



WORLD BANK

Gender Inequality and Poverty

By Irene Yuan

Introduction

The Oxford English Dictionary defines gender as “the state of being male or female, with reference to social or cultural differences.” Indeed, gender refers to much more than just the biological differences between men and women; it embodies a wide set of **socially constructed** norms, behaviors, and expectations. Different cultures assign and accept certain roles and activities for each gender. Some of these are similar across all societies, such as the responsibility of child care for women and of military defense for men, and some are different, such as certain Latin American countries’ refusal to allow female land ownership. Thus, a problem that has persisted for ages and across all cultures is that of gender inequality. Gender inequality is not inequality of outcomes for men and women, but rather the inequality of opportunity and inequality of the factors that create those outcomes. To reach full gender equality means to give men and women equality in opportunities and resources, rights, and voice.

Though recent decades have seen considerable advances in the goal of gender equality, gaps are still widespread in many areas of the world, particularly in developing nations. In fact, there is hardly a region of the developing world in which one could persuasively argue that women are equal to men regarding all legal, social, and economic rights. The consequences of these pervasive inequalities typically have their most significant effects on women and girls, but they also ultimately cause harm to all persons in society. Specifically, countless studies have shown clear connections between gender equality and human development outcomes such as health, survival, standard of living, as well as between gender equality and **macro-level** economic growth and poverty reduction. It is for these reasons why gender equality has become such a serious and legitimate development objective in and of itself.

Because the advancement of women’s empowerment and gender equality is necessary for future poverty reduction, economic growth, and human development across all societies, the World Bank has given this issue top priority in recent years. It has recognized that even the rapid economic development of many countries is not enough to achieve the desired gender equality, and as a result, the World Bank is looking towards a strategy that involves reformed institutional environments, strengthened incentives, and improved policy measures to **redress** existing disparities. Further, these objectives will attempt to work towards future streamlined opportunities and resources.

Socially constructed—not natural, but created by human society.

Macro-level—on a broad scale rather than individually or even communally.

Redress—to correct or fix.

Explanation of the Problem

The last 100 years have brought about many advances in gender equality in most developing countries. Women have earned the right to vote in countless places around the world over this past century; some have even been elected to top government positions. Large gender gaps in schooling have been reduced, with primary enrollment rates of girls nearly doubling in South Asia, Sub-Saharan Africa, and the Middle East and North Africa. The growth of women in the labor force has surpassed that of men, with the women's labor force participation rate rising by 15 percentage points since 1970 in East Asia and Latin America. Besides political and social advances, women's life expectancy has increased by 15-20 years in developing countries, with better access to health care and greater investments in young women. However, despite this progress, significant gender inequalities remain, and some areas have even experienced setbacks in previously reached improvements.

Political & Legal Rights

Gender inequalities persist in four major areas: rights, resources, wages, and political voice. In no developing region of the world do women have equal rights with men in all these areas. This asymmetry of basic rights—ranging from marriage to inheriting property to moving outside the home—severely limits the opportunities women have. For example, in Botswana, Namibia, and Swaziland women have no independent right to manage property. In Egypt and Jordan, women cannot travel without their husband's permission; in Bolivia, Guatemala, and Syria, women's employment can be restricted by their husbands.

As for political and legal rights, even in those developing countries where women technically have equality under their national constitutions, they do not fully enjoy such rights in practice. Outside of Europe, Central Asia, and East Asia, women experience even lower equality in social and economic rights than legal and political. In 1995, the Fourth World Conference on Women in Beijing helped improve some social rights for women. Despite this general upswing of improved gender equality, however, many disadvantages for women continue to constrain their ability to participate in social, political, and economic development and continue to reduce their quality of life.

Access to Resources

Similar to the lack of equal rights, poor access to resources continues to affect women and girls in developing countries. This involves unequal access to education, human resources, **social capital**, financial capital, employment, and wages. Disparities in education persist in enrollment rates and average years of schooling: female secondary enrollment rates hover around 14% and average years of schooling around 2.2

Social capital—connections within and between social networks as well as between individuals.

in Sub-Saharan Africa, with a 0.7 female-to-male ratio, meaning nearly 50% more men than women are enrolled in school. Women in South Asia have about half as many years of education as men, on average. There has been a trend towards gender equality in education in many areas, but the gains are slow and uneven for the poorer regions. Because of these continual gaps, women face serious risks in falling behind men in their participation in the development process.

