

Women: The Emerging Economic Force

Phyllis Bonanno

As technology speeds up our lives and the millennium approaches, it is useful to take time to reflect on what will surely be one of the driving forces of the global economy of the 21st century. I am referring to women as an emerging economic force that policymakers cannot afford to ignore. What are the implications of this for businesswomen throughout the world? How do we best channel this potential and maximize it to improve the status of women in the world economy? The theme of this issue of *Economic Reform Today* is how women's business associations can spearhead the integration of women-owned and managed businesses into the mainstream of the world economy.

In the global economy of the 21st century, international trade will be a key source of economic growth and development. Recent surveys conducted in several countries by the National Foundation of Women Business Owners (NFWBO) indicate that women-owned firms involved in the global marketplace have greater revenues, are more optimistic about their business prospects and are

more focused on business expansion than women-owned firms that are domestically oriented (see the article on page 12). Obviously, expanding into international trade can pay off for women-owned firms. However, it is not clear that smaller enterprises are benefiting from this potential as much as larger firms.

Women's business associations can and should ensure that their members—large and small—are equipped to reap the rewards of expanding into the international arena. Organizations such as NFWBO have demonstrated how potent a tool information about the role of women in national economies can be. They must learn how to play the international trade game, and a global network of women's business associations can help them do that. Information technology can help identify markets, provide industry information and spotlight trends about what the role of women in national economies can be. More information about women-owned business enterprises is sorely needed to force policymakers to realize that women are an economic force to be reckoned with. Part of this process is to document the economic significance of women-owned enterprises in order to establish a constructive dialogue. What NFWBO and

similar organizations can provide may be summed up in three words: access, organization and advocacy.

► **Access.** The importance of access to information technology cannot be underestimated. Information technology can help identify markets. It can provide businesswomen important industry information and spotlight trends and potential niches.

Women's business organizations can also offer access to contacts for sources of credit, access to training in international trade issues, as well as access to the more basic skills of operations management and marketing. Access to mentoring is another service women's business organizations can offer.

► **Organization.** As women advance within the business community, they have to think seriously about coming together, identifying their interests and then advocating for them. This is true across the spectrum of economic development. As the needs of women entrepreneurs grow, their business organizations need to expand and develop their capabilities and services accordingly. CIPE's upcoming conference next June for directors of women's business associations and women entrepreneurs

Phyllis O. Bonanno is President of Columbia College and a CIPE board member.



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is designed to deliver valuable practical information on how these groups can expand their capacity and better serve the needs of the women's business community worldwide.

► **Advocacy.** For women's businesses to flourish in the global economy of the future, they need to be represented by organizations that do more than just provide access and networking. Successfully targeted advocacy is critical if women are to overcome the institutional and informal constraints that continue to hamper them in many parts of the world—in developed as well as in emerging economies. Advocacy can increase access to education and foster the growth and dynamism of women-owned firms. It can help spur reform of laws that hold women back from business ownership and hamper their ability to use collateral to obtain financing.

Advocacy can also help get

the message across to trade negotiators that they must be more conscious of the need to communicate the ramifications of trade pacts to small-business new owners—women business owners included.

Advocacy also needs to be used to raise the awareness of international development organizations such as the World Bank that business ownership by women should be a key goal in developing countries. It is a goal just as important as improving women's health and educational prospects. Most importantly, advocacy can change attitudes.

One thing is certain. The national business associations and policymakers of the world can no longer ignore the burgeoning power of women in the world economy. Encouraging that realization and helping it take root sooner rather than later must be our major goal for the new millennium. 🌐🌐

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CENTER FOR INTERNATIONAL PRIVATE ENTERPRISE

1155 15th Street NW, Suite 700
Washington, DC 20005, USA
tel.: (202) 721-9200 fax: (202) 721-9250
email: cipe@cipe.org
World-Wide Web site: www.cipe.org

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