

Women, economy, war

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Abstract

Political violence amplifies contemporary trends occurring worldwide in the twenty-first century: globalization, an increasing reliance on the informal economy, a shift from twentieth-century manufacturing to resource and labour wildcatting, and the growth of complex international extra-legal trade networks. Women are central to all of these, though their roles both as leaders of development and victims of violence are often overlooked in mainstream analyses. To explain these invisibilities, this article introduces the concept of vanishing points – places where formal analyses and policy effectively cease, such as the dividing lines between formal and informal economies, and the violence associated with controlling extra-legal profits that is effectively invisible to the public at large. The realities of women’s work amid political violence and postwar development, and across the spectrum of in/formality are explored. The conclusions serve to challenge established notions of power, profit, and economy, and the role of gender within these.



What takes place at the intersections where considerations of women, economy, and war meet? This is a question that I have followed in ethnographic fieldwork across three continents and over twenty-five years.¹ The answers I encounter seldom match prevailing ‘social wisdom’ – Foucauldian epistemic knowledge that societies broadly take as true – on these topics. At the most basic level, for example, women’s roles both in the economy and on the frontlines are far greater than many classic accounts recognize.

This disjuncture is in part due to an institutionalized failure to consider the full spectrum of political violence, and of economies, as wholes. Formal actors – that is to say those populating legally recognized institutions (e.g. the

military, government, industry, commerce) – are the focus of most reporting. Non-combatants, children, informal economic work, and extra-legal commerce appear far less in formal accounting, even though these represent the majority of people and the bulk of economic activity in many places.²

I use the term extra-legal to refer to all that falls outside state-based definitions of legal. This encompasses the informal, illicit, illegal, unrecorded, and undefined. The term ‘extra-legal’ (and not ‘informal’) is used exclusively in most of my publications because, as my research consistently demonstrates, no agreed definitions for any of these terms exist and many of those arenas are blurred and overlap. But because this article explores women’s working conditions that are frequently referred to as ‘informal’ in the literature, I turn first to considerations of informality and then extend my examination to the more comprehensive concerns of extra-legality.³

My interest is pragmatic: the informal economy today dwarfs the formal economy in a number of countries. Kabeer explains that:

By the 1990s, it had become clear that the pace and pattern of economic growth was not drawing workers inexorably into formal employment, as had been predicted. Informal working arrangements had not only persisted but were expanding ... The majority of the world’s workforce in developing countries, and an increasing percentage of those in advanced industrialized countries, were to be found in part-time, irregular and unstable forms of work with little or no social protection.⁴

Women, Kabeer goes on to note, are over-represented in the informal sectors worldwide.

Evident as these trends are in peacetime, they are even more pronounced in times of political violence. For example, while I was conducting fieldwork during the final years of the war in Angola in the early 2000s, the United Nations offices there estimated that fully 90% of the national economy operated extra-legally. I found similar figures put forward in Mozambique during the last years of war. After the tsunami hit war-stricken Sri Lanka in 2005, World Bank representatives concerned with rebuilding there told me they estimated that roughly 70% of the economy was informally generated.

1 I have spent roughly half of these two and a half decades conducting ethnography in the field, working predominantly in southern Africa and South Asia, with shorter periods in contexts of political violence ranging from Southeast Asia and through the Balkans to the *favelas* of Brazil, and following the global networks of extra-legal commodity flows linking war zones through developing regions to cosmopolitan centres worldwide.

2 Carolyn Nordstrom, *Shadows of War: Violence, Power, and International Profiteering in the Twenty-first Century*, University of California Press, Berkeley, 2004; Carolyn Nordstrom, *A Different Kind of War Story*, University of Pennsylvania Press, Philadelphia, 1997.

3 Carolyn Nordstrom, *Global Outlaws: Crime, Money, and Power in the Contemporary World*, University of California Press, Berkeley, 2007.

4 Naila Kabeer, *Mainstreaming Gender in Social Protection for the Informal Economy*, Commonwealth Secretariat, London, 2008, p. 16.

My fieldwork revealed that extra-legal economies worldwide are made up of everything from dangerous items such as arms and drugs, through luxury goods such as diamonds and designer clothing, to critical necessities such as energy, food, and medicine – and in ways that are foundational to the world’s business, financial, and governing systems. Taken as a whole, the extra-legal constitutes a significant part of economies worldwide, at war or in peace.⁵

Thus, exploring the intersections of women, economy, and political violence ethnographically often takes us out of the realm of formal institutions and public reporting and into the less-reported and more-invisible realms of the informal and extra-legal, going beyond what I introduce in this article as vanishing points – places where power and abuse thereof profit from general public invisibility. Here, women’s role in solving aggressions and promoting development is substantial. And here, in these ‘shadows’, both opportunities for economic development and oppressive abuses flourish. Given those realities, this article will, in considering the equations of women, war, and economy, focus largely on what predominates in actual practice – the informal and extra-legal.

