

Integrating Gender Into Poverty Reduction Strategies: From the Declaration of Intent to Development Policy in Practice?

Worldwide, 1.3 billion people are living in extreme poverty. Most of them are women. The international community has thus come to realize in recent years that political, economic, and cultural discrimination against women constitutes a central obstacle to social development. New policy guidelines of bi- and multilateral donors affirm that poverty reduction programs can succeed only if they take into consideration the existing social inequality between men and women. At present the concern is therefore a twofold one: to ensure that women have access to resources and rights and to initiate measures aimed at overcoming structural discrimination.

The paper examines the extent to which the National Poverty Reduction Strategy Papers (PRSPs) called for in connection with the enhanced debt initiative are in line with this demand and contain an integrated gender perspective.

- *Involvement of poor, politically underrepresented groups in the PRSP process is intended to ensure that the current poverty-reduction programs take account of their interests. Women's organizations are also participating in these processes. There is, however, for the most part no systematic inclusion of women's positions.*
- *One factor that constitutes an essential obstacle to the development of long-term strategies to reduce women's poverty is a lack of data broken down and analyzed in gender-specific terms. Poverty profiles and indicators are generally limited to the access rate of girls and women to basic education.*
- *Thus far no success has been met with in integrating a gender-specific perspective into the poverty strategy's macro-economic framework. The PRSP process takes no consideration of the social impacts on women of conventional stabilization and privatization measures. Measures aimed at improving the economic situation of women are largely limited to the provision of microcredit.*
- *In the PRSP implementation process in particular, the bilateral donors sought to devote more effort to integrating cross-sectoral issues like promotion of gender equity. The policy dialogue with governmental and nongovernmental actors ought to be used to link the gender issue with macroeconomics, promotion of democracy (participation), and the coherence of sectoral policies.*

Global trends in poverty and inequality

At the beginning of the 21st century the global poverty situation is characterized by conflicting trends. On the one hand, the social situation of the absolutely poor is set to improve over the long run. On the other hand, the income divide separating poor and rich countries is growing ever wider. The poverty differential is also growing within societies. Women are especially affected by this process of intrasocietal differentiation: women account for the greater share of the 1.3 billion persons living in absolute poverty throughout the world. In rural areas the percentage of women living in absolute poverty has risen to over 50%.

Globalization has, it is true, improved the situation of women and girls in some areas; for instance, the school enrolment rate for girls now – thanks to a marked rise in Southeast Asia – stands at a worldwide average of 94%. New chances have also materialized due to growth in gainful employment for women. But this higher share of women in paid employment, now roughly 30%, does not automatically mean improvements of women's economic status, and their earnings continue to be only 75% of those of men. One key factor that remains unchanged is the gender-specific division of labor, which sees women continuing to be assigned responsibility for the major share of unpaid reproductive work required to ensure family survival.

Poverty definition and the gender factor: approaches in development policy

Poverty is not gender-neutral. But economic inequality and a rise in absolute poverty among women in developing countries and countries in transition are not merely questions bound up with poor income situations encountered there. They are also caused by insufficient access to resources, a lack of political rights and social options, and greater vulnerability to risks and crises. In 2001 the worldwide share of women in parliaments was only 12.7%. One reason behind the disproportionate rise in HIV infections among women – 55% of all infected adults in Sub-Saharan Africa are women – must be sought in their restricted rights of self-determination. This situation is exacerbated by women's twofold burden of having to assume responsibility for the unpaid care of infected persons and of having to find means to compensate for the loss of income the disease entails.

Lack of power and influence on social decision-making processes is an elementary component of an extended definition of poverty that bears the stamp of UNDP and goes beyond the statistically documented poverty line of one dollar per day (income poverty). This definition is based on international concepts and agreements such as the OECD/DAC guidelines on poverty reduction and the final document of the UN Copenhagen+5 Conference. This definition makes it possible to develop approaches to overcoming the existing socioeconomic gender gap that are more comprehensive than those of earlier development programs concerned with the advancement of women and "Women in Development", WID.

Even in the 1970s and 1980s women in low-income households were recognized as the most important target group of poverty reduction strategies because of the key role women were seen as playing in satisfying basic needs and ensuring family survival. It was anticipated that the aim of enhancing women's market-based economic productivity by means of income-creating projects and microcredit would entail positive effects for women. In fact, however, these pro-women programs led only to marginal income increments and led to no additional political rights whatever.