Lack of access to health resources is another substantial obstacle in the way of gender equality. Though in general, women live longer than men, some cultural biases and economic considerations have created heavy discrimination against girls, leading to a significant decline in the gender ratio (male to female). The one-child policy of China, for example, has led parents to abandon female children, choose **sex-selective abortions**, or neglect their daughters. Women are also more susceptible to gender-related violence and domestic abuse. That is, surveys from around the world estimate that 16-50% of women have been victims of physical abuse at some point in their lives.

Gender disparities in productive assets such as land, information, technology, and financial resources also persist to the detriment of women. Differences in **asset ownership** between men and women from pre-marriage persist throughout women's lives and severely affect their **autonomy** and household influence. Furthermore, oftentimes women's low ownership of land leads to poorer access to financial services and loans, leading to less ability to strike economic independence or to become entrepreneurs. Even as women's labor force participation rates increase, their earnings continue to be much lower than men's earnings. **Empirical** studies from 71 countries show that even in developed countries women earn about 77 percent as much as men, and in developing countries 73 percent as much as men.

The lack of educational opportunities, human and productive resources, and their weaker income-generating abilities limit women's political voices in society. Their ability to participate in political processes and influence decisions becomes inhibited. Though women can vote in nearly all countries now, disparities exist in many active forms of participation and discussion, not to mention representation at all levels of government. In East Asia, women comprise less than 20% of elected officials in the government. Especially in the executive branch of government, women are vastly underrepresented. In short, history has shown that gender inequalities have persisted in major areas and spanned a myriad of cultures to become a serious obstacle facing us in the 21st century.

Sex-selective abortions—the abortions carried out because of the sex of the unborn fetus.

Asset ownership—control of items of value, especially land and means of production.

Autonomy—ability to act independently of other people and be self-governing.

Empirical—originating in or based on observation or experience.

Recent Developments

Botswana & Guatemala

Many recent developments have shown success in heavy promotion of gender equality in developing countries. **Leveraging** international support seems to be especially successful. For example, two relatively recent civic initiatives in Botswana and Guatemala, in particular, have shown that the strategic use of international support mechanisms in addition to court action can effectively advance gender equality laws. Women's rights groups in Botswana had long argued that the country's 1984 Citizenship Act violated the national constitutional equal protection guarantee. In 1992, a woman named Unity Dow challenged the constitutionality of the Act by filing a suit before the Botswana High Court. Although the High Court ruled in favor of Dow, the government initially ignored the ruling. After women's groups in Botswana made the issue a focal point of the United Nations' Fourth World Conference in Beijing in 1995, however, the Botswana Government passed an amendment act that respected the equal protection guarantee and complied with the High Court's ruling.

Leveraging—using for gain.

In Guatemala, the official Civil Code pre-1999 included provisions that discriminated against married women by giving wives primary responsibility for child care, set a lower minimum age of marriage for females than males, and gave husbands veto power over their wife's decision to work outside the home. In 1992, a woman named Maria Eugenia Morales Acuna de Sierra brought this Code to the Guatemalan Constitutional Court, charging that nine code provisions violated the guarantee of equality between men and women written in the national constitution. Though in 1994 the court ruled that none of the challenged provisions were discriminatory, after Morales filed a petition with the Inter-American Commission on Human Rights, the Guatemalan government changed the Civil Code to get rid of all the violations. Clearly international support and attention has been helpful in achieving otherwise impenetrable roadblocks to gender equality in certain countries.

World Bank Actions

Even more recently, in the 21st century the World Bank has recognized the need for eliminating gender discrimination and worked on numerous plans to achieve this goal. After the 1995 Fourth World Conference on Women's Rights in Beijing, the World Bank adopted gender equality as a core element in the Bank's strategy to reduce poverty. The Millennium Declaration of 1995, the Beijing Platform of Action of 2000, and the Convention on the Elimination of all Forms of Discrimination Against Women (CEDAW) of 2001 all set forth the World Bank's goals in combined efforts with the United Nations to pay greater attention to gender issues. Goals of action regarding women and pov-

erty, education and training of women, women and health, violence against women, women and the economy, human rights for women, and so forth have all been set forth in large conferences and with broad plans of attack.

Introduced in 2000, the World Bank Operational Policy 4.20: The Gender Dimension of Development aims to reduce gender disparities by integrating gender considerations in its country assistance program, hence creating a unified effort to combat gender issues with general assistance areas. The World Bank **Gender Mainstreaming** Strategy enacted in 2001 involves working with governments in client countries to diagnose barriers stemming from gender discrimination and to identify gender-responsive actions for poverty reduction and sustainable development. In all of these World Bank strategies, the key first step has been to perform gender equality analysis along with all other social analytical work being done in high-priority projects. This gender equality analysis has been successful in adjusting and programming lending operations in many developing areas that are crucial to macro-level growth and poverty reduction.

