

# The World Bank's role in crafting a neoliberal hegemony with a feminist face

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**For many years, feminists have observed a tendency for commitments to gender equality to 'evaporate' in development bureaucracies. While public statements have been made pledging to make the advancement of gender equality a goal, they have translated into practice only with difficulty. My analysis argues that the World Bank's recent approach to gender equality constitutes an attempt at establishing a consensus over the regulation of the economy; a tempered version of neoliberalism that carries a feminist face.**

At the World Bank, a significant increase in commitment to gender equality came with its *2007-10 Gender Action Plan* that centred on the slogan "gender equality as smart economics", shifting its gender equality work from a focus on women's 'human capital', i.e. education and health, to economic growth and poverty alleviation, and allocated resources to accomplish this reorientation. As a result, staff in 2013 reported that 98 per cent of project appraisals considered gender issues, translating into lending of almost \$31 billion. When reorganising in 2014, the Bank declared gender as one of four 'cross-cutting solution areas'. These are clearly reasons for feminists to take a closer look.

## Tradition of feminist critique

The ways in which the World Bank historically incorporated concerns over gender inequality have generated extensive feminist critiques. The Bank tended to revert to a focus on women with resonances in the Women in Development approach (WID) of the 1980s, failing to assimilate gender theory and leading it to argue from the starting assumption of an imagined female difference. It constructed women as strategically rational and entrepreneurial on the one hand, or as marginalised, vulnerable, and poor, on the other.

There was a disregard for intersectional status categories that differentiate women by class, race, ethnicity, or ability, together with a silence about men and a tendency to naturalise heteronormative understandings of partnership and a traditional understanding of the family. Another consequence was the deafening silence in the Bank's gender research regarding macroeconomic fundamentals, financial crises, and structural adjustment. These trends need to be understood in the context of the Bank's reliance on a methodological individualism that cannot account for the diversity of needs and interests arising from different social positions.

This truncated embracing of gender in institutions like the IMF and World Bank has been characterised as a neoliberalisation of feminism, entailing the translation of feminist ideas into a common sense that favours the commodification of nonmarket values and processes, the privatisation of public goods, the casting of human endeavour in entrepreneurial terms, and the construction of subjectivities that lend themselves to being governed through markets and incentives.

However, the neoliberalisation of feminism is not simply a matter of co-optation. Scholars have argued that



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neoliberal projects entail contradictions and have observed a diverse range of outcomes in such projects that suggest that neoliberalism may contain openings for 'progressive' agendas. In a similar vein, the Bank's gender discourse may entail contradictions as well as openings for feminist agendas. By analysing 34 Bank publications since 2001 (the Bank's gender work) that focus on gender in various ways, I aimed to probe for such openings.

### Making the 'win-win' case

Faced with feminist critiques of the Bank's tendency to define development as market-based growth, the Bank aimed to defend itself by arguing that development advancing gender equality is intuitively evident in the fact that richer countries are typically more gender-equal than poorer countries. But detailed evidence on the connection between growth and gender equality proved scarce. Despite the Bank investing in analytical work to build the business case for gender equality, its development economists were not able to convincingly show that economic growth is either good or bad for gender equality. According to the development economists in the Bank's gender unit, "establishing an empirical relationship between gender equality and poverty reduction and growth at the macro level has proven to be ... challenging".<sup>i</sup>

In light of this difficulty and consistent with its reliance on micro-foundations generally, the Bank focused its arguments about the importance of gender equality at the micro-level of households, where there is abundant evidence to support the contention that households and firms are better off when women are empowered. Focusing on microeconomics builds

in a narrow approach, including a bias towards male breadwinners, deflationary and commodification biases that harm women and those at the margins of the economy, as outlined by Elson and Cagatay.<sup>ii</sup>

### Redefining gender equality

Yet, in searching for potential openings for progressive agendas, there is also evidence of the Bank's gender work modifying some neoliberal commitments, starting with questioning one of the basic assumptions of macro-economic orthodoxy, i.e. that all economic actors are ultimately the same, employing the same kind of economic reasoning, which carries significant implications for the meaning of equality.

