Challenging women’s poverty

Perspectives on gender and poverty reduction strategies from Nicaragua and Honduras

Sarah Bradshaw and Brian Linneker
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## Contents

<table>
<thead>
<tr>
<th>Page</th>
<th>Section</th>
</tr>
</thead>
<tbody>
<tr>
<td>4</td>
<td>Introduction and Acknowledgements</td>
</tr>
<tr>
<td>5</td>
<td>Executive Summary</td>
</tr>
<tr>
<td>7</td>
<td>Section One: The PRSP policy context</td>
</tr>
<tr>
<td></td>
<td>Summary</td>
</tr>
<tr>
<td></td>
<td>The PRSP initiative</td>
</tr>
<tr>
<td></td>
<td>A new focus for the World Bank and the IMF?</td>
</tr>
<tr>
<td></td>
<td>Women’s experiences of poverty</td>
</tr>
<tr>
<td></td>
<td>The PRSP framework</td>
</tr>
<tr>
<td></td>
<td>Gender and the PRSP framework</td>
</tr>
<tr>
<td>13</td>
<td>Section Two: The PRSP process in Central America</td>
</tr>
<tr>
<td></td>
<td>Summary</td>
</tr>
<tr>
<td></td>
<td>Disaster and debt</td>
</tr>
<tr>
<td></td>
<td>Civil society involvement in the PRSP process</td>
</tr>
<tr>
<td></td>
<td>Women’s role in the PRSP process</td>
</tr>
<tr>
<td>19</td>
<td>Section Three: The PRSPs of Nicaragua and Honduras</td>
</tr>
<tr>
<td></td>
<td>Summary</td>
</tr>
<tr>
<td></td>
<td>The inclusion of gender in the PRSPs</td>
</tr>
<tr>
<td></td>
<td>Gender equity as a theme in the PRSPs</td>
</tr>
<tr>
<td></td>
<td>The exclusion of gender from the PRSPs</td>
</tr>
<tr>
<td>24</td>
<td>Section Four: Conclusions</td>
</tr>
<tr>
<td>26</td>
<td>Section Five: Recommendations</td>
</tr>
<tr>
<td>28</td>
<td>References</td>
</tr>
<tr>
<td>31</td>
<td>Endnotes</td>
</tr>
</tbody>
</table>
Introduction

The World Bank and International Monetary Fund (IMF) launched the Poverty Reduction Strategy Paper (PRSP) initiative in 1999. They promoted it as being country-owned and participatory, and as taking a holistic approach to poverty. Many observers welcomed the new initiative as an important step forward, but from the outset concerns were expressed about how far the initiative demonstrated any real change in policy focus for these key international financial institutions.

Questions were also raised about the extent to which the initiative would produce pro-poor policies, and policies to promote gender equality. This report considers perspectives from Nicaragua and Honduras to examine how far the PRSP initiative offers an opportunity to ‘engender’ – introduce gender concerns into – policy that aims to reduce poverty. It also presents a number of different options that may help those seeking to formulate pro-poor, pro-gender poverty reduction strategies in the future.

Section one considers the PRSP rhetoric on gender. It looks at the general policy context of the PRSP initiative and the extent to which it represented a new era for international development policy – in particular how far official conceptualisations of poverty and poverty reduction allow an understanding of women’s poverty in its diversity.

Section two considers the PRSP policy development process in Nicaragua and Honduras. It highlights the experiences of civil society coordinating organisations and the external and internal problems that have emerged in the so-called participatory framework. This section explores the possibilities for introducing gender concerns into both official and civil society policy development processes.

Section three presents a gender analysis of the PRSP documents published by the governments of Nicaragua and Honduras. It highlights the exclusion of gender concerns from many areas of poverty reduction strategy and the invisibility of women in many of the policies proposed. Where women have been included as beneficiaries and actors in the PRSP, the report takes a critical look at this inclusion and explores the implications.

Sections four and five summarise the report and present some recommendations.

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Sarah Bradshaw and Brian Linneker, Managua, July 2003
Executive Summary

The World Bank and the International Monetary Fund (IMF) have promoted the Poverty Reduction Strategy Paper (PRSP) initiative as a new policy era. PRSPs are a means of applying a new development framework, one that integrates the macroeconomic concerns of the IMF with the structural and social aspects of development addressed by the World Bank. Countries identified as eligible for debt relief under the Heavily Indebted Poor Countries (HIPC II) scheme must produce a PRSP as a condition for receiving debt relief and future concessional loans.

The World Bank stresses that there is no blueprint for the PRSP. It is intended to be a new policy development process, focused on poverty, specific to and owned by the country concerned, and based on civil society participation. How far the PRSP is indeed country-driven and country-owned, and how far the participation extends, is open to question.

The participatory development discourse of the World Bank and the IMF includes issues of gender, equality and governance. Nevertheless, economic growth policy remains at the centre of their concern. Countries applying for debt relief under HIPC II must agree their macroeconomic policy conditions with the IMF under the Poverty Reduction and Growth Facility. No such conditions exist for elements in the PRSP policy development process.

The World Bank and the IMF state that their role in formulating PRSPs is advisory. However, to receive debt relief a government must first present its PRSP to the joint board of the World Bank and the IMF. This may favour the production of strategies that accord with World Bank and IMF policy preferences, undermining more participatory and innovative policy design processes.

Gender and poverty
The World Bank and the IMF envisage participatory processes as a way for such elements as gender to enter the PRSP process. Gender equality is now an explicit part of the World Bank agenda and an important component of the PRSP process. Although guidelines exist for building a gender perspective into a PRSP, there is no requirement to do so. Indeed, PRSPs lacking a gender perspective have already been approved.

If PRSPs are to succeed, strategies to reduce poverty must consider the basis of gender inequalities in wealth. Women’s poverty is both multidimensional and multisectoral: women experience poverty in different ways, at different times and in different spaces - in society, in the community and in the household. Structural inequalities within societies, between men and women and between women, shape the individual’s experience of poverty and the relative poverty of women.

The World Bank’s approach promotes gender equality as a means to increase economic growth and efficiency, rather than as a development objective in its own right. Thus even when gender is included in a poverty reduction strategy, this may be based primarily on economic goals, rather than on pursuit of equity.

Civil society participation
The World Bank’s new rhetoric is participatory and inclusive, and the PRSP framework contains the potential for greater grassroots participation in policy making, justified on national ownership grounds. It also contains elements of World Bank and IMF control over policy, justified on poverty reduction grounds. How this apparent contradiction is resolved depends on both international and intranational power relations, as well as on governance and institutional characteristics.

The cases of Nicaragua and Honduras demonstrate that a strong civil society on its own is insufficient to ensure full participation in PRSP processes. It is the relationship between national governments and their civil societies that is of particular importance here.

The devastation in Central America caused by Hurricane Mitch in 1998 brought in a new era in civil society organisation. Important coalitions emerged in the aftermath of the disaster, including Espacio Interforos in Honduras and the Civil Coordinator for Emergency and Reconstruction (CCER) in Nicaragua. These coalitions sought to influence national plans for reconstruction and to monitor their progress. Both succeeded in this, particularly in highlighting the limitations of government reconstruction initiatives. However, the result was a deterioration in their relations with government.

The processes of formulating the PRSPs brought new problems, most notably around definitions of participation. Official processes were limited in terms of actors involved and topics discussed. Relations between government and civil society deteriorated further, and key civil society organisations held their own, alternative PRSP processes.

Ultimately civil society recommendations - whether from the official or the alternative processes - had very little influence on the poverty reduction strategies adopted by the governments of Honduras and Nicaragua. Yet the governments legitimised the final PRSP as participatory on the grounds that participatory processes had taken place. This again increased the tensions between government and civil society.
Gender and participation

Relations between government and civil society and gender relations within civil society may combine to determine the extent to which women become involved in any ‘participatory’ processes that do occur. From the outset, women in both Nicaragua and Honduras had limited confidence in the openness, not only of the government consultation process, but also of the key civil society coalitions, to gender concerns.

It should not be assumed that civil society initiatives will automatically address gender issues. The perception of limited support for gender issues in mixed-gender civil society forums can limit women’s participation. The decision to participate or not divides women’s movements and weakens their collective voice inside and outside civil society coalitions and government-run processes. Nor should it be assumed that women’s participation in civil society initiatives will automatically ensure proposals that favour gender equality, because women’s voices may go unheard. Even when women’s participation produces proposals that take account of gender, the processes themselves may not necessarily have taken gender into consideration.

Gender in the PRSPs

Analysis of the PRSP policy development process in Nicaragua and Honduras shows the ways in which women are both included in and excluded from the process. Similarly, analysis of the final PRSP documents reveals not just how and where gender issues are included, but also the extent to which they are excluded.

Both the Honduran and Nicaraguan strategy papers contain contradictory messages about women’s roles, explicitly reinforcing their roles as mothers and carers while implicitly relying on women to assume a role outside the home and in the workplace. Policies formulated at the macro level continue to be presented as gender neutral. In the PRSPs such gender blind policy formulation extends to ‘good’ governance as well as to macroeconomic policy.

While poverty reduction strategies based on a participatory process are a welcome policy commitment, an analysis of the processes in Honduras and Nicaragua shows important questions of how they can be made to work more in the interests of the poor, and of poor women in particular. There seems to be a large gulf between the official gender rhetoric surrounding the PRSP process and the reality of producing the strategies in developing countries.

