

# Women's Employment Issues in Georgia and Solutions Based on European Experience

N. Damenia, E. Kharaishvili, N. Sagareishvili, M. Saghareishvili

**Abstract**—Women's Employment is one of the most important issues in the global economy. The article discusses the stated topic in Georgia, through historical content, Soviet experience, and modern perspectives. The paper discusses segmentation in terms of employment and related problems. Based on statistical analysis, women's unemployment rate and its factors are analyzed. The level of employment of women in Transcaucasia (Georgia, Armenia, and Azerbaijan) is discussed and is compared with Baltic countries (Lithuania, Latvia, and Estonia). The study analyzes women's level of development, according to the average age of marriage and migration level. The focus is on Georgia's Association Agreement with the EU in 2014, which includes economic, social, trade and political issues. One part of it is gender equality at workplaces. According to the research, the average monthly remuneration of women managers in the financial and insurance sector equaled to 1044.6 Georgian Lari, while in overall business sector average monthly remuneration equaled to 961.1 GEL. Average salaries are increasing; however, the employment rate remains problematic. For example, in 2017, 74.6% of men and 50.8% of women were employed from a total workforce. It is also interesting that the proportion of men and women at managerial positions is 29% (women) to 71% (men). Based on the results, the main recommendation for government and civil society is to consider women as a part of the country's economic development. In this aspect, the experience of developed countries should be considered. It is important to create additional jobs in urban or rural areas and help migrant women return and use their working resources properly.

**Keywords**—Employment of women, segregation in terms of employment, women's employment level in Transcaucasia, migration level.

## I. OVERVIEW OF THE WOMEN'S ROLE IN THE WORLD ECONOMY

**W**OMEN'S employment is one of the most important issues in the global economy, which originates from early times. In the civilizations before Christ, such as Mesopotamia, Babylon, Rome, Greece, etc., the role of men as the predominant gender was glorified, and the women were treated as obedient to men. It is noteworthy that the only option when the woman had a prospect of career advancement was the case of her royal family membership when she could become the heir of the throne, if there were no man among throne pretenders [1]. The lower rate of women employment was due to a number of reasons, among which we can mainly name-giving education to boys, and to prepare daughters for family affairs. A similar attitude to the issue suggests the data collected by historians on the existing civilizations.

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Situation regarding women employment did not change in the early and middle centuries A.D. Indeed, there were female rulers (for example, Japan had eight woman emperors in the middle ages), but in general, women in administrative, military, economic or other services had no chance of career growth [2].

Stereotypes or visions created in the above mentioned periods have also come to the modern era, which contributed to sexual segregation, including segregation in work place. One of the clearest examples of this is the phenomenon of division of girls and boys in educational institutions that existed in Western countries even until the 20<sup>th</sup> century [3]. It is interesting to note that the end of the 10s of the 20<sup>th</sup> century, especially the 20s, so called "Turbulent 20s" has been revolutionary in terms of protection of women's rights, including employment. Prominent icons such as Deborah Gate, who replaced her died brother in 1782 for serving in the US troops and Harriet Tubmen, a member of the Afro-American community who was abolitionist and release hundreds of slaves were becoming more and more popular in the U.S. society. In 1918, the first woman, Constance Markevich, was elected in the House of Commons of the United Kingdom, and in 1919, another woman, Nancy Astor, became member of this house. In 1922, the US Senate elected a woman senator, Hattie Caraway, for the first time, who represented the State of Arkansas in Senate and Congress for 13 years. In 1929, the first female minister in the history of mankind was appointed - Margaret Grace Bonfeld received the position of Labor Minister of the United Kingdom [4].