Vanishing points

Vanishing points, in terms of the concept that I introduce in this analysis, are the points where the normative (what should be) intersects with reality (what actually is). Ideally, research should illuminate both sides of this intersection: the ideals we hold as societies and the unfolding realities as people live them, regardless of how they may contradict our stated laws and values.

In point of fact, research may uphold a division that considers only the normative, as if it were reality. That which contradicts normative ideals is ignored, and becomes invisible to formal analysis. Consider: formal country economic indices (generated by bodies such as the United Nations, World Bank, International Monetary Fund, etc.) are based exclusively on legally regulated economies. GDP figures and formal policies are based on these indices.⁶ Business and financial

5 C. Nordstrom, above note 3; R. T. Naylor, *Wages of Crime: Black Markets, Illegal Finance, and the Underworld Economy*, Cornell University Press, Ithaca, 2005; Moises Naim, *Illicit: How Smugglers, Traffickers, and Copycats are Hijacking the Global Economy*, Anchor Books, New York, 2006; Willem van Schendel and Abraham Itty (eds.), *Illicit Flows and Criminal Things: States, Borders, and the Other Side of Globalization*, Indiana University Press, Bloomington, 2005.

6 N. Kabeer, above note 4, p. 28, notes: ‘The *World Development Report 2000/2001* confines its discussion of the informal economy to a box in which “labour market risks” are included among the serious risks that the poor face’. Brendan Geary, a student of mine at the University of Notre Dame in the early 2000s, conducted research in London to see how many economics books and texts contained any information on extra-legal economies and, if they did, what information was available. Looking at both university and trade bookstores, he found that many major texts on economics included virtually no discussion of extra-legal economics. If they did, the vast majority had a maximum of just a few pages of generalities. None contained methodologies for collecting data, conducting research, and empirically analyzing data with a rigour demanded for formal economic analyses.

institutions publish only legally recognized expenditures and profits, despite the fact that, as a whole, industry's extra-legal activities can reach into the trillions annually and money laundering is conservatively estimated to be 10% of global economic activity.⁷

What is most visible to policy-makers, Kabeer writes, are 'paid activities carried out in formal establishments of a certain size, regulated and protected by the state, with policy preference given to "internationally traded" activities that would save on foreign exchange'. She concludes:

These biases gave rise to an 'iceberg' view of less monetized economies, since the bulk of the activities by which their populations met their basic needs and made plans for the future remained below the surface, hidden from the view of policy makers.⁸

Because women predominate in the 'submerged' activities of the economy, they are relegated to the obscure side of arbitrary vanishing points created by the conventions of politics, research, and power.⁹

To justify putting such blinders on 'science', a general argument is made that the formal sector is, by definition, the paramount defining reality; anything outside this is by definition less significant. Nevertheless,

Informal work currently makes up between half and three quarters of employment in the non-agricultural sector in developing and transition countries and its share is growing (International Labour Organization, 2004). According to the ILO, it accounted in 2000 for around 51% of employment in Latin America, 65% in Asia, 72% in sub-Saharan Africa (or 78% if South Africa is excluded) and 48% in North Africa. ... Informal employment accounts for 83% of non-agricultural employment and 93% of total employment in India; 55% and 63% in Mexico; and 28% and 34% in South Africa.¹⁰

These practices are exacerbated by political instability and violence. Several contemporary trends concerning war are important to this analysis:

- Current wars are centred in less-industrialized regions rich in the resources fuelling industrialized nations. Complex international economies, both legal and extra-legal, define war zones and their relationships with global markets.

7 M. Naím, above note 5.

8 N. Kabeer, above note 4, p. 28.

9 Sylvia Chant and Caroly Pedwell, *Women, Gender and the Informal Economy: An Assessment of ILO Research and Suggested Ways Forward*, International Labour Office (ILO), Geneva, 2008; Marilyn Carr and Martha Chen, 'Globalization, social exclusions and work with special reference to informal employment and gender', Policy Integration Department Working Paper No. 20, ILO, Geneva, 2004; *Report VI: Decent Work and the Informal Economy*, Report of the Director-General, International Labour Conference, 90th Session, ILO, Geneva, 2002.

10 N. Kabeer, above note 4, p. 33.

- As violence disrupts governmental support systems, infrastructure, and trade routes, the general populace is thrown into increasing reliance on informal and extra-legal means of gaining basic life necessities.
- International trade in raw materials and human labour (from war zones) for commodities (from industrial centres), rather than twentieth-century-style factory work, is now central to the war–economy equation.
- Factories remain a part of twenty-first-century economic power, but in a different guise. Many are multinational, with controlling interests in highly industrialized countries. They produce ‘global commodity, energy, and food flows’ that provide little development for the less-industrialized countries and war zones hosting them.

