

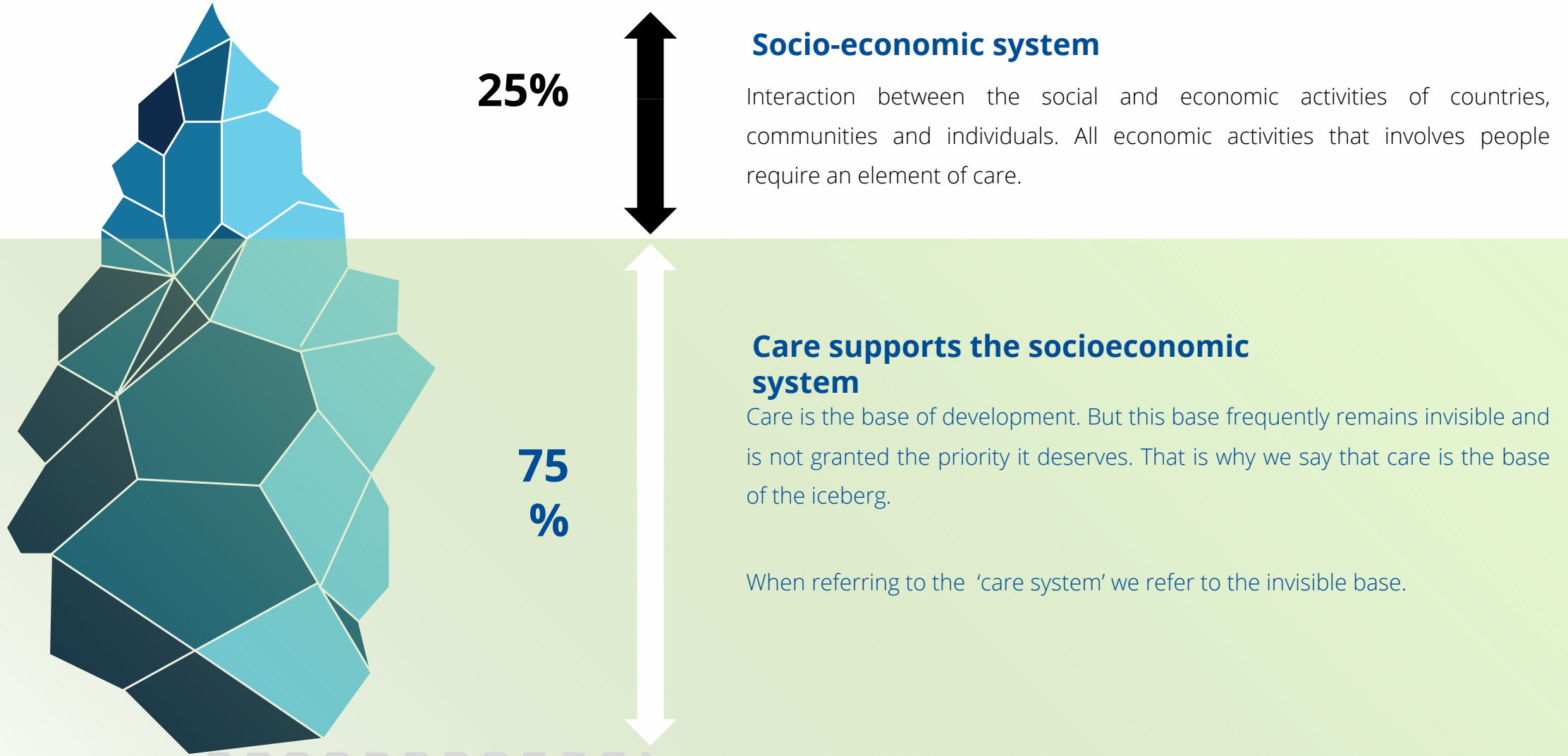
Advancing  
the Care  
Agenda



# The 5Rs



# A care sensitive approach: a bottom-up perspective



# Care is economics

Care is in itself an economic activity, although for the most part, one that takes place outside the markets. Care is considered part of the economy because:

- It is a necessity for all persons, and covering care needs requires resources.
- Care is work. It requires time, energy and knowledge.
- Providing care has 'opportunity costs', as it takes time away from other activities.





