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Problems in the World Bank's Gender Action Plan and Gender Policy

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It is exciting to learn IEG will evaluate the WB Gender and Devt OP/BP and GAP since I have criticized both since their inception. It would be terrific if IEG were to agree with my critique since IEG's pressure might be weightier in influencing the Bank than Gender Action's.

I would like to divide my remarks into two sections. First I will tell you briefly about Gender Action and why I started it. Second, I will critique the WB Gender and Devt OP and GAP by focusing on just a couple of critical issues. Because the audience knows the Bank, I will freely use Bank acronyms in my presentation.

First, About Gender Action

It is fun to start with a little relevant history about Gender Action and myself.
I worked in the Bank for most of the 1980s and again during 1998-2000 and in between I worked in the IDB. In the 1980s I worked as a project economist on China and after the 1987 reorganization I worked worldwide on the social impact of structural adjustment in the then country economics department macroeconomics division. Working on the social impacts of SALs, especially on women, as well as being on AWID's board at that time deepened my interest in gender issues and led me to work in the Bank's gender unit during 1999-2000.

While working in the IFI bureaucracies, I was impressed by the vitality of multiplying civil society organizations addressing development issues. I wanted to join this dynamic and expanding citizen's sector.

During my final World Bank stint in 1999-2000 in the Bank's central gender unit, a light bulb went off in my head, giving me the idea for Gender Action. For years I had watched how environmental groups had influenced the Bank by pressuring successfully for safeguard policies, the Inspection Panel, the birth of ESSD, etc. I noticed that few CSOs pressured the Bank on gender issues and not even one CSO was dedicated to holding the Bank accountable on meeting its promises to promote women's empowerment and gender equality. At the same time, through reviewing Bank loans while working in PRMGE, I saw a disconnect between the Bank's promise to promote women's empowerment and gender equality and the fact that so many investments across sectors around the world neglected gender issues and impacts. This disconnect impassioned me to create Gender Action in 2002.

One of Gender Action's early publications, **"Reforming the World Bank: Will the Gender Strategy Make a Difference",** underlines how the Bank's gender equality rhetoric and research are awesome, and the Bank's gender experts are strongly dedicated to achieving gender equality, but the Bank's institutional culture and investments hardly match the gender equality rhetoric. Today I will refer to and hold up some Gender Action publications. They are all available on Gender Action's publications page at www.genderaction.org.

Gender Action's main foci are IFI investments because the impact of investments is the most meaningful measure of progress. The Bank has created so many gender policies, strategies, and action plans but what if they are not translated into Bank investments? I picked the name Gender Action to reflect the need to translate strong Bank rhetoric on gender issues through action in investments.

Although Gender Action mainly focuses on investments, Gender Action also has reviewed the Bank's gender policy and GAP, which is the focus of today's workshop and which IEG invited me to discuss.

Second, OP 4.20 and GAP

So now we turn to the second part of my presentation on OP 4.20 and GAP. Having repeatedly critiqued OP 4.20 and GAP since they launched, I will reiterate my past criticisms, but will focus on two issues which OP 4.20 and GAP especially need to address. To improve Bank performance on gender issues, I believe these are two critical issues that the Bank must tackle.

First, my continuous criticism of OP 4.20 has always been its exclusion of development policy loans or policy-based loans. I noticed that the IEG mentions this exclusion but does not criticize it, or least does not yet criticize it.

Today I want to emphasize that it is unacceptable that OP 4.20 excludes development policy loans. Why? Because development policy loans have composed between 25 and 50 percent of total Bank loans over the last decade. In the last three years, DPLs have averaged 28 percent of Bank loans. DPLs contain some of the Bank's most onerous requirements. Although the Bank says it no longer imposes conditionalities, conditionalities still exist in different forms, be they a priori actions governments have taken at the Bank's strong advice, or the Bank calling conditionalities different names like benchmarks or milestones. Whatever the Bank calls conditionalities these days, civil society research demonstrates that too many intrusive and harmful economic policy conditions are attached to Bank loans. Although the Bank may be reducing the number of conditions it uses, it still makes heavy use of economic policy conditionality, especially in sensitive areas such as privatisation and liberalisation. These are unfair reforms to impose on developing countries so long as developed countries maintain protective barriers. They have huge gender impacts, especially negative impacts on poor women. Please see **Gender Action's "Gender Guide to World Bank and IMF Policy-Based Lending"** for more details. For a country case demonstrating harmful impacts of PBLs on women, please see Gender Action's report, **"Structural Adjustment's Gendered Impacts: The Case of Serbia and Montenegro"**. This report shows that Bank public sector downsizing forced more women than men out of jobs and drastically reduced their public social services without much or any compensation. Having followed the social impacts of PBLs for decades, I can confidently say that the Serbian example typifies many PBLs' negative impacts on women. For this reason, I believe that the Bank's exclusion of DPLs from OP 4.20 is a serious omission that needs to be rectified. DPLs must be subject to OP 4.20 instructions to Bank staff to address gender issues in all operations, not just investment operations.

Turning to GAP, GAP in contrast to OP 4.20, suggests that policy-based loans should be engendered but, GAP does not challenge PBL's harmful conditionalities. Please see my **"Critique: Gender Equality as Smart Economics: A World Bank GAP"** published in January 2007. It demonstrates that GAP is framed within and accepts the Bank's continuous neo-liberal strategic adjustment agenda.