The informal and the extra-legal constitute vanishing points, as do profiteering and many of the human rights abuses taking place in war zones. To look into the subject of women and the economy in the context of war, then, is to delve into the shadows and explore why these arenas are obscured from formal analysis and public gaze. And it is to ask what our chances of effective peace, development, and rights are when a substantial portion of reality is overlooked in public policies.

Vanishing point no. 1: what, and who, counts? From informal to formal

A curious dichotomy greets a person passing along some of the dusty roads in Sri Lanka. During the years of political violence, women often braved bullets, bombing, and abuse to carry their food and wares to sell at market, or to get to their jobs in factories, many run by large international companies. In all the war zones I have lived in, local markets are the lifeblood of a community – it is here that the essentials for daily life are exchanged, in many countries largely produced by women. Down the road, at a factory, women make export goods, often for brand-name cosmopolitan companies or mass retailers.

The dichotomy lies in the fact that the work done in factories is defined as part of the formal economy. It is counted in GDPs, included in economic indices generated by national governments and international bodies such as the United Nations and World Bank, and assessed in economic analyses. Local markets, on the other hand, are generally defined as part of the ‘informal economy’. As such, formal quantitative data collection and comprehensive economic analyses (such as those done for, say, supermarket chains), which are assessed in formal economic and development policy, are not conducted. There is an irony in the fact that non-essential commodities – such as a designer shirt to sell in a cosmopolitan shop or a \$4.99 wooden bird on a stake you can put in your potted plants – have more ‘economic gravity’ than essential foods.

A further irony exists in the dichotomy between factory and informal work: the profitability of many factories and multinational corporations is rooted in part in a reliance on informal work. As Kabeer notes, ‘Multinational buyers place their order with a formal company but actual production may occur through

a chain of subcontracted firms in the informal economy that use home-based pieceworkers'.¹¹ The reasons, she writes, hold fairly steady across the globalizing economies today:

An increasing number of activities previously carried out in the formal economy have been casualised and subcontracted to informal workers, allowing employers to side-step labour regulations and responsibility for social benefits. Production has come to be increasingly organised through 'global value chains' through which multinational firms have been able to source their goods from all over the world using diffused networks of suppliers often based in developing countries.¹²

This is the world of women, who make up a larger percentage of the informal economy – 60% – than do men throughout the less-industrialized world.¹³ In the garments industry alone, Kabeer notes, the percentage of home-workers among total workers was estimated at 27% in the Philippines, 38% in Thailand, 45% in Venezuela, and 30–60% in Chile.¹⁴

But the dichotomy is more complex. The ILO's definition of informal set the standard: it refers to small-scale, low-income, low-tech, and subsistence-level economic activities.¹⁵ This ILO definition encourages an individual-level view: a market-woman sitting under a tree selling twenty-five tomatoes for coins apiece. This would be akin to assessing *only* the clerk at a Walmart store ringing up the \$4.99 wooden bird made in Sri Lanka, without considering the whole of Walmart and its relationship to the larger national economy.

The last twenty years of development work have demonstrated the often sophisticated systems that surround marketplace women. Women have formed cooperatives, established internal banks, linked with groups in other areas, engaged in regional trade, and expanded into new products. Yet the ILO's definition of informal still colours perceptions of these activities. Few economists are out in the markets counting women's production and earnings and then quantifying these for GDP statistics, governmental national financial policies, or stock market and interest rates indices. If we consider one woman selling a handful of vegetables, a chicken, or cloth, this makes sense. But another quite different view is possible.

Consider an individual woman – an informal economy – in context, thus in terms of the other people with whom she forms associations; the financial systems they set up; the other commodities they develop, produce, and sell; the transport systems arranged; the regional and international links they create and

11 N. Kabeer, above note 4, p. 51.

12 *Ibid.*, p. 34.

13 Kabeer (*ibid.*) cites ILO (2002) statistics to demonstrate her point: in sub-Saharan Africa, 84% of women workers outside of agriculture are informally employed, compared to 63% of men. In Latin America, the figures are 58% and 48% respectively; while in Asia it is 65% for both women and men. See ILO, *Decent Work and the Informal Economy*, above note 9.

14 N. Kabeer, above note 4, p. 43.

15 ILO, *Decent Work and the Informal Economy*, above note 9; ILO, *The Informal Economy*, Report of the Committee on Employment and Social Policy, Governing Body, 298th Session, Geneva, March 2007.

maintain with other groups like themselves; and the trade they develop along these networks. Taken together, this can easily match the size and functions of a 'formal business' – one recognized in national accounting. It can have as great an impact in national terms.