# The purple economy

- Joan Tronto (2003): care is “a species of activity that includes everything we do to maintain, continue and repair our ‘world’ so that we can live in it as well as possible. That world includes our bodies, ourselves, and our environment, all of which we seek to interweave in a complex, life-sustaining web”.
- The purple economy refers to an economic order organized around the sustainability of caring labour through a redistributive internalization of the costs of care
- Similar to the green economy: organized around the sustainability of provisioning by nature through internalization of environmental costs into production and consumption patterns



# The pillars of the purple economy

## Four Pillars of the Purple Economy

**A Universal Social  
Care Infrastructure**

reduces and redistributes  
care costs between  
public and  
domestic spheres

**Labor Market  
Regulation**

for work-life balance  
with equal gender incentives

redistributes  
care costs between  
men and women  
within the  
domestic sphere

**Ecologically-sound  
Physical Infrastructures  
for Rural Communities**

reduces and  
redistributes  
care costs between  
public and  
domestic spheres

**An Enabling  
Macroeconomic  
Environment**

recognizes care costs  
and enables its  
reduction and  
redistribution

Source: Ilkkaracan 2013 and 2016

## Why we need unpaid work

- Some unpaid care and domestic work is extremely rewarding
- Some unpaid care and domestic work is a drudgery
- But all unpaid care and domestic work is socially necessary to
  - prepare people for income-generating activities during the day, thus ensuring the household's well-being
  - raise children to want to assume their household and social responsibilities, thus building human and social capital
  - “produce” labor, which is an input into all economic activity, along with capital

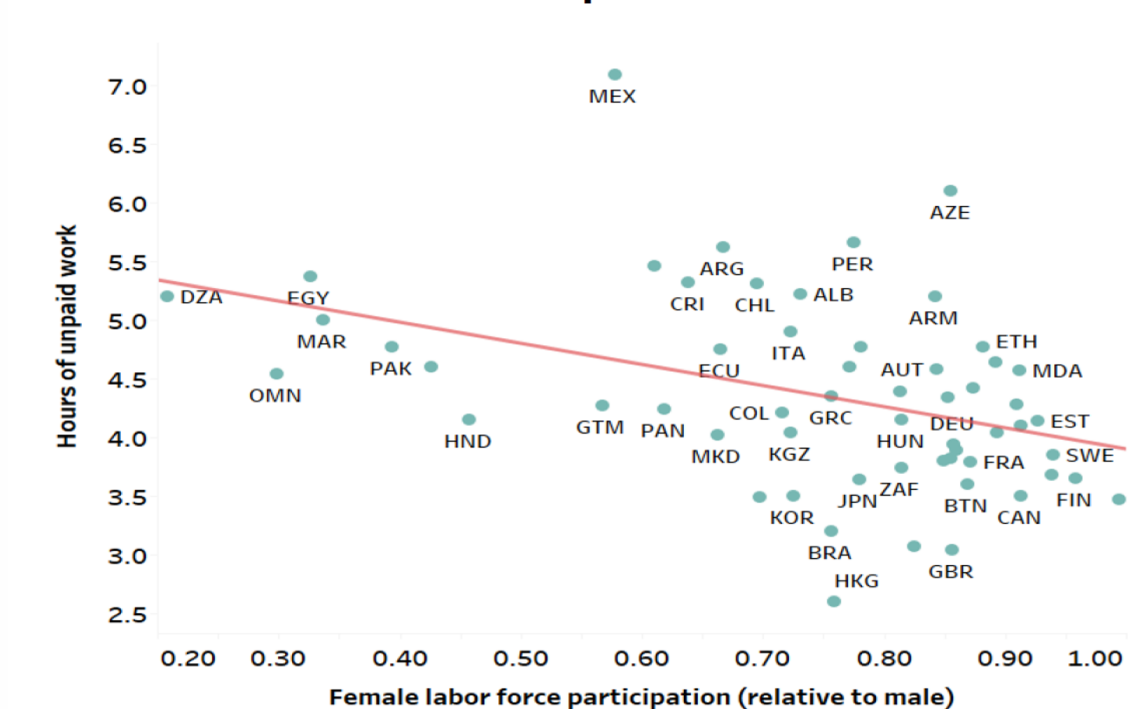
# Unpaid care and domestic work has an opportunity cost