External constraints on introducing gender concerns into the PRSP process are inherent in the neo-liberal policy framework in which the initiative operates. Internal constraints also exist, including the ability of civil society and women’s movements, in all their diversity, to forge common agendas.

Addressing women’s poverty

A number of options exist to address women’s poverty. One option is to seek to introduce gender policy into the prevailing ‘economic growth for poverty reduction’ paradigm. This approach seeks to add gender concerns to existing policies rather than to formulate specific policies to address gender equity – and it tends to be the preferred approach of international development institutions. This implies little more than implementing the gender guidelines in the World Bank’s PRSP Sourcebook. Many argue that this approach uses women to achieve national economic growth and efficiency gains, but without changing the inequalities that stop women benefiting from their contribution.

An alternative option would be to use the PRSP framework to promote gender equity policies that aim to achieve economic and social well-being. This approach attempts to use the framework to open up new opportunities for policy formulation. Elements such as investment in education and health could be used to ensure wider well-being, as well as increased productivity. This approach seeks to broaden conceptualisations of poverty within the PRSP, and requires social as well as economic indicators to be taken into account when ‘measuring’ and monitoring poverty. However, this approach does not change the fact that PRSPs include women and gender equity as secondary considerations, not as central concerns.

A third approach would seek to promote a poverty reduction strategy that focuses on gender inequalities rather than on poverty. Such an approach rejects World Bank notions of gender mainstreaming. It suggests the need for a separate Gender Strategy Paper to guide the process, in much the same way as the Poverty Reduction and Growth Facility guides macroeconomic policy. It may reject the PRSP process and the dominant neo-liberal policy framework behind it. The approach instead attempts to formulate alternative gender-centred policy to address the root causes of women’s relative poverty, including the structural gender inequalities that underpin it. However, this may lead to the marginalisation of gender and of those who pursue such an approach, and create divisions in women’s movements.

An understanding of the contradictions that the PRSP process can produce could help those currently embarking on the process to lobby more effectively for policies that favour gender equity. In countries where the process is already under way, the monitoring and evaluation of the outcomes of PRSPs on gender roles and relations and women’s relative poverty could become an important collective advocacy activity.

An initial step would be to raise awareness of the important roles that women play in society and the economy, and the effect of different policies on these roles, through social communication strategies. This would require the development, not only of economic literacy skills and women’s capacities for policy critique, but also of abilities to formulate alternative policy agendas that take account of socio-economic realities. To promote these agendas, there is also a need to foster and develop women’s networks and to promote better networking not only across national boundaries, but also within them.

A spectrum of activities should be developed to monitor the implementation of PRSPs and evaluate their policies based on women’s diverse experiences of poverty. This could assist the formulation of effective pro-poor, pro-gender policies. Such activities demand continued financial support to women’s groups and movements in the future.
Section One: The PRSP policy context

Summary

Although the development discourse of the World Bank and the International Monetary Fund (IMF) has come to include issues such as gender, equality and governance, its main focus remains economic growth. This focus guides the process of designing a poverty reduction strategy. To obtain funds in the form of a Poverty Reduction and Growth Facility, a country’s macroeconomic policy must be set in agreement with the IMF. This limits the extent to which the process of designing a poverty reduction strategy is truly country-driven and country-owned.

To obtain debt relief, a government must present a Poverty Reduction Strategy Paper (PRSP) to the joint board of the World Bank and the Fund. This may favour the production of strategies that accord with the policy preferences of those institutions and undermine participatory and innovative policy design processes. The timetables proposed by the World Bank and the IMF could also limit participation. Allowing government to produce an Interim PRSP before consulting the public is of little help, and may further limit opportunities for participation and consultation.

Although governments must agree their macroeconomic policies with the IMF in the Poverty Reduction and Growth Facility negotiations, there is no similar requirement for other elements of the PRSP process, such as levels of participation.

The World Bank has now brought gender into its programme of action and presents it as an important component of the PRSP process. The timetables proposed by the World Bank and the IMF could also limit participation. Allowing government to produce an Interim PRSP before consulting the public is of little help, and may further limit opportunities for participation and consultation.

The World Bank has now brought gender into its programme of action and presents it as an important component of the PRSP process. However, it makes no requirement that a PRSP must address gender inequalities and PRSPs that ignore gender have already been approved. This indicates that gender is not a particularly high priority.

The gender perspective promoted by the Bank suggests that even when gender is included in a PRSP, there is no guarantee that this inclusion will be based on pursuit of equity rather than economic efficiency. The World Bank approach promotes gender equality as a means to increase economic growth, rather than as a development objective in its own right.

The PRSP initiative

In early 1999 the World Bank and the IMF laid out the principals of the Comprehensive Development Framework (CDF). It was heralded as ‘a new way of doing business, a tool to achieve greater development effectiveness in a world challenged by poverty and distress’, in line with international commitments to halve the number of people living in extreme poverty by 2015. The CDF was intended to end the policy separation between the World Bank and the IMF, integrating the macroeconomic programmes of the IMF with the structural and social aspects of development addressed by the World Bank. The aim was to improve strategic thinking and the sequencing of policies and projects.

The CDF also perhaps reflected concern over the limited success of earlier policies of the Bank and the Fund, most notably Structural Adjustment Programmes and Extended Structural Adjustment Facilities. The World Bank itself notes that ‘despite modest reductions in poverty in recent decades, progress has been less than hoped, especially in low income countries’ (World Bank, 2001a). In countries where Extended Structural Adjustment Facility programmes were implemented, high levels of poverty and debt continued. This led to agreements to make future debt relief via the Heavily Indebted Poor Country (HIPC II) initiative conditional on the creation of a national poverty reduction framework. Poverty Reduction Strategy Papers, as they came to be known, were launched in September 1999. They are the principal instrument for applying the CDF.

The PRSP process is supposed to define a country’s macroeconomic, structural and social policies. It provides the basis for the design of World Bank and IMF lending under the Poverty Reduction and Growth Facility. The World Bank and the IMF have also proposed that the PRSP should provide the framework for all international concessional lending and debt relief, and set the agenda for official donor agencies. The World Bank and the IMF state that they play only an advisory role in formulating the PRSP. The Bank, in particular, has stressed that there are no blueprints for poverty reduction strategies, placing great emphasis on the notion of country ownership (World Bank, 2000a: 5). Transparency and broad-based participation in the choice of goals, policy formulation, and monitoring and evaluation have also been stressed as key elements in a process that recognises the multidimensional nature of poverty and the need for a long-term perspective on poverty reduction (World Bank and IMF, 1999; World Bank, 2001a).

The PRSP is the end product of a participatory design process based on a poverty diagnosis. Noting that socially and economically ‘weak’ and voiceless groups, such as women, are frequently excluded from consultation processes, the World Bank’s supporting documentation
sets out guidelines to ensure the full participation of both sexes in designing the PRSP (Bamberger et al., 2001), in line with latest World Bank initiatives for ‘mainstreaming gender’ (World Bank, 2001b) and ‘engendering development’ (World Bank, 2001c). Gender, or more generally ‘social equality’, has often been presented as a cross-cutting theme in the PRSPs completed to date, alongside environmental issues and decentralisation, complementing four key policy pillars common to the strategies:

- Labour intensive economic growth
- Investment in human capital (health and education)
- Social safety nets for vulnerable groups
- Governance.

Once formulated, the PRSP is presented to the joint board of the World Bank and the IMF. They stress that PRSPs do not have to be agreed or approved by them: their role is to ‘make a judgement that they (PRSPs) constitute a suitable basis for their own lending programs’ (IMF/IED, 2002, footnote 7). In practice, then, if the joint board does not approve a country’s PRSP, that country cannot receive debt relief under the new HIPC policy.

A new focus for the World Bank and the IMF?

The PRSP process seems to represent a new era for the World Bank and the IMF in its focus on poverty, and in proposals being country-specific and country-owned. The recognition of the importance of ‘engendering’ development policy may also suggest that the PRSP process is a new phase for them. However, the similarity between the Structural Adjustment Programme and Extended Structural Adjustment Facility policies and PRSP guidelines has been apparent from the start (see for example Verheul and Cooper, 2001). The IMF, despite its supposed new focus on poverty reduction, has not changed its basic policies. This suggests there is little leeway for those who might want to propose a new policy framework (Wood, 2000). The Bank also states that economic growth is the ‘single most important factor influencing poverty’, and that macroeconomic stability should be a ‘key component of any poverty reduction strategy’ (World Bank, 2001e). This suggests a continued belief in the importance of macroeconomic policy and in the likelihood that gains from macroeconomic growth will ‘trickle down’ to the poor.

The extent to which strategies focused on economic growth have reduced poverty in developing countries is questionable. They may have achieved price stability and growth in output, but many analysts agree that such strategies have often failed to deliver reductions in poverty and inequality, or to improve well-being. The promised economic benefits have rarely materialised for the majority of the poor (see Dollar and Kraay, 2000; Weisbrot et al., 2000; Oxfam, 2000, for debate). Recent internal World Bank research has highlighted the importance of social factors in underpinning market functioning and World Bank economists are increasingly recognising political and social factors as essential to the success of macroeconomic policy in developing countries.