When we think in terms of one woman, one market stall, one basket of vegetables, the relationship with national economies is minuscule. But when we consider the total flow of all vegetables moving through women's market stalls in a country, the relationship becomes far more significant. When we expand this to all the 'informal' goods and services provided by these women, it constitutes a considerable portion of a country's economy. Today, such networks generally function internationally and with considerable sophistication.¹⁶ These realities bear little resemblance to the standard definitions of 'informal' as small-scale industries with low income, technology, and impact.

If development and financial stability depend on accurate economic analyses, why do formal indices such as GDP and the standard of living index leave out critical data? This lack of professional data is not due to any inherent difficulties in collecting or analysing such data. In one summer in 2008, working alone, Rahul Oka followed trucking routes in northern Kenya used to take basic necessities to violence-affected areas. He found that a single company's trade in goods for a single remote and unstable area – the proverbial 'informal' – easily added up to millions of dollars per site a year. And that company traded with a number of such areas, some in neighbouring countries.¹⁷

Curiously, the very lack of data may not be apparent. We might call this invisible invisibilities, constituting another vanishing point. To give an example: in 1999 I was speaking with Emmanuel Dierckx de Casterlé, the UN Development Programme (UNDP) resident representative in Mozambique. When I asked him about non-formal economies and their relationship to development, he immediately became interested, saying: 'Many here believe that the postwar economic successes Mozambique has had are intrinsically tied to the informal economy and its interpenetrations with formal development.' 'Why, then,' I asked, 'don't you study this in greater depth?' He seemed truly perplexed: 'But we are interested in this, as I have been saying.' 'Why then,' I persisted, 'don't you publish this work?' 'But we do!' he exclaimed. 'Our UNDP reports discuss these issues.' I picked up the several-hundred-page UNDP country report on Mozambique that had just been published in Geneva and asked him to show me where they were discussed. He opened the book and leafed through it. Then he picked up some of the other UN reports lining the shelves of his office and studied them. Finally, he looked at me with a grin and said: 'This is really interesting; there really isn't much in our reports, and little in our conferences either.'

16 Janet MacGaffey and Rémy Bazanguissa-Ganga, *Congo-Paris: Transnational Traders on the Margins of the Law*, Indiana University Press, Bloomington, 2000; C. Nordstrom, above note 3.

17 Rahul Oka, 'Stable trade, violent borders: how can refugees and conflict zones have multimillion dollar commerce?', paper presented at the Society for Applied Anthropology Annual Meeting, Santa Fe, New Mexico, 17–21 March 2009.

In point of fact, the massive UNDP country report on Mozambique for that year mentions the non-formal only in passing, in just a handful of paragraphs.

Vanishing point no. 2: coir and rape – from development to violence

I sat on the front porch of one of the women's houses, surrounded by a group of women I did not know. It was during the time of political violence in Sri Lanka. They lived in a village on the coast that traditionally produced coir products from coconuts they harvested.

The women had asked me to come and talk, and I thought they wanted to discuss coir production – a 'women and economy' kind of conversation. But the discussion took a different turn. 'We are organizing ourselves,' they began. 'For generations we women have done all the work – collected and prepared the coir, made the products – and then been given a few rupees by the middlemen who take the products off to sell worldwide for real profits.'

'So we pooled our resources,' they continued, 'set up our own transport, made our own contacts, and cut out the middlemen. But we didn't think enough about what these middlemen would do when their source of money ran dry. They declared war on us. They have beaten and raped some of us.'

Listening, I realized that these women, and all like them, were breaking the unwritten rules of society – they were moving out of the shadows and across the vanishing point into the formal world of business. These borders are often maintained by violence that is largely uncontrolled, because it, too, occurs beyond the vanishing point.

The violence that sustains these systems fits into larger patterns of gendered violence:

Women perform two-thirds of the world's work but earn only one-tenth of all income; women own less than one-tenth of the world's property (Human Rights Watch 2002). People in a position of economic servitude to others who have control over the resources are generally vulnerable to mistreatment, and they have little recourse for justice.¹⁸

The same dichotomy emerges for the coir workers as for the market women and the factory workers. The women harvesting and making coir products are generally seen, in professional economic views, as individual actors working largely in isolation from the formal structures of the economy and from one another. The middlemen who pick up the finished products and transport them are seen as constituting the 'formal' economy and its infrastructures.

As with considerations of vegetables – and of market-stall products in general – coir stands as an example of goods and services that, taken as a national

18 Katherine van Wormer, 'Anti-feminist backlash and violence against women', in *Social Work & Society*, Vol. 6, No. 2, 2008, pp. 332–333.

whole, constitute a meaningful portion of national and international markets and domestic profits. Unlike the market women, however, the coir workers do not control the marketing of their products. The vanishing point here functions for different reasons, rendering the women vulnerable to (very) low profits, lack of protection, and the threat of violence if they attempt to integrate into formal markets. Their work construed as informal, these women often find the resources available to formal actors and businesses out of their reach.¹⁹ As Carolyn Elliott points out:

Transformational empowerment is usually collective. Changes in consciousness and individual agency may be the initial results of empowerment, but these cannot be transformative without larger scale institutional change that requires action on many fronts and at different levels. Processes that move from single actions to collective assertion of power, from private spheres to public arenas, from resistance to rule changes are more likely to be transformative.²⁰

It is precisely at these points that the coir workers face violence.