- When doing unpaid care and domestic work you are by and large not able to do another, paid, activity
- This affects labor supply and wages and incomes
- The social necessity that unpaid care and domestic work be performed structures the terms and conditions of participation in labor markets
- It thus affects occupational segregation and gender-based wage gaps
- It also affects economic growth
  - In the short run: demand is reduced by foregone earnings
  - In the long run: labor supply is reduced as there are fewer women working



# Unpaid work reduces female labor force participation

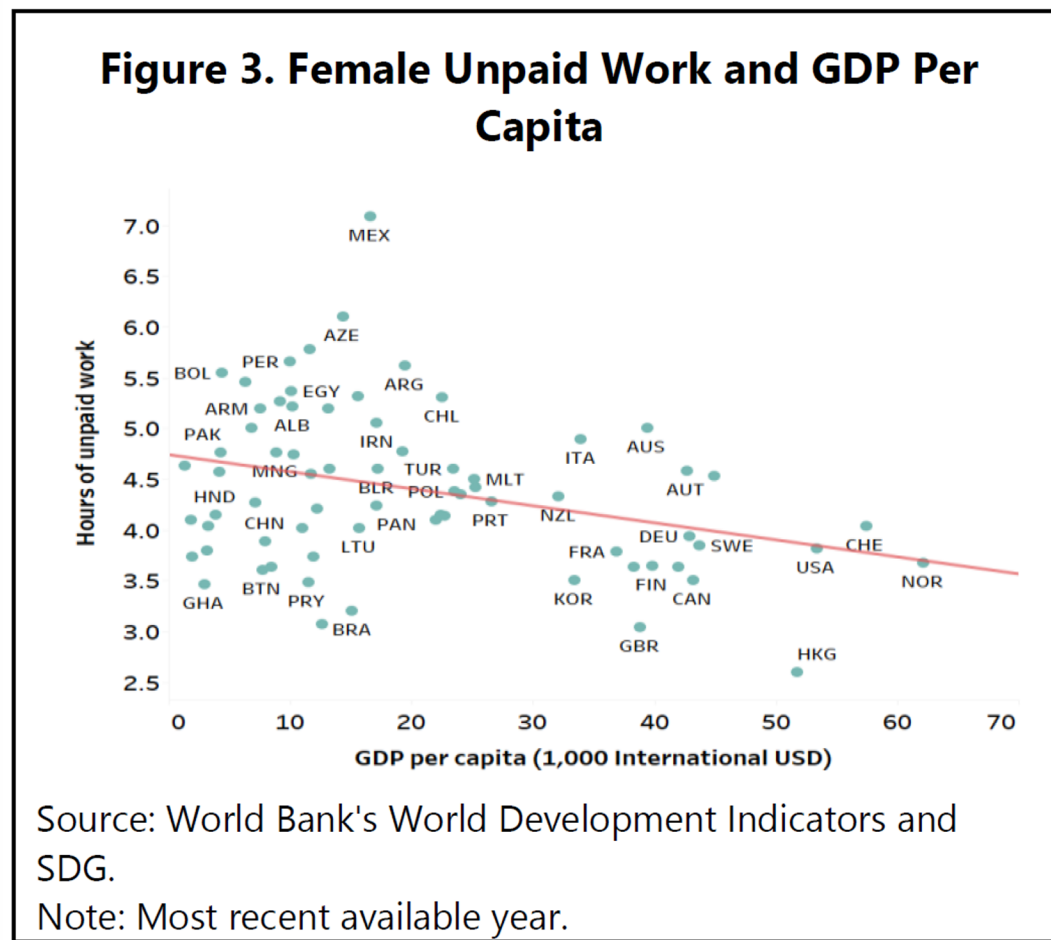
**Figure 9. Female Unpaid Work and Female Labor Force Participation**



Source: SDG and World Economic Forum's Global Competitiveness Report.  
Note: Most recent available year.

