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T20 POLICY BRIEF

Task Force 01

FIGHTING INEQUALITIES, POVERTY, AND HUNGER

Disconnected Middle-Aged Women: The Missing Piece in Social Protection Systems?

Fernando Burgos, Associate Professor, FGV EAESP (Brasil)

Mariel Deak, Researcher, CEAPG / FGV EAESP (Brasil)

Cristian Leyton, Professor, Universidad de Chile (Chile)



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Abstract

Despite the efforts of income transfer programs to overcome female poverty, women still constitute the majority of the impoverished globally, presenting a persistent challenge in the social protection systems of G20 countries. These programs target families with children under 18 and provide pensions to women over 60 to enhance female social protection connectivity. They aim to reduce poverty by investing in human capital development for future generations, focusing on breaking the cycle of intergenerational poverty. Despite evidence of reducing poverty, cash transfers face emerging challenges due to geographical shifts and labor market changes. An in-depth comparative analysis in eight developing countries indicates that a significant and increasing number of women, especially those in middle age, are being excluded from major income transfer initiatives because they are no longer caregivers but do not yet have access to pensions. Because caregiving duties often restrict the ability to accumulate assets for future income, this indicates a future with more women in vulnerable positions, lacking income capabilities and social protection. To address this, G20 nations should: a) Improve women's skills for income generation through education, technical training, and business formalization; b) Support continuous employment with measures like childcare and parental leave; c) Expand income transfers to families beyond when children turn 18, focusing on women's financial stability; d) Offer targeted aid to vulnerable groups (e.g., victims of violence, immigrants, disabled) through a comprehensive social protection strategy. Enhancing the scope of cash transfers and crafting policies aimed at addressing female poverty are vital to adapt to demographic changes and effectively protecting vulnerable groups.

Diagnosis of the Issue

The issue of persistent female poverty remains a significant concern for policymakers. UN Women reported that, in 2023, 12% of the global population consisted of women living in poverty, many of whom are in G20 countries. Evidence (UN Women, 2023) indicates that women are lagging in several Sustainable Development Goals (SDGs), such as poverty, access to education, labor market integration, and food security. UN Women (2022) suggests that women are more vulnerable to external shocks, with many more women suffering the negative consequences of the pandemic (Figure 1):

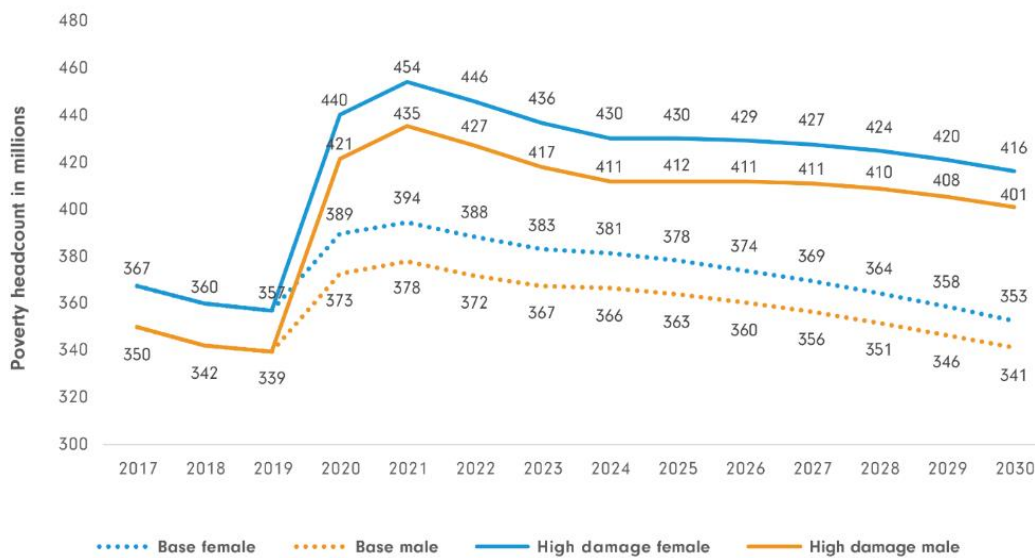


FIGURE 1. Global extreme poverty headcounts, base and high-damage forecasts, by sex (2017-2030)