In the last 100 years, the World Bank has taken a leadership position in establishing the necessity of working towards gender equality. Many other organizations, particularly NGOs, have also followed the World Bank's lead in tackling the problem of gender discrimination and strategizing towards equality.

Gender mainstreaming—the concept of assessing the differential implications for women and men of any planned policy action, including legislation and programs, in all areas and levels.

Focus of the Debate

Consequences of Inequality

The reasons why gender inequality has become such a significant social and developmental issue spread into many areas. On a personal level, it imposes great costs on the health, well-being, and general quality of life for men, women, and children alike. On a societal level, it reduces economic productivity by essentially eliminating a large portion of the labor force and hence lowers prospects for poverty reduction and future progress. On a national level, it weakens a country's governance by failing to include half the population, hindering the effectiveness of a country's developmental policies.

In terms of well-being, the effects of gender inequality are evident in many countries' excessively high female mortality rates, in the lack of mothers' schooling to the disadvantage of their young children, and in the connection between lower female household incomes and lower child survival rates and poor nutrition. For example, a study in rural China showed that a mother's education level had a large effect on educational investments for her child and that this effect was much larger than that of a father's education. A study in northeast Brazil discovered that children of mothers who have completed primary school were

2.5% taller than those of illiterate mothers. This increased height is usually a good indicator of nutrition and overall health.

Costs of Inequality

Gender inequalities also impose heavy costs on productivity, efficiency, and economic progress. By excluding women or men from access to resources or productive activities, an economy's capacity to grow and improve living standards diminishes greatly. Think about what would happen in any nation if half the labor force was to suddenly stop working. Because this is the situation in many developing nations, they are essentially operating at a fraction of their capacity. One study estimates that if countries in South Asia, the Middle East, Sub-Saharan and North Africa had closed the gender gap at the rate of East Asia from 1960 to 1992, their income per capita could have grown by nearly 1 percentage point—a significant increase over actual growth rates. Furthermore, since the private rate of return to an additional year of schooling is at least as large as that of men, the lost earnings from gender inequalities in education directly lead to deprived economic growth. More investment in the human capital of sons than of daughters also contributes to inefficient allocation of labor, suggesting that prejudice and norms rather than economic efficiency determine supply and demand for labor.

On personal, social, and national levels, the promotion of gender equality reveals great benefits. There is a compelling rationale for state intervention. Government action would not only benefit those directly affected, such as discriminated against women and their disadvantaged children, but it would also reduce broader negative **externalities**.

Externalities—the secondary or unintended consequences.

NGO Perspectives

Amnesty International

Amnesty International has become an active and vocal supporter of women's rights around the world. Under the broad framework slogan that "women's rights are human rights," Amnesty has worked with other NGOs and national governments to establish many important programs and statutes in support of gender equality. Violence against women has been a strong component of this NGO's efforts. The Stop Violence Against Women Campaign was launched in 2004 by Amnesty International to help vocalize this scandal of violence against women and create an environment of basic rights for women. This campaign urges governments and armed groups to end immunity for violence against women during times of conflict and post-conflict, demands that governments abolish discriminatory laws that lead to violence against women privately and publicly, and asks for new laws and policies for female protection from violence.

Recently, along with Women Thrive Worldwide and Family

Violence Prevention Fund, Amnesty International has led the fight for the International Violence Against Women Act (I-VAWA), a piece of US legislation that addresses violence against women globally in an unprecedented way. It directs the United States government to create a five year strategy that will reduce violence in 10-20 countries that are known for having the highest levels of violence against women and girls. Sponsored by Senators Joe Biden and Richard Lugar, the bill is currently being debated in the US Congress.

Amnesty International has many other programs directed at calling attention to and directed towards women's rights. For example, the "Maze of Injustice" is part of Amnesty International USA's attempts to **rectify** the disproportionately high levels of rape and sexual violence directed at Native American women in the United States. Through their research, Amnesty International is calling on the US government to take the first steps to end sexual violence against **indigenous** women. Amnesty International Ghana is working on promoting gender equality in schools by organizing competitions among all-girls schools with the theme of stopping violence against women.

Rectify—to set right, to correct by removing errors.

Indigenous—native to a particular region or nation.