Source: Alonso et al. (2019)

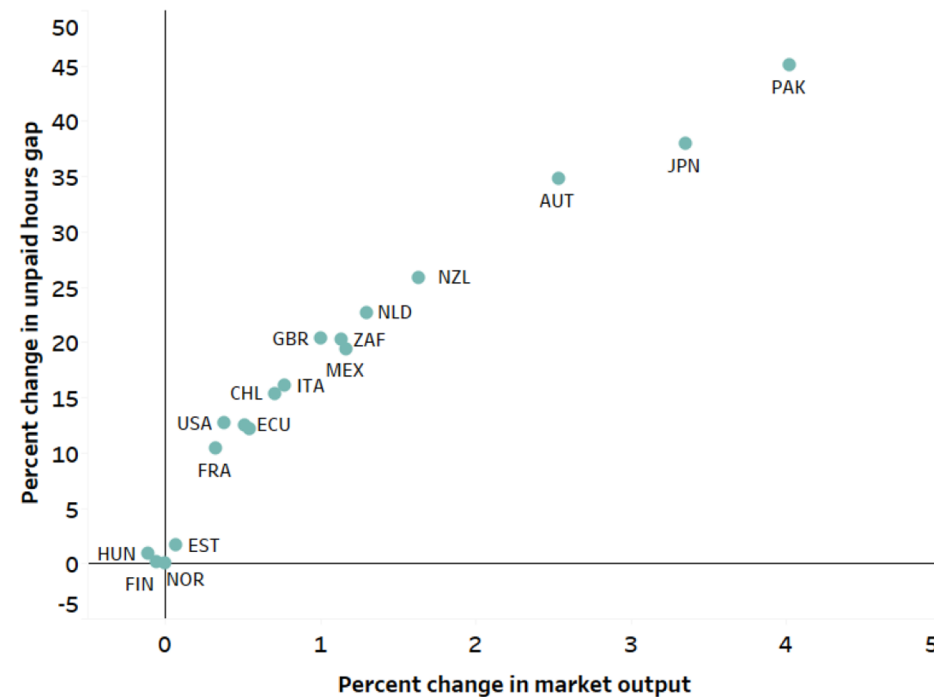
# Unpaid work reduces GDP per capita



Source: Alonso et al.  
(2019)

# Changing the unpaid hours gap increases output

**Figure 18. Reducing Barriers to Women's Paid Work:  
Changes in Unpaid Hours Gap and Output Gains**



Source: Time Use Surveys; World Bank's World Development Indicators; ILOSTAT; Bridgman and others (2018).

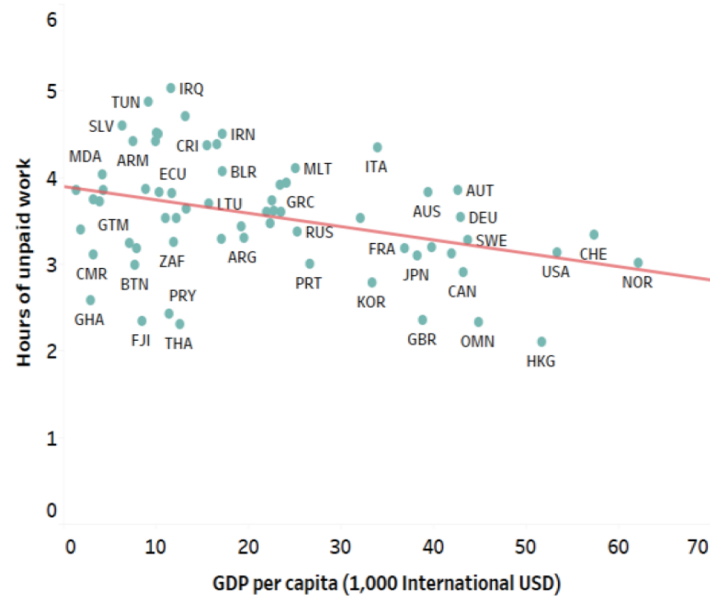
Source: Alonso et al.  
(2019)