In many developing countries, social protection systems have implemented direct cash transfers to women as a method to fight poverty and enhance female empowerment. Within the G20 nations, Brazil, Argentina, Mexico, Turkey, South Africa, and Indonesia are examples of countries that have implemented robust cash transfer programs (CTs) at

the national level. These programs generally target women with children under 18 or offer pensions to women over 60, aiming to create a comprehensive network of female social protection. In Latin America, where cash transfers are especially common, they have taken the form of Conditional Cash Transfers (CCTs), where families must meet a series of criteria related to the education and health of children and adolescents, as well as prenatal care, to continue receiving benefits. In contrast, programs in South Africa tend to be unconditional. Commonly, these initiatives strive to alleviate poverty by investing in the development of human capital for future generations, with a focus on interrupting the cycle of intergenerational poverty.

Cash transfer programs have had positive effects on reducing poverty. Evidence (Barham et al., 2016) shows improvements in school attendance among children and adolescents, better nutritional levels, lower maternal mortality rates, and increased autonomy for women. In Mexico, significant and positive impacts are highlighted on education, health, nutrition, and the quality and quantity of the beneficiaries' diet, as well as a substantial redistribution of income (Rodriguez Ortega, 2019). In Brazil, the Bolsa Família program helped reduce infant mortality rates, particularly from conditions linked to poverty like malnutrition and diarrhea (Rasella, 2013).

However, a deeper analysis of these policies reveals that a significant and growing segment of women, particularly middle-aged women, are excluded from major income transfer programs. Figure 2 summarizes the comparative analysis of the social protection systems of countries that have implemented robust national-level cash transfers focused on women. Together, these programs assist 68,8 million families.

Country	Characteristics of Main Cash Transfer Program				Conditionalities for...			Non-contributory Pension scheme?
	Name	Year launched	Number of families receiving	Target	School attendance	Pre-natal care	Child vaccination	
Argentina	Asignación Universal por Hija e Hijo	2009	2,4 million	Mothers, fathers, or guardians with children under 18 years old who are unemployed or informal workers. There is no age limit for children with disabilities.	Yes	Yes	Yes	Yes - Pensión Universal para el Adulto Mayor
Brazil	Programa Bolsa Família	2003	21,8 million	Households below the national poverty line	Yes	Yes	Yes	Yes - Benefício de Prestação Continuada and Aposentadoria rural
Indonesia	Keluarga Harapan (PKH)	2007	6 million	Pregnant or lactating women; families with children who are studying or families with children aged 16 to 21 years who have not yet completed basic education; elderly individuals aged 70+; people with severe disabilities.	Yes	Yes	Yes	Yes - Jaminan Sosial Lanjut Usia
Mexico	Oportunidades-Prospera	1997	28,2 million	Households below the food poverty line or the national poverty line; families with children under 12 years old; women under 49 years of age.	Yes	Yes	Yes	Yes - Pensión para Adultos Mayores
South Africa	Child support grant		12 million	Child's primary caregiver under 18 years old; households below the national poverty line	No	No	No	Yes - Old age grant
Chile	Ingreso Etico Familiar	2012	202.300	Families in extreme poverty or vulnerable situations; individuals over 65 in poverty; people living on the streets.	Yes	Yes	Yes	Yes - Pensión Garantizada Universal
Colombia	Familias en Acción	2001	2,6 million	Households in poverty and vulnerability situation, in condition of displacement or indigenous with children under 18 years old	Yes	Yes	Yes	Yes - Programa Colombia Mayor
Peru	Juntos	2005	1,6 million	Households in extreme poverty with pregnant women, widowed parents, elderly and / or children up to age 19; Indigenous families inhabitants of the Amazon.	Yes	Yes	Yes	Yes - Pensión 65

FIGURE 2. Comparative chart of countries' social protection systems with strong cash transfers.

