific and the Atlantic, Indian Ocean, Mediterranean and South China Sea (AIMS). Each of these regions has regional bodies to which the respective SIDS may belong with the aim of regional cooperation within the United Nations system. These are the Caribbean Community (CARICOM), the Pacific Islands Forum (PIF) and the Indian Ocean Commission (IOC). There are also sub-regional organizations established to a similar end. According to the UNCTAD website, the UN never defined the criteria to determine an official list of SIDS; the unofficial list on its numbered 29 countries of SIDS is employed only for the UNCTAD analytical purposes. At the moment, the United Nations Department of Economic and Social Affairs, lists 57 small island developing states.

SIDS are incredibly beautiful countries, with atolls of white sand beaches, mountain ranges covered in cloud forest, picturesque ports and towns. Most of them are small, low-lying coastal countries which face a set of similar sustainable development challenges, such as small but growing populations, geographic isolation, limited resources, vulnerability to environmental impacts and overdependence on foreign trade. Their growth and development is also hindered by very costly communication, energy and transportation, uneven international transport volumes, overly costly public administration and infrastructure, which is due to their small size and practically no chance to create economies of scale.

Proper work and social justice are the cornerstone of sustainable development. In such a setting, creating proper jobs in all SIDS is one of the priority development goals. Solid governance, rule of law and respect for human rights are the crucial basis for development and growth. Employment which results in appropriate livelihoods, social protection and labour rights protection is a paramount element of economic, environmental and social sustainability. It is noteworthy that economic, social and labour market circumstances are significantly different, which is why most SIDS lack decent work. Workforce discrimination, notably in respect of women and disabled workers, limits productivity of the labour force and creates emotional distress, social disintegration and soaring welfare costs. It is also strongly related to violence and harassment at work. Employers, trade unions and governments must exercise a more proactive approach to tackle discrimination, while respecting human rights principles and recognizing that a workplace free of discrimination and harassment results in better work performance and higher productivity.

Women's Employment and Empowerment in Small Island Developing States

“A quality education, a decent job, access to healthcare and a life free from violence and discrimination are necessary foundations for women and girls to be equal partners with men and boys in every aspect of life.” – Ban Ki-moon, UN Secretary General

Being one of the most rapidly growing sectors in the world, tourism features as the principal economic activity for many SIDS. It creates badly needed jobs and generates income and foreign exchange revenue. The number of foreign tourists who visit SIDS went up from 28 million in 2000 to 41 million in 2013. At the same time, tourism exports jumped from US\$ 26 billion to US\$ 53 billion.^[1] For instance, over the past decade, the number of tourists soared by over 12 million, reaching above 43 million in 2015. Tourism makes up above 40 per cent of all exports of goods and services in half the SIDS and above 20 per cent of GDP in two fifths of the SIDS, subject to data availability^[2]. Tourism is an opportunity for SIDSs – an opportunity for the host governments to receive badly needed foreign exchange and tax revenues, an opportunity for the locals to have more income and access to jobs, and an opportunity to enhance the basic infrastructure such as roads, airports and utilities used by the locals (and international tourists).

In the Pacific, tourism has the potential to create more and better jobs in fisheries and seafaring and telecommunications. These two sectors are a crucial source of employment, food security and household income for many Pacific Island countries. Fisheries are an important source of income. Telecommunications are increasingly becoming an essential tool for development – they can yield significant employment opportunities in cases where there is appropriate infrastructure and regulatory environment. Call and back-office centers were set up in Fiji – they employ hundreds of workers. The time-zone benefit including the English speaking population are conducive to such activities in some Pacific Island countries.

Tourism is crucial for employment in SIDS, notably for women, whose participation in the hotel and restaurant sector in the Caribbean moves between 43 per cent and 63 per cent. There are opportunities for a further increase in direct and indirect jobs through capacity building, the enhancement of value chains between tourism and agriculture or tourism and handicrafts, a proper investment framework and participatory actions.