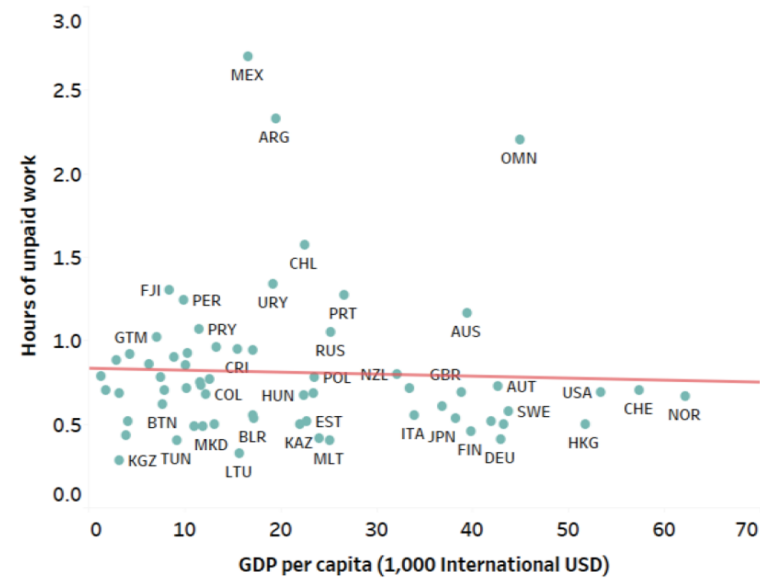
# Different types of unpaid work and GDP per capita...