These larger patterns are interrelated, and extend across war to peace. At the household level, domestic and sexual violence increases during war. In state-based societies, domestic and sexual violence against women and girls tends on average to affect about one-third of society, irrespective of the development status of a country, and almost two-thirds in some countries. The rise in such violence during war can have a devastating impact on society.²¹ At the community level, research has shown that, after political violence and calamity destroy the economic and social foundations, it is the women who generally make the first forays into establishing both domestic and economic order – getting loans, setting up money-making enterprises, obtaining core goods. This often exacerbates tensions between men and women, as men find their traditional ways of providing for their families closed to them and their self-esteem challenged – which can lead to greater violence against women. At the same time, as in the case of the coir workers, women also face attack from outside the domestic arena. Besides those seeking to control their economic activities, women are preyed upon by soldiers, criminals, and political protagonists trying to dominate a community.²²

19 Sara Horrell, Hazel Johnson, and Paul Mosley (eds.), *Work, Female Empowerment and Economic Development*, Routledge, New York, 2009.

20 Carolyn Elliott (ed.), *Global Empowerment of Women: Responses to Globalization and Politicized Religions*, Routledge, New York, 2008, p. 9.

21 Carolyn Nordstrom, 'Toward a (gendered) theory of war', in Karamé Kari and Tryggestad Torunn (eds.), in *Gender Perspectives on Peace and Conflict Studies*, International Peace Research Institute/Norwegian Institute of International Affairs, Oslo, Norway, 2000, pp. 17–40.

22 Carolyn Nordstrom, 'Visible wars and invisible girls: shadow industries and the politics of not-knowing', in *International Feminist Journal of Politics*, Vol. 1, No. 1, 1999, pp. 14–33; Carolyn Nordstrom, 'Girls behind the (front) lines', in Uli Linke and Danielle Taana Smith (eds.), *Cultures of Fear*, Pluto Press, London, 2009, pp. 189–200.

Vanishing point no. 3: no man's lands – from informal to extra-legal

In the latter years of the war in Angola, a division common to a number of war zones could be seen. The government forces tended to control the urban infrastructure, whereas the rebels held the more rural parts of the country. Both sides battled over areas rich in natural resources such as diamond mines and timber reserves. This split resulted in stark needs: government-controlled areas had more access to material goods, the rebel areas had greater access to food. Trade across political borderlines was both critical to survival, and an act of treason.

A dead zone – a depopulated strip five to ten kilometres wide that no-one controlled – developed between the two sides. Trade between them took place across these no man's lands. Rogue troops and armed bandits preyed on the traders, who were frequently women. While some women did this voluntarily to support their families, many were forced with the threat that their children would be killed if they did not.²³

In speaking with some of these women and the more powerful men controlling the lucrative trade, I found that the women who survived earned nothing more than the basic goods they could carry; the trade leaders reaped tremendous profits.

As Mary Douglas discusses in her classic work on purity and danger,²⁴ the borders of in/formality and extra/legality²⁵ are imbued with power, fraught with myth, and guarded by violence. That which takes place beyond vanishing points can yield great profits, provoke abuse, and generate grinding poverty. Fortunes invisible to formal accounting are made here, and such fortunes can be brokered into economic prowess and political power. Such successes are often built on the work of disenfranchised people silenced by their invisibility. Examples of this are extra-legal gem mining (the proverbial blood diamonds) and timber logging, arms trafficking, and the exploitation of child labour.

Those able to control the borders where the extra-legal intersects the legal realm of the state enjoy considerable power. There is a qualitative difference between market women selling vegetables locally for a handful of coins and people who collect vegetables from growers and markets regionally to sell in multi-ton and multi-million dollar shipments to cosmopolitan centres worldwide. These are profoundly gendered processes:

- while the majority of informal work is done by women, the most lucrative positions and products in the extra-legal world are held or controlled by men – for example, blood diamonds, illicit arms, technology, and drugs;

23 See Carolyn Nordstrom, 'Public bad, public good(s) and private realities', in Paul Gready (ed.), *Political Transition: Politics and Cultures*, Pluto Press, London, 2003, pp. 212–224.

24 Mary Douglas, *Purity and Danger: An Analysis of the Concepts of Pollution and Taboo*, Taylor, London, 2002.

25 My use of the slash (in/formal, extra/legality) indicates that both meanings in the term are intended, e.g. informal and/or formal.