In the economy, differentiating between women and men in life and/or in employment are known as sex segregation. Economist and scientist Cohen distinguishes the mandatory, administrative, permissive and voluntary segregation [2]. Voluntary and permissive segregation, as a rule, is derived from personal or public feelings, perception, culture, and vision. Voluntary segregation, as the term indicates, is when a person believes that sex segregation is correct because both men and women have different attributes and capabilities, and therefore cannot be equal, including their official obligations. This expression of conformism is mainly found in Asian and African countries, but there may also be some regions of western states (e.g. in Sicily, famous Italian author Puso stressed that according to tradition, a woman in Sicily does not even have the right to argue with her husband, brother or father [9]. The moment is also mentioned in Prosper Mary's "Matteo Falcone") where women are used to obey to men, and men in turn think of himself as a superior to opposite sex. Permissive segregation comes from the public pressure. For

instance, we can take up a situation in Iran or Afghanistan, where women's chance to express themselves independently, work on self-realization and create source of independent income is suppressed forcefully. As for the mandatory and administrative segregation, they are already controlled by state regulations. One of the clearest examples of administrative segregation is the penitentiary system where women and men are in separate establishments [5]. As for the mandatory segregation, we can take examples of "Barak" where men and women cannot live together or contact sports where different sex representatives cannot confront each other and this state is controlled by the relevant legislation.

As for the segregation in the workplace, in this case there are two types of vertical and horizontal segregation. Horizontal segregation involves unequal distribution of sex in professions. For example, in areas such as science, construction, transportation, police, and even politics, men are significantly overcrowded and humanitarian, social and artistic fields, educational institutions, as well as service sector is full of woman workers [6]. As for the vertical segregation, it deals with unequal distribution of sex on hierarchical stages. According to the "Economic and Social Research Council" surveys [7], men in the hierarchical positions in the public or private sectors dominate worldwide. In addition, according to statistics, the average salary is higher in areas where most employees are men than in the areas where most employees are women [8].

No matter how paradoxically, the protection of women's rights from the moment of establishment of the Soviet Union was of particular concern. Of course, this included employment. In 1917, the Soviet Socialist Republic of Russia became the first country in the history of humanity, where women were granted a constitutional right to participate in elections. This legislation was naturally spread in the Soviet Union established in 1922 [9]. Since the state was based on the Marxist socialist economy, the latter criticized the violence on women in the family and her personal suppression. In addition, German economist and socialist Rosa Luxemburg and his ideology had influenced the development of women's employment system in the Soviet Union. She was a radical feminist who, in her 1912 work, "Women's Suffrage and Class Struggle", discussed phenomenon of a free, harmonious and employed woman in the economy. She criticized liberal feminism [10], followed mainly by bourgeois women such as aristocratic women who did not want to work and concepts "feminism" and "woman liberty" was just a way to support their personal pleasure and careless life, while Luxembourg was considering a phenomenon of a free and working woman who could benefit country's economy [11]. In addition, women, who were not given career field, were regarded as a lost workforce. Vladimir Lenin also voiced similar ideas about women in his work "State and Revolution" and "One step forward, two steps back." [11]. It is also interesting that after the October Revolution, one of the members of Politburo, the highest ruling body, became women Elena Stasova, who were working on producing stenographic recordings. Lenin's wife Nazzjada Krupskaya has been appointed as Deputy Education

Minister in the future. Naturally women's freedom and career growth have emerged in Georgia where elements of voluntary and permissive segregation had come from the past. It is noteworthy to state that the Soviet government had minimized administrative and mandatory segregation in that period. Georgian top Soviet officials, such as Joseph Stalin and Grigol Orjonikidze, discussed issues about the benefit of women's employment to economics [9]. On one of the plenum Orjonikidze talked about the contribution of women's workforce to the country's development and what is paradoxically he became the first Georgian politician who publicly discussed this topic. Women were granted the right to serve in the army, to work on the position of the train driver, engineer, etc. During the Second World War, the USSR was distinguished with much better trained female fighters than allies or "Axis" forces. For example, sniper Rosa Shanina, who at the age of 19 showed herself in the battle of Vilnius, killed in total 59 soldiers of Nazi Germany in 1943-45. In 1944 Canadian edition of "Ottawa Citizen" wrote about her [12]. Also, the pilot Ekaterina Budanova, who is famous for her great professionalism, is worth mentioning. As we can see, despite many shortcomings, there was a very good situation in women's employment in the Soviet Union and the horizontal segregation was minimized. However, there was a vertical segregation.