Figure 4. Female Unpaid Work by Type and GDP Per Capita

## 1. Domestic chores



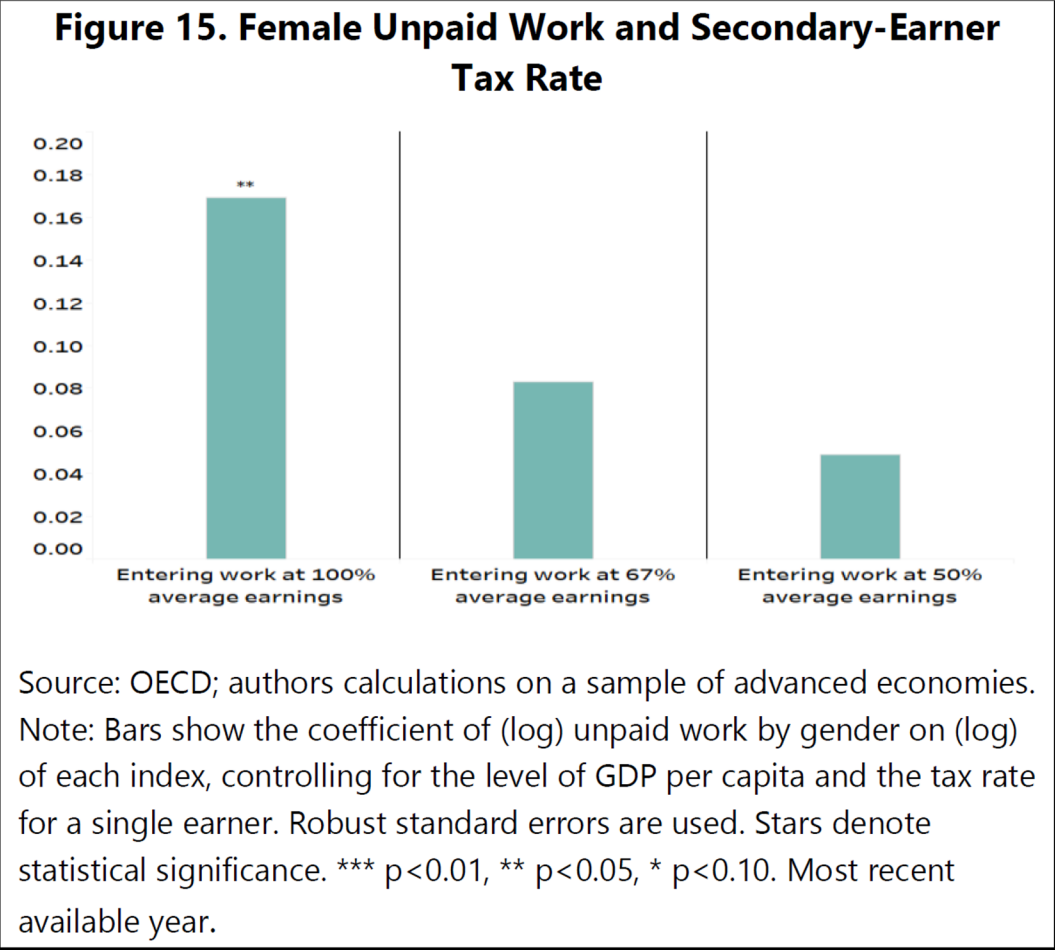
## 2. Care work



Source: World Bank's World Development Indicators and SDG.  
Note: Most recent available year.

Source: Alonso et al.  
(2019)

# Higher secondary-earner tax rates lead to higher unpaid work burden and lower labor force participation



Source: Alonso et al. (2019)

# Policy Interventions

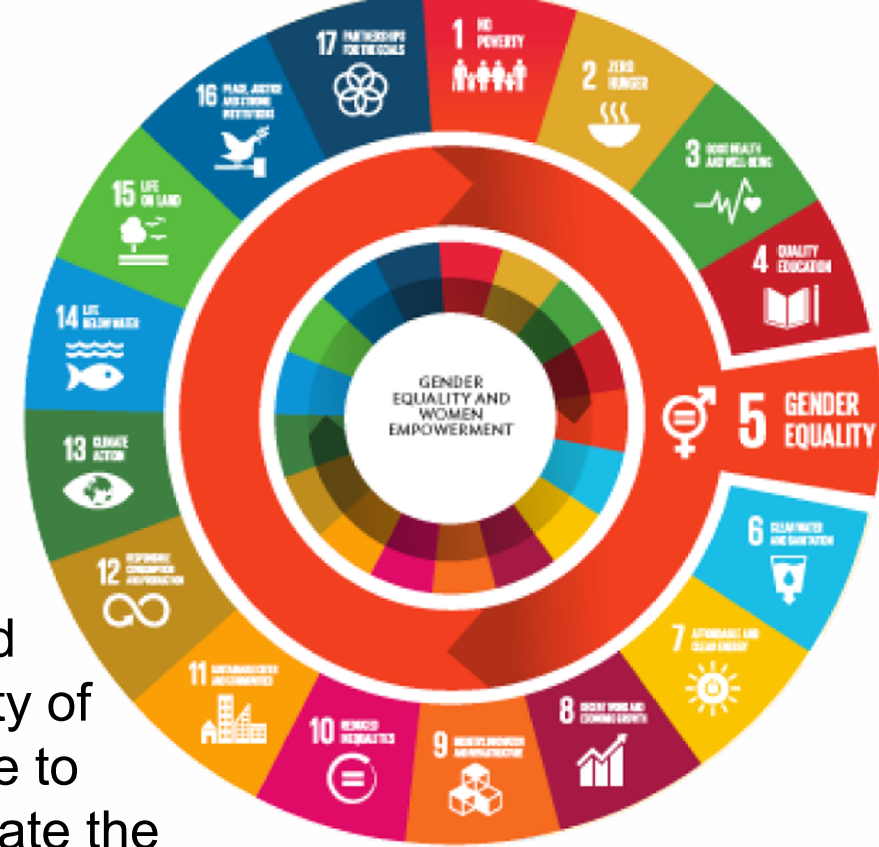


# The 5R strategy

SDG target 5.4 through the so-called '3-R strategy': Recognize, Reduce and Redistribute unpaid care work.