- the vanishing points themselves – the borders of the extra/legal and the in/visible (from transport and trade to financing and market management), and the violence that surrounds them – are likewise largely controlled by men;
- the people who create the definitions of what is, and is not, economic analysis and policy (the predominantly male political, business, and research elite) effectively create and maintain vanishing points and their profitability.

At the international level, a profound irony defines this trade: vast global trade networks – exchanging commodities produced in cosmopolitan centres for raw materials from less-industrialized regions – rely in part on women initializing the trade across ‘no man’s lands’ in war zones and poverty, the ground zero of the global exchange circuits. These loci, however, are largely invisible in formal analysis: they are behind the vanishing point.

Vanishing point no. 4: the sovereignty equation – from extra-legal to nation

The newspaper headline read: ‘Children killed for black magic’. It was 1990 in Maputo, Mozambique, during the final bloody years of war, and I had been living in the country for a year. Stories of finding bodies, especially of children, with parts missing were not uncommon. But when I tried to research an actual victim, I never found one. I found only stories – no bodies, no burials, no family.

The story was picked up by the BBC and reported in English: in a densely populated area of the capital city, locals had gone on the rampage, beaten up some people, and burned their cars, apparently in retaliation against men who had been harvesting body parts to make powerful magic. The BBC gave the impression that this was a world both irrational and savage.

In a short time, I found out that this had nothing to do with witchcraft or dead bodies. War zones are common hunting grounds for international predators, traffickers, and child-labour rings.²⁶ The fact was that the local citizens were outraged at international profiteers procuring children (often homeless, impoverished, or war-traumatized) for domestic, industrial, agricultural, and sexual labour in other countries. They were equally outraged at the police who were unwilling, or unable, to stop these crimes. When a group of the traffickers were spotted one day, in expensive cars with South African licence plates, locals gathered to beat them up and set fire to their cars as a warning.

The dangerous intersections of women, economy, and war are summed up in this story: if we were to follow all the criminal rings and children through the countries to which they travel and the work they do, how big, how powerful, how central would we find these activities to be in the world’s economy?²⁷ Studies suggest, for

26 Carolyn Nordstrom, ‘Carita’s war’, in *Development*, Vol. 44, No. 3, September 2001, pp. 30–35.

27 These questions are investigated in C. Nordstrom, *Shadows of War*, above note 2.

example, that more than a million children are trafficked into the sex industry yearly,²⁸ and that some 70% of the estimated 218 million under-age children in the labour force worldwide are working in agriculture.²⁹

But there is an underlying and equally unsettling question: why did both national and international media services report this as a story of African witchcraft – a story that effectively painted Mozambicans as irrational, and concealed pathological trafficking and human rights abuses? In following up such stories across trafficking zones worldwide, I discovered that blind eyes are turned to criminal profiteering for three main reasons: because it brings revenues to countries and their leaders; because it provides access to other, often extra-legal, resources such as arms and critical supplies; and because it is fundamentally international in scope, running profits from impoverished war zones to the world's cosmopolitan centres.³⁰ Witchcraft is a good story; the criminal ring continued unabated – and uninvestigated.

The political implications of vanishing points can be seen in the example of trafficking.³¹ Few countries have sufficient tax bases to cover all their necessities and expenditures during war. Most therefore exploit the extra-legal in some way to gain the revenues, resources, and services needed.³² The weak security controls and poverty characteristic of war zones make exploitation relatively easy. These problems – insufficient infrastructure, weak currencies, arrested development, poor integration into global economies, and poverty – follow countries as they move into peace. They are also common to countries undergoing rapid political transition, such as post-colonial and post-Soviet nations.

Sovereignty requires cash that trades on international markets. Money-makers vary from country to country, depending on the resources each has. Angola (like the Democratic Republic of Congo) has abundant resources – from oil and diamonds to timber and fish – that sell in world markets for hard currencies.

28 UNICEF, *Child Protection from Violence, Exploitation and Abuse: Child Trafficking*, available at http://www.unicef.org/protection/index_exploitation.html (last visited 30 October 2009); UNICEF, *The State of the World's Children 2006: Excluded and Invisible*, available at http://www.childinfo.org/files/The_State_of_the_Worlds_Children_2006.pdf (last visited 30 October 2009); US Department of State, *Trafficking in Persons Report 2008*, available at: <http://www.state.gov/g/tip/rls/tiprpt/2008/> (last visited 2 November 2009).

29 *Global Trends in Child Labour 2000–2004*, ILO, Geneva, 2006; Mark Hecht, 'Private sector accountability in combating the commercial sexual exploitation of children', a contribution to the World Congress against the Exploitation of Children and Adolescents, available at http://www.ecpat.org.uk/downloads/World%20Congress%20III/Thematic%20Paper_Corporate%20Social%20Responsibility.pdf (last visited 5 May 2010).