Employment and Women Empowerment in Maldives

The Maldives is a low-lying island country in the Indian Ocean with the population of 344,023 (estimate for 2014). It has around 1192 islands and its inhabitants live in over approximately 187 inhabited islands (data for 2015), according to the data of the National Bureau of Statistics, Statistical Pocketbook of Maldives 2016. The country's principal economic sectors are fisheries and tourism, both of which are highly climate-sensitive. Agriculture and manufacturing still have a minor role in the economy, limited by the constrained availability of arable land and the shortfall of domestic labour. The Maldives is the most advanced country in South Asia in terms of GDP per capita. Still, poverty poses a problem, unemployment is high and infrastructure is underdeveloped. The population depends to a large extent on state aid (subsidies, social benefits). In the long run, the government is preoccupied about the influence of erosion and global warming on this country whose 80 per cent of the territory is less than one meter above sea level. The shallow and physically isolated economy of the Maldives is highly susceptible to external shocks which make communication burdensome and transport costly.^[3]

The Maldivian economy strongly depends on fisheries and tourism, which are the principal sources of foreign exchange income and government revenue, and which together make up around 40 per cent GDP. Indirectly, they account for a much more significant portion of GDP. Maldives has seen fast economic growth and development in recent years, driven by a dynamic tourism sector which should be diversified so as to be protected from global downturns. Owing to an upswing in tourism, growth was robust in 2014 (6 per cent of GDP). However, it decelerated in 2015 (4.8 per cent of GDP), reflecting the downturn of the Chinese economy. ^[4] Projections published in the Asian Development Outlook 2016 (ADO 2016) in March are preserved, with GDP in the region likely to rise at 5.7 per cent in 2016 and 2017. Tourism, construction, transport and the communications sector made up 50 per cent of the output on average. Reforms aimed at enhancing the business

environment have been inconsistent. Companies now have additional disclosure obligations to file taxes, and it is more difficult to obtain a construction permit. The government deficit is high and widening. Foreign companies can now own land, but ambiguous foreign investment laws pose a hindrance to investors. Government corruption is a grave problem – as the Auditor General discovered during a special audit in February 2016, total \$79 million were embezzled from the Maldives Marketing and Public Relations Corporation. Foreign investors, regardless of their size, are encouraged to enter and operate in the Maldives. Small investors are incited to establish joint ventures with Maldivian nationals or companies registered in the Maldives. At the same time, investors who invest more than \$5 million (US) encounter no ownership restrictions and can freely operate as wholly-owned foreign investments, according to the official website of Embassy of the Maldives in London.

In the course of the past decade, the Maldives, instead of a poverty status, embraced a middle-income status. Besides, it introduced democracy and was recognized as a Millennium Development Goal Plus country. Women encounter practically no discrimination in the main aspects of life such as primary education, health and survival, which is not the case in much of South Asia. Such social and economic progress is yet to become fully inclusive. Still, in spite of constitutional guarantees, gender inequality persists, partly prompted by a shift in the nature of Islamic practice in the Maldives towards more patriarchal, rigid practice. Women's participation in the labor force is high, but constrained to lower strata of the economy. Women are only somewhat more likely than men to be unemployed. Notwithstanding the primary schooling which supports gender equality, girls' access to tertiary and professional education is hindered by beliefs about female mobility, and primacy of women's household roles. At their homes, women encounter challenges which men do not, these being high risks of domestic violence and small control over household assets. Finally, women's presence in politics and governance is limited.

The Maldives significantly underperforms in terms of attaining goal 3 of the UN Millennium Development Goals (MDGs) which concerns promotion of gender equality and empowerment of women. Two highly important issues relating to women's political and economic participation are yet to be achieved. Under the Global Gender Gap Report for 2016, Maldives's Global Gender Gap Index takes the 115th place out of 144 countries with the score of 0.650 (0.00 = imparity; 1.00 = parity),^[5] which represents a step back relative to 2007, when it held the 99th place with the score of 0.635. The under-representation of women in the national parliament and other decision-making bodies reflects the challenges to gender equality and women's empowerment in the Maldives. Amongst legislators, women comprise only 6 per cent of parliamentarians (6 women of a total 100 seats) and hold 14 per cent of ministerial positions (13 women of a total 101 seats). Although women are severely underrepresented in the government, a step forward has been made lately in terms of legislation targeting the interests of women. The Maldives adopted a law against domestic violence only in 2012. The Domestic Violence Prevention Act (3/2012) was enacted in April 2012, marking a milestone in the history of the Maldives. Namely, any act of domestic violence is unambiguously and clearly defined as a criminal offense. The Family Protection Authority was set up in September 2012 under the DVP Act with the purpose to fight against domestic violence. Though the legal and institutional framework to combat and prevent domestic violence was established with the enactment of the Domestic Violence Prevention Act, still much more has to be done in order to prevent and fight against domestic violence in the Maldives. In its 2015 analysis of the government's implementation of the UN Convention on the Elimination of All Forms of Discrimination against Women, the review committee pointed out to a considerable lack of progress in the implementation of national laws adopted to ensure equal treatment of women. Notably, given rampant gender-based violence in the Maldives, the committee showed concern that the government had not yet put into effect the 2012 Domestic Violence Prevention Act or the 2013 Prevention of Human Trafficking Act. Furthermore, despite a positive step taken by the authorities in 2013 with the issuance of a strategic action plan on gender equality, political problems in recent years have exacerbated the government's institutional capacity to draft and implement gender equality policies.