## II. MAIN FINDINGS

During the Soviet Union, there was a lack of research and accurate statistical analysis, and in most cases statistics did not reflect reality, so there is no statistical data and analysis of women's economic activity or average income in that era. As for the post-Soviet period, we can compare women's employment in the end of the 90s, the "Rose Revolution" and the subsequent period of basic state reforms and the last years [12].

In Figs. 1-3, 15+ aged women's data are given (note: all the data regarding number of women are given in thousands of persons, e.g. 739,8 means 739800 15+ aged women).

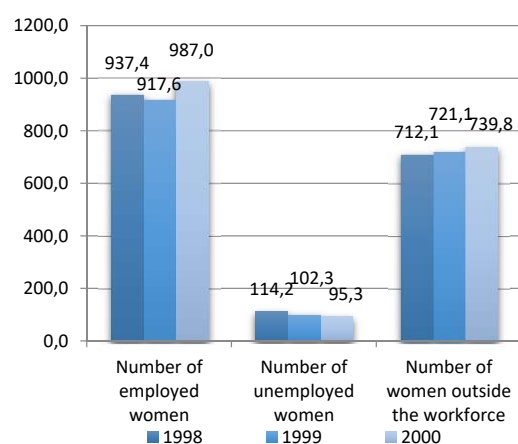


Fig. 1 Distribution of employed women at the end of 90's 1998-2000 (thousand persons)

As we see in 1998-2000 self-employed women dominated among employed women [13].

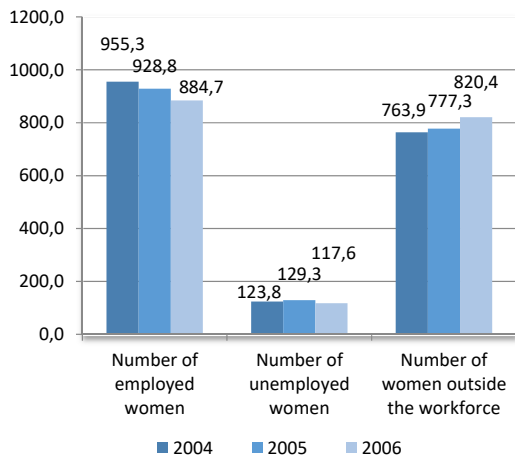


Fig. 2 Distribution of employed women in 2004-2006 (thousand persons)

In 2004 – 2006 number of employed persons decreased and number of self-employed persons increased [13].

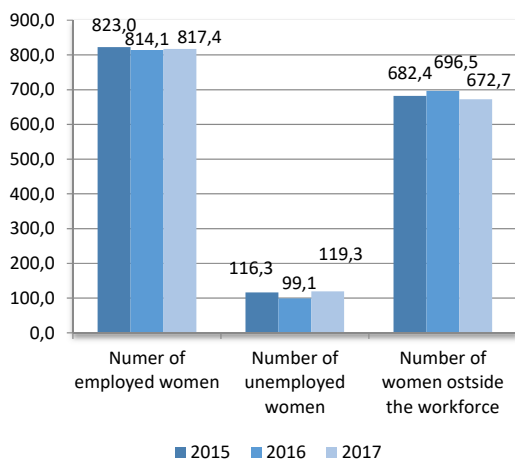


Fig. 3 Distribution of employed women in 2015 –2017(thousand persons)

As we can see, the number of women employed in recent years is growing and slowly equalizing to the number of self-employed people [13].

