

A GENTLE TOUCH? GENDER AND THE WORLD BANK – A CRITICAL ASSESSMENT

**By Nasreen Khundker,
Professor of Economics
University of Dhaka, Bangladesh
zianasreen@yahoo.com**

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Nasreen Khundker

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 fundamentals in terms of economic policy. It is concluded that unless these fundamentals are questioned, it would be difficult to make strides in terms of gender in key areas such as education, health, and violence against women. In fact, it 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 for instance, 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 inequality in terms of incomes and gender inequality, i.e. there is greater gender inequality amongst the poor within a country, and in poorer countries; and that (d) the comparative advantage of the Bank lies in defining economic policies.

Based on these basic premises, the key elements of the Bank's gender strategy, as laid down in documents such as *Integrating Gender into the World Bank's Work: A Strategy for Action (World Bank 2002)* consists of conducting periodic gender assessments in a country (CGAs), designing of country specific strategies based on cultural and social differences i.e. different gender patterns, building partnership with civil society and other UN 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 moreover 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 premise that greater gender equality leads to higher economic growth and greater poverty reduction can be turned on its head.

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 do the Bank's fundamentals in terms of macroeconomic and sectoral policies affect gender outcomes? These fundamentals as we know calls for privatization of State-owned enterprises (SOEs), trade liberalisation, deregulation of economic activities, and greater reliance on market forces, to promote greater economic efficiency and higher economic growth.

In many countries however, privatization policies and closure of State-owned enterprises (SOEs) have led to widespread unemployment, particularly of men, but also of women, and reduced incomes for families, greater domestic violence, and less 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 socialist to capitalist structures. In Mongolia for instance, boys have been withdrawn from school to herd cattle, while there has been a general "collapse" of men facing unemployment, leading to alcoholism and greater violence against womenⁱ. In Bangladesh, the closure of one state-owned jute mill (the Adamjee jute mill) has alone led to a loss of 40,000 jobs, and shutting down of schools and colleges within the factory premises. Retrenched workers have mostly resorted to informal sector jobs with lower earnings and no benefits. Closure of another sugar mill in the Northern region of the country very recently, 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 violence on the other hand cannot be reduced simply through laws or social interventions. These consequences of the Bank's policies in fact drive home very strongly that gender is a cross-cutting issue, and cannot be addressed in isolation.

In the Bangladesh case, greater male unemployment has moreover led to 'dowry inflation' along with an increase in violence related to non-payment of dowry. Thus with shrinking opportunities for men and loss of formal sector jobs, dowry is found to be 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 are thus seen to persist even with an expansion in female employment, as when the girl is sent out to work by parents to earn her own dowry.

Erstwhile socialist countries have in addition 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.

Globalisation has on the other hand led to strides in terms of female employment, mostly in light manufacturing industries in export processing zones (EPZs). In the Bangladesh case, 70-90 percent of the women employed in the readymade garment (RMG) industry are young women, who are mostly migrants from rural areas. Greater international competitiveness has however meant that much of the labor in this industry is casualised, benefits are reduced, and working conditions poor. Further changes in global trading rules, and increased competitiveness, threatens the gains in terms of female employment itself. Thus for the readymade garment industry in Bangladesh, with the phasing of the Multi-fibre Arrangement after 2004 and move to new quota free trading regime, many factories unable to withstand the pressures of competition may close down. Amongst the many processes of adjustment undertaken by factories on the other hand, is to move from woven RMG 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 schemes such as that of Grameen

Bank, the way to proceed is to increase the accessibility of women to formal banking services, not curtail such services. The overall effect on growth and poverty of such measures will negatively impact both men and women.

Secondly, one may also question as to how the Bank fundamentals relate to income distribution and thus to gender outcomes, 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 has 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 terms of gender equality.

The third area of discrepancy which may emerge in the Bank's gender strategy, is the commitment to make gender policies country specific, i.e. taking into account differences in social and cultural context of countries. This in itself is a useful approach, but is in contradiction with the common macro policy agenda--- the macroeconomic fundamentals 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 be simply engendered, rather that these policies themselves need to be thoroughly reviewed for gender and other outcomes.

Fourth, the rights, resources and voice framework is itself based on an individualistic approach, consistent with the Neo-liberal 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, i.e. in decision-making. This rights-based approach has however limitations. What is left out is the role of the State. The truth is that the State in many countries 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 what sets of rights are to be promoted, and those that are to be 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, is in this case, a Neo-liberal State, with its particular configuration of rights to be ensured and promoted. Gender equality and women's rights is largely a donor-driven agenda to be implemented through initiatives such as the poverty reduction strategy papers (PRSPs), and which mainly 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, etc., will reduce gender segregation of the labor market and also gender differentials in terms of 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 sine qua non 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 such a deeper understanding and analysis, engendering development may result in facile exercises and degenerate into a “numbers game”. Thus frequently, demands are made for equal representation of men and women in committees, or for roads to be built only when they benefit men and women equally, etc., or for that matter similar demands are made for equality in terms of budgetary allocations for men and women. This is often at the expense of a close look at mechanisms which cause gender disparities, and taking policy initiatives which would bring about sustained equality between men and women. A project level example might help illustrate the point. An urban road transport project for instance would look closely at the needs of women, or for instance the growing number of women workers, for greater access to transport. A project to improve rural roads may have to 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 of time.

The final point one would like to make is on the issue of partnership. While it is important for the Bank to build partnerships with NGOs, UN organizations, etc., to better serve women's issues, it is an irony that in the present day context, the overall partnership of the Bank with developing countries, is ridden with conditionalities. These conditionalities, as we know, 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 macro economic 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 not only growth, but also income distribution, and gender disparities.

Macroeconomic indicators, in particular, besides including variables such as the growth rate of GNP and the price level, should also include indicators such as employment for men and women, wages, and the gini coefficient for income distribution. Such an approach would not be inconsistent with the research findings that gender disparities are interlinked with poverty and income distribution. In fact, it would be worth tracing these interlinkages to a much greater extent. Thus it is arguable that macro economic variables should not, as is the current Bank – Fund practice, be used only in context of stabilization objectives. They should include social and other objectives, particularly goals in terms of employment. This of course calls for inclusion of a much wider range of indicators and more detailed analysis to track the “health” of the economy. Thus while the goal is to keep prices low and GNP high, one needs more detailed analysis of the structure of prices and how they affect poor men and women.

The pattern of GNP growth, the extent to which it is pro-poor, offers opportunities to women and other disadvantaged groups, should also be an area of concern. This I believe would firmly bring “people” at the center of the development process, and the Bank's investments.

It would also not be out of place to suppose that while gender strategies should recognize the social and cultural differences between countries, macro economic policies should similarly allow for the diverse circumstances of countries at different stages of development. Nations, in particular,

should have the scope for deciding on the extent of private/public ownership, the content of trade, agricultural and industrial policies, and on 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. Thus 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 gender patterns.

A similar effort should be made to understand **how expenditures in different sectors are related to outcomes**. The needs for women in the 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. What is concluded is that turning some of these premises on their head, the Bank, at the very least, 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 apprehended that the Millennium Development Goals (MDGs) will be largely unrealised unless these imperatives are taken into account.

ⁱ Paper presented at a regional consultation on women's studies programs in the Asia Pacific region held in Bangkok from December 1-3, 2003.