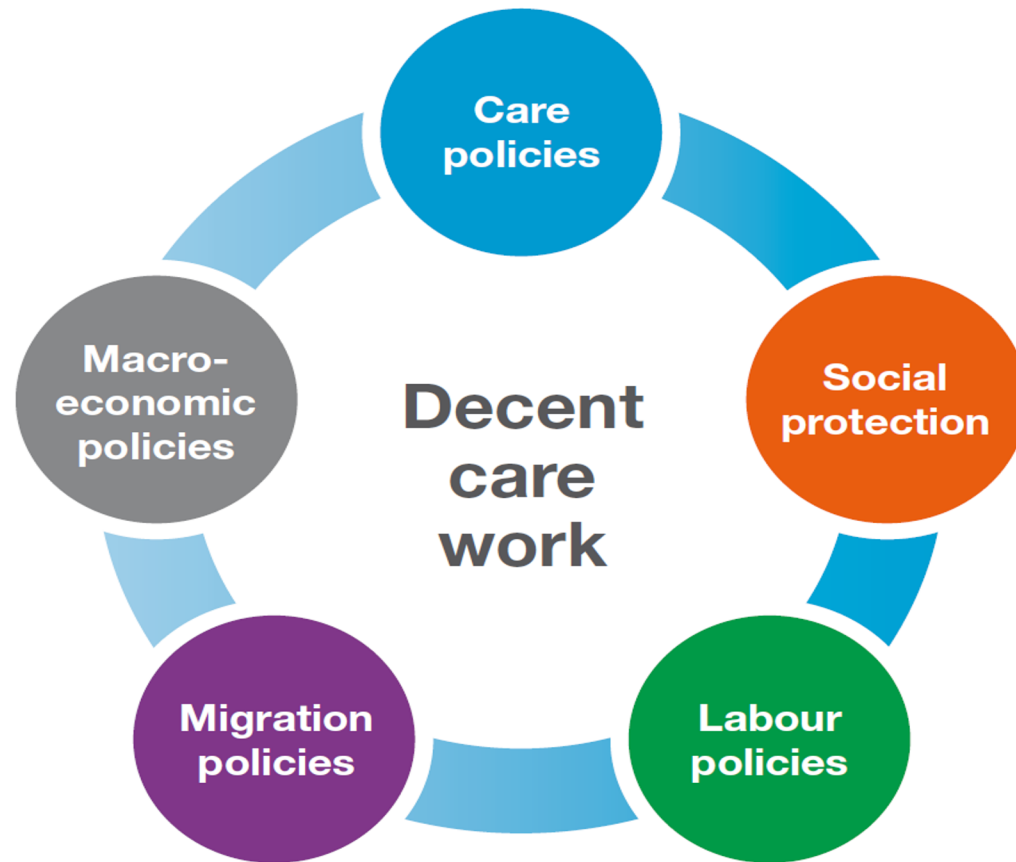
- Recognize
- Reduce
- Redistribute
- +Reward
- +Represent care workers

calls for actions to go beyond merely increasing the visibility of unpaid work as a policy issue to also include policies to alleviate the care burden and divide it between women and men, and families and public/market services in a more balanced and equitable manner and providing better and more visible employment to care workers (decent work).