Despite the increase in the number of employed people, unemployment rate in 2017 is 3% more than in 2000. This was largely due to the fact that in the second half of the 2000s, a large part of Georgian women migrated abroad. The loss of this work force is one of the most important factors affecting women's employment in Georgia.

Following hindering factors of women's employment in Georgia have been revealed:

- Voluntary and permissive segregation;
- Family violence and etc.

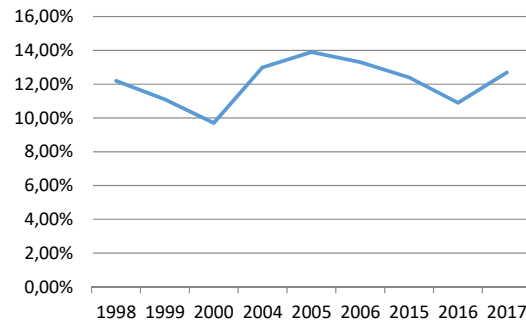


Fig. 4 15+ Female unemployment rate by years

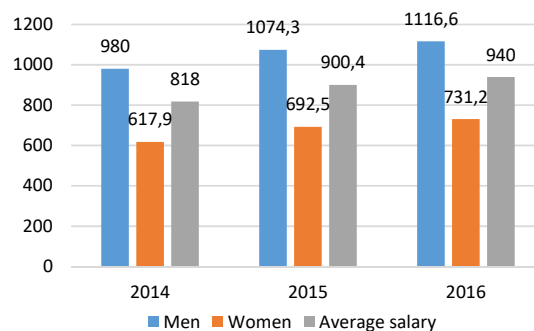


Fig. 5 Average monthly salary, 2014-2016

According to the Ministry of Internal Affairs of Georgia, in 2007-2014, there were 1102 family violence cases in Georgia, involving 2223 persons [22]. During the first eight months of 2017, there were 20 murders on family violence on women, 14 cases related to attempted murder and suicide. Interestingly, family violence in 2015 has increased by 88.7% compared with the previous year.

Georgia is ranked 43rd in the UN research for education index [9], and has better score compared to only Cyprus, Luxembourg, Bulgaria, Armenia, Azerbaijan, Moldova, Portugal, Romania, Turkey and Serbia. However, the main indicator of the Human Development Index, which includes not only the education index, but involvement in education, the average period of academic years, economic activity, life expectancy and graduates' employment indicates that Georgia has quite bad 70<sup>th</sup> rank (lower rank is better). Norway is number one, in second place there are Australia and Switzerland. Georgia is ahead to only several European countries like Armenia, Azerbaijan, Ukraine and Moldova ahead [14]. This indicates that the level of education is better than realization of this education. This indicates the failure of the education system, which creates a very big problem for the country's market economy. The best example of this is Ukraine. Education index is higher than in Georgia, but in terms of human development, it only exceeds Moldova's score. This is because Ukraine is the most corrupt country in Europe and the diploma obtained there does not correspond to

the real level of education. In Georgia, the main problem is not corruption, but the problems of government and society approach and organization.

Economic studies indicate that the average age of marriage in the country is directly correlates to the index of development and, therefore, the level of employment [15]. For example, in Japan, the average age of marriages is 29.8 years, which is significantly higher than in the region, in this case, the average in Asia is about 24 years. In Japan, human development level is 17 and the unemployment rate is 2.4% as of March 2018. As for the European countries, this correlation is more pronounced - for example, the average age of marriage in Germany is 30.9 years, which is about 2 years higher than the European average. Human Development Index is 4 and by the April 2018, unemployment rate was 3.5%. The average age of marriage in Switzerland is 30.1 years, Human Development Index is 2 and as for March 2017, unemployment rate was 5.2%. Similar situation exists in other developed European countries - Norway, Denmark, the United Kingdom, and Holland. The average age of marriage is directly proportionate to the development index and employment level in Australia and New Zealand, where the average age of women marriages exceeds by 5 years the Oceanic indicator. The average marriage age of women in Georgia is 26.6 years, which is less than the average. As a result, in terms of European data, this figure is directly proportionate to the level of human development and employment [15].

