

ECONOMIC COST OF VIOLENCE AGAINST WOMEN & GIRLS



University College Lahore
School of Law

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Economic Cost of Violence against Women & Girls

Introduction:

Violence against women and girls (VAWG) is one of the gravest and most pervasive violations of women's human rights globally. Estimates suggest that 1 in every 3 women in the world have experienced some form of violence in their lifetime¹, the effects of which are not limited to the survivor and her physical and psychological well-being, but manifest in costs to the society and the economy as a whole.²

An assessment of the economic cost of violence aims to calculate the monetary impact that VAWG has on the survivor, her family, state and non-state institutions or service providers (hospitals, shelter homes, the police, lawyers, the judiciary etc.) as well as businesses that employ women who are or have been victims of violence.³ It is based on the premise that to deal with the effects of violence, all the stakeholders, including the survivor, her family and institutions, incur costs that can be expressed in monetary terms. These costs, cumulatively, have a detrimental effect on a country's economy and prevent it from achieving its maximum potential and development.

Economic costs of violence can be both direct and indirect⁴, and tangible and intangible.⁵ Direct tangible costs are the money spent on paying actual expenses incurred as a result of violence e.g. the cost of a medical operation that a victim of violence undergoes for injuries resulting from violence. Direct intangible costs are costs such as "pain and suffering" that are also incurred directly due to the act of violence; however, they do not have a monetary value and are instead estimated by "quality or value of life measures".⁶

Indirect tangible costs are the costs incurred due to a loss of an opportunity or potential as a result of violence e.g. lower personal income of survivors due to days taken off work recovering from incidents of violence. These costs have monetary value but are not direct expenses. Indirect intangible costs, however, cannot be calculated in numbers and include costs such as the psychological impact on family members or children of survivors who have witnessed violence.⁷

Importance of measuring economic costs of violence against women and girls

Measuring the economic cost of gender-based violence increases our understanding of the issue: it helps us highlight VAWG as more than just a social problem faced by women alone, but also a problem that has significant economic and financial implications for all

¹ World Health Organization, *Global and regional estimates of violence against women: prevalence and health effects of intimate partner violence and nonpartner sexual violence*, (2013), p. 2

² Zainab Ibrahim, Jayanthi KuruUtumpala, Jay Goulden, *Counting the Cost: The Price Society Pays for Violence Against Women*

³ Ibid, p. 13-15

⁴ Ibid

⁵ Tanis Day, Katherine McKenna, Audra Bowlus, *The Economic Costs of Violence Against Women: An Evaluation of the Literature*, (2005), p. 6-7

⁶ Ibid

⁷ Ibid

stakeholders, including the economy as a whole.⁸ This emphasises the serious strain gender-based violence puts on a country's resources, which is more troubling for developing countries such as Pakistan that already struggle with scarce resources. Seeing VAWG through this lens helps governments and the public in general understand the economic viability and necessity of strengthening mechanisms of prevention and accountability for gender-based violence, for the overall growth and development of a country.⁹ Furthermore, human rights groups can use country estimates of the economic cost of violence to advocate for greater protection and policies by the government for the elimination of gender-based violence.

Studies on the economic cost of violence also increase general awareness regarding VAWG, by highlighting its high rates of prevalence and wide-ranging negative effects on the society and economy. Moreover, they help gather large amounts of data, as well as reveal existing data gaps on VAWG in a country, urging the government to improve its data collection and national records.¹⁰ This is very important for Pakistan specifically, where national data regarding VAWG is not readily available¹¹, and much of the data that is available is not disaggregated at provincial and district levels.¹² A comprehensive study on the economic cost of VAWG in Pakistan would, however, require that such data is gathered and therefore, would prompt the government to initiate studies and surveys for that purpose. This would help the government understand the gravity of the issue and appreciate the urgency with which measures need to be taken to resolve it. It would also allow them to make targeted policies and an effective implementation plan for the reduction and eradication of VAWG, reducing economic costs associated with it in the long run.