In the neoclassical tradition, equality is a matter of equal opportunities. Inequality results from discrimination, is characteristic of overregulated markets and can be overcome through competition, which drives out discriminating factors. Once discrimination has been eliminated and a level playing field has been created, any inequality in outcomes is a matter of the personal preferences and choices of an imagined abstract rational economic actor; gender inequality has been eliminated. Conversely, structuralist traditions see inequality as an intrinsic feature of capitalist and patriarchal systems that rely on exploitation in order to advance the interests of those in power. Thus, even under conditions of formal equal opportunity, unequal outcomes are largely preordained. The market cannot be the road to equality; emancipation needs the collective resistance of political actors.

Interestingly, gender experts at the Bank have begun to question the definition of equality as a matter of equal opportunities, drawing on the



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capabilities approach and behavioural economics to cast doubt on the axiom of the disembodied rational actor that buttresses orthodox economics. Arguing that embodied market actors are intrinsically different, a narrow focus on offering equal opportunities for supposedly similar rational actors will fall short of generating gender justice. In this way, the Bank's gender work has destabilised the definition of equality and problematises a core assumption of liberal economics, even when narrowed to micro-economic processes.

### Making markets work for women

Drawing on institutional economics, a central argument of the Bank's recent gender work makes the case for a levelling of the playing field. The argument rehearses well-known recommendations from the Bank's good governance agenda, such as the need for simplified rules to do business. However, it implicitly considers women's difference, bringing into view a range of rules as traditionally regarded a private matter and supposedly irrelevant to the institution of markets, including family law and discriminatory rules and practices. While these provisions

may pertain to the private sphere, the Bank's gender work has argued that they have economic consequences: they contribute to creating markets that are inequitable and constitute obstacles to women's economic participation and economic growth.

The corresponding regulatory changes proposed are often contentious and have included arguing for a heavier role for governments with regard to alleviating women's reproductive burdens. Care labour is a traditional Bank blind spot and structuralist feminists have criticised the Bank's macroeconomic policies for shifting the burdens of macroeconomic adjustment to women's care and other unpaid labour. The new Bank work recognises this critique and makes a forceful argument for government policies on childcare. Far from considering childcare a distorting and costly government intervention in the free market, it suggests that it is a key ingredient for gender equality that contributes positive outcomes for economic growth. Embedding gender issues into the Bank's good governance agenda thus subsumes gender equality goals in a neoliberal logic of the primacy of the market; but it has also provided room to ameliorate disadvantages resulting from the gender division of labour, a basic pillar of patriarchal gender orders.

### Empowering women to work in markets

The second line of argument in the Bank's more recent approach to gender moves beyond an equal opportunities logic and addresses women's subjectivity, recognising that they need expanded agency and empowerment to be able to compete in markets. To begin with, the Bank's gender work suggests that women lack physical and

human capital endowments, including land, fertilizer, credit and labour on the one hand, and access to governmental institutions, training, infrastructure, information and networks on the other. These lead to 'gender gaps' that require government intervention, meaning fixing a constructed female deficit so that women's endowments are raised to the level of those of men. While the language of endowments thus pushes beyond the idea of an abstract, masculine-coded rational actor, it retains this actor as the ideal that needs to be approximated for women to succeed in a free market economy.

But there is another, more promising approach that the Bank takes to women's empowerment - one that seeks to counteract the tendency to construe women as passive objects of intervention. As such, women remain potentially efficient actors in a liberal market, but they also become political agents. Following Amartya Sen,<sup>iii</sup> this approach considers agency as a basic development freedom. Accordingly, Bank experts from the gender unit have defined agency as "the capacity to make decisions about one's own life and act on them to achieve a desired outcome, free of violence, retribution, or fear." The ability to act on decisions and make them a reality is thus central to this approach. It requires not only endowments, but also freedom from violence, political voice, and the ability to organise and make claims collectively.

The introduction of this concept of agency has allowed the Bank's

gender experts to take up topics not typically associated with a narrowly defined notion of development as economic growth. Importantly, it has given them a language to address violence against women and reproductive rights, two topics the Bank has begun to discuss in publications and on which it has begun to collect data. Women's agency thus has emerged as embodied, as requiring much more than endowments equal to those of men. Connected to this has been a recognition by this particular corner of the Bank of the necessity for women to have 'voice', including not just a say in household decision-making, but also participation in politics - through instruments ranging from gender quotas to collective mobilisation. In this understanding processes of empowerment are not just individual, but a matter of both personal and collective politics.