This efficiency-oriented approach is today being challenged by a widely held gender approach that centers on equal rights for men and women and elimination of social inequality as an *independent development goal* (see box, below). If poverty reduction strategies are to prove sustainable, it is essential for them to take account of the qualitative differences in the interests of men and women and the degree to which they are affected and to factor these differences into all areas of programs (gender mainstreaming).

The gender approach in development policy

The term 'gender' is often used to distinguish between the social and biological connotations of the word 'sex'; in this sense, the term refers to socially and culturally acquired gender roles. These are context-dependent and variable.

The so-called Gender and Development Approach (GAD) was developed at the beginning of the 1990s. Proceeding from the inequality between men and women, the approach has moved gender into the foreground of the analysis of political and legal framework conditions. The most important instrument here is gender analysis, which is used to identify gender-specific interests and priorities for development projects. The approach distinguishes between practical needs and strategic interests. The former are geared to survival (access to water, seed), while the latter have to be formulated if structural improvements are to be achieved (rights of codetermination).

The central strategy geared to achieving a comprehensive and equal participation of both men and women in the development process is gender mainstreaming, the integration of a differentiated gender awareness at all levels of society and in each phase of every measure.

The gender approach has been anchored in the policy of the German Ministry for Economic Cooperation and Development (BMZ) since 1977 – as it has been in the development policies of other bilateral donors as well. But there is still a gap between progressive political rhetoric and the consistent implementation of the approach in the relevant institutions. For instance, in country or sector papers analysis of the actual gender-related distribution of power in society usually either is masked by an ostensible "gender neutrality" of the matter concerned (road-building, business promotion) or vanishes behind a target-group approach that addresses women mainly in terms of their stereotyped gender roles (reproductive health).

Up-to-date policy and strategy papers of the donor community on poverty reduction are today based on a conglomerate of the following elements of women-specific approaches to development:

- Economically oriented measures targeted to women (improved access to credit and resources, land, water, education) are combined with programs aimed at empowering women (i.e. strengthening their capacities and rights).

- More or less emphasis is placed on elements of a rights-based approach (right to dignity and freedom from violence; distributional issues; equality as a goal in its own right).
- These policy elements are linked and mediated by a win-win strategy that integrates different demands and standards, bringing home the benefits of gender mainstreaming to all actors, be they men or women. A comprehensive World Bank study, for instance, indicated that governance is "cleaner" and corruption in government lower when women have more decision-making positions in politics and the public sphere. The World Bank clearly states that while promotion of equal rights is relevant for economic development, this is nonetheless not the actual goal of its efforts.

A win-win scenario with a high level of reciprocity between greater gender equity, economic growth, and effective poverty reduction may not, of itself, betoken a paradigm shift in development cooperation in the field of gender policy. But it does offer a reasonable framework in which to bring together the debates on economic development and social inequality, which have until now generally been conducted in isolation from one another. National poverty reduction strategies bear this in mind.

The core principles of the PRSP approach

To qualify for debt relief, poverty reduction strategy papers (PRSPs; see box, below) elaborated by developing countries must therefore contain the following core elements:

- a comprehensive poverty analysis referring both to absolute figures and differentials within society;
- a list of clear-cut priorities for planned structural economic reforms and social programs;
- adequate targets and indicators for the process of implementation and monitoring;
- a description of the participatory process that has led to the preparation of a PRSP.

In its own chapter of the PRSP handbook, the World Bank points to the need for and the approaches to integration of the factor of gender into development-related processes. The World Bank has also conducted the only comparative evaluation of PRSPs available thus far. The results are in the main faulty, with gender aspects for the most part being mentioned only for the classic sectors of education and health, while the study sees no relevance for these aspects in central sectors like agriculture, the environment, transportation, and urban development.

The process' strengths and weaknesses

As far as the manner in which they deal with the integration of the cross-cutting issue of gender is concerned, the PRSPs that are already available vary markedly in their substantive quality. And the important thing here is not whether these are preliminary, so-called *interim PRSPs* or final versions, so-called *full PRSPs*. Rather, the crucial aspect must be seen in three process-oriented aspects:

- Political frameworks: in most developing countries the institutionalization of women's affairs policy since the 1970s has led to the setting up of government agencies or offices for women's and gender issues. Their policy orientation (advancement of women or the gender approach) decides on whether or to what extent a gender-specific PRSP is given official support. The Rwanda's Ministry of Gender, Women and Development, for instance, achieved some mainstreaming successes by organizing workshops on gender issues for other interested actors as well as by setting up a "Gender in PRSP" staff working group. An enabling environment of this kind can