Background

The first studies to assess the economic cost of violence initiated in Australia in 1988¹³. Within a few years, other countries such as New Zealand, Canada, countries in the European Union, as well as the USA, also began to study gender-based violence using this approach.¹⁴ Today, similar studies have been conducted in countries from both the developed and developing world, including countries in Africa, South America and South and Southeast Asia.¹⁵ While all the studies have focused broadly on calculating the economic costs associated with gender-based violence, their specific scope has varied from study to study. Some studies have included costs borne by a wide range of stakeholders in an attempt to identify national costs

⁸ Sylvia Walby, Philippa Olive, *Estimating the costs of gender-based violence in the European Union*, European Institute for Gender Equality, (2014), p. 17

⁹ Tanis Day, Katherine McKenna, Audra Bowlus, *The Economic Costs of Violence Against Women: An Evaluation of the Literature*, (2005), p. 14-15

¹⁰ Ibid

¹¹ UN Women, *Global Database on Violence against Women*, available at: <http://evaw-global-database.unwomen.org/en/countries/asia/pakistan>

¹² Imran Ahmad Sajid, Naushad Ali Khan, Sumera Farid, *Violence Against Women in Pakistan: Constraints in Data Collection*, Pakistan Journal of Criminology, Volume 2, (2010), p. 93 – 110; National Commission on the Status of Women, Government of Pakistan, *Beijing +20: Pakistan National Stakeholders' Report 1995-2014*, available at: <http://www.ncsw.gov.pk/previewpublication/64>

¹³ Ibid, p. 17

¹⁴ Ibid, p. 18-26

¹⁵ Ashe, S., Duvvury, N., Raghavendra, S., Scriver, S., and O'Donovan, D, Working Paper No. 2: *Costs of Violence Against Women: An Examination of the Evidence*, (2016)

of VAWG while others have limited themselves to a specific category of costs, such as personal costs to survivors or costs borne by businesses only. There have also been studies that have attempted to calculate the worldwide economic costs of VAWG, with recent estimates suggesting costs amounting to roughly \$1.5 trillion or 2 per cent of the global Gross Domestic Product (GDP).¹⁶ We will discuss some of these studies in more detail below.

Existing Studies on the Economic Costs of Violence against Women

- *Australia*

Many different studies assessing the cost of VAWG have been conducted in Australia since 1988. Up till the 2000s, the majority of the studies focused on domestic violence and the costs associated with it. The studies attempted to calculate the costs borne by victims as well as the government through its provision of essential services to victims, such as healthcare and access to justice. These costs, together, were multiplied to the prevalence rate of domestic violence in Australia to identify the total cost of domestic violence in the country.¹⁷

More recently, PwC and KPMG conducted two studies on the economic cost of gender-based violence in Australia, which focused on multiple forms of VAWG in the years 2014 to 2016. PwC's study¹⁸ found that "pain, suffering and premature mortality" resulting from violence cost women a total of \$10.4 billion in 2014-2015. Similarly, it costed the government \$7.8 billion and the economy \$3.4 billion, adding up to a total cost of violence of \$21.7 billion in a year.¹⁹

KPMG's study²⁰ corroborated the estimates for 2014-2015 and identified an increase in the costs in the year 2015-2016. They estimated that violence against women cost Australia a total of \$22 billion in 2015-2016, with the victims and survivors bearing \$11.3 billion of the costs, while the government incurred a total of \$4.1 billion in costs.²¹ In addition to this, the study also noted that if women from vulnerable groups were included in the study, it could add an additional \$4 billion to the total costs for the year 2015-2016.²²

In addition to calculating the economic cost of VAWG to Australia, PwC's study also analysed seven prevention strategies to combat gender-based violence and assessed the costs that can be avoided/reduced if these prevention strategies are employed.²³ These strategies included community mobilisation for fighting VAWG, using communication and social media, as well as other advocacy methods, to increase awareness of gender-based violence, legislative and

¹⁶ Zainab Ibrahim, Jayanthi KuruUtumpala, Jay Goulden, *Counting the Cost: The Price Society Pays for Violence Against Women*, p. 14