There is no campaign or initiative aimed at increasing women's economic activity. Feminism in Georgia is perceived as the ideology of preaching sex, marriage and propagation. In fact, classical feminism is derived from economic theories and discusses women as a worker, economically active and full-fledged person.

There is no specific case study of sexual harassment in Georgia, but there are individual cases where women, on the basis of career advancement or financial well-being, receive an offer of sexual nature from a superior official, violating its rights and putting moral and professional damages [16]. Of course, women victims of sexual harassment in Georgia are avoiding talking about this fact and participating in the research, but this problem is very acute in the country.

It is interesting to see what the situation in other post-Soviet states is, considering Transcaucasian region and Baltic region.

Based on the World Bank data, let's discuss women's employment in Georgia, Armenia and Azerbaijan in 1991 (the last year of USSR) and 2017. In this regard, Georgia has had a significant advantage in 1991 and also in 2017, but now the situation is more equal. Armenia showed the largest increase [17].<sup>1</sup>

Armenia has the best situation regarding women's employment in the field of industry. According to statistics, sex segregation is lower in this country.

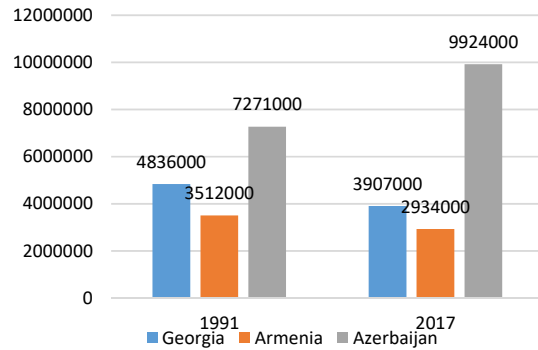


Fig. 6 Population in Georgia, Armenia and Azerbaijan

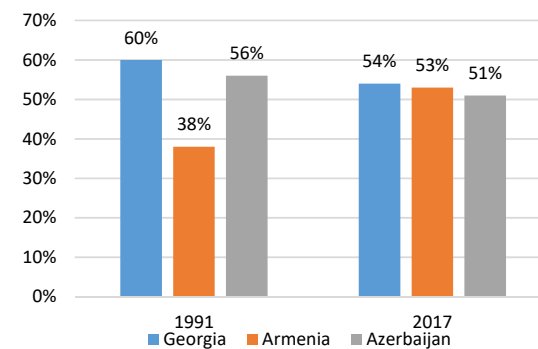


Fig. 7 Female employment level in Georgia, Armenia and Azerbaijan

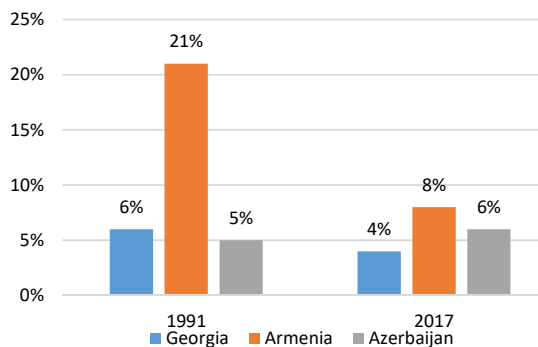


Fig. 8 Female employment level in industry in Georgia, Armenia and Azerbaijan

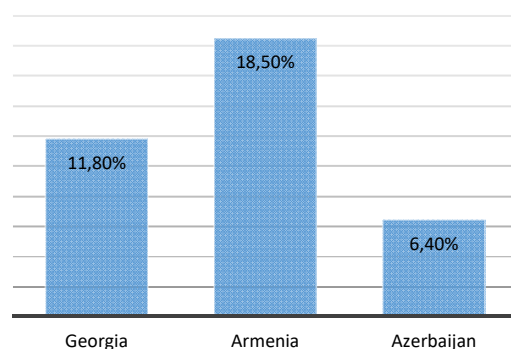


Fig. 9 Unemployment level in Georgia, Armenia and Azerbaijan, 2017

In Azerbaijan, men are more employed than women.