Findings indicate that:

(a) most CT programs focus on young women with children and women over 60; this means that women are considered mainly in their roles as primary caretakers or elderly dependents;

(b) While CTs impose conditionalities related to children's education and health, they lack a skill-development plan for women; this means that programs focus on overcoming intergenerational poverty rather than directly addressing female poverty.

(c) there is a group of women who are potentially outside the social protection system: middle-aged women who have been caregivers and are not yet eligible for pension benefits.

Caregiving responsibilities fall disproportionately on women. Globally, women perform 76% of the total amount of this work, which is over three times more than men (Addati et al, 2018). These duties are crucial for societal continuity but lack recognition

and financial compensation. This situation escalates poverty and vulnerability among women by limiting their access to educational and employment opportunities, thereby affecting their immediate income-generating potential and hindering their ability to accumulate long-term assets essential for a poverty-free old age (UN, 2016).

In this context, middle-aged women find themselves in a coverage gap within social policies aimed at women: they no longer fit the primary caregiver role yet are not eligible for universal pension benefits, highlighting a significant oversight in social support structures for this demographic. With the aging population trend, the forecast is a scenario with more women vulnerable to income and social protection deficiencies. By 2050, the global population of individuals aged 60 years and older is expected to reach 2.1 billion, with women making up half of this demographic (UN, 2017). To address demographic changes and protect vulnerable groups effectively, expanding cash transfers' scope and designing policies that not only target children but also specifically address female poverty is crucial.

Recommendations

To achieve a more equitable society, social policies must consider the needs, desires, and expectations of women who bear the primary responsibility for caring for children and adolescents. These women often bear the brunt of care work, resulting in uncompensated liabilities that persist even after benefits expire. While current strategies can be effective in addressing intergenerational and family-based poverty, they must be improved to support women themselves adequately. As their children enter the workforce with better access to education and healthcare, there is a pressing need to ensure that these women are not left without sufficient assets to guarantee their financial sustainability. Addressing this issue can create a more just and inclusive society for all.

To effectively address this challenge, we propose a framework that focuses on asset building for women across four dimensions. It's important to emphasize the need to adapt both cash transfer programs and other policies and services aimed at women. Therefore, we have divided the recommendations into two major groups: changes to the social protection system, which includes integrating various services, and specific recommendations for cash transfers. The combination of these two groups leads to a framework focused on building long-term assets for women caregivers (Figure 3). It's worth noting that the four dimensions are intimately interrelated. By promoting these services in an integrated and interconnected manner, we can streamline the management of social benefits. This would facilitate women's easy access to the various support services that they are entitled to with the utmost confidence and certainty.

It is also important to recognize that countries are developing their social protection systems at different stages. Therefore, an initial recommendation is to assess each

country's resources, structures, and social protection policies for women. The framework should then be adjusted to each country's reality to maximize its effectiveness.