30 BBC correspondents probably did not wilfully mislead audiences. A subtle but powerful system, promoted by those who in any way profit from the less than legal, moral, or scrupulous, pushes investigators to ask certain questions and not others, to interview certain people and not others, to accept certain explanations and not even think of others.

31 Kevin Bales, *Understanding Global Slavery*, University of California Press, Berkeley, 2005; David Batstone, *Not For Sale: The Return of the Global Slave Trade – And How We Can Fight It*, Harper One, New York, 2007.

32 Peter Andreas, *Blue Helmets and Black Markets*, Cornell University Press, Ithaca, 2008; M. Naim, above note 5; Douglas Farah and Stephen Braun, *Merchant of Death: Money, Guns, Planes, and the Man Who Makes War Possible*, Wiley, Hoboken, NJ, 2008.

Myanmar and Sudan have oil, Colombia and the Golden Triangle of Southeast Asia have drugs, small island nations have offshore money, Sri Lanka and the Philippines have domestic workers. Eastern Europe has girls and women.

Countries may formally decry extra-legal practices, and some may be genuine in their denunciations. But in terms of a nation's sheer monetary bottom line, such activities bring in cash that girds the viability of the state. These activities can yield hundreds of millions of dollars yearly for a single country. Consider the fact that only 53 countries (out of 185 worldwide) have a GDP rate of more than US\$100 billion. Forced labour (including sex exploitation) brings in US\$31 billion a year, according to ILO estimates.³³ There are 106 countries that have GDPs below this figure.³⁴ State entities may not be directly involved; nevertheless, a tacit understanding exists that revenues made extra-legally as well as legally move into the economy, into the financial institutions, and into infrastructural development. The more cash, the more development potential, the greater the leaders' power base, and the more influence they can wield in international affairs.

A significant portion of any given society can be complicit in such ways. A massive industry surrounds trafficking: every person trafficked requires a supporting cast of hundreds. Trafficking avoids detection and prosecution by using cross-border tactics. Procurers and 'employment agencies' find and 'create a product'; people in transport and shipping industries move them; agents at borders and ports process them; managers along the way feed, clothe, and tend them; people rent and sell houses and offices; others provide commodities for the business and medical treatment for the trafficked people; marketers buy, sell, and 'package' women and their services; companies advertise and provide protection and enforcement; bankers and accountants manage and launder profits; lawyers provide legal counsel. And customers buy.

In other words, trafficking requires the average workforce, the average economy. This holds true for the entire extra-legal world. Sovereignty can be built, quite literally, on the (backs of) women and girls who are sexually trafficked.

Vanishing point no. 5: women making it – from subsistence to profit

'How,' I asked, 'do women and societies on the brink of existence make it?'

I was speaking with a local Angolan woman working in a UN programme office for health and education situated quite literally on the frontlines of one of the most war-affected parts of the country, in 2001.

'It is,' she smiled, 'one and the same thing.'

³³ ILO, *Global Trends*, above note 29.

³⁴ International Monetary Fund, World Economic Outlook Database, update 2009, available at <http://www.imf.org/external/pubs/ft/weo/2009/01/weodata/index.aspx> (last visited 1 November 2009).

There are no closed systems. No form of dominion or domination reigns unchallenged.³⁵ Women can also make the inequalities, invisibilities, and resources of the generalized global markets and formal public policies work for them.

As the Angolan UN staffer quoted above went on to explain, women are the invisible centre of gravity of society. Gravity because, while men move more fluidly, women *are* families, in times when men are there and when they are not. As such, they forge the basic links of society: producing food, daily necessities, communal networks, market systems. Where families are centred, infrastructure, health, education, and trade emerge. Invisible because women's role in this process is generally overlooked. If women do not make it, families crumble and communities collapse. Let me give you an example, she said: no one starts out in this place with anything. Women start out below the bottom: they carry water for a penny. You see these poor hungry women in rags and you think: 'There goes a person all of life has forgotten, a person who will live and die carrying that bucket of water.' But it is not so. She struggles down the road with a plan. When she scrapes together a few pennies, she will begin to make and sell charcoal.

The staff worker launched into an explanation:

OK, here's the sequence: you begin with carrying water, or some hard labour. And then move on to making a product to sell on a patch of swept dirt in the local open market. Maybe collecting wood to make charcoal or herbs for medicines. You scrape together a few pennies and join in a women's informal bank. When your turn comes for the whole banking pot, you invest in a bit of farmland. With bananas, for example, you can make some real money. You start selling in local markets, reinvesting everything you can. You check out what they are desperate for in the next country and you begin to plan for that trip.

