

TOPIC: Gender and macroeconomic policies – debt

Conceptual rating: [BASIC to INTERMEDIATE level](#)

Suggested module objectives:

- Enable audience members to place their personal experiences of structural adjustment (if any) in a larger context
- Provide foundational facts and analysis for participants to understand the significance of the IFIs to gender inequality and poverty of women and girls in developing countries – why this is important terrain for advocacy
- Expose participants to the fact that the gendered impact of “structural adjustment” and debt relief conditionality is not limited to that occurring as the result of cuts in the social services budget, but extends broadly to many other policy arenas that are not necessarily so obvious.

Key concepts:

- 1) Foreign (external) debt
- 2) Mission and roles of the World Bank and International Monetary Fund
- 3) The political and economic leverage the International Financial Institutions have vis a vis debtor nations; intervention points and modalities
- 4) How the WB and IMF provide financial and technical assistance through various project and policy-based loans
- 5) The economic model (“Washington Consensus”) advanced by the IFIs
- 6) Gendered implications of the neo-liberal economic model espoused by the “Washington Consensus”

Cross references:

- ***Link with Module 11:*** The IFIs’ importance to people’s lives. This focuses on a more historical and practical, empirical look at the impact of various macroeconomic policy prescriptions made by the IFIs.

Time required: 90 minutes

Suggested methodology: BRAINSTORM. STORY TELLING. TIME LINE. Mini LECTURE. Large group DISCUSSION.

Relevant readings:

- AWID, “The World Bank and Women’s Rights in Development”, No. 5, October 2002.
- Dennis, Suzanna, and Zuckerman, Elaine, “Gender Guide to World Bank and IMF Policy-Based Lending”, Gender Action, December, 2006.
- Cagatay, Nilufer and Elson, Diane, 2000. “The Social Content of Macroeconomic Policies”, *World Development*, Volume 28, No. 7, pp 1347-1364, Elsevier Science Ltd.
- Foster, Mick and Fozzard, Adrian, “Aid and Public Expenditure: A Guide”, Centre for Aid and Public Expenditure, Overseas Development Institute, October 2000, London.
- Foster, Mick and Leavy, Jennifer, “The Choice of Financial Aid Instruments”, Centre for Aid and Public Expenditures, October 2001, Overseas Development Institute, London.
- Nelson, Julie A., “Ethics and International Debt: A View from Feminist Economics.” Global Development and Environment Institute. Working paper. No. 06-46.
- Williams, Mariama, “Civil Society and the New Aid Modalities: Addressing the challenges for Gender Equality, Democracy and Participation”, 2007.
- Zuckerman, Elaine, “Policy Space and the Gendered Impacts of International Financial Institutions”, The Woodrow Wilson International Center for Scholars Asia Program, 2007.
- Zuckerman, “Engendering Poverty Reduction Strategy Papers (PRSPs): The Issues and the Challenges”, *Gender and Development*, Vol. 10, No. 3, 2002.
- Zuckerman, Elaine and Garrett, Ashley, “Do PRSPs address gender? A gender audit of 2002 PRSPs”, Gender Action, 2003.

Preparation and supplies needed:

- Supplies needed: newsprint pad/flipchart paper, markers,
- Review related readings; the Foster and Fozzard piece can help with a generic introduction to the strategic moments in the budgetary cycle when the WB and IMF get involved; the Foster and Leavy piece reviews various types of conditions.
- If needed, do more reading from the substantial body of literature (academic and popular) documenting the gendered ramifications of various aspects of what has been called “structural adjustment” and now goes by other names.
- Prepare 3 sheets of newsprint with the headings: World Bank, IMF, and the name of the regional development bank that relates to your country.
- Prepare a sheet or two of newsprint with the heading “Gender & Policies” with a line running down the middle of the page. You will use this to name

types of policies in the first column and then write about some of the gendered implications in the second column.

- Check the World Bank and relevant regional MDB websites for information about current or recent project loans for your country; and any policy-based loans. The IMF website will have information and chronologies of their involvement with your country. Make notes and use the information illustratively in the session, including key conditions.
- If appropriate for the audience, prepare a handout listing key groups or efforts ongoing in your country related to debt and the IFIs, so that participants can follow-up after the session.

Suggested content to be covered:

(Note to facilitators: This module is designed to focus on a gender analysis of policy-based loans and debt-relief conditionality rather than project-related loans.)

- a. If need be, explain foreign (external) debt and how this differs from domestic debt; if it seems helpful, explain other distinctions such as public/private debt, bi-lateral and multi-lateral debt.
- b. Explain the roles of the IMF, WB and regional development banks in developing countries – why and how the IFIs get involved
- c. Distinguish between project and policy-based loans and conditionalities
- d. Outline short-term and medium term gendered impacts. Short-term impacts often relate to immediate cuts in public services or lay-offs and changes in government subsidies for necessities, for example. Medium-term impacts may result from more systemic or structural changes in credit policy, monetary policy, labor laws, trade liberalization, de-regulation and privatization.
- e. Give participants a sense of the tremendous range of differential gendered effects such as: time use, health outcomes, household formation, access to credit, educational status, migration/immigration decisions, unpaid work, informal sector work, formal sector employment, wage and income levels.

Description of how to conduct the session:

1. Welcome by host group(s) and introduction of facilitator(s); provide any needed logistical information; outline goals for session. If this is part of an ongoing economic literacy effort, link this session with past ones.
2. Depending on size of group, invite participants to introduce themselves, share an expectation or question they bring. (Record expectations or questions on newsprint, if you are doing this step, and refer to them throughout the session.)

