*Blog*

The inequalities women and ethnic minority women face in the economic sphere.

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# **Abstract**

This blog covers the topic of economic inequality for women and ethnic minority women marked as vulnerable in the current socio-political climate. I start by presenting some of the inequalities these individuals face within the economy and the impact of being in this position. I then proceed into the surrounding reasons for why this is a prominent inequality for these individuals and the research supporting the principle that these specific groups have to survive within an economy based upon stereotypes. Finally, I discuss some of the solutions that could be implemented to decrease and remove these inequalities, as well as why these solutions could benefit both the individuals and economy as a whole.

**Keywords:** Economy, Inequality, Women, Ethnic Minority, Stereotypes, Wage Gap

Economic inequalities

As a result of the increase in a variety of economic structures including energy bills, food bills, and wage cuts, many are struggling with the economy at this current moment. The individuals that are suffering the most are those who are single mothers, women of ethnic minority backgrounds, or simply women in general. Yet nothing is being attempted to give these individuals a fair chance at surviving the everchanging economic fluctuations. Why is that? Are there any benefits to the economy if the existing economic inequalities for women and ethnic minority women are eradicated?

The unfortunate position women or ethnic minority women are pushed into as a result of the economic insecurities, subsequently enables them to suffer in other economic inequality sectors; including, opportunities for themselves, health advantages, as well as wealth advances if they are unable to position themselves on a stable working ladder. These women and those of an ethnic minority can consequently be pushed into a climate of abuse or exploitation as a result of the lack of financial autonomy they obtain due to their sex and/or race, as well as accessing social security like payment benefits, or protection from services for example.

Benefits and social protection are not as easy to obtain as they may seem, especially for these particular individuals. The level of payment as well as the conditions in which benefits are allowed to be paid, undoubtedly suggests women and ethnic minority women are forced into poverty, thus making them have to rely on food banks in order to meet their family’s needs in which the majority of them also depend on low-paid work (Baraki, 2022). For example, care work, in particular, has been overlooked and undervalued, with women and racialised groups bearing the brunt of low pay and precarious contracts for many years (Diski, 2023).

This can all be a result of the sheer principle that they are perceived as the vulnerable citizens of society needing to be rescued if they do not have a stable man or a stable structure of income beside them, so they must ultimately rely on other sources for income in order to live within the fluctuating economic sphere (Baraki, 2022).

Potential reasons behind these inequalities

Potential reasons for these inflicting inequalities are the principle that women tend to spend around 2.5 times more time on unpaid care and domestic work than men (ILO, 2017) as they are more relied upon in regards to the support and care of those more vulnerable; like children or elderly members, impacting their time for available paid work (Baraki, 2022). Thereby, this correlates to the stigmatized perception that most women and ethnic minority women are perceived as more communal than agentic. This statement demonstrates that women are viewed as ‘common use with qualities shared amongst all members of the community’, rather than agentic, which demonstrates the power an individual has in order to decide and navigate their own goals and desires. Therefore, this means that they are perceived within society as warm and good-natured, typically like a mother figure, but in contrast perceived as less intelligent and less competitive in order to be given access to the power to achieve their own goals. In this estimation, women risk not being accommodated in economically unequal contexts because their aligned social role conflicts with the dominant agentic norms of workplace settings (Moreno-Bella et al, 2022).

Similarly, other reasons why women struggle within the economy is due to changes in work allowances that depend on whether the women are second earners, having their child benefits frozen, and likewise, the two-child limit rule has impacted women, especially those of a black or ethnic minority background. The ‘Women’s Budget Group’ has demonstrated that out of the £56 billion worth of payment cuts to social security and tax credits since 2010, on average almost 57% have come from women’s purses (Baraki, 2022).

In addition to this, these suppressed individuals have had to survive with a vast amount of payment cuts to the welfare system in comparison to those unaware of the significance of this fact. Although many individuals within the UK are impacted by these payment cuts, they are disproportionality impacting the lives of women. Globally, over 2.7 billion women are legally restricted from having the same choice of jobs as men. The 189 economies assessed in 2018, portray that 104 economies contain oppressive laws preventing women from working in specific jobs, 59 economies have no laws on sexual harassment in the workplace, and in 18 economies, husbands can legally prevent their wives from working (World Bank, 2018).

One major impact that devastated people globally was the Covid-19 pandemic, however even though everyone suffered in a variety of ways, women and ethnic minority women seemed to have suffered more in the economic realm. It was disclosed that ‘women are more vulnerable to Covid-19 related economic effects because of existing gender inequalities’ (Madgavkar et al, 2020), demonstrating that even the experiences of a global pandemic cannot unravel this repetitive social issue that is uprising. As stated previously, some of the reasons why women and ethnic minority women are more vulnerable within workplace settings are due to the principle that their communal stereotypes lack the required traits that are seen as desirable within an organization; for example, dominance (Moreno-Bella et al, 2019). Why has nothing been done to resolve this if this is an existing issue?

Solutions

There are many positives that would not only support the lives of women and ethnic minority women but also the economy. It was discovered that companies have the potential for increased organizational effectiveness and growth if they increase employment and leadership opportunities for women. It is also estimated that companies with three or more women in senior management functions score higher in all dimensions of organizational performance (McKinsey & Company, 2018). In addition, improving and maintaining the education of women and girls contributes to women’s economic empowerment, meaning it can develop more economic growth. This is due to the critical realisation that for women and girls’ health and wellbeing, as well as their income opportunities and participation in the economic market; education and re-skilling can be used to stay updated with the transformations that occur regularly in the economy (OECD, 2012). This example presents that the stereotypes of women should not interfere with their opportunities within the economy which not only improves the lives of themselves and potential families, but also their political and legal stance in society, health rights, and autonomy. (McKinsey & Company, 2018)

In conclusion, the inequalities that many women and those of an ethnic minority background have to face within society, and the global economy are very prominent and even though the modern world is everchanging and evolving, there is still a 14.9% gender pay gap between men and women in 2022 (Clark, 2022). This suggests that there needs to be an acknowledgement and action plan to decipher the routes to provide these individuals with an equal support system in navigating the economic sphere in order to decrease these inequalities arising. As stated previously, there could be a vast number of benefits for not only the economy but for those segregated from society's elite if they are presented fairly.

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