'Do you worry about visas, permits, taxes?' I asked. At first, the woman seemed surprised by my question. Later I realized it was because to people here the answer is so obvious. This has nothing to do with that kind of economy. This is informal. Daily life. It works because it is not formal. Entire infrastructures work this way. She then continued with her explanation: once in the neighbouring country, you use your profits to buy what people need at home. Then you fly back home, sell, and continue the cycle, growing at each turn. At some point, you begin to see real wealth. You build a decent house, buy a car. You begin to put money into your community, provide jobs, develop the place. Your banking group really carries some weight now. Finally, you purchase a boutique and set up a formal business. But you never give up your informal networks – your key to power.

35 Hannah Arendt, *On Violence*, Harvest Books, New York, 1970; Michel Foucault, *Power/Knowledge*, Pantheon Books, New York, 1972; Slavoj Žižek, *Violence: Big Ideas/Small Books*, Picador, New York, 2008.

Clearly, she added, only the lucky make it all the way down this line. 'But people do. It's how we make the system work. How women make it.' The woman explained that what people call informal equates to a huge economy. This forms the foundations of the country: US\$250 billion of imports comes into this country through the informal economy yearly. Those are UN estimates. What does this say about determining economies? About war and post-war development? About women's impact?

Conclusion

There is a classic stereotype: women on the margins of the economy offering a small harvest of home-grown produce stacked in neatly arranged piles on a mat in a local open-air market. Their earnings are counted up in single-digit figures, their impact left largely uncalculated out of sheer indifference.

Why their stories, their earnings, their networks, and their contributions to development are not added up becomes an interesting question, in view of the fact that extra-legal commodity networks managed largely by men are. For example, it has been widely published that unauthorized diamond earnings in Angola amount to US\$1 million a day, and US\$1 billion a year disappears from oil profits. It is even more curious, considering that such profits at the national level pale in comparison to the UN estimate for Angola of US\$250 billion a year in informal earnings. At the global level, estimated extra-legal profits in arms, narcotics, and human trafficking – each bringing in several hundred billion dollars per annum – circulate widely. The fact that the informal economy of one African country rivals illicit arms sales worldwide, and that both these figures rival the entire gross domestic product of a number of the world's countries, does *not* circulate widely.

Women's ambition to group together, form banking and entrepreneurial systems, and move from local subsistence to inter/national profit-making is part of a larger ethos. It is neither haphazard nor reactionary; it follows carefully crafted plans of development. It is not that the women just want to create a new market for their goods. The market is not the goal, but the means to expanding one's business, one's options, and one's opportunities. It would seem that the women working diligently to earn the money to support their families are, as they say, central to the economy.

Where, then, are the margins? The centres? And where do we place development? Extra-legal diamond and oil revenues are often sent offshore, doing little to help a country. But, in the most basic sense, women's informal work is developing their countries. They move food, clothing, energy supplies, and household and industrial goods. They set up local and international transport routes, and create markets across borders and countries.

It is here that the question of women and the economy becomes most interesting. It would seem that real profits, and real development, are to be found in the places where economic analysts are not looking: below the tip of the

iceberg.³⁶ As Detective Richard Flynn of Scotland Yard said to me, it is in the informal economy at the most basic street level that market dynamism and economic innovations emerge.³⁷

This ‘not-looking’ below the ‘iceberg’s tip’, beyond the legal, is profoundly political. There are many reasons why vanishing points are created. Most have to do with profit and power. It is here, in the distinctions surrounding in/formality, extra/legality, im/morality, gender, and survival – and in what we, as societies see and don’t see – that economic and political power are forged and negotiated on the widest scale. Those able to control both the definitions of labour, profit, legality, and extra-legality and the actual infrastructures underlying these are *de facto* leaders whether they are in formal politics or not.

The solution is relatively straightforward: assess economies realistically, as they actually function, and not according to illogical heuristic divisions more political than factual, and demand that our formal indices and policies do so too. Economies function as a seamless whole. The logic of markets and money flows, their impact on social and political processes – and by extension on development and financial health – are determined by the full spectrum of socio-economic and monetary practices across all determinations of (extra-)legality. Basing formal analyses on partial data is dangerous: we are unable to promote responsible development, protect against abuse, foresee crises, and ward off economic meltdowns such as the international crash of September 2008.³⁸ We need to apply laws governing labour, trade, profit, and protection equally across the board, and not just to what has been designated as the formal domain. And we need to challenge the mindset in research and policy by critically reassessing our most fundamental – and cherished – ideas and ideals about the intersections of power, gender, violence, development, and the morality of economics.

36 As defined in N. Kabeer, above note 4, p. 28.

37 For the full interview see C. Nordstrom, above note 3, ch. 15.

38 Carolyn Nordstrom, ‘Global fractures’, in *Social Analysis*, Vol. 52, No. 2, Summer 2008, pp. 71–86.