3. **BRAINSTORM.** In the large group, invite participants to share briefly what they know about foreign debt. Make sure the audience has a good grasp of this fundamental concept. Then, brainstorm about the World Bank, IMF, and the relevant regional development bank. Focus on their roles and missions. Write correct information on these sheets and address any misinformation that may come up. Keep this section short – use it primarily to gauge the audience’s knowledge and honor it. The facilitator can fill in later.
4. **STORY TELLING.** If the group is larger than about 10 people, break into pairs and invite participants to talk about their experiences of “structural adjustment” and the effects they’ve seen in their lives of IMF/WB policies in their country. While it may be difficult to do, keep the story-telling limited to about 15 minutes maximum. Bring the group back together and construct a simple **TIME LINE** of major events, experiences, impacts. Put these on newsprint. If the group is small, or you’re inviting only a few people to talk, do the story telling as a whole. *If there is very little personal experience or knowledge in the group, replace the story telling with a video that illustrates some of the issues.*
5. **Mini LECTURE and Large group DISCUSSION.** Use the points that people shared in the brainstorm and story telling to create a common analysis of:
 - a) the roles and missions of the IFIs – distinguishing them. Note: often people confuse or conflate the WB and IMF.
 - b) Briefly describe project loans – give examples relevant to your country.
 - c) Describe policy-based loans – give examples relevant to your country.
 - d) If your country is part of the Highly Indebted Poor Country (HIPC) debt initiative, or wants to be, describe in general the steps involved and how policy conditionalities are a part of this.
 - e) Create a list of the major types of policies or conditions that are common to Poverty Reduction Growth Facilities (PRGFs), Poverty Reduction Strategy Papers (PRSPs), Country Assistance Strategies (CAS), Letters of Intent (LOIs), etc. For example: inflation reduction, deficit reduction, wage bill caps. Write these in column 1 on the prepared “Gender and Policies” newsprint. You may have already been able to create parts of this list during the de-brief of the story telling or video. Warning: for a basic audience – do not get caught up in having to define and distinguish the various instruments – focus on the policies and conditions.
 - f) Go through the list, describe what the condition or policy means if the group is unfamiliar with it, and then talk about the gendered consequences, or gender differences in responses to the policy. The Dennis and Zuckerman piece can provide some examples if needed. Depending on time, the facilitator may need to prioritize some types of policies and the types of examples provided. Whenever possible, use examples that the group has provided.

6. Summarize the main points made in the session, linking these to the objectives. Mention groups or efforts underway in your country related to addressing foreign debt, conditionalities, and the roles of the IFIs. If appropriate, distribute materials related to ongoing campaigns, resources for more information, etc.
7. If this is part of a larger economic literacy effort, link this session to the next one. Provide logistical details related to the next session, as appropriate. Thank the audience for their participation.

Ideas for alternative methodologies/modification of the level of discussion:

- **For a basic group: VIDEO only.** Choose a video that explores the impact of debt, including the particular concerns for women and girls. Use a de-brief of the video to launch a discussion of the role of the World Bank and IMF, the types of loans they make and conditions they set, from a gendered perspective.
- **For an intermediate to advanced group: CASE STUDY.** Use the questions listed in Annex 3 of the “Gender Guide to the World Bank and IMF” published by GenderAction as a starting point to evaluate your country’s PRSP. Break participants into small groups and assign them different segments of questions, then have each report back in the large group.
- **For an advanced group:** Use the Elson and Cagatay piece to look at the IFI’s approach to macroeconomic policies and the inherent difficulties in applying social policy goals after the fact rather than integrating them into the theory and policies to begin with. See Module #10 for more ideas.
- **For an advanced group:** After making a list of the common policies in PRSPs and PRGFs, spend time discussing the WB and IMF’s rationale for these policies, and a systematic critique. Take time to discuss the economic evidence that working to achieve greater gender equity contributes to economic growth. A more interactive way to cover this material is to assign pairs of people one particular policy condition (e.g. privatization of water; unilateral tariff reduction for manufacturing sector; reducing inflation to x%) and ask them to debate the pros and cons from the point of views of an IMF/WB economist and a feminist advocate/economist. These debates would be done in front of the entire group, and the audience could be invited to augment the arguments when each debate is de-briefed.

Some useful organizations or websites related to this topic:

- www.dawnnet.org Connect with Southern women’s political-economic analyses of debt and the IFIs through two major lines of research outlined on the website: “Political Economy of Globalization” and “Political Restructuring and Social Transformation”.

- www.jubileesouth.org Jubilee South is a network of 85 anti-debt groups in more than 40 Southern countries. Material is available in English, French and Spanish.
- www.afrodad.org This is a civil society network interested in debt and development issues in Africa.
- www.genderaction.org Focuses on IFIs and gendered implications of their work. A limited number of publications are available in languages other than English.
- www.siyanda.org Comprehensive on-line database of gender and development materials for activists, policy-makers, development professionals. Recommend to search “gender analysis” and “men and masculinity”. This is a sister site to BRIDGE.
- www.bridge.uds.ac.uk The Institute of Development Studies in England is a leading source of excellent gender and development research. This is a user-friendly place to delve into the material.
- www.bicusa.org The Bank Information Center has excellent background information on the World Bank, IMF, and various regional banks related to project and policy-based loans. Some of the information is organized regionally.
- www.odi.org.uk The Overseas Development Institute publishes many useful working papers on debt, aid, conditionality, development, etc.