Aid and poverty reduction

World Bank projections suggest that even without any policy interventions at all, income poverty might be halved by 2015. Reductions in excess of this are thought to depend mainly on policy reform in Africa, Eastern Europe and Central Asia, and if aid can influence the policy environment then poverty will decline even further (see Collier and Dollar, 2001).

The analysis of Collier and Dollar (2001) suggests that under the World Bank country policy rating system, Nicaragua receives higher than average amounts of aid (10 per cent of Gross Domestic Product) and only a ‘moderate’ policy rating, while Honduras receives about average amounts of aid (2 per cent of GDP) and a ‘good’ policy rating. Nicaragua is the only country outside sub-Saharan Africa to have a negative marginal efficiency of aid, at −68.5 people per extra million dollars of aid. In contrast, Honduras has a marginal efficiency of aid of 328.2 people per million dollars. Although Collier and Dollar do not fully discuss the implications of these findings, they appear to show that at current levels, the aid given to Nicaragua is not reducing poverty.

Governance and poverty reduction

Collier and Dollar (2001 and 2002), examining the effectiveness of aid in reducing income poverty, conclude that aid works only if it is accompanied by ‘good policy’. Similarly, research has demonstrated that continued indebtedness may be linked to unaccountable governments (Hanlon, 2000; Roodman, 2001) who favour short-term consumption over long-term consumption (Easterly, 2002) and that insufficient attention has been given to governance and policy reform in decisions on loans and debt relief (Neumayer, 2002). This has led to calls for a change in targeting criteria, so that only governments that ‘display a fundamental shift in their development orientation’ would be eligible for debt relief (Easterly, 2002: 1692). However, issues of national governance are often seen as more difficult to influence than economic policy, and the World Bank and the IMF have arguably had limited success in influencing them indirectly through aid and debt relief.

The emerging view is that the previous failures to reduce poverty and indebtedness and encourage economic growth are partly due to political rather than economic problems. This view suggests the need to improve the policy mix and include ‘advice’ on economic policy and good governance in development assistance. This new emphasis on governance is apparent in the PRSP initiative.

Gender and economic growth

Another recent research focus for the World Bank has been the relationship between economic growth and gender equality (see Dollar and Gatti, 1999; Klasen, 1999). Most central has been evidence to suggest that ensuring more equal access to education for girls - increasing women’s human capital - could improve economic growth. It may also lead women to have fewer children, thus reducing population growth and further enhancing gains from
economic growth. This work has partly informed the Bank’s recent Gender Mainstreaming Strategy, which highlights the additional opportunities for economic growth and possibilities to ‘capitalise’ on the opportunities that a reduction in gender-related barriers could bring (World Bank, 2001b: xii). It may also be assumed that such findings have informed the emerging PRSP process.

New policy, old paradigm
In summary, in official PRSP discourse the range of elements considered important for economic growth and poverty reduction has expanded to include governance and ‘good’ policy. But this should perhaps be viewed as a policy rather than a paradigm shift. The emphasis of the World Bank and the IMF on economic growth and macroeconomic policy remains. To some, PRSPs are a vehicle for the World Bank and the IMF to incorporate social and structural policies into an agenda previously dominated by macroeconomic policy alone, and thus further the hegemonic domination of neo-liberal doctrine (see Cammack, 2002). Within the growth focus, the Bank and the Fund have recognised that greater gender equality, in terms of access to education and employment, can improve economic growth. However, a question remains about the relationship between economic growth and poverty reduction and, more specifically, the extent to which it can reduce women’s poverty.

Women’s experiences of poverty
It is largely accepted that among the poor, women are relatively poorer than men and that female-headed households are the poorest of the poor. Many gender analysts and academics have criticised this notion of a ‘feminisation of poverty’ (see Chant, 2003, for a full discussion), yet it has been embraced by key international actors and policy makers, fuelling calls for ‘gendered’ poverty reduction strategies. But if strategies to reduce women’s relative poverty are to succeed, there is a need to consider the basis of this gendered poverty.

Women’s poverty should be considered as both multidimensional and multisectoral: women experience poverty in different ways, at different times and in different social spaces – the society, the community and the household. Institutionalised discrimination against women exists in society, for example in labour markets and political power. In the community, social norms and expectations determine what gender roles and relations are considered appropriate; and within households unequal power relations operate according to age and sex. The structural inequalities within societies, between men and women, and among women, shape the experience of poverty and the relative poverty of women.

Women’s relative poverty
The following considerations are of particular importance in determining women’s relative poverty (see also Kabeer, 1994):

- Women have fewer possibilities to translate work into income. This stems from their exclusive responsibility for reproductive roles (and thus lower paid) and/or in the ‘informal’ economy (see Scott, 1986, for evidence from Nicaragua).
- When women do have an income they find it more difficult to transform this income into decision-making capacity, or to decide how it is used. Perceptions around value of contribution to the household, social norms and self-esteem or relative autonomy affect the capacity to influence decision-making processes (see Sen, 1987, 1990; Agarwal, 1997, for household models; Chant, 1999, for discussion and evidence).
- When women do make decisions they are less likely to make decisions that would improve their own well-being and more likely to seek to improve the well-being of all, or of others. This supposed ‘altruism’ of women, seen as stemming from their ‘natural’ attributes as carers and mothers, is a socially constructed conceptualisation of what it means to be a woman (see Dwyer and Bruce, 1988; Folbre, 1994, for evidence and discussion).

The poorest of the poor?
The interaction of these three factors not only helps to determine women’s relative poverty, but also how different women and groups of women experience poverty. It also suggests that the relative poverty of certain groups of women, such as female heads of household, should not be assumed. The notion of woman-headed households as the ‘poorest of the poor’ is based on an analysis of total household incomes; their total household income is lower than that of comparable male-headed units, not least because women earn less than men. However, studies suggest that in woman-headed households the (limited) income is distributed more equally, making the resources available to women and children in woman-headed households approximately equal to those of women and children in male-headed units (see Chant, 1999; Chant, 2003, for full discussion). Male heads of household may withhold income for their personal consumption, rather than contributing all they earn to the household. This places women and children who depend on that income in a situation of so-called secondary poverty (for evidence from Honduras see Bradshaw, 1996; and Bradshaw, 2001, for Nicaragua).5

While female heads of household may experience poverty as limited resources or assets, for women with male partners, the key issue is the limited access to and control over resources and assets. Studies also show that, while life as a female head of household is perceived to be difficult economically and that female heads are likely to be socially stigmatised, there are perceived benefits, such as greater autonomy and freedom from violence (see Bradshaw, 2002, on Nicaragua).

Income and well-being
Despite criticisms of ‘income-poverty’ measures and the development of alternative approaches and indicators of wider well-being (see Chambers, 1995; Wratten, 1995, for...
The PRSP policy context

Challenging women’s poverty

Progressive political formations at local and national level, democracy. NGO activity, they say, is eroding the power of governmental organisations (NGOs) in particular to define their own aims. Some have suggested that NGO activity represents the privatisation of development and governmental actors. The importance of participation and organisational processes, although not without critics (see Cooke and Kothari, 2001, for discussion), has become enshrined in development thinking. Civil society actors and organisations are often assumed to better represent the interests of the poor and marginalised, and to act as a check on abuse of government power, influencing longer-term democratic aims. International financial institutions wanting to influence national governance and policy may see civil society participation as an alternative to their own efforts to control national governments. The institutions may therefore see civil society involvement as furthering their own aims. Some have suggested that the rise of non-governmental organisations (NGOs) in particular represents the privatisation of development and democracy. NGO activity, they say, is eroding the power of progressive political formations at local and national level, reinforcing neo-liberal policies (see for example Petras, 1997, on Latin America). This casts doubt on the World Bank and IMF’s motives for backing participatory processes. A look at the PRSP process also casts doubt on the extent of any real participation.

The limits on participation

PRSPs were conceived as the basis for the design of World Bank and IMF lending operations and as such must be consistent with all programmes supported by the Extended Structural Adjustment Facility and the Poverty Reduction and Growth Facility (PRGF) (World Bank-IMF, 1999). Negotiations over the PRGF centre on macroeconomic policies and effectively provide the framework in which PRSPs operate. Participatory PRSP design processes are partly bounded by these PRGF agreements. PRGF negotiations are not participatory.

A further limit on participation is that a PRSP must be presented to the boards of the Fund and the Bank for endorsement if a country is to receive debt relief. The urgent need for debt relief may make governments more inclined to write programmes that they know will be acceptable to the Fund and the Bank, even if this conflicts with other key policy priorities (Wood, 2000). Analysts have also noted tensions between a desire to obtain debt relief as quickly as possible and the time needed to develop a truly participatory process (CAFOD, 2000). This has led to calls to de-link debt relief from the formulation of poverty reduction strategy. The Bank’s ‘solution’ was to ask governments to produce an Interim PRSP. But this simply raised new concerns, because a government can produce an Interim PRSP without any consultation with civil society actors. The only requirement is that the government states when and how consultation will take place in the future.

Technical requirements

The limited time available, coupled with the need for approval from the Bank and the Fund, may mean that governments will turn to consultants to draft PRSPs. There are significant limits to participation in the design of PRSPs. A look at the PRSP process also casts doubt on the World Bank and IMF’s motives for backing participatory processes. A look at the PRSP process also casts doubt on the extent of any real participation.

