



Macedonia

Closing the Gender Wage Gap

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Marjan Petreski, Associate Professor, School of Business and Economics, University American College, Skopje

A proud moment

Dr. Marjan Petreski and his colleagues, Dr. Nikica Mojsoska Blazevski and Dr. Blagica Petreski, applied for a Japanese Award for Outstanding Research on Development (ORD) grant from the Global Development Network awards competition in 2012, with a proposal to build a web tool to encourage greater gender wage equality in Macedonia. The web tool is based on theoretical foundations, empirical consideration of employees' characteristics and employment selectivity bias.

Petreski had previously won other individual awards but remembers winning the GDN competition as a proud moment. The team learned they had been shortlisted when they were invited to the GDN conference. "It was only in Manila [that] we realized just three shortlisted candidates [had been] invited and that surely we would get an award. This was a huge joy."

The conference itself was a great place to make connections.

Petreski was invited to join a research project on industrialization funded by the Inter-American Development Bank; the project was led by Sara Wong from Ecuador, who also received an ORD award that year. They also established links and partnerships with other researchers in the Western Balkans region.

Marjan Petreski first became interested in the economics of the gender wage gap in Macedonia while working at the School of Business Economics and Management at the University American College in Skopje about 10 years ago. With the support of the Japanese Award for Outstanding Research on Development (ORD), economic gender inequality has since become the primary focus of his professional career. Through his work, Petreski has succeeded in raising awareness of the issue within Macedonian society and among government officials.

Building and applying the web tool

The research team used the GDN funds to write a paper and create a webtool to further their research, in partnership with Macedonian companies. In 2014, their article, 'Gender Wage Gap when Women are Highly Inactive: Evidence



from Repeated Imputations with Macedonian Data’ was published in the peer-reviewed Journal of Labor Research. Using a novel approach, the paper concluded that the gender wage gap in Macedonia cannot be explained purely by gender wage discrimination, as had often been assumed. Instead, the gap is also due to the fact that, for a variety of reasons – including remittances from migrant husbands, prevailing stereotypes and prejudices, and the expectation to care for dependents – many women do not participate in the labor market.

The research led to the development of the webtool, EdPlako.mk in autumn 2015, which sets out standards for public and private employers for developing best practice for fair employment and remuneration. Through a calculation based on employees’ wages and demographic data, companies are either recognized as a ‘gender equal payer’ or given advice on how to bridge the gender wage gap in order to obtain the status.

Today, the website is still online and continues to retrieve data from companies. It has been a long process with many challenges: “Since we come from a culture where this is not a priority issue and awareness is still quite [limited], we find ourselves explaining a lot at first.

When companies show willingness to participate, it often takes a while before they are able to compile the required data,” says Petreski.

Of the 300 companies approached, five have successfully filled in the data form and nine are in the process of completing it; another 10 companies have shown interest in participating. Petreski expects that in about three years, 30 companies will carry the gender equality label.

Specializing in gender and income inequality

Looking back at the start of the project and where it is today, Petreski remarks, “I think this was the right project at the right time, both for me and for Macedonia. I am not sure if the project would have existed without GDN funding, as it was crucial to have these first investments ... for [the] research itself and the platform.” The project served as a basis for further funding and attracted several other grants that allowed them to expand and promote the platform within Macedonia. New components were added, including infographics on the current status of the gender wage gap and a tool for



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individuals to check what their gender-neutral wage should be (taking into account their age, employment sector and level of education). The GDN grant was also critical in the creation of Finance Think, a new division within the Economic Research and Policy Institute dedicated solely to gender and income inequality.

Putting it on agenda

During the project, the team discussed the tool with various institutional stakeholders, including the Ministry of Labor and Social Policy, the Organization of Employers, the Trade Unions, the Chamber of

Commerce, and the ILO and UNDP offices in Skopje. Although there was interest in the topic, gaining a say in national policymaking proved difficult. At the start of the research, the government had just created a Gender Equality Strategy for 2013-2020, which allowed little room for new ideas. In addition, the political crisis of 2015-2017 made it hard to get the topic on the agenda. The current government, however, has shown enthusiasm for including their ideas in the next strategy in 2021. One of the aims is to make equal wages between genders compulsory for public institutions.

Supporting research excellence and professional growth

"I am a scientist not an activist", remarks Petreski. Looking ahead, he hopes to further his expertise and publish more of his work in peer-reviewed journals. However, closing the gender gap in Macedonia remains his primary objective.

The aim of the GDN awards competition is to support excellence in policy-oriented research and develop the capacity of researchers. In this case, both have been achieved. Petreski has grown professionally since he won the award and the gender wage gap in Macedonia has narrowed in recent years. Although the latter is not solely due to Petreski's research, his project has made a significant contribution by raising public awareness of the issue. Wage equality has now become a 'hot topic' in Macedonia.

Award

Japanese Award for Outstanding Research on Development, 2012

Sources

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Interviewees

Dr. Marjan Petreski

Author

Nienke Raap | Co-author: Blagica Petreski, Nikica Mojsoska-Blazevski

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Images

From first to last:
Representational photo, Pexels.
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About the Global Development Awards Competition

The Global Development Awards Competition is an award scheme that identifies talent, supports the career advancement of researchers in developing countries, and funds innovative social development projects, implemented by NGOs, to benefit marginalized groups in the developing world. Since its inception in 2001, the competition has supported more than 340 individuals, research organizations and NGOs with roughly US\$3.8 million worth of awards, placing it as one of the most important global competitions targeting development and research. It currently has three categories of awards: Japanese Award for Outstanding Research on Development (ORD), Japanese Award for Most Innovative Development Project (MIDP), and Japan Social Development Fund Award (JSDF). The Medals for Research on Development (MRD), funded every year by a

different pool of donors, were discontinued in 2015. Over the years, the competition has built a community of excellence among researchers and development practitioners. The Global Development Awards Competition receives annual funding from the Ministry of Finance, Government of Japan. The World Bank manages the trust fund that makes these activities possible.

About GDN

The Global Development Network (GDN) is a public international organization that supports high quality, policy-oriented, social science research in developing and transition countries, to promote better lives. It supports researchers with financial resources, global networking, access to information, training, peer review and mentoring. GDN acts on the premise that better research leads to more informed policies and better, more inclusive development. Through its global platform, GDN connects social science researchers with policymakers and development stakeholders across the world. Founded in 1999, GDN is currently headquartered in New Delhi.

For more information, contact awards@gdn.int

www.gdn.int

2nd Floor, West Wing, ISID Complex, 4 - Vasant Kunj Institutional Area, New Delhi - 110070, INDIA