<sup>1</sup>All the data regarding foreign countries are taken from World Bank's official webpage [15], [17], [18].

According to the data, for the specific countries human development level is as follows: Georgia - 70; Azerbaijan - 78; Armenia - 84. The average age of marriage for women: Georgia - 26.6; Armenia - 26.3; Azerbaijan - 23.7. The level of migration: Georgia -77.47; Armenia: -3.32; Azerbaijan: -1.73. Based on this information we can conclude that women's employment in Armenia is in a better position than in Georgia and Azerbaijan. In Azerbaijan, women's discrimination is mainly based on religious and traditional stereotypes at workplace. In Azerbaijan too, there is a high rate of violation of women's rights and family violence.

Based on the World Bank data [18], let's discuss women's employment in Georgia, Estonia, Latvia and Lithuania in 1991 (the last year of the USSR) and in 2017.

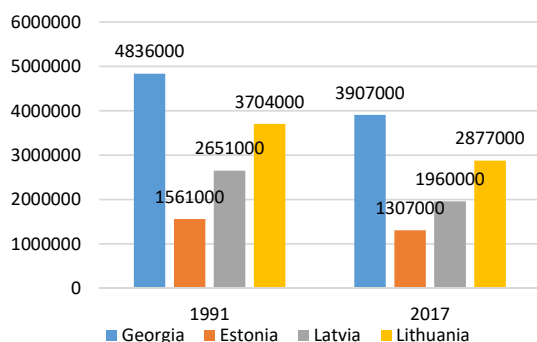


Fig. 10 Population of Georgia, Estonia, Latvia and Lithuania

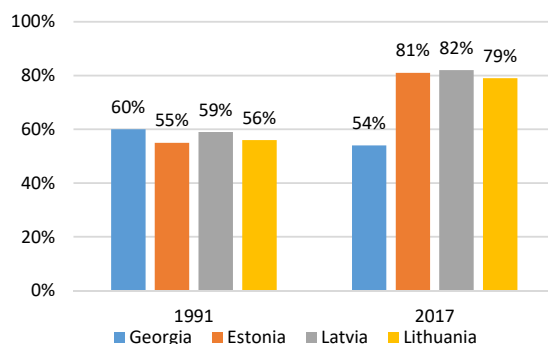


Fig. 11 Women's Employment Level in Georgia, Estonia, Latvia and Lithuania

It is interesting to note that in 1991, Georgia was leading Baltic States in terms of employment of women [19], but today, Estonia, Latvia and Lithuania with lesser population and lesser workforce use women's resource very effectively.

Sexual segregation seems to be much lower in the Baltic countries in the workplace. Mostly, it was caused by the free mentality and voluntary and permissive segregation [20]. In 2017, the reduction of female employment levels in the Baltic countries was more due to the fact that in the 21<sup>st</sup> Century Estonia, Latvia and Lithuania launched large scale economic reforms, and service sector developed much. Accordingly, some of the women have moved to these areas.

The level of human development according to the United Nations data in 2017 was: Georgia - 70; Estonia - 30; Latvia -

44; Lithuania - 37 [1].