Interim PRSPs

Initially, to gain full entry into the HIPC initiative a government needed to have a poverty reduction strategy in place at the decision point (the point at which debt relief is agreed) and to demonstrate progress in implementing the strategy by the completion point (the point at which debt relief is provided). The PRSP should include ‘an account of the impact of consultation on the design of the strategy’ (World Bank, 2000a: 5). A transition period has since been introduced, when countries need only demonstrate their commitment to poverty reduction to begin the HIPC process. They do this by producing an Interim PRSP setting out the broad outlines of a comprehensive plan for poverty reduction and the timetable for its implementation. The Interim PRSP needs only to satisfy the participatory processes envisaged for the production of the final PRSP (World Bank, 2000a: 6). There is no requirement for the Interim PRSP to be based on participatory processes or even consultation.

The World Bank view on consultation

The World Bank recommends that consultation should be carried out ‘only on topics and areas where the Government is ready to actually make modifications to the draft strategy’ and stresses: ‘it is unfortunately quite unrealistic to think that it is possible to involve the poor and other stakeholders in the integrity of the PRSP program implementation’ (World Bank, 2000b).
may be objections in principle to such top-down policy-making, especially if international consultants are employed to draft the strategy. However, a more inclusive, bottom-up policy development process will not necessarily result in a policy document of the standard required by the Bank and the Fund. The quality of the final document emerging from a more participatory process will depend on the capacity of the organisations involved, both governmental and civil. If the internal capacity to produce a document of an acceptable international standard is lacking, then the Bank and the Fund may withhold approval or require external ‘technical assistance’.

At the base of a PRSP is a policy matrix, which attempts to bring together economic and social policy and maps key policy issues in relation to the international development community, governments, the private sector and civil society. The complexity of the policy matrix has prompted the World Bank to acknowledge that ‘governments may need to seek extensive technical assistance, including from the Bank and Fund, on the elaboration of policies within the PRSP’ (World Bank-IMF, 1999). The potential this extends for the Bank and the Fund to lead the process was recognised from the outset, as noted in a reassurance from the head of the Bank that ‘the existence of the matrix is not a clandestine attempt on the part of the Bank to dominate the international development arena’ (Wolfensohn, 1999). However, other authors suggest otherwise (see for example Cammack, 2002, 2003).

The contradictory messages around participation somewhat undermine the suggested commitment to more inclusive design processes and country ownership. This is reinforced by the absence of a ‘uniform minimum threshold’ requirement for the extent of participation for the World Bank and the IMF to approve a PRSP. Such requirements do exist for the macroeconomic aspects of PRSPs (see World Bank, 2001e: 4). This is a particular gender concern, given that analysts suggest that the participatory design process is key to ‘engendering’ the PRSPs.

Gender and the PRSP framework

The World Bank seeks to advise countries formulating PRSPs by providing written materials or guides, including the PRSP Sourcebook available on the World Bank website.’ The gender chapter of the Sourcebook stresses the importance of participatory processes for ensuring a gender perspective in PRSPs. The absence of a base line or minimum requirement for participation suggests, however, that there is no minimum threshold requirement for gender, either. This conclusion is reinforced by the fact that some PRSPs were presented to the World Bank and the IMF boards before the Bank had even circulated its gender guidelines; these PRSPs were approved despite their lack of a gender perspective (Bamberger et al, 2001).

The chapter on gender in the PRSP Sourcebook was circulated in April 2001 and drew on an analysis of a sample of 19 PRSPs and Interim PRSPs that had been completed by that date (see Bamberger et al, 2001). Even with guidelines in place, the status of the Sourcebook means that they do not have to be taken into account: the Sourcebook is intended to suggest, not prescribe, and even then the chapters ‘do not necessarily represent official World Bank/IMF policy’ (emphasis in the original, World Bank, 2001e: 5).

While the Sourcebook notes that men and women experience poverty in different ways, it is largely a technical document suggesting ways to integrate gender issues into poverty diagnosis and policy monitoring. Although comprehensive, it is open to fundamental critique because it suggests that if the ‘right questions are asked, conventional poverty research tools can provide most of the gender-related answers’ (Bamberger et al, 2001: 3). Knowing the ‘right’ questions to ask is more than a technical issue. The researcher must be ‘sensitised’ to gender issues and understand the underlying factors that contribute to the ‘gendered’ experience of poverty. The chapter does not provide such knowledge. It could be argued that the Bank’s own Gender Mainstreaming Strategy, because it is largely concerned with the potential gains in economic growth that ‘engendering development’ can bring, does not provide such knowledge either.

The efficiency approach

World Bank documents stress that ‘gender-sensitive development strategies contribute significantly to economic growth as well as to equity objectives’ (Bamberger et al, 2001: 3, emphasis added). While noting that equality should be a ‘development objective in its own right’ (World Bank, 2001c:1) the new-found interest in gender may be based on pursuit of efficiency rather than equity. This may result in an emphasis not only on economic growth gains, but also on macroeconomic gains. This means that the costs of such gains to individuals, and the extent to which they accrue to the individuals who have contributed to them, are largely ignored. An efficiency approach may use women to increase macroeconomic growth, while failing to improve their situations at the micro level, or even reducing their well-being, as was the case with Structural Adjustment Programmes.

An efficiency approach entails a focus on the productivity increases that including women in policy initiatives may bring. It suggests that the goal of reducing income poverty justifies any means or process of achieving this, even at the expense of a decline in women’s well-being (for example, women’s incomes may increase through wage labour in a factory where their health is at risk). Most gender analysts would suggest that women experience their relative poverty as social, not only economic, inequality and thus changing their economic situation does not necessarily reduce their ‘poverty’.

The efficiency approach also tends to focus on the ends rather than the means. Women’s participation in the process of reducing poverty, and more importantly recognition of their role in that process, may be important in improving their relative well-being. If a real, sustainable, improvement in women’s socio-economic well-being is the goal, the means by which women’s poverty is tackled are as important as the outcome. In other words, the means are integrally linked to the ends.
Poverty in Nicaragua

The Nicaraguan government’s poverty diagnosis, on which the PRSP is based, suggests that in 1994 real GDP grew and that growth continued ‘despite hurricanes, earthquakes and droughts’. The result, it claimed, was that between 1993 and 1998 rural poverty was ‘significantly reduced’ (Government of Nicaragua, 2000). A civil society analysis of the available official data, however, suggests that nationally the total number of people living below the poverty line actually increased between 1993 and 1998; in 2001 it represented more than half of the population. It also shows large increases in the depth of poverty in almost all of the country, and in the semi-autonomous Atlantic regions in particular (CCER, 2000).

The Nicaraguan PRSP suggests that Hurricane Mitch provoked no significant change in poverty levels and that the Pacific rural regions experienced a slight improvement in the incidence of overall and extreme poverty after the hurricane. The results of the civil society ‘Social Audit’ initiative, however, highlight a deterioration in both economic and psycho-social well-being among some of those affected by the hurricane (CIET/CCER, 1999).

In Nicaragua the total nominal debt service relief is 72 per cent on the net present value of debt, and is nominally estimated to be US$4.5 billion.

Poverty in Honduras

In Honduras, while macroeconomic indicators suggest some increase in growth, civil society organisations stress that this has not necessarily led to greater equality. Official statistics suggest, for example, that among rural women the incidence of poverty increased from 53 per cent to 60 per cent between 1991 and 1999, and that 58 per cent of over-65s and 66 per cent of children live below the poverty line (FOSDEH, 2002).

The Honduran government’s PRSP (Government of Honduras, 2000) highlights the impact of Hurricane Mitch on people’s living conditions, including an increase in poverty nationally. The government also admits that the real impact of the hurricane is probably even greater than the figures suggest, not least because it may have decreased the capacities of the poor to generate income in future. Moreover, some vulnerable population groups, such as street children and residents of illegal settlements, are excluded from official statistics.

The estimated total nominal debt service relief under the HIPC II initiative in Honduras is US$900 million, which represents a reduction of approximately 18 per cent in the net present value of debt.
Section Two: The PRSP process in Central America

Summary

The PRSP framework contains elements of top-down international control over policy, justified on poverty reduction grounds, and the potential for increased grassroots participation in policy making, justified on national ownership grounds. How these somewhat contradictory directions are resolved depends on both international and intranational power relations, as well as on governance and institutional characteristics.

Before the PRSP process, strong civil society coalitions had emerged in the aftermath of Hurricane Mitch, which struck Central America in 1998. They were recognised, at least by the international community, as the voice of civil society; but the effect of these umbrella ‘one voice’ organisations was not clear-cut.

The demands of civil society, and the ability of the coalitions to present these demands effectively, were greater than the government’s willingness or ability to respond. Thus the strengthening of civil society may, in the longer term, have increased hostility from national governments.

Also, the emergence of such a strong umbrella organisation in each country may have damaged other civil society actors. It appears to have produced divisions in civil society, in particular along gender lines and within women’s movements, and may not therefore represent a real strengthening of civil society overall. In the aftermath of Hurricane Mitch, in particular, divisions emerged in civil society along gender lines and women’s movements were also divided.