Oxfam

Oxfam also wrestles with the problem of gender inequality because the majority of the world's poor are women—70 percent of the 1.3 billion people who live on less than one dollar a day are women and girls. As such, Oxfam considers gender mainstreaming one of their main priorities—meaning both women and men, and each group's different needs, are considered in the design and implementation of their programs. Working with the Institute of Education, the University of London, and the UK Department for International Development, Oxfam has embarked on a project entitled "Beyond Access: Gender, Education and Development Project," which is aimed at improving policy development and practice. Oxfam has also partnered with groups in Southern Africa to lobby for the Africa Women's Protocol, which mobilizes resources for financing gender equality measures and women's empowerment. The protocol was successfully adopted in 2003 in Mozambique and entered into force in 2005.

Oxfam's Policy on Gender Equality of 2003 also works with men, recognizing that addressing men is an essential part of the effort to build gender equality. Oxfam realizes that it is important to create a broad social consensus among men and women on the issues affecting equal rights, to mobilize resources and institutions controlled by men, to isolate those men who try to preserve men's power and deny women rights, and to contribute to the next generation of boys' education in recognizing this gender equality framework. Therefore, Oxfam helped fund the Gender Equality and Men (GEM) project that was started in 2002 by the UK Poverty Program to address this issues.

Possible Solutions

It has become evident that gender inequalities not only carry high individual costs but also inhibit the development prospects of many countries. Hence, there is a compelling argument for the urgent necessity of public and private action. Especially because there are significant social benefits associated with improving the status of women, governments have a critical duty to work towards equal rights for females. Action by the state is also important because the social and legal institutions that bring about gender inequalities are near impossible for individuals alone to tackle and change. Though it was long the **conventional wisdom** that the progress of economic growth is enough for advancing gender equality, we realize now that this is often not enough. To promote gender equality, institutions must be reformed to establish equal rights and opportunities for women and men. Furthermore, incentives need to be strengthened for more equal resources and participation, and active policy measures must be taken to address persisting gender discrimination especially in regards to resources and political voice.

Conventional wisdom—*the generally accepted belief, opinion, judgment, or prediction about a particular matter.*

Equality in Rights

Firstly, a level institutional playing field must be established for women and men. This involves, at the forefront, ensuring equality in basic rights. If countries in South Asia, Sub-Saharan Africa, and the Middle East and North Africa took steps to increase gender equality, the ratio of women to men in parliament would likely more than double in all of those areas. Furthermore, incentives need to be established that discourages discrimination by gender. A basic incentive is that of the market: competitive markets such as in Mexico and the United States show evidence of less discrimination against women than more highly protected and isolated markets. Similarly, in China, women face greater wage discrimination in jobs that have been administratively assigned to them than in competitively obtained jobs.

Economic Development

Economic development is a significant way to strengthen incentives that lead to greater gender equality. On a basic level, when economic development raises incomes and reduces poverty, more money can be spent on health and education—areas that girls and women bear most of the costs when economic situations are dire. Furthermore, economic growth is usually accompanied by infrastructure investments that reduce the time women and girls need to spend on household maintenance and care activities. In Uganda and Zambia, for example, females could save hundreds of hours a year if they could reduce their walking time to sources of fuel and water to less than 30 minutes.

However, economic development does not automatically make a

substantial impact on promoting gender equality, because the impact still depends heavily on the state of human rights in the nation, access to resources, and political voice. It is also more difficult for development to occur if there is severe gender discrimination. Changes in social policies are necessary to accompany the development of economic policies; both economic change and institutional change need to be adopted in any long-term strategy to promote gender equality. Looking at countries where per capita income and gender equality in rights are low, increasing either one would raise gender equality, but increasing *both* would yield a much greater gain than each individually.

State Intervention

Another important solution is that of redressing persistent gender disparities by taking active measures and concrete steps. This is necessary to accelerate the progress of achieving gender equality because the efforts of institutional reform and economic development take longer to become realized. Interventions by the government in targeting specific groups affected by discrimination in access to resources and political voice will vary across countries but nonetheless should be taken. Because each state will need to adopt very different measures, careful understanding and analysis of local realities must be the first step. Identifying and focusing on the areas that the private sector is unlikely to take on and the effects of the market alone will not fix is particularly important.

Some potential points of entry for state intervention are reducing costs of schooling, new financial institution rules for gender-specific **constraints**, and land reforms that provide for husbands and wives to have joint titles or allow females to increase their control of land. Reducing the personal limits imposed by household roles for women is also important: since most cultures assign the role of maintaining households and caring for children to women, states should try to provide ease the burden on women through better family planning services, working towards equality in education and wages, making available public support for out-of-home child care, and improving investments in infrastructures that will reduce women's and girls' domestic workloads in poor, rural areas.