National poverty reduction strategies

One central condition for the debt-relief measures adopted in the framework of Heavily Indebted Poor Countries initiative (HIPC II) is the elaboration of country-specific poverty reduction strategies (so called Poverty Reduction Strategy Papers, PRSPs). The aim of PRSPs is to link macroeconomic structural reforms (financial policy and employment promotion) with social-policy measures aimed at reducing poverty (basic education) to develop a strategy conceived as a political process (analysis of poverty situation; implementation, monitoring, reformulation of the poverty strategy). PRSPs are characterized by a) direct government responsibility (ownership), b) participation of civil society, and c) consideration of cross-cutting issues like equal rights for men and women. These papers give rise to high expectations in terms of both their impacts in promoting democratization (good governance) and the substantive makeup of these new planning and control instruments of poverty reduction. Whether, as postulated by bi- and multilateral donors alike, the PRSP approach will bring about the paradigm shift from growth-oriented structural adjustment programs to a socially equitable and self-determined development policy crucially depends, however, on whether the implementation processes will prove able to overcome the weaknesses that have marked the initial phase: the parliaments of the HIPC countries are, for instance, expected to become more heavily involved in poverty reduction policy, and the right and the possibility of actors of civil society to be heard should be anchored in the monitoring procedure. It is, however, of the utmost importance to concretize the "broadly effective, poverty-oriented growth" (pro-poor growth) called for in all quarters in order to develop a coherent, integrative macroeconomic poverty reduction strategy that is more than a continuation of "structural adjustment with a human face." Here, further developments remain to be seen.

improve coordination and promote synergy effects with gender approaches in other sectors such as health, labor, and infrastructure.

- Time pressure and lack of transparency in participatory procedures tend to strain the political dialogue between NGOs and governments. Better NGO preparatory work would be one way of avoiding political tensions. Representatives of Ghanaian women's organizations, for instance, are voicing criticism of an unsatisfactory information policy concerning negotiating procedures as well as of a lack of familiarity with economic issues in their own ranks. In many PRSP processes advanced training and economic literacy are being called for as a means of promoting participation and self-responsibility.
- In preparing PRSPs, forms of participatory negotiation are largely restricted to discussion and consultation procedures. Here, the institutions responsible are for the most part concerned to ensure that women's NGOs are involved in the PRSP process. So called harmonization workshops include chiefly lobbying organizations focused on strategic gender interests (legal reforms, prevention of domestic violence). In the further course of events, many PRSP drafts indicate that attention is being accorded to these positions advanced by women's organizations, and this development has not involved any neglect of issues concerned with safe access to basic services. Still, corrective and remedial procedures are problematic; they move in the narrow space between correction and cosmetics. Gender mainstreaming, however, presupposes comprehensive planning and analysis of social and economic gender issues. It is in particular here that the basic PRSP framework shows some weak points.

Poverty analyses as the basis of gender-sensitive PRSPs

One of the major obstacles to the further development of poverty reduction strategies at the national level is the glaring lack of data broken down along gender-specific lines. If, however, poverty diagnoses differentiated for gender are to be developed, it is essential to collect and evaluate both qualitative and quantitative data. It must, however, be noted that the poverty profiles that preface the strategy papers are only marginally concerned with gender analysis.

- Quantitative poverty analyses continue to be based on the household unit and do not document internal household income differentials. It would make sense to bolster these analyses, for instance, by using time-use studies to identify any inequitable allocation of paid and unpaid work. In some countries locally conducted, qualitative analyses (so-called participatory poverty assessments, PPAs) have been used to survey groups by gender; but their findings have not been taken up by the PRSPs that have been submitted thus far.
- The indicators used for poverty diagnosis and impact monitoring also generally lack sufficient levels of differentiation. The indices *Gender Empowerment Measure* (GEM) and *Gender Development Index* (GDI) that were developed by UNDP are as a rule not reflected in PRSPs. Reduction of gender-sensitive indicators to a) access to basic education and b) access to health care is, however, a problem inherent in international development objectives: gender equality in access to basic and continuing education by the year 2005 is seen here as *the* index of gender equality. No targets or benchmarks have been set here to define improvements in the economic and legal situation of women.