The processes of formulating PRSPs brought new problems. A further deterioration in government-civil society relations led to the key organisations starting their own, alternative, strategy design processes. Women are invisible in these processes. The outcomes of these processes, according to the civil society actors who took part, are also invisible in the official PRSPs. Since it was assumed that most PRSP recommendations on gender would arise from civil society participation, a failure to incorporate civil society’s recommendations into the official PRSP may limit its gender content.

However, the processes in Nicaragua and Honduras appear to show that civil society may be no better able than government to incorporate gender into poverty reduction strategies. It appears that in both countries many women have limited confidence in the openness of key civil society advocacy coalitions to gender concerns. Thus even the full and active participation of these coalitions in designing the strategy would not automatically have led to gender-focused civil society proposals and recommendations. The assumption that PRSPs will gain a gender perspective through bottom-up, participatory design processes may be erroneous.

If civil society processes were not necessarily ‘gendered’ and PRSP processes were not necessarily participatory, it is unlikely that the PRSPs of Nicaragua and Honduras are ‘gendered’ documents.

Disaster and debt

Before considering the policy design process in Central America, it is important to understand the context in which PRSPs were formulated. The high and growing levels of poverty and vulnerability in the region were starkly highlighted in October 1998, when Hurricane Mitch provoked one of the worst disasters in 200 years. The widespread poverty in the two countries most affected, Nicaragua and Honduras, amplified the impact of the hurricane, and the hurricane may well have worsened poverty.

Hurricane Mitch shaped not only the poverty landscape, but also civil society-government relations, relations within the women’s movements, and the interaction of the latter with other actors. Most notably, the hurricane marked a new era in civil society organisation. Important coalitions emerged in its aftermath: Espacio Interforos in Honduras and the Civil Coordinator for Emergency and Reconstruction (CCER) in Nicaragua. These coalitions sought to promote civil society participation in formulating national plans for reconstruction, and to influence their governments and the wider donor community.

However, even as the reconstruction plans went into operation (see Bradshaw et al., 2002, for discussion) the policy focus shifted from reconstruction to poverty reduction. The groundwork was beginning for entry into the HIPC II initiative, the production of a PRSP, and the debt relief this would bring.

Civil society involvement in the PRSP process

The World Bank and the IMF promote the design of a PRSP as a participatory process involving government and civil society. But the lack of guidelines on the extent of participation leaves the decision largely to the...
government. In practice, the extent of participation may depend heavily on the government's ability and willingness to introduce a participatory process. However, the ability and willingness of civil society actors to participate fully is also important, and their ability to participate depends in particular on their capacities to organise a coherent collective response.

The two national civil society coalitions in Nicaragua and Honduras bring together a wide range of civil actors (see Bradshaw et al, 2002). Effectively, Interforos and the Civil Coordinator became the voice of civil society in their respective countries; each produced civil society proposals for reconstruction after Hurricane Mitch and both were invited to participate in international meetings to discuss the region's reconstruction. International governments and donor agencies recognised them as legitimate actors, and this helped them win similar recognition from their own governments. It appeared that a new era of government-civil society dialogue had begun.

Tensions between civil society and government
The strengthening of civil society's voice brings its own problems. A 'paradox of civil society' has been noted where a strong, politically independent civil society emerges without a comparable strengthening of government and governance (Foley and Edwards, 1996: 142). The demands made by civil society may be greater than the capacity or willingness of a weak government to respond, provoking a government 'backlash'. This appears to have occurred in Nicaragua and Honduras, as both Interforos and the CCER were successful in their roles, which included highlighting government failures.

Participation and power
Deterioration in civil society-government relations was apparent as the PRSP process began and in both countries all sides approached negotiations on the process with caution.

In Honduras efforts were made to include civil society organisations in the PRSP process by establishing a permanent forum for discussions: the Commission for Civil Society Participation. The members of this commission included local government and business interests, such as the Association of Municipalities of Honduras (AMHON) and the two main chambers of commerce (those of San Pedro Sula and Tegucigalpa), as well as NGOs and other civil society organisations, including Interforos. However, the perception that their concerns were not being listened to, or taken on board, led Interforos and its partner organisation, the Social Forum on External Debt and Development in Honduras (FOSDEH), to withdraw from the forum (see FOSDEH, 2001). Their basic concern was their lack of influence on the all-important macroeconomic policies.

The PRSP process raised similar problems for the CCER (see CCER, 2001). The Nicaraguan government initially limited consultation on the PRSP to international agencies and the National Economic and Social Planning Council (CONPES). CONPES has a wide range of members, including the business sector, but it is relatively exclusive; only a few organisations, such as the CCER, have been invited to participate and 'represent' all wider civil society interests. Civil society organisations made some gains during this initial limited consultation, for example the inclusion of a fourth 'pillar', governability, in the PRSP. But the government went on to submit an Interim PRSP for approval by the IMF and World Bank unbeknown to national civil society, highlighting the latter's lack of any real power to influence the process.10 That the government could nevertheless gain approval for the document highlights the contradictions inherent in the Interim PRSP (see Section One).

The CCER discussed its dilemmas about further participation in a series of open meetings, where differences in opinion threatened to split the coalition. Eventually a consensus was reached.11 As in Honduras, the CCER began its own participatory PRSP process. However, unlike the coalition in Honduras, it also decided to continue discussions with the government in the official PRSP process.

Decisions on whether or not to participate in the official PRSP processes rested on a number of issues. In Nicaragua the heart of the problem was that participation was limited to discussion of a document designed with little or no civil society input. The CCER had envisaged a participatory process to draw up the contents of the document. In Honduras discussion focused more on aspects of the PRSP that excluded civil society involvement, even at the level of consultation, and the Poverty Reduction and Growth Facility agreements. In both countries real concerns were expressed about what involvement in the process meant, and how it would be used. There were fears that civil society involvement would be used to legitimise the PRSP process as 'participatory'.
The official process

Official PRSP processes, including wider consultations, continued despite civil society concerns. In Nicaragua the CCER lobbied for a participatory process. The government’s response was to warn that failure to abide by the timetable set by the World Bank and the IMF would delay debt relief. The CCER then shifted its lobbying to the international financial institutions. The World Bank, however, stressed that national governments were responsible for the PRSP process, including the consultations. Pressure from the international community, including letters from embassies and key international organisations, may have forced the government to undertake at least a limited consultation process with invited participants.

In Honduras, when the government presented the final version of the PRSP in April 2001, it claimed that the document was based on consultation with more than 2,500 people around the country. Interforos and FOSDEH, however, questioned the extent of participation. They pointed out a distinction between the ‘official’ civil society network invited to, and willing to participate in, the process and the ‘independent’ civil society groups that remained outside it. Moreover, Interforos and FOSDEH said the government had attempted to use its influence with the media to undermine their position, by seeking to blame them for delays in debt relief or loss of resources (FOSDEH, 2001: 10).

The alternative process

The parallel civil society PRSP processes initiated in Honduras and Nicaragua show a number of similarities. In both countries the basis of the process was a series of regional and national level workshops (see FOSDEH, 2001; CCER, 2001, for descriptions of these processes). The parallel process in Honduras included lobbying on the Poverty Reduction and Growth Facility (PRGF), pointing out that PRGF macroeconomic conditions, rather than poverty reduction, were driving the PRSP. The lobbying highlighted the dependence of the entire process on agreements reached behind closed doors between the government and the IMF. Although IMF pressure rushed the Honduran government into producing its Interim PRSP two months earlier than planned, release of debt relief was delayed owing to slow progress in complying with PRGF conditions (ODI, 2002). This lends weight to the assertion of Interforos and FOSDEH that the PRGF was driving the process.

Disputed documents

In both countries civil society organisations say that few of their recommendations were incorporated into the final PRSP document. In Nicaragua, despite a national forum to consider the results of the PRSP consultation processes, government officials admit that they did not incorporate any of the results from the three consultations, including those from the government’s own consultation, into the PRSP document. The CCER declared that the PRSP could not be considered as either final or complete (La Boletina, 2001). In Honduras, too, the final PRSP incorporated few civil society recommendations, and Interforos and FOSDEH refused to endorse the document.

In the absence of civil society backing, the PRSPs of both Nicaragua and Honduras are of doubtful validity and their chances of success are questionable. It is unclear, too, how key international and national organisations should proceed.

Issues in the design process

Civil society participation in the process of designing a PRSP raises the following issues:

1. Strengthening civil society in a country with a weak government may harm government-civil society relations, ultimately undermining the gains made. In particular, conflict has arisen over:
   - the precise role of organised civil society in policy making initiatives
   - the notion of ‘participation’ and the expectations of a participatory process.

2. PRSP guidelines are vague about who has the ultimate responsibility of deciding agendas, timetables and content. This means:
   - civil society actors do not know who they should lobby
   - governments have been able to undermine civil society organisations by portraying their actions as hitting the poorest by delaying debt relief.

3. The participatory rhetoric is missing from some areas of the PRSP process, in particular the Poverty Reduction and Growth Facility agreements.

The existence of civil society coalitions, and the consequent strengthening of civil society’s voice, are important for a participatory process. However, strengthening civil society does not always improve government-civil society relations. Nor does it necessarily strengthen the voice of women within a participatory process, as the following section shows.
Women's role in the PRSP process

Information on women's participation in the PRSP process is scarce in both Nicaragua and Honduras. In the official consultation processes in both countries, women were not considered as specific interest groups, or as key contributors to the formulation of a successful poverty reduction strategy. Where women and representatives of women's groups participated in the processes it was, in general, in their capacity as civil society actors rather than as ‘gendered’ beings.