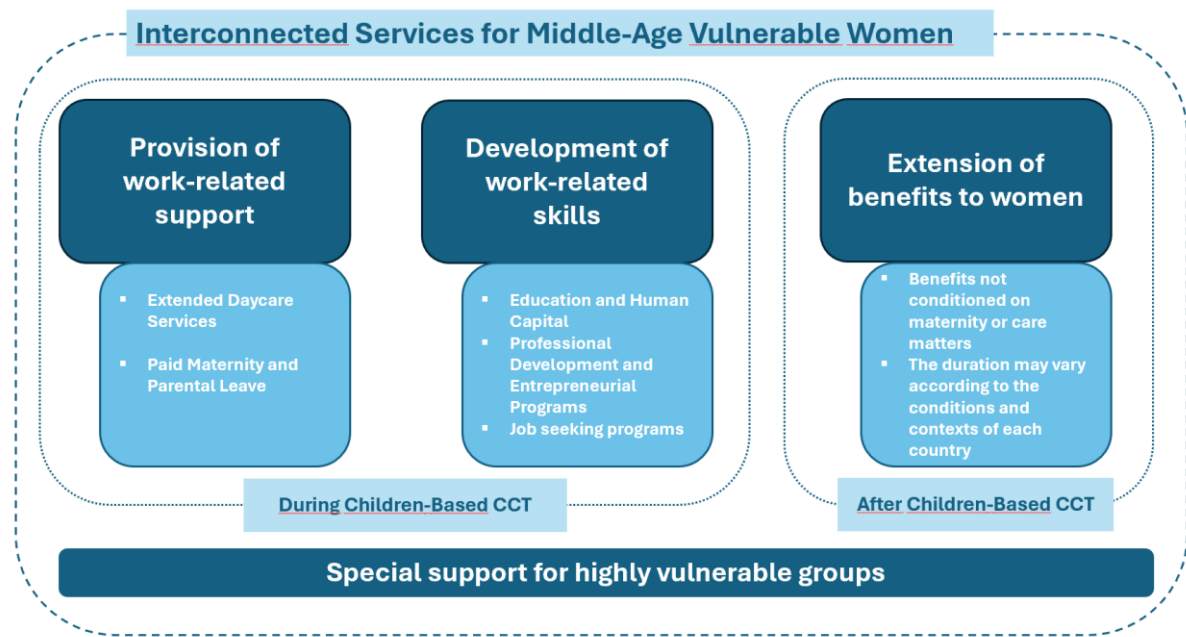


FIGURE 3. Framework focused on long-term asset building for women

I) Integrating services and policies aimed at women

Dimension 1 - Provision of Work-related support

a) **Extended Daycare Services:** Women should not face barriers to pursuing jobs or formal employment or accessing education opportunities due to a lack of daycare services for their children, particularly in their early years.

- i. Extended day services, such as after-school care, should be available so that women can participate in training programs during the evening. In Chile, for example, the "Program 4 a 7" aims to strengthen women's economic autonomy and provides women responsible for children aged 6 to 13 with access to care services in support of their participation in the labor market.

- ii. Furthermore, nighttime care activities must be designed for women who have nighttime jobs like waitressing or cleaning. The creation of a "night daycare center" in Laranjal Paulista, a small Brazilian municipality, in the early 2000s, was an excellent initiative that provided shelter, protection, and socialization for the children of women who worked on farms and collected chickens at night (Paulics, 2005)

b) Paid Maternity and Parental Leave: While formal workers generally receive guaranteed maternity leaves, their duration varies widely from country to country. However, ensuring that vulnerable women in informal sectors have access to paid maternity and parental leave is crucial. Women and parents, in general, must be able to take time off work for childbearing and early childcare without financial hardship.

Dimension 2 - Work-related skills

a) Education and Human Capital Development: Work-related skills are crucial for women in vulnerable situations to improve their employability and achieve economic independence. Many women have low levels of education due to interrupted basic studies, which limits their access to higher-paying jobs. Therefore, providing education and training opportunities is essential to help them build their skills. The Chilean program, Contigo Aprendo, is a good example of an educational and social inclusion initiative that offers tutoring and literacy monitors to groups of between 6 and 10 people in school, parish, or neighborhood locations.

b) Professional Development and Entrepreneurial Programs: Besides providing basic education, it is essential to offer women opportunities to improve their skills and engage in entrepreneurship, promoting economic independence and empowerment. In Brazil's "Brazil Without Misery" initiative, at least three programs cater to this objective, though

they are not exclusively for women. The PRONATEC (National Program for Access to Technical Education and Employment) is a federal program that offers study grants for technical degree courses, expanding the physical network for professional and technological education. The Micro Entrepreneur Individual (MEI) is a legal option for informal entrepreneurs to formalize their businesses, which enables them to join the official social protection network. Lastly, federal and local governments' guaranteed purchase of food from family agriculture for distribution to schools, nursing homes, prisons, and other institutions is a critical element in promoting rural production.

c) Job Seeker Programs and Services: Connecting women to the job market is crucial for their economic empowerment. Both private employment services (PrES) and public employment services (PES) can contribute to this effort. Some active labor market policies (ALMPs) were a form of response to the COVID-19 crisis that have been implemented in OECD countries and can inspire new strategies for connecting women to the job market (OECD, 2021).