The Bank has thus redefined feminist knowledge to resonate with its core commitment to neoclassical economics, to expanding capitalist markets and growing economies via such markets.

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### Openings and Limits

The development of the World Bank's approach to gender since the turn of the new century can be interpreted as an effort to craft a new common sense about the relationship between markets, social protection, and emancipation out of the ashes of previous neoliberal economic orthodoxy. By constructing gender equality as an engine of economic growth, the new

orthodoxy functions to buffer core tenets of neoclassical economics, albeit moderated by a focus on institutions and individual capabilities. It retains a neoliberal rationality that celebrates market efficiency outwardly as the measure of all things and as *the* main purveyor of truth.

At the same time, this modified neoliberalism produces substantial openings, bringing into view coercively gendered institutions traditionally considered private, such as those regulating relations in the family and provisions of care. Moreover, it begins to question the idea of the abstractly rational actor, introducing the notion of socially produced subjectivities, and of capable, but differentially empowered agents. The rational economic actor is replaced with an empowered and autonomous agent, who does not simply respond to market incentives but is able to reflect on and change her own life. This specification of logics and causalities allows for thinking about gender in development in a way that takes on many feminist movement concerns, from the unequal distribution of resources and family laws cementing patriarchy, to violence against women and sexual and reproductive rights.

The gender-sensitive reformulations of development economics suggest a new understanding in which markets do not produce inequality but equality, in which the pursuit of profits and gender equality go hand in hand. This is not simply a matter of feminism co-opted by neoliberalism: introducing ideas

about embodied, rights-bearing subjects profoundly broadens the field of vision and fundamentally questions the viability of an economic theory that thrives on abstract actors and forces.

Activists critical of neoliberal orthodoxy need to both be aware of the openings this kind of discourse provides and beware of its limits. With regard to openings, neoliberalism with a feminist face gives force to feminist demands by showing that meeting them would advance economic efficiency.

Yet, there are limits to this framing and activists need to be careful not to get trapped in the logic of economic rationality. They need to remember the silences in neoliberalism with a feminist face, which include: (1) The male-breadwinner, deflationary, and commercialisation biases that are not addressed in microeconomic interventions, together with a total silence about class; (2) The instrumentalisation of gender equality for purposes of economic growth. Non-discrimination, empowerment, and “good governance” should be first and foremost matters of human dignity and ends in themselves, not means to economic efficiency; (3) The importance of democratic processes and of holding governments and other duty bearers accountable, which take centre stage in human rights approaches, but which have no place in the language of neoliberalism with a feminist face.

Neoliberalism with a feminist face may seduce us into thinking that

gender equality policies are a matter of technocratic intervention that can be delegated to bureaucrats and economists. But the struggle for gender equality is deeply political, involving power politics at multiple scales. If there is any doubt about this, the contemporary backlash against feminism and the surge of populist misogyny should serve as a reminder of what is at stake. In this context, activists do not have the luxury to ignore the openings that gender mainstreaming has carved out in World Bank policies and discourses; they need to use these openings strategically, but also critically and reflexively.

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Elisabeth Prügl, *Neoliberalism with a Feminist Face: Crafting a New Hegemony at the World Bank*, *Feminist Economics* 23, 1: 30-53

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<sup>i</sup> Andrew R. Morrison, Raju Dhushyanth, and Nistha Sinha, *Gender Equality, Poverty and Economic Growth*. Policy Research Working Paper 4349, World Bank, 51 (Washington, DC., 2007)

<sup>ii</sup> Diane Elson and Nilufer Cagatay, “The Social Content of Macroeconomic Policies.” *World Development* 28, no. 7 (2000): 1347–1364.

<sup>iii</sup> Jeni Klugman, Lucia Hanmer, Sarah Twigg, Tazeen Hasan, and Jennifer McCleary-Sills, *Voice and Agency: Empowering Women and Girls for Shared Prosperity* (Washington, D.C.: World Bank Publications, 2014), p. xv.

A fully referenced version of this Observer article, including references to the literature review discussed, is available online at [bit.ly/feministface](http://bit.ly/feministface)



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