Women in civil society

Where ‘gendered’ participation may have been expected to occur is within the civil society processes, but in the alternative civil society processes and proposals initiated by Interforos, FOSDEH and the CCER, women are also largely invisible. Given the central role these organisations have come to play as the main civil society voice in their respective countries, it is important to explore the role of women, women’s organisations and gender issues in the processes they promote. It is also important to understand what these umbrella organisations that present ‘one voice’ civil society proposals mean for wider social movements and groups, including those of women.

Although after Hurricane Mitch both Interforos and the Civil Coordinator brought together some of the most important civil society actors and organisations, many women and elements of the women’s movements felt themselves to be largely excluded from the outset. Others chose to exclude themselves.

In Honduras although the women’s movements had organised to respond to the disaster, they were not ‘invited’ to participate in the production of the draft reconstruction proposal formulated by Interforos. The draft was produced by a small group of people and then presented to wider organised civil society for consultation. Those who met to discuss the proposal for reconstruction had only one day to try to ‘engender’ the document. In late 2000 women leaders saw attitudes to gender as a problem in Interforos. Some went so far as to doubt their ability to exert real influence. They may therefore adopt a defensive attitude, perhaps reinforced by the pressure to show those who remain outside the coalition that the decision to participate was the right one. One outcome might be that women take an uncompromising stance and insist on the complete acceptance of gender demands, while ignoring other issues, such as those of the environmental movement or of young people, or treating them as secondary concerns. This can make it difficult to negotiate among the competing interests to achieve a common platform that all participants can support and promote.

Women’s movements

It is important to consider not only relationships between women’s groups and wider civil society, but also the relationships within the women’s movement. Disasters such as Hurricane Mitch can reveal global, regional and national power structures as well as power relations in ‘intimate relations’ (Enarson and Morrow, 1998: 2) and as such the post-hurricane period was a potentially damaging time for the women’s movement. In both Honduras and Nicaragua the hurricane highlighted and amplified long-standing differences among women and women’s groups.

While the situation in Nicaragua could be said to be divisive, some have defined the post-Mitch period in Honduras as one of rupture and fragmentation of the women’s movement. The suggestion is not that the hurricane, or indeed Interforos, caused this rupture, but that events following the disaster highlighted and amplified inequalities within the movement. In Honduras, as elsewhere in the region, recent decades have seen the proliferation of NGOs, often established by actors in existing social movements or informal grassroots organisations, including women’s movements. This became an issue in Honduras at that particular time mainly because of the nature of the reconstruction process and the role of international actors in it.

Honduras saw an influx of new international donor organisations after the hurricane, many of them committed to including gender issues in any projects they undertook. These organisations needed to find an efficient means to enter into dialogue with the women of the country, especially given the ‘tyranny of the urgent’ that tends to prevail after a disaster (see Anderson and Woodrow, 1999; Blakie et al, 1994, for general discussion and Byrne, 1995; Enarson, 1998, for ‘gendered’ discussion). They saw talking to ‘experts’ or representatives of the wider movement as the simplest and quickest way to make contact with women. At the same time, financing NGOs to implement projects is more straightforward than financing actors and activities of social and women’s movements. This led to accusations that some women and organisations had presented themselves as the ‘voice of the movement’ and had channelled more than their share of reconstruction funds through their own NGOs. As one woman suggested, ‘some compañeras, some NGOs, have traded on the famous gender perspective...’.

What may distinguish the processes in the two countries in gender terms is the fact that in Nicaragua a small number of women active within the women’s movement were involved with the CCER from the
beginning and actually took a lead role in formalising the coalition. The first spokesperson of the Civil Coordinator was also a woman. This may help to explain why attempts were made to ‘engender’ the process of producing the Civil Coordinator’s proposal for reconstruction. The proposal has a relatively well-developed gender perspective (see CCER, 1999), although the process by which this was achieved was not entirely open to a gender perspective.

To produce the reconstruction proposal, the Civil Coordinator established a gender commission with independent funding. When themed commissions were established to consider different elements of the proposal, the gender commission aimed to ensure that at least one of its members worked in each, to ensure that proposals were designed from a gender perspective. However, many of them met with resistance from other (mostly male) members of the working groups, who tended to assume that gender was a secondary consideration.16 Once a first draft had been produced, the gender commission called a one-day meeting of the women’s movement in a final attempt, similar to that in Honduras, to incorporate gender concerns into the document. When the commission presented its recommendations, a number of women expressed serious doubts that those responsible for producing the final document would take them into account. This was achieved only when members of the gender commission joined the final editing team.

In Honduras, despite the problems noted above, a number of meetings were held within the women’s movement to discuss reconstruction and several documents were produced (CEM-H, 1999; CEM-H, 2000; Convergencia de Mujeres, 2000). Although this is an important achievement, these recommendations lay outside ‘official’ civil society proposals presented to the national government and the international community. They remained outside the official process of discussions of reconstruction, where the civil society input had come to be dominated by Interforos. This dominance may help to explain the decision of at least some women and women’s networks to participate in initial discussions of the government’s draft PRSP, which were coordinated by Interforos. Their experience, however, suggests that little had changed in the organisation.17

The Colectivo Contra la Violencia, for example, prepared a proposal for poverty reduction formulated from an equality of opportunity perspective. It began with a critique of the government’s draft document, not for its complete exclusion of gender, as was the case in Nicaragua, but for the way it approached gender with a view to efficiency, not equality (see Section Three). There is some evidence that the ideas of the Colectivo were included in the Interforos document formulated as an initial response to the draft PRSP. However, they seem to have been included without any real analysis or appropriation of the ideas by Interforos (see Rossell, 2001, for a comparison of documents). To some extent the overall emphasis of the Interforos document, itself heavily focused on macroeconomic policy and economic growth, made it difficult to integrate gender.18 To ensure a gender perspective in this case would have meant more than including ‘extra’ items, such as activities to reduce violence against women. It would have required a complete change of focus. The perceived lack of commitment to gender concerns may help to explain why women once again withdrew from Interforos.

In Honduras the key issues may not be the extent to which official and civil society documents address gender, but how gender was taken into consideration in formulating poverty reduction strategies. In contrast, the Nicaraguan government’s draft PRSP lacked any real gender focus (see Section Three). The alternative poverty reduction proposal produced by the CCER, La Nicaragua que Queremos, has a social well-being rather than a macroeconomic focus. However, the process that produced the Nicaraguan alternative PRSP document can also be questioned in gender terms.

The document produced by the CCER was based on workshops across the country.19 The extent to which the process included the poor is debatable, as leaders and representatives of organisations and social movements tended to be those who participated in the workshops. However, the ‘voices’ in the final paper are more diverse than in previous documents, with a strong influence from teachers, trade unionists and disabled people, for example. Although 50 per cent of participants in the workshops were women, the document has a less coherent gender perspective than those previously produced by the Civil Coordinator, and the proposal for reconstruction in particular (see CCER, 2001). This may be partly because the gender commission of the CCER had long since disbanded, and partly because a planned meeting for the women’s movements to complement the national workshops never took place.

The issue in Nicaragua was the lack of any specific or definable strategy by the different actors of the women’s movement to take part in the process, either official or civil. Women’s invisibility in the processes means that it is difficult to draw conclusions, although a number of issues might have been important (see Quirós Víquez et al, 2002, for further discussion). First, the economic focus of the government’s draft PRSP and, paradoxically, the very absence of gender, may have deterred women from joining in PRSP processes, given the amount of time and effort it would take to incorporate a gender perspective. Distrust of official agencies’ and civil society actors’ commitment to take on board the resulting suggestions could also have deterred participation. Many women would have preferred to focus their time and efforts in areas where the ratio of benefits to costs is higher. These areas are often precisely those that are excluded from official discourses on poverty, such as equality of opportunity and women’s rights, in particular intra-family violence and reproductive and sexual rights. Women’s movements have their own priorities, which they may see, rightly or wrongly, as lying outside macroeconomic policy initiatives such as the PRSP.

In Nicaragua as in Honduras, relations between civil society actors, and more importantly within the CCER, may also be important determinants of women’s participation. Mutual distrust had developed between
Economics as a male domain

Economics is dominated by western professionals and academics, and people without economic training tend not to engage with macroeconomic policy making. In this context, women’s voices are even more marginalised. Economics remains the most ‘masculine’ of the social sciences, not only because economists tend to be men, but more fundamentally in terms of how economic thought is constructed (see Ferber and Nelson, 1993; Nelson, 1996, for discussion). The ‘masculine’ nature of economics and economists may be self-reinforcing. Moreover, women may reject economics as constructing male knowledge or presenting the world through a male lens, as suggested by early feminists’ rejection of positivist thinking and quantitative research methods (see Fonnow and Cook, 1991; M aynard and Purvis, 1995). This rejection of economics limits the ‘feminisation’ of economic thinking and female economists may feel themselves having to work within male constructions of economics in order to make progress (see Elson, 1998).

government and civil society by the time of the PRSP process. Given fears that the government would seek to use the CCER to legitimise its actions, opinion in the coalition was sharply divided over the wisdom of engaging with the official process. In the event, the CCER decided to continue participating in the official consultations, while running its own alternative, parallel process. This decision may have led individual women and women’s organisations to choose not to engage with the CCER, because its continued involvement with the government process carried the risk of cooption. The government, then, could have effectively, if unwittingly, limited the participation of key civil actors in the PRSP process.

