Since the start of the COVID-19 pandemic, reports from all over the world have emerged about the gendered aspects of its impacts. From spikes in domestic violence to increasing childcare duties falling disproportionately on women to huge job losses in sectors dominated by women, this pandemic—like all global crises—is not gender neutral.

While the human and economic risks are well documented, less analysis has been done about how these patterns will impact investment outcomes. But one thing is clear: the scope and magnitude of the economic and social impacts of gender inequality and the ways in which they are being exacerbated by the pandemic will change how companies, sectors, and markets perform.

Criterion Institute, in partnership with leading gender lens investors, has identified 10 evidence-based economic patterns and translated them into investment opportunity and risk. Understanding these patterns is critical for investors of all kinds to understand short- and long-term risks, uncover hidden opportunities, and invest to capitalize on both. Understanding these will enable government and impact investors focused on recovery to invest better for the outcomes they seek.

For each point, we name the proven economic patterns, their relevance to recovery, their relevance to investments, and key data points to track to understand pandemic-related shifts. In some cases, the data we identify may not be tracked in consistent ways. We include them anyway because this research highlights, in part, data gaps that are crucial to investment analysis. It is important to note that gender patterns are complicated by race, class, ethnicity, caste, and other identities along which power and discrimination operate. Investors should examine these factors and how they determine how people participate in societies and economies in the context in question.

The recovery from this crisis will be long and difficult, and the need to course-correct by incorporating a gender analysis is urgent. If investors do so, they will be able to structure capital flows so that the sectors and markets we rebuild are more stable and equitable for all involved.
10 Ways Gender is Material to the Recovery

1. If women either drop out or can’t reenter the workforce, economies will be slower to recover.

2. Investments in women-led businesses are an investment in resilient economic recovery.

3. Increasing demand for unpaid care contracts or slows economic growth.

4. Companies that mitigate the potential gendered consequences of remote work will be better positioned in the “new normal.”

5. Through response and recovery, women will continue to be the dominant purchasers of essential goods and services.

6. The shifts in the economy are revealing investment opportunities in the care economy. Smart investors won’t undervalue them.

7. Technology is gendered. As businesses and investors look to tech solutions in the current context, a gender lens will reveal opportunities and mitigate risks.

8. Infrastructure is gendered. As governments and private investors move capital to infrastructure projects, a gender lens will reveal opportunities and mitigate risks.

9. Those investing in sector-level recovery will build back more stable sectors if inequities are addressed.

10. Whether countries respond effectively to increases in gender-based violence during this crisis is an indicator of future political risk.
Women’s labor force participation is correlated with better economic outcomes. Since the start of the pandemic, women are dropping out of the workforce in greater numbers than men due to shocks to low-wage female-dominated jobs, unpaid child and elder-care responsibilities, and rising violence. The continued requirements of unpaid care, slow recovery of women-dominated sectors, and an increasing difficulty in overall employment opportunities mean participation may continue to drop. And the longer women are out of the labor force, the higher are barriers to re-entry. This will have a sizeable impact on all economic outcomes.

Available Research

Research shows that women’s participation in the workforce leads to economic growth, including increased productivity and wage growth. According to OECD, gender discrimination in formal and informal laws, social norms, and practices costs the world economy US$12 trillion—16% of global income. Reducing discrimination could lead to an annual average increase in global GDP of .03-0.6 percentage points by 2030. A 2015 McKinsey study projected $12 trillion could be added to global GDP by 2025 by advancing women’s equality. However, the growth in women’s labor force participation is slow, with a projected 27% gender gap in overall participation by 2030. This is not only explained by regional differences; in Europe, the United States, and Canada, women’s labor force participation actually declined from 1990-2018.

Relevance to Recovery

During the pandemic, women are leaving the workforce in greater numbers than men, due to a multitude of factors—largely their higher representation in low-wage sectors that are being hit the hardest by the pandemic, but also factors such as providing unpaid child and elder care and experiencing higher rates of violence. This decline in women’s employment is expected to reduce global GDP by $1 trillion in 2020 alone. If this results in a longer-term reduction in women’s participation in the labor force, overall economic recovery will be slower.

