GenderAction

GenderEquality Women'sRights

A Gentle Touch?
Gender & the World Bank:
A Critical Assessment

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1. INTRODUCTION

The aim of this paper is to provide a critique of the (new) gender strategy of the World Bank. In particular, the paper examines the basic premises which define the Bank's gender strategy, to better understand their implications, and how they relate to the Bank's macroeconomic policy agenda. It is concluded that unless this agenda is questioned, it will be difficult to make strides in terms of gender in key areas such as education, health, and violence against women. In fact, Bank policies may lead to imbalances which adversely affect women. Some suggestions are also made as to how this strategy can be moved forward.

Some of the key premises underlying the Bank's gender strategy are that: (a) gender equality, especially with regard to rights, resources and voice, leads to higher economic growth and greater poverty reduction; (b) men and women face different constraints and opportunities in the process of economic growth; (c) there is a relationship between gender and income inequality; in other words, there is greater gender inequality amongst the poor within a country, and in poorer countries; and (d) the comparative advantage of the Bank lies in defining economic policies.

Based on these central premises, the key elements of the Bank's gender strategy, as presented in documents such as *Integrating Gender into the World Bank's Work: A Strategy for Action (World Bank 2002*) consist of conducting periodic Country Gender Assessments (CGAs), designing country-specific strategies based on cultural and social differences, and building partnerships with civil society and United Nations bodies to define strategies and share knowledge. It is also recognized that gender is a cross-cutting issue, and calls for interventions in a wide range of sectors within a country, rather than concentrating on just a few sectors. Gender training of Bank staff is an integral part of this strategy.

2. CRITIQUE OF THE BANK'S GENDER STRATEGY

In offering a critique of the Bank's gender strategy, it is necessary to examine some of the premises on which it is based. For instance, the assumption that greater gender equality leads to higher economic growth and greater poverty reduction is questionable.

Thus, the relevant question may be: how does the process of economic growth, and the growth strategies supported by the Bank affect gender outcomes in terms of equality and welfare? In particular, how does the Bank's agenda in terms of macroeconomic and sectoral policies affect gender outcomes? The Bank’s economic fundamentals call for privatization of State-Owned Enterprises (SOEs), trade liberalization, deregulation of economic activities, and greater reliance on market forces in order to promote greater economic efficiency and higher economic growth.

In many countries however, privatization policies and closure of SOEs have led to widespread unemployment, reduced family incomes, increased domestic violence, and have undermined opportunities for workers' children in terms of education and health. This is true of most developing countries, but also of countries undergoing a transition from socialism to capitalism. In Mongolia for instance, boys have been withdrawn from school to herd cattle, while there has been a general "collapse" with increased unemployment leading to alcoholism and greater violence against women. In Bangladesh, the closure of one state-owned jute mill--the Adamjee jute mill--alone has led to a loss of 40,000 jobs, and the shutting down of schools and colleges within factory premises. Retrenched workers have mostly resorted to informal sector jobs with lower earnings and no benefits. The recent closure of a sugar mill in the Northern region of the country has exacerbated the lean season lack of employment, causing widespread hunger and starvation.

Given this overall context, it is questionable whether sectoral goals in education and health, and efforts to reduce gender disparities, can be of much success. Gender-based violence, on the other hand, cannot be reduced simply through laws or social interventions. These consequences of the Bank's policies strongly illustrate that gender is a cross-cutting issue, and cannot be addressed in isolation.

In Bangladesh, greater male unemployment has also led to 'dowry inflation' along with an increase in violence related to non-payment of dowry. With shrinking opportunities for men and loss of formal sector jobs, the dowry is increasingly being used by the groom and his family to invest in various small-scale ventures or to finance migration of males overseas for work. Given the high stakes, default on dowry continues to be a primary reason for violence against women. Traditional norms of patriarchy thus persist even with an expansion in female employment, as often parents send their daughters to work in order to earn their own dowries.

Meanwhile socialist countries have faced a massive withdrawal of the State and curtailment of benefits for women, measures which have hitherto ensured their participation in the labor force on equal terms with men.

