



WORLD BANK

Gender Inequality and Poverty Update

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Introduction

The World Bank has targeted gender inequality in both the developing and developed world as one of the primary roadblocks to economic growth. While many view **social constraints** on women as a human rights issue, the World Bank also believes that when half of a society's population faces widespread and **systemic** inequity, the nation's economic and social growth will be stunted. Beyond the moral and philosophical justification for permitting women to make economic choices for themselves, there is a strong economic case for doing so as well.

Despite academic consensus in favor of women's development, many cultures have still not fully, or in some cases even partially, incorporated women into public society. These societies marginalize women, restricting them from mainstream society and pressuring them into working inside the home or in the fields. Some cultures deny women adequate and equal education, which makes them vulnerable to domestic violence. The World Bank is striving to alleviate their condition, improving not only the lives of women and girls but of everyone.

Summary of the Problem

For most of human history, women and men have divided the work load, with women typically the keeper of the home and men the breadwinner for the family. Over time, these roles have evolved, with a rapid process of relative equalization beginning in the West in the 19th century. Today, women in much of the developed world have virtually equal opportunities to men. In the United States, more women are enrolled in colleges than men, a statistic that would have been unthinkable even twenty years ago.

Yet even in the Western world, there are significant disparities between women and men. For example, the top **echelons** of most industries and governmental bodies are still dominated by men. Many argue this is a result of the so-called "**glass ceiling**," while others contend that most women do not pursue those ultracompetitive jobs because they are simultaneously raising a family. Furthermore, on average, men receive higher wages than women when all else is **held equal** even in the most developed nations.

In many developing countries, women are not permitted to compete for high-paying jobs, and in some cases, for any professional jobs at all. Many women and girls are either confined to the home or forced

Social constraints—limits or barriers imposed by the ideas, morals, or generally accepted practices of a society.

Systemic—related to or stemming from characteristics of a system; in this context, inequity is caused by the system.

Echelon—one of a series of levels or grades in an organization or field of activity.

Glass ceiling—an intangible barrier within the hierarchy of a company that prevents women or minorities from obtaining upper-level positions.

Held equal—with all outside factors accounted for; in this context, the only difference between two job candidates would be gender if all else was held equal.

to work in agriculture, whether formally by laws preventing women from working or informally by denying women adequate education. In many societies, **domestic violence** against females is widely considered a norm, and issues like rape or physical abuse are simply not discussed. The continuance of these practices is sometimes due to religious traditions, and sometimes due to ingrained cultural notions of male superiority. The social repression of women not only carries deep physical and psychological implications for women and girls, but also causes a large social cost as economic growth is crippled. When half of the potential work force does not have the opportunity to reach their productive potential, then obviously economic growth will suffer. Furthermore, such striking differences between women and men's value results in social instability that also hampers growth.

The World Bank is concerned with alleviating both the economic and social implications of global sexism, and the promotion of gender equality is one of the Millennium Development Goals.

Recent Developments

The World Bank works to accomplish these goals in a variety of ways. Below, a number of recently used methods will be discussed.

Access to Financial Institutions

The World Bank has long realized that access to **credit** has been a serious roadblock to economic growth in the developing world and has worked to make loans available not only to businesses and wealthy individuals, but to farmers and laborers as well. The practice of making these small loans, which can be as small as \$20 USD, is called microfinance. In Tanzania and Senegal, the World Bank has worked directly with local banks to train their staff to not only cater to female employees, but to female customers as well. These programs encourage the growth of female-targeted microfinance as well as making the already existent banking system available to women.

Labor Markets

The World Bank has targeted specific ethnic groups in Macedonia with particularly low rates of female labor force participation for its programs. Its proposed programs include job training that reflects current labor markets so that women will not only be prepared to work, but will be able to find employment. These programs are also geared towards women's specific needs; the World Bank recognizes that many women have to take care of their children, a time-intensive task. These programs would offer assistance with seeking part-time employment, an important middle ground that will not only allow women to seek employment in the short-term, but should also help raise social acceptance

Domestic violence—*the inflicting of physical injury by one family or household member on another.*

Credit—*the provision of money, goods, or services with the expectation of future payment; ie, a loan.*

of women in the workplace.

Infrastructure

The World Bank also works hard to improve **infrastructure**. One of their projects is designed to bring electricity to households in Laos, a program that will disproportionately benefit women, who spend most of their time in their homes in Laos. Though the program is obviously not aimed entirely at women, it is an example of the World Bank actively trying to better the lives of women. The World Bank reasons that electricity will dramatically decrease the amount of time women will need to spend performing some household chores as well as allowing women to work during the night; these results should give women more free time, time they can use to become employed. In the Western world, it was this exact process that started the women's liberation movement.

The actual program is quite simple. The World Bank extends \$80 loans to Laotian households to cover the fee to connect to the electrical grid; the savings in electricity costs (batteries, candles, etc.) over the next three years are easily enough to repay the \$80. This is a great example of how even small loans can make a real difference in people's lives.

Focus of the Debate

Central to this debate are two key questions. First, in what areas are gender inequalities a serious issue? It is important that the World Bank, or any other institution, realize that the Western conception of gender equality will not necessarily work in the rest of the world. Any programs designed to bring about gender equality need to be very **cognizant** of cultural differences and take these into account. This is especially important as the World Bank is viewed by many as a tool wielded by developed powers against developing nations. At the same time, the World Bank cannot be too afraid of stepping on toes, because there are some deeply ingrained cultural traditions that are **antithetical** to any type of gender equality, and the World Bank can **leverage** its loaning potential to make changes that other institutions cannot accomplish.

Second, what can the World Bank actually do to effect real change? It is easy to say that violence against women is a bad thing, but when it is so deeply ingrained in a society so as to actually become acceptable, it is difficult for an outside institution to directly change those ideas. In the short term, the World Bank can make a difference in access to credit, as in Tanzania, or in infrastructure, as in Laos. In the long term, the World Bank's role becomes more difficult to define. However, seemingly irrelevant things like cutting down on the amount of time women spend performing routine household duties really can dra-

Infrastructure—*the system of public works of a country, state, or region.*

Cognizant—*to be knowledgeable of something especially through personal experience.*

Antithetical—*being in direct and unequivocal opposition.*

Leverage—*to use something to one's advantage.*

matically affect women's role in society over time, like it has in the Western world. The World Bank can actually help enable major long term progress by helping create conditions in which women can and do have opportunities to demonstrate their value to society. By allowing women to change their roles in society through enabling programs, the World Bank can indirectly affect the entire society's perception of the role of women.

Conclusion

Women's lives have dramatically improved over the past few decades, with increases in education, life expectancy, and various other **metrics** outpacing those of men. However, women in much of the world still lag far behind men in a number of different ways, but perhaps most importantly, in opportunities. The World Bank can directly affect women's short term outlook, and in doing so, begin to create a tide of change that may lead to real social change.

Metrics—a standard of measurement.

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