Relevance to Investments

Tracking the changes in women’s labor force participation during this pandemic is a critical indicator of longer-term, sustainable recovery. Since this correlation has been demonstrated at the country level, tracking changes in labor force participation by country, as well as a country’s efforts to bridge the gender gap, can both be indicators of a country’s recovery prospects. This can inform assessments of opportunity and risk.
Relevant Data and Metrics to Track

- Changes in country-level gender gaps in labor force participation, pre-COVID to now. The ILO ILOSTAT database has sex-disaggregated data on labor force participation, unemployment rates, self-employment, and participation in the informal sector, among other indicators.
- % of women filing unemployment claims compared to men
- Unemployment rates disaggregated by gender
- % of stimulus and loan capital going to businesses that employ over 50% women
- % of loans going to businesses that are owned by women, employ over 50% women, or have products/services consumed by over 50% women. The IFC SME Finance Forum provides sex-disaggregated data on the finance gap for MSMEs and gender breakdown of MSME ownership.
- At the enterprise level, changes in the gender balance from pre-COVID to now
Investments in women-led businesses are an investment in resilient economic recovery.

Studies show that women-led businesses have often been able to perform better with less investment. People who experience structural inequities in business, such as women and ethnic and racial minorities, have had to identify ways to be successful without the resources available to more privileged groups, such as access to capital and markets, and thus have built models to be stable in spite of scarcity. Therefore, investments in these businesses are an opportunity to further economic recovery.

Available Research

• Women-led startups have optimized investment by delivering twice as much as the dollar invested and generated 10% more cumulative revenue over a five-year period than their male counterparts.

• Women-led businesses achieve lower levels of equity investment, with male entrepreneurs 86% more likely to be venture-capital funded, and 56% more likely to secure angel investment. However, when they do secure investment, women’s businesses show returns of 20% more revenue with 50% less money invested.

• Studies done during the Great Recession and the global financial crisis show that regional economic stability increases with the share of women-owned firms. They are less likely to lay off workers and are more stable than men-owned firms.

• One study by a large Scandinavian bank found that companies with women in a Chief Executive or Chairman role had twice the annualized net returns than the market average. Among small and medium enterprises, women-led enterprises are 80% more profitable than their male counterparts.

• Among Fortune 500 companies, companies with at least three women board directors outperformed those with no women board directors by 84% on Return on Sales, 60% on Return on Invested Capital, and 46% on Return on Equity.

• Women get less than 3% of venture capital, and the percentage appears to be decreasing during the pandemic. The Rose Review estimated that supporting women entrepreneurs could add £250 billion to the UK economy.

Relevance to Recovery

Women-led businesses tend to be built for resilience and stability, and therefore are critical to rebuilding efforts that need to support stability in addition to growth. Investing in women-led businesses is an effective approach for stimulus and investment capital aimed at economic recovery.
Relevance to Investments

Women-led businesses are a particularly strong investment option during COVID-19 because they are set up to optimize investment capital. In order to take advantage of this opportunity in the post-crisis recovery and strengthen the overall economy, investors can ensure that their portfolios are right-sized to include financing women-led businesses. There are needs from microfinance all the way through to small and growing businesses, growth businesses, high-growth businesses, and larger established businesses. It is important to understand the right financing required for each segment and at what point in the recovery cycle they are.

Relevant Data and Metrics to Track

- Leadership demographics of businesses receiving investment capital, by size of business; The World Bank Enterprise Surveys provide data on the percentage of firms with female participation in ownership and firms with top managers.
- Leadership demographics of businesses receiving stimulus capital, by size of business
- Changes in % and types of investment capital going to women-owned and managed business compared to last year; The ILO ILOSTAT database has data on the percentage of managerial positions held by women, including among middle and senior management.
- How capital recipients spend stimulus funds during the recovery, disaggregated by demographics of business ownership
- % of women-led and managed businesses filing for bankruptcy from pre-COVID to now
Unpaid care is relevant to investing. Per #1 above, women’s declining participation in the workforce is a risk to overall economic recovery and growth. One of the biggest threats to women’s labor force participation is unpaid labor. This pandemic is presenting a unique situation in which women’s and girls’ unpaid care work is disproportionately increasing. Some have to leave school and jobs to meet child and elder care needs; for many who remain, the demand of care reduces their ability to be present and productive at work. All of this leads to declining efficiency and outputs for businesses.