The core issue of macroeconomics: approaches to integrating social policy and gender equity

The gender issue has become part of the PRSP process. Numerous guidelines and packages of measures are containing references both to practical needs that differ in gender-specific terms and to strategic gender-related interests. But hardly any cross-sectoral strategies have been formulated that point beyond the initiatives familiar from the classic approaches to the advancement of women in poverty reduction: provision of microcredits, education and training measures, improved access to basic services and local technologies are conditions that are necessary but not sufficient to develop a socially and economically integrative approach at the macropolicy level. This is one of the greatest challenges facing a gender-specific analysis of PRSPs, for their most important chapter – the policy-level economic framework of national poverty reduction – is presented exclusively in gender-neutral terms. On the other hand, gender-sensitive macroeconomic analyses show that both national economic and financial policy and the trade liberalization called for by the World Bank have particular impacts on poor women who are mainly employed in low-wage activities in retailing and in the informal sector or in small-scale agricultural food production.

Expenditure policy: Aside from promotion of economic growth, the PRSP framework concept centers on a policy of stabilization through cuts in public spending. Such austerity measures for the most part entail privatization of public services (water, electricity). Growth in unpaid work and the introduction of user charges constitute a burden for women in particular. Even though the impacts of this policy have been analyzed in connection with the consequences of the structural adjustment programs of the 1980s and are sufficiently well known, they are not given enough attention in the PRSP processes.

Revenue policy: The mobilization of national resources called for by the World Bank in connection with the PRSP process has led in some indebted countries to increases in the value-added tax. This runs counter to a poverty-oriented and socially equitable fiscal policy, which could, for instance, use tax breaks and exemptions from license fees in the informal sector to reach out to and promote poor women in a targeted manner.

Comments on some individual PRSPs from a gender perspective indicate that the macroeconomic concepts presented by them have thus far contained very few innovative impulses aimed at a sustainable, gender- and poverty-oriented debt-relief policy. One new and demanding aspect here is the call made by donors to use the PRSP approach to support a holistic, and gender-oriented, development policy. This, however, would presuppose that the approach take account both of the everyday realities of poor women and of gender-specific roles and interests. It is only by taking into consideration all forms of gender inequality that it will be possible to overcome the conventional divide between growth-oriented macroeconomic policy and social reproduction.

Seen in terms of the gender perspective as well, the innovative potential of the PRSP approach must be sought in the political processes by which it has come about. If the gap is to be closed between pro-women declarations of intent and a truly gender-oriented practice of development policy, it would be imperative to anchor, in all of the issues addressed by a PRSP, not only forms of participation but also broad, decision-relevant *possibilities of codetermination* for women's organizations.

What can bilateral donors do?

Recommendations for German policy

In its Program of Action 2015, the German government has committed itself to the objective of poverty reduction, and this at the same time means a commitment to promoting gender equity. The German government can therefore be expected to make more use of its advisory function in promoting gender mainstreaming as a cross-sectoral issue. This would not run counter to the aim of promoting ownership on the part of the HIPC countries, since a) promotion of gender equity and commitment to women's human rights are a component of various relevant international agreements and this b) is at the same time called for by civil-society organizations in the HIPC countries as well.

In their support of the PRSP processes, bilateral donors attach great significance to the *policy dialogue* with governmental and nongovernmental actors alike. This implies three points of departure for German policy:

- With a view to promoting a gender-sensitive *sociopolitical dialogue* and setting the macroeconomic stage for the PRSP process, it is essential to involve both the government institutions responsible for gender policy and the institutions in charge of the seemingly "gender-neutral" fields of financial, economic, and sectoral policy. The aim should be to anchor a gender perspective at the macrolevel of economic and social policy. It is also impera-

tive to harness, from the gender perspective, existing expertise concerning the ongoing debate over international trade agreements and development financing. Gender budget initiatives that critically review public budgets from the gender perspective and – especially in African countries – seek to bring their influence to bear on PRSP processes should be supported in their efforts to assume a role in the shaping of both social policy and the so-called hard sectors of financial policy.

- The political dialogue on *promotion of democratization* in the framework of the PRSP process should seek to forge closer links to gender issues. The aim should be more participation of women and women's NGOs in all phases of and bodies involved in the PRSP process as well as in the politics and administrations of the countries concerned. Closer cooperation e.g. with the political foundations and their partner organizations would be called for to encourage the work in political education required for this purpose and to achieve important synergy effects for PRSP processes.
- The goal of a policy coherent in both internal and external terms should also be to foster the gender perspective in the national policy dialogue on poverty reduction. Women's NGOs should therefore be involved in the process of implementing the Program of Action 2015. Another important task would be to evaluate BMZ's focal strategy papers (countries, sectors) and the experiences made with other bilaterally supported programs on poverty reduction (sector-wide approaches, SWAps) with an eye to integrating gender issues in them.

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Literature for further reading:

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