Incorporating gender

In both Nicaragua and Honduras participatory PRSP processes, even those promoted by civil society, appeared unable to ‘engender’ the policies proposed. The processes highlight a number of issues:

- It cannot be assumed that civil society actors are sensitised to gender issues and willing to place them as central concerns for all.
- Mixed-gender participatory processes do not always allow gender issues to be heard, nor are recommendations for ensuring a gender perspective sufficient to ensure proposals that take account of gender. ‘Engendered’ civil society processes demand that women are involved at all stages in the process and at all decision-making levels.
- The costs of seeking to introduce gender into civil society processes may be high in terms of the collective investment in time and numbers.
- Previous experiences and the perception of limited support for gender concerns in collective or ‘mixed’ forums means that many gender activists choose not to participate, seeing this as much work for little gain.
- Deciding whether to participate divides women’s movements from the outset and weakens their collective voice inside and outside civil society coalitions.
- Both governmental and non-governmental processes need to be analysed alongside the documents they produce to see how far they incorporate a gender perspective. External actors and analysts will be primarily concerned with the nature and extent of gender policy in the end product. However, the process that produced it may have a greater impact, both positive and negative, on those involved.
- It is important to consider not only the extent to which proposals have a gender perspective, but also the nature of that perspective, and the process that led to it.
- The key priorities of women’s movements may be precisely those that are absent from official discourse, or indeed civil society discourse. This may be the case for the PRSP process in particular, because it tends to be dominated by macroeconomic policy concerns and an underlying neo-liberal agenda.
- Women’s movements may decide that on balance it is more ethical, effective and efficient to pursue their own priorities outside official discussions on the macro level.
- Ultimately, government-civil society relations and gender relations within civil society may combine to determine the extent to which women participate in processes such as PRSP design. However, the decision not to participate in civil society coalitions may marginalise women’s issues, especially with the rise of umbrella organisations that present ‘one voice’ civil society proposals.
Section Three: The PRSPs of Nicaragua and Honduras

Summary

PRSPs are led by considerations of economic growth, despite continued debate over how far growth relates directly to poverty reduction. In gender terms, the implicit assumption appears to be that the benefits of economic growth will trickle down to women, or that women will gain from direct employment in the labour force. Evidence suggests that neither is automatically the case. Moreover, PRSPs contain contradictory messages, promoting women’s roles as mothers and carers while implicitly relying on them to assume a role outside the home and in the workplace.

The hopes of economic growth gains may also explain why PRSPs favour investment in education. This can be seen as a tool to increase the productivity of the workforce, rather than as a good thing in its own right. Similarly, in health plans, population control, and not women’s right to control their own fertility, appears to be at the root of proposals to improve reproductive health provision. Discussions of reproductive health tend to focus only on women. Wider issues such as domestic violence are also presented as ‘women’s’ issues, not health issues, while sexual and reproductive health rights are missing from the discussion altogether.

While plans to reduce corruption and improve representation and transparency in government are welcome, their inclusion too appears to be driven by pursuit of economic growth. Although gender concerns exist in governance, the PRSPs fail to address them; governance policy is presented as gender neutral.

Social safety nets are the most obviously ‘gendered’ policy area in the PRSPs. These plans target resources at those perceived to be in greatest need, perhaps from a desire to meet poverty reduction goals. The plans promote the rationalisation and privatisation of social provision, and rely on women, in their role as mothers and carers, as the key service providers and channels for transmitting resources to the ‘vulnerable’. There appears to have been little thought for the possible indirect outcomes of targeting resources towards women – for example, increased tension in the household. Ultimately, ‘protecting’ the most vulnerable will not fundamentally change the root causes of their vulnerability.

The inclusion of gender in the PRSPs

Both the Honduran and Nicaraguan governments have now published their strategies for poverty reduction. They have met the decision point criteria, but not yet those for the completion point. How far the PRSPs are based on pro-poor, pro-woman strategies will be the focus of this section.

The World Bank says that there is no blueprint for PRSPs: they are country-owned and produced through participatory processes. A review of PRSPs to date shows similarities in their central components, with most containing four central elements: economic growth, investment in human capital, social safety nets and good governance. They mention issues such as gender and the environment, usually as ‘cross-cutting’ themes. The Nicaraguan and Honduran PRSPs, like other country strategies produced so far, include the four key elements.

Economic growth

Economic growth remains the central element of the PRSP process, as the title of the Nicaraguan PRSP published in July 2001 suggests: Strengthened Strategy for Economic Growth and Poverty Reduction. It describes labour intensive economic growth as the ‘most important pillar’ of the strategy (Government of Nicaragua, 2001: 65). The Honduran PRSP acknowledges ‘a fundamental requirement, although not sufficient for reducing poverty, is an accelerated and sustained economic growth’ (Government of Honduras, 2001: 55).

The PRSPs of the two countries have a number of economic growth strategies in common, most importantly the promotion of free trade zones and tourism. Both sectors employ a large, if not majority, female labour force. The introduction of the Honduran PRSP includes a section on ‘women workers’. But although it does have some specific policies for ‘helping’ women to generate an income, it does not discuss the nature and implications of women’s productive work. In the Nicaraguan PRSP women are invisible. It lacks any explicit reference to women’s role in the economy, present or future.

Investment in human capital

In human development discourse, increasing the human capital of individuals by improving their health and education is seen as important. It helps people to withstand shocks, reduces their vulnerability (see Moser, 1996) and is important for a dignified life (see Nussbaum, 1995; Sen, 1999). The inclusion of investment in human capital in the PRSPs is encouraging, but is most often presented as a means to increase the productivity of the labour force for the sake of economic growth. The
The PRSPs of Nicaragua and Honduras

Nicaraguan PRSP document draws this link, stating that the proposal to increase investment in human capital aims to improve the ‘productivity, incomes and well-being’ of the poor (Government of Nicaragua, 2001: 69). The Honduran document states that such investment is self-reinforcing, given that: ‘A fast growing economy, besides generating greater and better employment, also facilitates access to the fiscal resources needed for increasing public investments in physical and human capital, which at the same time are required to sustain rapid economic growth in the long term’ (Government of Honduras, 2001: 55).

Given the World Bank’s recent interest in the possibility that greater gender equality in access to education could improve economic growth, it is interesting that neither PRSP sets overall educational targets by gender. The Honduran PRSP does have a specific focus on women, but only in plans to expand literacy through ‘adult education through alternative forms’. It suggests that ‘there are no significant differences in educational opportunities for women compared to men. Enrolment of women in education today is even slightly higher than that of men at all levels, although older women still have higher levels of illiteracy, a reflection of gender differences in previous decades’ (Government of Honduras, 2001: 38). The Nicaraguan document, after noting that girls have equal access to education, contains no further ‘gendered’ discussion of education projects and targets.

The strategy papers present a more detailed discussion of specific gender needs for health. An overall target of the Honduran PRSP is to ‘provide greater attention to women’s health conditions’, and it sets targets for maternal mortality and reproductive health care. Although maternal mortality is introduced in discussions of wider health issues, fertility is discussed in a separate section alongside migration and environmental issues. Thus it is considered in the context of population growth, and linked to issues of sustainability, rather than linked to poverty and addressed as a ‘women’s issue’.

The introductory section in the Nicaraguan PRSP on ‘human capital and poverty’ begins with a discussion of ‘high fertility rates and demographic dependency’. It notes that adolescent fertility rates are the highest in Latin America and that by the age of 19 almost half of all women have experienced at least one pregnancy (Government of Nicaragua, 2001: 10). The PRSP sets targets for access to reproductive health care services for the 15-19 age group and the 20-24 age group. In each case, it aims to reduce the unsatisfied demand for family planning among ‘women with partners’. It also raises maternal mortality as a concern and proposes targets for reducing maternal mortality rates by increasing institutional births, providing prenatal care and establishing an education programme on ‘population’ in public schools. The use of the word ‘population’ rather than family planning here, and the targeting of ‘women with male partners’ for reproductive health programmes, highlights the influence of the Catholic Church in the country and on the government (see Criquiullion, 2002, for discussion of the effect of ‘fundamentalist’ attitudes on women).

Social safety nets

As debates continue about the ability of economic growth to reduce poverty and inequality, it appears to have been accepted that economic growth will not instantly ‘trickle down’ to the most vulnerable and they need protection. However, social safety nets – the provision of food, money and other services to the most vulnerable – do not tackle the causes of their vulnerability. Moreover, given the scale and depth of poverty, social safety nets are considered unsustainable in the longer term and, as the Honduran document notes, ‘economic growth and the reforms that stimulate it will be the driving force in poverty reduction’ (Government of Honduras, 2001: 59). This leads to strict targeting of social protection at specific groups, namely the extreme poor, poor disabled people, children and adolescents, and senior citizens. Women as a group are not included here, and it may be assumed that this is because the government suggests ‘important achievements’ have been made in the socio-economic advancement of women (Government of Honduras, 2001: 87).