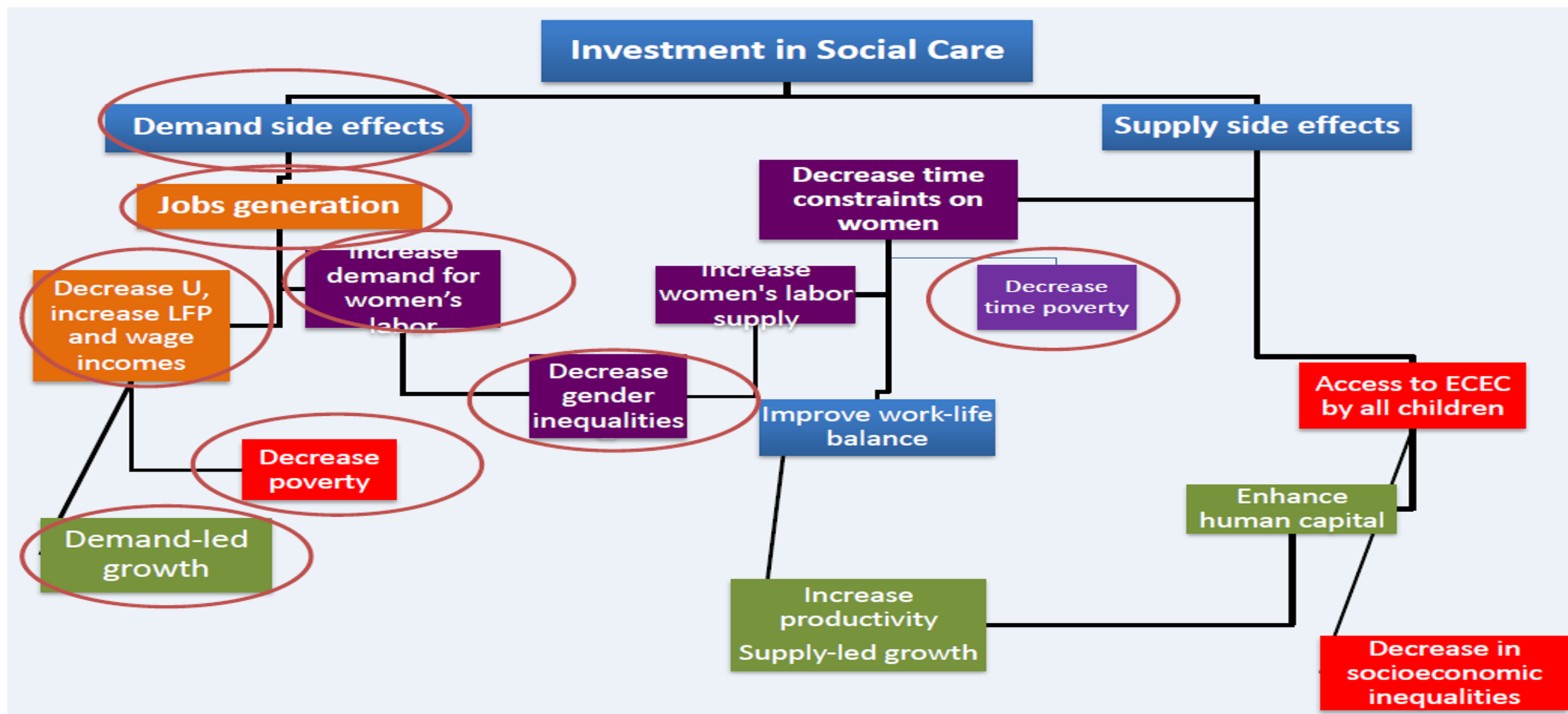
# Policy priorities

Figure 1.6. A conducive policy environment for a high road to care work



Source: ILO (2018)

# Labor supply and demand side effects





## **Recognition at the national level may take a number of forms**

- National-level legislation and policy coordination on the care economy
- Inclusion of unpaid work in national statistics by gathering quantitative and qualitative data, particularly time use surveys
- Valuation of unpaid work, and exploring its linkages to other variables, such as LFPR, GDP, inequality and poverty
- Compensation of unpaid care work through social transfers (such as payment of childcare or elderly care wages or social security coverage for full-time homemakers)
- Source: UN Women (2018)

# Public investment in social care infrastructure

- Social care services constitute a labor-intensive sector, yet one not eligible for mass production and with limits to productivity increases.
- On the demand side, there is limited consumption appetite due to the high prices of market substitutes and the low opportunity cost of unskilled female labor.
- When there is no state involvement: Quality services are available only to a minority with high income who can afford market substitutes for unpaid care work.
- This reinforces inequalities – gender, class, inter-generational.
- Leads to reliance on informal labor/migration of domestic care workers and leads to further inequalities.
- See UN Women (2018)



# Thank you