My GAP critique criticized GAP's lack of a human rights focus. It said, "GAP totally lacks a human rights approach essential for a development institution with a mission to reduce poverty. GAP entirely neglects the most important argument for empowering women: achieving women's human rights." I am glad that previous speaker Saraswathi Menon of UNDP already suggested that the Bank look at UNDP's guidelines on gender and human rights.

Ms. Menon and I are in very good company in making this human rights critique since Amartya Sen and Diane Elson also made similar critiques on the Bank's singular economics argument for gender equality.

Nobel Laureate Amartya Sen, in his October 2006 Irene Tinker lecture in DC, called *The Gender Perspective: What Difference Does It Make?*, responded to a question from a World Bank staff member about whether the Bank's business case for economically empowering women was sufficient for development as follows: Amartya Sen responded by saying that the Bank's singular emphasis on women in economic development neglected the moral justice case that women's rights were paramount in achieving development.

On November 7, 2008, in another Irene Tinker lecture, Diane Elson, who is a mentor to many of us here, used her lecture to critique the Bank's GAP for being singularly instrumentalist for emphasizing an efficiency approach alone. Although Elson said Smart Economics is a brilliant slogan for a bank, she expressed strong concern that promoting economic growth does not necessarily lead to gender equality. She used Japan as an example of a country that had very high economic growth for many years with few benefits for women. She pointed to the massive wage gap in Asia despite increasing ranks of women in the labor force. She concluded that Smart Economics perpetuates the Bank's neoliberal agenda.

A World Banker attending Diane Elson's lecture commented that the Bank's gender unit decided to strategically ignore women's rights in a trade-off with growth, and another World Banker in the audience said he liked this instrumentalist approach, but Elson, like Sen, emphasized that rights are paramount, must be universal and indivisible, and are not a trade-off with growth.

Similarly my GAP critique concluded that Smart Economics is one-sided and inadequate because it only presents the business case of using women to advance economic growth. This is exactly why Elson called Smart Economics instrumentalist. While making markets work for women is important, GAP ignores the paramount human rights case that women and men deserve equal rights. I recommend that all of the Bank's gender action plans, strategies and policies frame their approach within a rights-based framework. If the Bank's lack of a human rights policy is an obstacle, it is high time that the Bank, as a key development institution, endorsed a human rights policy.

Now, I am returning to Gender Action's main focus on the impact of Bank investments. Most of Gender Action's gender analysis of Bank operations shows neglect of gender issues in Bank investments.

Examples of Bank sectors and issues which Gender Action has analyzed for gender include extractive industries, climate change mechanisms, post-conflict and post-Tsunami investments, policy-based loans, reproductive health and HIV/AIDS spending, etc. We have produced reports on all of these issues.

Here I would like to say a little more on Bank reproductive health and HIV/AIDS spending. As does GAP, Gender Action assumed that the Bank best addressed gender issues in health and education. Therefore, during our first few years Gender Action avoided assessing those sectors, until a couple of years ago when other civil society groups asked Gender Action how much the Bank spends and the quality of Bank spending around reproductive health and HIV/AIDS. Gender Action decided to check out Bank spending on reproductive health and HIV/AIDS spending for quantity and quality. I had positive expectations about finding good results. But our findings were disappointing. Not only has Bank spending declined, perhaps based on the argument that new actors like the Gates foundation are filling the void, but the quality of spending is weak; gender issues are often ignored in highly gender-sensitive sectors like reproductive health and HIV/AIDS; and influential Bank policies impose ceilings and cuts on public health spending and perpetuate and condone perverse policies like telling countries, for example, Ghana, that fees are needed for anti-retroviral drugs. When I pointed this outrage out to the Bank country economist for Ghana, he did not believe me, saying it was impossible. Then he checked out the Bank loan I had cited and called to tell me that I was right.

I hope that IEG might find Gender Action's analyses valuable for identifying missed opportunities for addressing gender and unanticipated results from ignoring gender issues. For example, you might find our **"Boom Time Blues"** report to be interesting. It shows how IFC-financed oil pipelines are a conduit for trafficking in women, prostitution, HIV/AIDS, domestic violence and other ills that did not exist before the pipelines. We reached this conclusion through conducting fieldwork.

Today I have focused on big issues like the Bank's closed eyes on huge influential DPLs, conditionalities and human rights. Now I would like to take advantage of speaking in the Bank to make one practical non-gender specific recommendation for the Bank to facilitate tracking and evaluating all kinds of Bank operations. Could the Bank please disaggregate project spending data to transparently present funding allocations by component? Gender Action's analyses demonstrate that many Bank health projects contain reproductive health and/or HIV/AIDS components but project documents present composite spending for all sectors without disaggregating spending by sectors. How can we estimate Bank spending by sector when the Bank does not disaggregate spending data? To permit transparent tracking, the Bank must disaggregate spending data by project component.

Let me conclude by congratulating IEG for undertaking its important and ambitious evaluation. I also conclude by summarizing my belief that the focus of the Bank's gender strategy, policy, and action plan is inadequate so long as it persists to have a single-sided instrumentalist approach which omits a women's rights focus; continues to be framed within an outdated, neoliberal agenda; and omits DPLs from the purview of the Bank's only mandatory gender and development policy since DPLs still constitute almost a third of Bank loans with the most harmful impacts on poor men and women.