¹⁷ Lesley Laing, *Australian Studies of the Economic Costs of Domestic Violence*, Australian Domestic and Family Violence Clearinghouse, (2001)

¹⁸ PricewaterhouseCoopers Australia, *A high price to pay: The economic case for preventing violence against women*, (2015)

¹⁹ Ibid, p. 11-15

²⁰ KPMG, *The cost of violence against women and their children in Australia*, (2016)

²¹ KPMG, *The cost of violence against women and their children in Australia*, (2016)

²² Ibid, p. 9

²³ PricewaterhouseCoopers Australia, *A high price to pay: The economic case for preventing violence against women*, (2015), p. 23

policy reform, direct participation programs for men, women and children and organisational and workforce development to help individuals establish respectful gender relations, both at the workplace and in general. Lastly, continuous research and evaluation of existing strategies was analysed as a support strategy to improve prevention of VAWG.²⁴ The study found that investing in these prevention strategies, particularly in community mobilisation and direct participation programs, can be instrumental in saving costs associated with VAWG.²⁵

- *European Union (EU)*

The European Institute for Gender Equality published a report in 2014 on the costs of gender-based violence in the EU.²⁶ The report included a comprehensive review and analysis of various methodologies that have been used to gauge the economic cost of gender-based violence, particularly intimate partner violence, with a view of identifying the most suitable methodology for calculating these costs in the EU. Based on the review and availability of comparable data across the EU, an EU-led strategy for estimating costs was employed. This involved developing a case study in one Member State, and extrapolating its results by population size for each Member State.²⁷ For the case study, the UK was selected and it was found that, in 2012, the cost of violence against women to the UK economy was an estimated EUR 28.4 billion out of which EUR 13.7 billion was attributable to intimate partner violence.²⁸ When these estimates were extrapolated for other Member States, a total economic cost of EUR 225.8 billion for the EU was calculated, out of which EUR 109.1 billion was attributable to intimate partner violence against women in the region.²⁹

- *Bangladesh, Zambia and Cambodia*

CARE International conducted three studies in Bangladesh, Zambia and Cambodia to assess the economic costs of gender-based violence in the three developing countries.³⁰ The studies in Bangladesh and Zambia focused on identification of costs borne by the survivors of violence, the perpetrators and state and non-state institutions as a result of intimate partner violence. In Bangladesh, the study was conducted in 2010 and found that violence against women cost survivors an estimated \$1.13 billion, perpetrators a total of \$936 million, and state and non-state institutions incurred \$20 million and \$22 million respectively. This amounted to a total cost of \$2 billion, which was 2.1% of Bangladesh's GDP that year. In Zambia, the same costs were calculated in 2016 and the study found that the costs borne by the survivors were an estimated \$254 million, costs borne by perpetrators amounted to \$213 million, and the state and non-state institutions incurred \$5.5 million and \$806,000 respectively in 2016. This added up to a total of \$474 million, which approximated to 2.27%

²⁴ Ibid, p. 19-20

²⁵ Ibid, p. 21-25

²⁶ Sylvia Walby, Philippa Olive, *Estimating the costs of gender-based violence in the European Union*, European Institute for Gender Equality, (2014)

²⁷ Ibid, p. 108

²⁸ Ibid, p.140

²⁹ Ibid, p. 142

³⁰ Zainab Ibrahim, Jayanthi KuruUtumpala, Jay Goulden, *Counting the Cost: The Price Society Pays for Violence Against Women*

of Zambia's GDP that year.³¹ These figures were highlighted to advocate for and emphasize the need to prioritize prevention of VAWG in these countries.