In countries such as Bangladesh, cutting back on State-funded agricultural extension programs have deprived women involved in homestead gardening of quality seeds and extension advice, thus reducing their incomes.

Globalization has, on the other hand, led to strides in terms of female employment, mostly in light manufacturing industries in export processing zones. In Bangladesh, 70-90 percent of the women employed in the readymade garment industry are young women, who are mostly migrants from rural areas. Greater international competitiveness has meant that much of the labor in this industry is casual, with reduced benefits, and poor working conditions. Further changes in global trading rules and increased competitiveness threaten the gains made in terms of female employment. Thus, for the readymade garment industry in Bangladesh, with the expiration of the Multi-fibre Arrangement after 2004 and the move to a new quota-free trading regime, many factories are unable to withstand the pressures of competition and may close down. In order to ease the process of adjustment, many factories moved from woven readymade garments to higher value-added products such as knitwear, which hardly employs female labor. The new trading environment also means that workers, mostly female workers, are subject to global market fluctuations and periodic factory closures causing unemployment with little or no provision for social security.

Similarly, proposed changes in financial policies such as privatization (synonymous with closure) of state-owned banks is likely to deprive rural areas of formal banking services. While most poor women in Bangladesh get finance from micro-credit lenders such as the Grameen Bank, the best way to proceed is to increase women's access to formal banking services, not curtail them. The overall effect on growth and poverty of such financial policies will negatively impact both men and women.

One may also question how the Bank's macroeconomic policy agenda relates to income distribution, given that it is an accepted premise of the new gender policy that greater inequality of incomes is related to gender inequality. It is evidenced that private sector-led initiatives have generated a pattern of growth and development with a more unequal distribution of income in Bangladesh and other countries in the 1990s. Since there are no policy measures to promote wider social equality, one would conclude that in terms of the Bank's own findings, this jeopardizes advances in gender equality.

Another discrepancy in the Bank's gender strategy is the commitment to make gender policies country-specific, taking into account differences in the social and cultural context of countries. This in itself is a useful approach, but is in contradiction with the common agenda pursued by the Bank across all developing countries.

Country-specific gender strategies should thus begin by reviewing the impact of measures such as structural adjustment on poverty, growth, and income distribution in borrowing countries. The contention is therefore not that macro and financial policies should simply be engendered, but rather that these policies themselves need to be thoroughly reviewed for gender and other outcomes.

The rights, resources, and voice framework itself is based on an individualistic approach consistent with the neoliberal philosophy currently propounded by the Bank. Gender disparities are seen in terms of an absence of (individual) rights of women, their deprivation in terms of resources, and the individual's lack of voice, for example, in decision-making. This approach however has limitations. It leaves out the role of the State. In many countries the State has withdrawn from some key areas of resource ownership and activities such as manufacturing. It has at the same time curtailed social services, reduced public expenditures, withdrawn subsidies, etc. This has resulted in a worsening of income distribution and welfare. There have also been major changes in terms of which rights are promoted, and which are curtailed. There has, for instance, been a significant erosion of trade union rights, and rights at the workplace of men and women. The Bank supports such policies in the name of greater labor market flexibility. Such flexibility, however, means that workers can be hired and fired at will, with little social security.

The State, it may be argued in this case, is a neoliberal State, which protects and promotes a particular configuration of rights. Gender equality and women's rights is largely a donor-driven agenda implemented through initiatives such as the Poverty Reduction Strategy Papers (PRSPs), which continue the policy focus of structural adjustment.

An evaluation of the impact of changes in the role of the State and power configurations is thus essential for analyzing gender disparities and gender advances. Given the context, and absence of such an analysis, certain measures are likely to succeed and others to fail. For instance, equal rights of men and women to training, schooling, and other areas will reduce gender segregation of the labor market and also gender differences in wages. A much wider impact in terms of working conditions (safety issues, benefits such as maternity leave, social security) may, however, require a much greater adherence to labor rights and a strong labor movement. Hence, individual rights are not the essential ingredient for ensuring social justice and justice between men and women. It is in this area that the Bank's macro and industrial policies, with emphasis on labor market flexibility, may come in conflict with its espoused goal of ensuring gender equality and greater welfare of women.