Available Research

- Even pre-COVID, women provided the bulk of unpaid work, which impacted the economic stability of individuals and families, and of economies negatively. This gender gap has declined by only 7 minutes per day in the last 20 years.

- The burden of unpaid care has disproportionately fallen on women and girls during the pandemic, and these rates are much higher for women of color.

- A recent study showed that in the United States, among heterosexual couples in which both parents were employed, mothers had reduced working hours 4-5 times more than men. With schools and childcare facilities not fully re-opening in many countries, there could be significant impacts on many women’s ability to remain in or rejoin the workforce over an extended period of time.

- Experts estimate 20 million secondary school-aged girls could be pulled out of school globally during the pandemic. This will have a huge impact on female labor force participation and economic recovery.

Relevance to Recovery

The burden of unpaid care presents a labor and operational risk to companies that don’t protect and provide flexible jobs for workers. Some companies will be hit more than others. Absenteeism, presentism, and turnover will vary from company to company. Some geographies will be hit harder than others—for example, countries in which schools do not reopen. And sectors that employ a disproportionate number of women will also be hit harder. If women and girls don’t have access to either compensation for care and domestic work, or access to talent and services that can provide care and domestic labor for them so that they can return to work and school, then their wages are at risk, their economic stability is at risk, and their participation in education/training leading to work is at risk. This is a self-perpetuating cycle.
Relevance to Investments

This trend is relevant to enterprise and market analysis:
Enterprise: To keep pace with the market, companies need to be addressing this risk. Looking at whether current and potential portfolio companies are responding to the new burdens placed on staff and innovating or adapting to support those staff can help identify companies that are more likely to be stable or grow during recovery.
Market: Certain sectors and geographies will also be hit harder by demands for unpaid care and less flexible workplaces (for example, sectors that rely on hourly labor, sectors that disproportionately employ women, countries with aging populations that have higher care burdens, etc.) The effects of unpaid care demands should factor into sector and market analyses of potential growth.

Relevant Data and Metrics to Track

- Volume of unpaid work in the country or region, disaggregated by gender; a 2018 ILO study, Care work and care jobs for the future of work, includes in-depth information and data on the care economy, including domestic workers and child care providers
- Gender budgeting: country/region spend on reviving child care and elderly care facilities, and enabling women to access such facilities
- National and company-level paid leave policies
- Labor force participation by gender
- Turnover rates by gender
- Percentage of women who can’t return to work because of unpaid care duties
- The ILO ILOSTAT database has sex-disaggregated data on employment-to-population ratio by presence of children in the household, which could provide context about how much of an impact childcare needs might have in a geography
The consequences of a shift to remote work are gendered. While remote work has been shown to have some positive consequences for a workforce and is often regarded as a positive for women (in allowing greater flexibility), it can also have disproportionate negative consequences for women. This is due to a variety of factors, including: 1) the disproportionate domestic responsibilities they shoulder, 2) their reduced access to technology, 3) the increased potential that they experience violence in the home, and 4) the increase in potential for online harassment. Companies that innovate and find ways to support their employees through these shifts will likely be high performers in their sector or market.

Available Research

- Domestic violence cases increased globally by 20% during the pandemic as women are trapped with their abusers at home. The UN declared domestic violence as the “shadow pandemic.”

- Globally, 70% of unpaid caregiving work is done by women and girls. Unpaid caregivers constitute 65 million people in the US and 100 million in Europe (i.e. 20% of the EU population).

- Working women are spending 15 hours a week more than men on unpaid domestic labor in the US and Europe during the pandemic.

- Online harassment shot up four-fold during the 2008 financial crisis and set a two-decade record during the Great Depression. The anonymity in virtual communications, stressful conditions of the pandemic, and an increase in economic vulnerability can breed online harassment and cyber-bullying.

- Women are 27 times more likely to be harassed online than men.

- Although over 90% of jobs have a digital component to them, the digital divide between men and women is 43% in Sub-Saharan Africa, 33% in South Asia, and 34% in MENA. In developing countries, 23% fewer women than men are online.