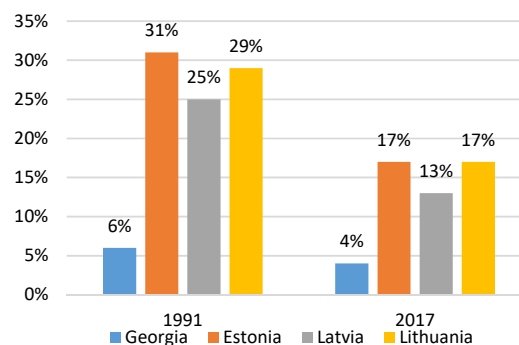


Fig. 12 Women's employment level in the field of industry in Georgia, Estonia, Latvia and Lithuania

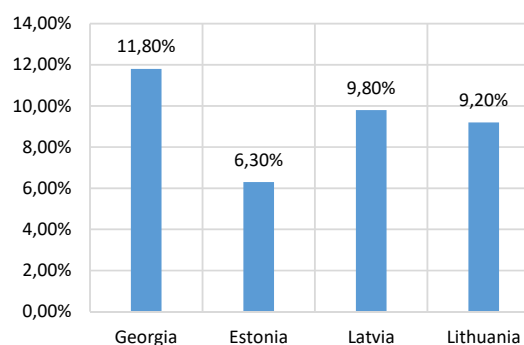


Fig. 13 Unemployment rate 2017, Georgia, Estonia, Latvia, Lithuania

Average age of marriage for women: Georgia - 26.6; Estonia - 29.0; Latvia - 28.2; Lithuania - 27.3.

Level of migration: Georgia - 77.47; Estonia - 8.96; Latvia - 36.10; Lithuania - 56.74. The Baltic countries have a higher level of migration than the European average.

Grant Thornton's 2016 International Business Reporting Indicators show that the number of high positions held by women during the last 12 months has increased by 24%, while the same figure was 22% in 2015. [5] It should be noted that Eastern Europe is still leading with 35% of the above-mentioned indicator. Only 16% of the companies and businesses do not employ females at high positions.

In recent years, some European countries have helped to improve sexual diversification in Eastern Europe, where the number of high positions occupied by women is: Russia (45%); Lithuania (39%); Estonia (37%); Latvia (35%) [5].

In Armenia and Azerbaijan, workforce leakage is less likely to be seen from the statistics than in the Baltic countries and Georgia. Therefore, we can assume that women's employment problems are directly related to corruption and public stereotypes. As for the Baltic States, starting from the level of education and ended by the Human Development Index, women's rights are protected best in the post-Soviet space. In this respect, Estonia is particularly distinguished. It is noteworthy that the Baltic States became members of the European Union on March 29, 2004, after which women's



rights, including work places, and control of all of these have been significantly tightened.

According to the UN's 2018 survey, women spend more than 3 times on non-paid family work compared to men [21]. It does not matter whether these women are employed or not. According to the same research, women spend 45 hours a week on their family work, which is more than hours of work.

The goal of the EU is to achieve 75% of men and women employment by 2020. Women's employment continues to grow slowly but steadily as well as that of men and reached 66.6% in the third quarter of 2017. Despite this progress, women still have a lot of problems to achieve equal employment. Compared to men, women are still less employed [21], have fewer pension funds, work 6 hours more than men in a week on average. Available data indicate that women in the EU countries are mainly employed on following professional categories: store sellers, cleaners, personal care workers, primary school teachers and secretaries, health care specialist, law and human resource professionals [1]. On the other hand, women's share in other professions, such as engineers or IT professionals, remains low.