Without deep understanding and analysis, engendering development may result in facile exercises and degenerate into a “numbers game” For example, frequently, demands are made for equal representation of men and women in committees, for roads to be built only when they benefit men and women equally, or equality in terms of budgetary allocations for men and women. This is often at the expense of a close look at the mechanisms which cause gender disparities, and policy initiatives that would bring about sustained equality between men and women. A project-level example might help to illustrate the point. An urban road transport project, for instance, would look closely at the needs of women, or more specifically the growing number of women workers who need greater access to transport. A project to improve rural roads may assume that this would benefit men and women equally, or that it is worthwhile undertaking for its growth and poverty effects, even if women are not benefited equally at a particular point in time.

The final point is on the issue of partnership. While it is important for the Bank to build partnerships with civil society, United Nations organizations, and other actors to better serve women's issues, it is an irony that in the present-day the overall partnership of the Bank with developing countries is ridden with conditionalities. These conditionalities curtail both the sovereignty of countries, and their ability to engage in independent policy-making.

3. HOW TO TAKE THE BANK'S GENDER STRATEGY A STEP FORWARD

It is a contention of this paper that the gender strategy of the Bank can be taken a step forward only by questioning the macroeconomic fundamentals that the Bank espouses. Thus along with country gender assessments, the Bank should make an assessment of the macro economic policies, as well as sectoral policies in terms of growth, income distribution and gender disparities.

Macroeconomic indicators, in particular, should include indicators such as employment for men and women, wages, income distribution, and the gini coefficient as well as standard variables such as the growth rate of Gross National Product (GNP) and the price level. It is arguable that macroeconomic variables should not– as is the current World Bank and International Monetary Fund practice– be used only in context of stabilization objectives. They should include social and other objectives, particularly employment goals. This, of course, calls for the inclusion of a wider range of indicators and a more detailed analysis to track the “health” of the economy. Thus, while the goal is to keep prices low and GNP high, one needs a more detailed analysis of the structure of prices and how they affect poor men and women.

In order to firmly bring “people” at the center of the development process and the Bank’s investments, the pattern of GNP growth and whether that growth is pro-poor or offers opportunities to women and other disadvantaged groups should be an area of primary concern.

It would also not be out of place to suppose that while gender strategies should recognize the social and cultural differences between countries, macroeconomic policies should similarly allow for the diverse circumstances of countries at different stages of development. Nations, in particular, should have the scope to decide the extent of private/public ownership, the content of trade, agricultural and industrial policies, and the content and extent of social expenditures.

A greater focus should similarly be on **mechanisms** and **processes** which would reduce gender disparities so that appropriate policy interventions can be made. Currently, CGAs run the risk of degenerating into a quantitative statement of gender disparities, unless they address the different linkages and interrelationships as part of understanding economic and social gender trends.

A similar effort should be made to understand **how expenditures in different sectors are related to outcomes.** The needs for women in different sectors can thus be effectively prioritized, and plans and budgets made according to these needs, rather than simply targeting for equality in terms of expenditures.

4. SOME CONCLUDING REMARKS

The main objective of this brief paper has been to take a closer look at the Bank's gender strategy and the premises on which it is based. It is concluded that the Bank has to address wider issues of social inequality and justice before it can address issues of gender equality, given that the two are not divorced from each other. The pattern of growth supported or initiated by the Bank, even if successful, frequently exacerbates social inequalities. Operational imperatives also mean that there is an excessive focus on statistics, rather than mechanisms and policies, in addressing gender issues. The paper also points out the limitations of the purely individualistic (rights, resources, and voice) approach to ensuring goals of gender equality. It is likely that the Millennium Development Goals will be largely unrealized unless these imperatives are taken into account.

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