Relevance to Recovery

Many companies have shifted to a remote work model and are giving indications that at least some of it will outlast the pandemic, whether by eliminating offices or providing more flexible work opportunities. For example, Google has indicated that employees will be working from home until mid-2021 at least.
Relevance to Investments

This provides potential for alpha in investments. Companies that are mitigating the effects of remote work will have a more productive workforce than those that are going remote but not helping to mitigate those consequences. These effects will potentially outlast the pandemic.

Relevant Data and Metrics to Track

- Sector and/or market shifts in remote work
- Gender-digital divide in country and sector/market; ITU and DHS have data on mobile phone ownership access and Internet access.
- Shifts in domestic violence during recovery and post-COVID, at country level; UN Women, DHS, and the WHO have data on GBV, including intimate partner violence prevalence
- Shifts in online harassment occurrences and reports in sector and geography
- Changes in sectoral policies related to remote work
- Surveys or other research that evaluate the gendered nature of work over the coming months/years at the sector and geography levels
- Population demographics; a very young or very old population means additional care requirements
Through response and recovery, women will continue to be the dominant purchasers of essential goods and services.

Essential goods and services are the drivers of economic recovery. Even in the context of a global pandemic, when women’s overall purchasing power will likely decrease in proportion to men’s, women’s spending patterns will drive a significant amount of the economic recovery because women will likely continue to make the majority of purchasing decisions of essential services for families. In addition, the pandemic will likely increase needs for certain essential services, such as health care. Thus, women’s purchasing decisions will influence consumer markets.

Available Research

- Women make or influence 70-80% of purchases worldwide. That outsize market influence is partly because they make the vast majority of purchasing decisions for households, including cars, property, food, and health care. Overall, women control $20 trillion of annual consumer spend.
- Women are the largest purchasers of health care.
- 75% of women in the US identify as primary shoppers for their families.
- Essential goods will constitute the bulk of spending by families during the recovery, with the luxury goods market expected to contract 15%-35% in 2020 and continuing into 2021.

Relevance to Recovery

Because of economic and financial crises around the world, consumer spending patterns are likely to change, but historic patterns indicate that women will continue to make purchasing decisions for families, thus continuing to influence a significant portion of spending even if their overall wealth decreases in comparison to men’s. New financial circumstances may shift the industries in which those funds are spent. Thus, the ways in which women are shifting (or maintaining) their spending priorities will signal which industries will grow or lag in the recovery.

Relevance to Investments

In analyzing a sector and its recovery/growth trajectory, patterns of women’s spending that impact that sector will be a crucial data point and indicator of potential. Moreover, investing in those industries that will attract proportionately greater spending from women offers an effective opportunity lens for portfolio allocation. For example, if women are already the largest purchasers of health care and their needs are going up—and if the pandemic reduces traditional access to care—health innovations and disruptions that target women and girls, already an undervalued investment opportunity, will potentially have an even bigger market.
Relevant Data and Metrics to Track

- Women’s spending patterns by country, disaggregated by industry; DHS has data on women’s participation in household decision-making on purchases
- Men’s spending patterns by country, disaggregated by industry
- Changes in spending patterns compared to a pre-COVID-19 period, disaggregated by industry and gender
- Industries experiencing growth and those experiencing contraction
Even prior to the COVID-19 pandemic, the care sector was one of the fastest-growing in the world, and the pandemic is increasing care needs. While care sectors vary significantly by country and are comprised mostly of microbusinesses, many are investable. Moreover, the opportunities are in both consumer-facing businesses and those with government funding: in countries where certain types of care (such as early childhood care) are mandated, businesses have consumer and government revenue streams, making them an attractive potential investment opportunity. The immediate opportunities are in the formal sector, but it is important to note that a significant portion of the global care economy is informal and, if organized, would present further investable opportunities.