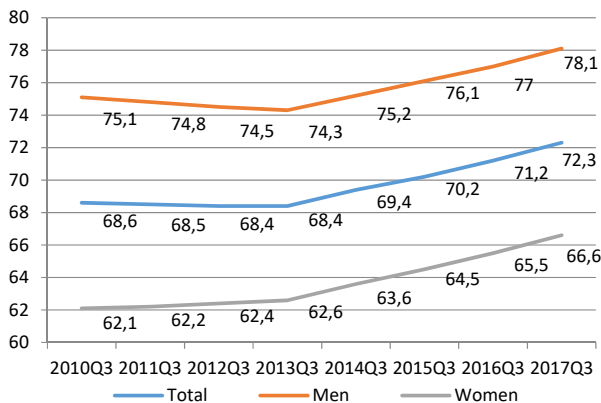


Fig. 14 EU trends in employment rates, 20-64, by gender

With respect to Georgia, it is important to mention an Association Agreement with the EU in 2014, which includes economic and social issues, together with the trade and political issues. One of these is part of the gender equality at work places. It is interesting that in contrast to Azerbaijan and Armenia, the difference between the average wages of the employed woman and the average wage of the employed men in public service, financial sector and information and communication industry is very low or even does not exist. For example, according to the large-scale survey of 2015 [22], the average salary of the female manager in the financial and insurance sector was 1044.6 GEL, and the average salary of the female manager in the business sector was 961.1 GEL, which is undoubtedly a progressive indicator, but the problem is in the number of employees. For example, the employment rate for men in 2015 was 65.2% and for women it was 50.7%. In 2016, males account for 64.5% of the same indicator and females - 50.6%, while in 2017 these figures were 74.6% in

males and 50.8% in females. It should be noted that average monthly income is increasing for both men and women, however, the gap between their wages increases as well [13].

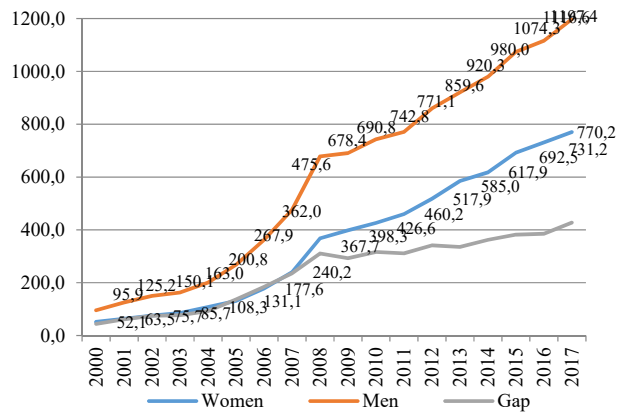


Fig. 15 Average monthly earnings of employees by sex in Georgia, 2000-2017

It is also interesting that the percentage distribution of women in the country on managerial positions is about 29%, and men still hold 71% of the managerial positions. Main recommendation on women's employment issues is supporting woman as an economically active individual by government and public institutions and stressing the importance of it for the country's economy. Besides, it is necessary to fight against family violence, sexual harassment and permissive segregation. It is recommended to adopt a model of the Baltic States and Eastern Europe, such as Czech Republic, Slovakia, Slovenia. It is interesting to share the experience of Switzerland, Australia, Germany and Japan and analyze the past stages of women's employment. Also, additional jobs should be created in urban or agricultural areas to return the migrant women and to use their proper resources.

### III. CONCLUSIONS AND RECOMMENDATIONS

Based on the research following conclusions were drawn:

- Female employment rate in Georgia is low and it is far lower than in selected countries.
- In the country, there are few jobs with flexible work schedule for women, especially for mothers, which encourages women's unemployment.
- When women cannot find jobs in the country they often immigrate to find a job abroad.
- Unemployed women highly depend on men (spouses), which sometimes make them the victims of violence.

In our opinion, to address these challenges, the following steps should be taken:

- It is necessary to carry out legislative measures for the elimination of women's violence.
- In order to support the victims of violence and involve them in economic activity, it is necessary to create asylum and support employment of the victims.
- In order to promote women's employment, it is desirable

- to adopt relevant legislation and improve existing ones;
- It is desirable for the state to develop programs that will facilitate women entrepreneurs and support their business activities, on the one hand and on the other hand, make women's employment more attractive to enterprises;
- It is desirable to eliminate the wage gap between men and women employed in the same position.

Despite the fact that employment of women is still a problematic issue in the country, it should be noted that the country had five presidents in history, and the last and current president is a woman.

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