Constraints—limits or boundaries.

Social Equality

In looking towards approaches to gender equality, solutions must also provide gender-appropriate social protection and take into consideration gender differences in risk and vulnerability during economic shocks or policy reforms. Safety-net programs and old-age security programs have typically not accounted for gender differences in employment, earnings, and life expectancy risk. Something else that needs to be taken into consideration is how to strengthen women's political voice

and participation. Policies and institutional changes that promote equality in education and access to information can help strengthen women's political **agency**. Like economic development, these steps will take time to be established and show positive effects, but these steps should have much quicker and more **tangible** effects.

Agency—*the capacity to act or exert power.*

Tangible—*capable of being perceived; substantively real.*

Questions for Policymakers

A resolution that works towards gender equality has many elements to consider. Observing and analyzing the gender impacts of specific public expenditure choices, whether they promote or inhibit gender equality and economic efficiency, are important. With tightening budgets and economic crises, realizing the competing demands for public resources and attention and understanding the subtle difference in local and national gender concerns is necessary for making decisions that maximize social gain.

Furthermore, certain issues are emerging that need special attention: globalization, government decentralization, the spread of HIV/AIDs, and the aging of the world's population are all rapidly changing circumstances that a solution should pay particular focus towards. Understanding the policy implications of these trends and their effects on demographics are pivotal. For example, because of the population aging, the number of widows is slowly rising during the 21st century—what does this demographic shift imply for public policy areas such as health and social protection? Also, since globalization is transforming the way information is being conveyed around the world, will this affect gender disparities by reinforcing discrimination or work positively, towards advancing gender equality? Understanding these issues and challenges is important for policymakers in considering bills of this topic.

Conclusion

Though the last century has seen considerable advancements in the **pervasive** issue of gender inequality, many problems still persist. In no region of the developing world are women equal to men in legal, social, and economic rights. In regards to control of resources, economic opportunities, and political voice, gender gaps remain widespread and inflict the large costs on women and girls. Moreover, the **repercussions** of gender inequality create costs for all of society, ultimately harming everyone. These repercussions involve hindering productivity and economic growth, directly disadvantaging young children through their mothers' illiteracy and lack of autonomy, weakening quality of governance and the effectiveness of development policies, and so forth.

Pervasive—*to be deeply involved in many different areas.*

Repercussions—*the consequences, unintended or otherwise .*

Therefore, it becomes clear that government intervention is nec-

essary, and that future development policies that do not address the disparities in gender relations will have limited effectiveness. Not only do institutions need to be reformed, and incentives strengthened to **foster** economic development, but active measures also need to be taken to target existing disparities in political voice and resources.

The World Bank is uniquely positioned to target this core problem of gender inequality because of its strong presence in certain sectors and its particular strength in certain processes that are pivotal towards this strategy. The World Bank is able to use its current dialogue with developing client countries, based on global expertise, to their advantage to suggest and implement consideration of gender issues. Furthermore, the World Bank's importance as a lender and its formal analytical capacity lends weight to its advice and economic policy and its training process allows for easy implementation of these suggestions. This is why gender and development has become a **cornerstone** of the World Bank's agenda, and with programs such as the World Bank Operational Policy 4.20 and the World Bank Gender Mainstreaming Strategy, both enacted at the turn of the 21st century, many important steps are being taken to advance gender equality in developing areas and working towards a more efficient approach to macro-level growth and poverty reduction.

Foster—to promote the growth or development of.

Cornerstone—a basic element of; a foundation.

Guide to Further Research

The topic of gender and development is extremely broad: a good place to begin research, at least in terms of the World Bank's strategy towards this issue, is in the yearly World Bank Development reports. Beginning in 1999, these development reports have focused more and more on the topic of gender inequalities in relation to general development structures and approaches, and are a good starting point for more in-depth research for certain countries or areas of need. Individual countries' annual development reports can help you examine the issues in more detail. For example, the 2000 Vietnam Development Report on attacking poverty from the World Bank allows a closer analysis of the problems stemming from gender inequalities towards Vietnam's poverty rates.

Because the issues of gender equality and strategies for tackling gender discrimination in developing countries have been fairly recent, it is often more useful to turn to policy reports, proposals and working papers than actual books. Aside from the World Bank's website and published reports, journals such as the *Journal of Development Economics* and *Journal of Labor Economics*, as well as working papers from the National Council of Applied Economic Research and discussion papers from Economics/Sociology departments of major universities, are also good places to find current developments and new research information.

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