Available Research

- **2.3 billion older people and children** will be in need of care by 2030.
- The elder care services market will touch **$1.9 trillion by 2028** with an 8.5% compound annual growth rate. People aged 65 and above will comprise **17% of the world's population** by 2050.
- With **25% of all jobs in the US at high risk of automation**, there is an opportunity to shift jobs into the care economy.
- Home health aides and personal care aides were ranked among the fastest-growing jobs in the US **between 2018-2028, with a growth rate of 38%**.
- **Unpaid care work**, when valued at minimum wage, is **US$11 trillion or 9% of global GDP**.
- The unpaid care economy is estimated to **cost between 20% and 60% of an average country's GDP**. More women joining the workforce and the rising elderly population presents an opportunity for investors to invest in the care sector.
- By 2030, the **US will spend half of its budget on elderly care**. The **OECD has spent 35-37% of its GDP on elderly care** since 2000, and this is set to increase further.

Relevance to Recovery

A thriving and formal care sector is vital to economic recovery. In addition to meeting the changing and growing health care needs of a post-pandemic world, a formal care sector mitigates the need for unpaid care work, which is correlated with lower labor force participation and therefore worse overall economic outcomes. Demand for care workers is growing more rapidly than for any other occupation, while workers in many countries are becoming less willing to put up with exploitation and unsafe conditions. When care workers are underpaid, the burden of their insufficient income falls on the public sector and private taxpayers who pick up the cost of their inability to pay for basic services.
Relevance to Investments

While care sectors are fragmented and variable, the fact that they have historically been undervalued means that investors are continuing to miss opportunities as needs for these businesses grow. As investors look at this sector, they should be aware that there are often gaps to fill for care economy companies. From a global perspective, needs include technology, business structure innovation, upskilling workers, certification, and improved information flows between supply and demand/intermediation between customers and providers. Investors must understand the data about labor patterns, customer demand, and sources of revenue from public and private payors.

Relevant Data and Metrics to Track

- Size of care sector in geography/market
- Number of job openings in formal care industries (indicates market-level need)
- Government spend on the care economy by country (indicators can be found in gender-based budgeting)
- Quantified demand for care services from individuals and via businesses paying for care services for their employees
- Population demographics; a very young and/or aging population means greater care needs
Technology is gendered. As businesses and investors look to tech solutions in the current context, a gender lens will reveal opportunities and mitigate risks.

Technology is gendered. The gender-digital divide—that women and girls globally have less access to tech—has been well documented. Tech platforms are regularly revealed to be having unintended consequences, both positive and negative, on women and girls, from facilitating gender-based violence to increasing financial access. Be it e-commerce skills for women sellers, programming and engineering skills for deeper tech companies, IT skills for those using supply chain, manufacturing, or disruptive tech in other areas, or pure access to information and training via technology, the gap has tremendous implications for women in business and young women’s transition from education into work. Simply put, paying attention to gender in tech will result in better tech—and better investments.

Available Research

- **Digital transformation spending crossed $1 trillion in 2019**, with service, manufacturing, and energy sectors showing a [26% increase in spend](#) since 2015. This spend is set to increase during recovery.

- **70% of businesses** in the US, EU, UK, and Australia are maintaining or rapidly increasing their digital transformation spend through recovery.

- **25-30% of the US workforce** will shift to remote work by the end of 2021. Facebook expects [half its employees to be completely remote](#) in the next 5-10 years.

- The percentage of women who cannot telework varies across geographies but is high across the board. In Brazil, [67% of women](#) working in the services sector, the biggest recruiter of women, are not able telework. In the US, 54% of women working in the social sectors cannot telework. In most [low-income countries](#), 88% of women are not able to telework.

- For those with digital access, cyber violence is a deterrent. [10% of girls in OECD countries](#) experience cyber violence before the age of 15.

- [55% of HR managers in the US said AI](#) would be an integral part of their work. A [large-scale AI recruitment tool was disbanded](#) by a technology company after it penalized female applicants unfairly from the recruitment process.
Relevance to Recovery

The global pandemic is only accelerating businesses and investors’ focus on tech investments. Education and work are moving online faster than they were pre-pandemic, with some companies indicating shifts could be permanent. People are looking to shift basic services online, from health care to personal finance. As multiple aspects of life move online at an accelerated rate, and as investors look to tech disruptors to solve new problems, the ways in which gender impacts people’s relationship to technology become increasingly important. As more goods and services move around the block or around the globe via e-commerce, as more education and training solutions are only available digitally, as more remote working requires access to and knowledge of remote working tools, and as more manufacturing, smart agriculture, smart energy, digital financial services go to use of smart technology, if the gender digital divide persists than women and girls will be set back by decades. Conversely, those with the skills, knowledge, access, and tools will be more resilient, more financially sustainable, and more competitive.