Dimension 3 - Support for highly vulnerable groups:

Not all women face the same challenges. The intersectionality of racism and sexism (Crenshaw, 1991, among others), for instance, affects the daily lives of black women. In the context of G20 countries, there are many women who belong to minorities – afro-descendants, indigenous people, lesbians and transsexuals, women with disabilities, among others – whose challenges are even greater. The same is true with women victims of domestic violence, for example. It is essential to establish shelters and allocate grants for women who have suffered from violence, regardless of their parental status. Recently, the federal government in Brazil created a rental assistance program for women who are victims of violence based on the experiences of various states. These initiatives are crucial

as women in such circumstances face even more challenging conditions and require special support due to their highly vulnerable status.

II) Improving Cash transfers

Dimension 4 - Maintaining Benefits After Children Grow Older

The provision of CT benefits is a crucial lifeline for women who may be struggling with various disadvantages and liabilities. However, stopping the payment of these benefits as soon as their children turn 18 can create significant financial challenges and other issues that compromise their well-being. Therefore, extending CT benefits to women is important even after their children are no longer considered dependents. This would be a positive step towards recognizing that the economic challenges faced by these women are ongoing and require ongoing support. The duration of this extension can be determined by each country, but by providing ongoing support, we can help these women maintain their independence and manage their finances with greater ease, leading to a more positive and fulfilling life.

Scenario of Outcomes

The implementation of these recommendations will make it possible to improve women's conditions for economic autonomy and social integration. This impact is relevant given the demographic changes, but also, as UN Women and UNDESA report (2023) indicates, given the urgency of addressing this problem, as more than 340 million girls and women will live in extreme poverty in 2030, that is, approximately 8% of the world's female population. In addition, almost 25 percent will experience hunger or food deficiency. That is 236 million women and girls compared to 131 million men and boys. To implement these recommendations, policymakers may face the following challenges and trade-offs:

1- These policies would have an important impact on the labor market, as a new group of people - hitherto excluded from the labor market - could join it due to these diverse strategies or types of policies implemented. Therefore, progress in these policies also requires generating the conditions and incentives for the labor market to incorporate this new workforce. It will depend on this that women who have left paid employment to carry out unpaid care and domestic work can connect and that the income generation will allow them to improve their welfare conditions. Policies should be particularly complex for women who are relatively or completely disconnected from the social safety nets described above abandoned families (Seefeldt, 2017), disconnected mothers (Seefeldt & Sandstrom, 2015; Shaefer & Edin, 2018), among others. These population groups require comprehensive policies and interventions; otherwise, it will be difficult to achieve labor market outcomes and improve their well-being and development indicators.

2- These policies should go hand in hand with other policies that advance gender equality, such as care policies that also consider cash transfers among their options (OPS and BID, 2023). Given the size of this population group in these countries and the complexity of the intervention required to achieve results and generate a change in their levels of well-being, it is necessary to ensure stable and significant funding to make the desired transformation effective.

3- With regard specifically to the monetary transfers associated with some of these programs aimed at women, a relevant aspect is to evaluate the magnitude of the transfer adequately and according to each context, as it could become a trade-off by becoming a disincentive for seeking employment and overcoming poverty however the evidence is mixed around this topic (PNUD, 2015; Mazzeo and Leone, 2023; Vidigal, 2023). To avoid this potential contradiction, i.e., generating dependence on cash transfers, various institutions and experts have proposed: having a clear and previously established duration limit; generating incentives for early graduation, such as occupational or skills training that generates intangible assets, and incentives to diversify sources of income or access to credit or microcredit to encourage investment in tangible assets (ONUD, 2015).

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