In Cambodia, CARE conducted a study in 2017 that focused on another form of gender-based violence: sexual harassment at the workplace. The study aimed to identify the costs employers in the country's garment factories have to bear as a result of sexual harassment faced by their female factory workers. The study found that employers bear a total of \$89 million per year due to this type of violence against women.³²

Similar studies have also been conducted in various other countries and national estimates for costs regarding VAWG have been calculated. In the US, a 2017 study estimated a total cost of \$273.4 billion to the national economy as a result of gender-based violence. In Canada, the economic cost of VAWG was estimated at \$7.3 billion in a 2012 study.³³ All of these studies and their findings have been used to establish the seriousness of gender-based violence, and garner support for advocacy efforts to institute stronger protections to prevent gender-based violence.

- *Pakistan*

There have been very few efforts in Pakistan to study the economic impact of VAWG in the country. There is only one published study on the subject, conducted in 2011 in Karachi, Sindh³⁴, by the Social Policy and Development Centre (SPDC), a research think tank. The study was based on interviews with 50 women who had experienced violence and aimed to calculate the per unit personal costs borne by them as a result of this violence. The study estimated that the unit cost of receiving medical treatment for survivors amounted to Rs. 9600, and if the cost of transportation to a hospital is added, increased to Rs. 10,100. The unit cost of availing police services and judicial services (including transportation costs for both) was calculated to be Rs. 36,400 and Rs. 50,300 respectively, based on the costs borne by the women interviewed.³⁵

While this study was an important first step in drawing attention to this aspect of gender-based violence, the scope of the study is still limited and a more comprehensive analysis of the costs of VAWG in Pakistan is needed. Studies that gauge estimates for the cost of VAWG per city are useful and necessary; however, studies that calculate provincial and national estimates, based on wider, representative sample sizes, also need to be conducted in order to assess how widespread gender-based violence is, and which provinces experience higher incidence of violence. Additionally, institutional costs such as those borne by government departments, NGOs, the judiciary, police and hospitals also need to be calculated to measure the overall financial drain gender-based violence causes to the society and individual service providers. Studies that focus on the interlink between the costs borne by the survivor, and costs that are simultaneously incurred by the institutions that the survivor approaches can

³¹ Ibid, p. 17

³² Ibid, p. 18

³³ Ibid, p. 13

³⁴ Social Policy and Development Centre (SPDC), *The Socio-Economic Cost of Violence against Women: A Case Study of Karachi*, (2012)

³⁵ Ibid, p. 40-42

also provide useful comparative data on the impact of violence on the survivors and institutions and help in identifying which stakeholder suffers these effects the most.

Recommendations

The World Economic Forum, in its “Global Gender Gap Index 2018”, has ranked Pakistan as the second worst country in the world in terms of gender parity.³⁶ Nationally, Pakistan does not have representative data on VAWG, which makes it difficult to plan and coordinate interventions to reduce gender-based violence in the country. This is compounded by the socio-cultural attitudes towards VAWG in the country, where many do not regard it as a problem, and many that do, believe it to exclusively affect women. As such, it is essential that measures are taken to increase recognition and understanding of the gravity of gender-based violence in the country, its multiple effects on society, and the need to curb them as soon as possible. For this purpose, it is recommended that:

- There should be a nationwide survey on the prevalence of VAWG in Pakistan. The survey should gather data on the prevalence of all forms of gender-based violence, individually and cumulatively. The results of the survey should provide data reflecting national estimates of VAWG in Pakistan, as well as data disaggregated at the provincial, district and city level.
- Studies to calculate the economic cost of violence should be initiated, particularly focusing on the costs borne by survivors and state institutions providing services to these survivors. This is essential in order to identify the extent of relief survivors require, as well as the capacity building and investment needed by state institutions to effectively provide this relief.
- The government should also conduct a survey to examine the quality of current resource utilisation by state departments dealing with VAWG, in order to identify key areas for improvement so that existing resources are used more efficiently, and where needed, more resources are allocated for the prevention and reduction of gender-based violence.
- The government should devise additional plans and policies to decrease and eradicate VAWG and take steps such as ensure stricter implementation of existing laws, make new laws where required, initiate awareness campaigns on gender-based violence, and establish social safety nets for victims and survivors to make support services more accessible to them.

³⁶ World Economic Forum, *The Global Gender Gap Report 2018*, (2018)

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