Relevance to Investments

A gender analysis is necessary to identify opportunities and mitigate risks when it comes to technology. As the pandemic creates new needs, investors who pay attention to the gendered differences in tech needs and impacts will likely have better investment outcomes.

From an opportunity point of view, companies that provide equal access to technology for women and men will likely have more resilient supply and value chains; those that see new market opportunities by paying attention to women’s needs and gender-differentiated needs will gain market share and capture new markets. There are also opportunities for governments to work with the private sector to invest in digital infrastructure in ways that mitigate gaps in digital access and enable women and girls to participate more fully in economies.

From a risk mitigation perspective, investors can look at which companies are leaving women and girls behind and choose to move their capital to better actors, who will likely have better outcomes.

Relevant Data and Metrics to Track

- Amount of investment in digital infrastructure in the country
- Gender digital divide in the country
- Sectoral gender divide in tech access
- Number of trained workers, gender-disaggregated, with digital skills
- Open jobs not being filled because of labor shortages for digital jobs
- At the enterprise level, who was involved in the design of the technology and was gender analysis part of the process, including assessment of the differential impact on male and female users and customers
Infrastructure is gendered. As governments and private investors move capital to infrastructure projects, a gender lens will reveal opportunities and mitigate risks.

As is the case after many economic disasters, public and private investors are moving significant capital to infrastructure projects as part of job-creation and economic rebuilding. Incorporating a gender lens is critical. First, intentionally creating infrastructure jobs for women can help stimulate overall economic growth by spurring women’s participation in the economy. Second, if a gender lens is incorporated into project design, it will help to mitigate unintended consequences and create better outcomes for women and girls.

**Available Research**

- There is consensus among stakeholders that infrastructure is not gender neutral.
- In many countries, up to 80% women feel unsafe using public transport.
- A survey on transportation systems in Sierra Leone found women were twice as likely to be using transportation with children and elderly people.
- Women consistently experience harassment and other safety concerns on public transportation. In London, 28% women reported sexual harassment. This number increases to 60% in Latin American countries.

- Infrastructure funds produced the highest annual returns compared to private natural resources, real estate, and other private equity benchmarks.
- Green bonds, which only emerged a decade ago, have grown to $500 billion in value.
- Studies of discrete infrastructure projects often reveal that a failure to incorporate a gender analysis led to fundamental problems. For example, a large-scale water and sanitation project across 58 districts of Zimbabwe funded by multiple multilateral agreements failed and ultimately shut down due to a male-centered approach and rules that were culturally insensitive to women.

**Relevance to Recovery**

Infrastructure is one of the sectors in which disproportionate amounts of capital will be directed over the coming months, as governments look to create jobs and stimulate recovery. Applying a gender lens will increase the likelihood that the projects achieve positive social returns.
Relevance to Investments

Increased amounts of blended finance are being directed towards infrastructure projects. By using their influence to ensure a gender analysis is woven into all parts of the design of the projects they are funding, investors can both ensure better outcomes for vulnerable populations and mitigate the risks that the projects will have unintended consequences or less impact on the populations they are targeting. Government investors can also use this tool to meet gender equality, poverty reduction, and other SDG-aligned goals.

Relevant Data and Metrics to Track

- Public and private spend on infrastructure
- % of spend on infrastructure that has a gender lens, including assessments of security, travel preferences, and mobility patterns
- % of infrastructure spend that address women’s safety
- Gender divide in access to the infrastructure
- Gender divide in risks caused by construction and maintenance of the infrastructure; ILOSTAT has sex-disaggregated data on construction staff, occupational health and safety.
Sectors that, pre-pandemic, were rife with inequalities also have greater instability, as trends in hospitality, service, health care, among others, have shown. Many sectors that employ disproportionate numbers of women are the hardest hit by the pandemic, such as tourism, hospitality, and service. From an investor’s point of view, sectors with greater inequality should be viewed as riskier due to that baked-in instability. As sectors rebuild, how they address fundamental inequalities should be weighed in assessing that sector’s risk of instability over the long-term.