A crucial challenge in the Maldives are women's employment opportunities. Over the past ten years, modernization and mechanization of traditional sectors, such as fishing, have disregarded women's roles. While men have boats and engage in fishery, women are traditionally in charge of post-harvesting activities, such as drying, salting and preserving fish. A higher degree of development and tourism pushed up demand for fish. As a result, the fishing industry has been advanced, and mechanization has taken over activities of processing fish. Thus, women's work has been made redundant. Nonetheless, there are meagre efforts to support women to build alternative livelihoods (ADB 2014).

Tourism has seen rapid growth and can offer employment opportunities for women. Still, there are considerably fewer women than men employed in tourism because this sector still does not provide training needs nor does it consider social restrictions for women who wish to work in this area. Besides, the Maldivian government considers micro, small, and medium enterprises (MSMEs) as the crucial aspect of its economic development programme. Still, the majority of commercially viable ventures seem to be dominated by male entrepreneurs. There are very few female entrepreneurs, especially in more remote islands and atolls. Men are in a more advantageous position when it comes to ownership and control of household assets in Maldivian families. Few women own property, for example. According to the 2006 Maldives' Census, only 31.3 per cent of recorded homeowners were women. Very few women in Maldives have their own means of transportation, which are crucial given the lack of affordable and efficient public transportation options within and between atolls.

Women own only around 20 percent of all registered vehicles, including battery-powered scooters, motorcycles, cars, and other vehicles (ADB 2014). Boats used for fishing or interisland travel are the property of almost only men (ADB 2014). Such constrained access to affordable and reliable transport hinders women's abilities to deal with commercial and other income-generating activities. Due to their restricted ownership of assets (including houses and transportation means), women do not have mortgage collateral, which is why they cannot take credit to pursue business ventures (ADB 2014). The country's 2009–2013 National Strategic Action Plan recommends that the government should give women self-help grants for small and medium-sized enterprises and promote microcredit programs so as to close this gender gap (ADB 2014). Still, it is unclear to what extent this has been implemented.

Conclusion

Being a new democracy which recently entered into the group of countries with a middle income, the Maldives is positioned relatively higher in development indicators than its neighboring countries. There is no gender-based discrimination in terms of accessing education, health services, or in regard to having public sector jobs, which is not the case in much of South Asia. This social and economic progress is yet to become fully inclusive. Still, in spite of constitutional guarantees, gender inequality persists. Women's participation in the labor force is high, but constrained to lower strata of the economy. Women are only somewhat more likely than men to be unemployed. Notwithstanding the primary schooling which supports gender equality, girls' access to tertiary and professional education is hindered by beliefs about female mobility, and primacy of women's household roles. Furthermore, women encounter challenges which men do not, these being high risks of domestic violence and small control over household assets, as well as hampered mobility. These reasons strongly constrain woman's participation, engagement and development in business and entrepreneurship and their development in the economic sense. Tourism is key for employment in SIDS, particularly for women in the Maldives because this sector has grown rapidly and offers employment opportunities for women. However, because of the lack of training programmes and limited mobility for women, the proportion of women working in the Maldivian tourism industry is relatively low, but opportunities for them in this sector are still to be further developed in the future.

The Maldives significantly underperforms in terms of attaining goal 3 of the UN Millennium Development Goals (MDGs) which concerns promotion of gender equality and empowerment of women. Women are

underrepresented in politics and governance, while their political and economic participation is yet to be achieved.

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