### Available Research

- There is consensus among economists that inequality leads to economic instability. Researchers have repeatedly documented how rising inequality led to both the Great Depression and Great Recession.

- In agriculture, one of the largest sectors in many developing economies, women make up almost 50% of the workforce in developing economies. Gender inequity has led to lower land productivity, more food insecurity, and slow progress on SDG2. The sector’s demand and supply have been hit due to COVID-19.

- More than 25 percent of sexual harassment charges filed in the last decade in the US were by service-sector workers, who tend to be women making low wages.

- 89% of those employed in hospitality industry have experienced workplace sexual harassment; anecdotal evidence suggests there is growing attention to and advocacy on this issue.

### Relevance to Recovery

A tremendous amount of investment capital will be needed in industries that employ a disproportionate number of women, such as tourism and hospitality. For those sectors to be rebuilt to be less vulnerable to the kind of instability we are seeing now, there needs to be an eye to inequality and worker empowerment. Otherwise, they will likely be rebuilt to be just as unstable as they were prior to the pandemic.
**Relevance to Investments**

Investors in a sector are looking to assess its stability and risk over the long term. At an enterprise and sector level, how companies rebuild and how sector practices/regulations evolve will determine their long-term resilience and stability. Investors can influence business decision making on policies and practices in these areas. There is a correlation between higher stability of employees and better productivity with better customer and partner relationships, leading to better financial outcomes. Those companies with better and more stable workforces have the potential to outperform their sector peers.

**Relevant Data and Metrics to Track**

- Wage parity and equity in other labor policies and practices among genders
- Gender diversity in leadership and different hierarchical levels; ILOSTAT has data on women in managerial positions, including senior and middle management, in addition to employment distribution by sex, occupation, sector.
- Gender breakdown in a sector
- Regulation of labor practices in a sector
- Regulation of labor practices in a supply chain in a sector, both domestic and cross-border
- Gender analyses in country’s policy responses to the sector
Though not routinely factored into analyses of market risk, violence against women is a strong indicator of state stability. As the pandemic impacts rates of violence around the world, tracking these rates can help investors better analyze political risk over the longer-term.

Available Research

Research shows a correlation between the security of women and the security of nations, with levels of violence against women being a better predictor of state peacefulness, compliance with international treaty obligations, and relations with neighboring countries than indicators measuring the level of democracy, level of wealth, and civilizational identity of the state. The Women, Peace, and Security Index tracks data about women’s equality (inclusion, justice, security) in 167 countries and reflects that countries are more peaceful and prosperous when women are accorded full and equal rights and opportunities.

Relevance to Recovery

As gender-based violence is increasing during the COVID-19 crisis, the long-term outlook of political stability is likely changing country by country. This exacerbates political risk for investments. How countries respond to increases in gender-based violence during COVID is a signal of future political stability.

Relevance to Investments

Political instability is a crucial component of market risk. As violence against women is a strong predictor of future stability and violence against women is increasing, investors can use data on gender-based violence at a country level to better weight the markets in which they are invested or planning to invest, price investments in areas where incidence of violence is higher, and/or look for risk mitigation strategies in places where they want to invest.
Relevant Data and Metrics to Track

- Changes in rates of violence pre-COVID to now; UN Women, DHS, the WHO, GIWPS, UNICEF have data on gender-based violence and UNODC has some data on femicide, human trafficking, sexual violence and exploitation
- Historical patterns of violence in the country (to compare rates of change) on the global database on violence against women
- Country’s ranking on the Women, Peace and Security Index

- Government response to violence, including:
  - Changes in funding for violence services in response to the pandemic
  - Changes in laws and regulations, and enforcement thereof, in response to the pandemic
  - Definition of violence: what is considered violence and what is not
  - Existence or creation of a government task force or agency dedicated to gender equality and/or violence
  - Citizens’ attitudes towards violence against women; the OECD database on violence against women is one source of data

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