The Nicaraguan PRSP is somewhat contradictory in its discussion of social safety nets, not least because its focus is on the rationalisation and consolidation of existing programmes, and the provision of services by private organisations. Critics suggest that such measures could make life harder for the poor (see CCER, 2001). The strategy paper suggests that ‘special protection’ must be afforded to children under five and other particularly vulnerable groups, such as ‘abused women’, the disabled and the aged (Government of Nicaragua, 2001: 34). Although it does not identify women as a particularly vulnerable group, its matrix of policy actions includes a programme to ‘fight women’s poverty’ through credit schemes and horticulture (Government of Nicaragua, 2001: 131). On the other hand, the government stresses that ‘top priority has been assigned to the reduction of extreme poverty’ and that ‘social programmes will be crucial for this result’ (Government of Nicaragua, 2001: 24). Thus in the short term, programmes will be focussed on the extreme poor. This should allow achievement of the main PRSP indicator of reducing the numbers in extreme poverty, if not the numbers of poor women and the poor in general.20

Good governance

Good governance is formalised in a ‘pillar’ in the Nicaraguan document and as a strategic guideline in the Honduran paper. The latter emphasises ‘participatory democracy’, the strengthening of civil society participation, and decentralisation (Government of Honduras, 2001: 59); this is interesting given that some key civil society actors withdrew from the Honduran PRSP process because they felt their recommendations were being ignored (see Section Two). The Nicaraguan PRSP aims to improve ‘even more’ the governance of the country (Government of Nicaragua, 2001: 77); this is interesting given that the document was produced under the Aleman government, some of whose members, including the ex-president himself, now face charges of corruption and embezzlement of public funds.
The Honduran PRSP does include other indicators, such as the population’s perceptions of corruption and security. However, in both cases the majority of the policies proposed focus on establishing the legal framework for governance, with related indicators on the number of laws passed. Gender does not figure in the proposals on governance. Both papers present governance policy, like macroeconomic policy, as gender neutral.

**Gender equity as a theme in the PRSPs**

Recent reviews of the gender dimension in the PRSPs produced so far coincide with earlier analysis, which suggests that little progress has been made (see Bamberger et al, 2001; Whitehead, 2003; Zuckerman, 2002). Zuckerman (2001: 10) suggests that the World Bank’s recent focus on mainstreaming gender and ‘engendering’ development has had little impact on PRSP processes. Her evaluation suggests that the problem lies with insufficient consultation with citizens, and that even when ‘gendered’ participatory processes exist, the political will to include the outcomes may be lacking. Such assertions place the blame firmly on the countries involved, and while the examples of Nicaragua and Honduras demonstrate there has indeed been too little participation (see Section Two), this alone cannot fully explain the failure to address gender in the PRSPs produced to date.

The literature emanating from the World Bank suggests a further problem. Recent research has focused on the relationship between gender equality and economic growth (see for example Klasen, 1999; Dollar and Gatti, 1999) promoting ‘efficiency’ rather than equality. Zuckerman notes a secondary problem: documents that attempt to include gender suffer from ‘conceptual confusion’, taking a ‘women in development’ rather than a ‘gender and development’ approach. The former approach may in fact reinforce stereotypical gender roles and relations, as the Nicaraguan case illustrates.

Nicaragua’s PRSP suffers from this conceptual confusion in that the document fails to address gender inequity, but does include specific references to women and their role in the PRSP process. If a gender perspective is apparent – and this is debatable – it takes a ‘women in development’ rather than a ‘gender and development’ approach. The paper states that ‘Virtually all [of the document] will encourage increased social equity’ (Government of Nicaragua, 2001: 37). This may explain the lack of policy proposals in this area and the fact that social equity is the only PRSP theme without a specific budgetary allocation (see SECEP, 2003).

Although the document has no gender focus, parts of it focus on women. Two key policy areas where references to women are found are those of social safety nets and education. However, the strategies include women indirectly, as a transmission mechanism for goods and services to be provided to others, children in particular. This reinforces women’s stereotypical roles as mothers and carers. Women’s fertility is also central in the Nicaraguan PRSP, because population growth may effectively cancel out any gains from economic growth. The strategy not only places the responsibility for reproduction on the woman alone, it also highlights the need for ‘responsible’ reproduction, with targets such as improving access to family planning for ‘women with a partner’. The focus is on fertility control rather than on the rights of women to manage their own fertility (see Pearson and Sweetman, 1996, for discussion). Thus women, where mentioned, are presented as mothers, in both their caring and reproductive roles, and also as ‘victims’ of male desertion and violence. In contrast, very little mention is made of women as producers and income generators.

In comparison with the Nicaraguan PRSP, the Honduran document more obviously addresses gender and allocates a specific, albeit small (4.4 per cent of the budget for 2001) budget for gender equality and equity goals (cited in Rossell, 2001). The reproductive and productive activities of women are recognised in the analysis on which the PRSP is based. Related policies to promote the development of women’s ‘labour-market skills’ and support for female ‘micro entrepreneurs’ are also proposed. Moreover, of the 11 overall targets laid out, the tenth is to ‘achieve parity and raise by 20 per cent the Human Development Index related to gender’ (Government of Honduras, 2001: 53), which suggests pursuit of equity.

The gender equality objective in the policy matrix aims to ‘assist the integrated development of poor women, through their full and effective participation’ and policy measures aimed at ensuring effective equality of opportunity, for poor women in particular, and preventing and eliminating domestic violence. The related indicators, however, show that the focus is more limited than this would suggest. For example, success in the prevention of violence will be deemed to have occurred when reforms to the law against domestic violence have been approved, with no discussion about how to implement the law or tackle the root causes of violence in the family. Similarly, the indicator to assess the extent of ‘effective equality of opportunity’ is no more than ‘income levels of poor women’, suggesting an economic rather than a social rights approach. This economic focus is reinforced by the final policy measure, which seeks to improve the availability of information disaggregated by gender so as to ‘visualise the economic contribution’ of women.

Although it is written in ‘equity’ language and includes policies to improve laws against violence and increase access to rights-based information, the Honduran PRSP’s gender policies appear to be heavily influenced by the expectation that including women in the development process will improve economic growth.

**The exclusion of gender from the PRSPs**

The inclusion of gender in the PRSPs is important, but its exclusion is also important, in particular because it can send out contradictory messages.
The PRSPs of Nicaragua and Honduras

Macroeconomic policy
• Macroeconomic policy tends to exclude any consideration of gender, suggesting itself as gender neutral. However, the impacts for women and on gender issues are now well documented and are far from neutral (see Elson, 1998, for discussion).

The PRSP is not a stand-alone document. It is complemented by the Poverty Reduction and Growth Facility (PRGF) agreement that each government makes with the IMF, which lays out key macroeconomic policy. The PRGF may be said to lead the PRSP process, because its policies set the overall framework in which PRSPs are implemented. Negotiations over the PRGF are limited to national governments and the IMF. Problems in meeting IMF requirements in macroeconomic policy may also delay debt relief, and thus the implementation of poverty reduction initiatives. The PRGF conditions laid down by the IMF suggest that little has changed in its macroeconomic policy since the era of Structural Adjustment Programmes and Extended Structural Adjustment Facilities.

Consideration of the Honduran PRSP in particular illustrates the continuation of past macroeconomic policy prescriptions, with detailed discussion of fiscal and monetary policy and continued structural reforms. The Nicaraguan PRSP suggests that its economic growth pillar rests on the implementation of a macroeconomic programme of ‘continued stabilisation and structural reform’.

Contradictory messages
• The PRSPs set up competing and contradictory messages about ‘appropriate’ behaviour for women, explicitly reinforcing women’s roles as mothers and carers, while implicitly relying on women as workers.

In the PRSP process economic growth initiatives are closely linked with employment creation and aim to capture the ‘comparative advantage’ of the HIPC countries – their relatively cheap labour force. The Honduran PRSP describes this as the development of sectors with high production and employment potential and aims to facilitate the development of agro-business (non-traditional agro-exports), forestry, light-assembly (free trade zones) and tourism. Similar ‘growth clusters’ have also been promoted in Nicaragua.

In the economic growth component of the two PRSPs, women are invisible. Even the Honduran paper, which to some extent recognises women’s productive work, discusses workers as non-gendered individuals. In the Nicaraguan PRSP, the invisibility of women as workers and as the potential backbone of economic growth initiatives is made even more problematic by the way they are included. Their representation as mothers and carers reinforces stereotypical ideas about women as dependants not providers, home-makers not workers. Its emphasis on their responsibility for reproductive activities sets up a contradiction if a country’s comparative advantage is based partly on its female labour force.

Differences between women
• The PRSPs fail to consider differences between women, so the assumptions they make about women may be erroneous. Policies based on false assumptions are unlikely to work.

Each PRSP highlights different groups of people as ‘vulnerable’, or deserving of special attention, but without paying attention to gender. The discussion of, for example, senior citizens fails to consider differences between older men and older women. Similarly, when women are mentioned in the documents, they are presented as a homogenous group. Alternatively, specific groups of women are isolated for discussion, highlighted by how they ‘deviate’ from the norm.

This ignores the diversity of women and the different ways in which they experience poverty according to their particular characteristics and situations. For example, younger women (25 years old and younger) who live with male partners may have different characteristics and experiences of poverty from older women (see Bradshaw, 2002, for discussion). In particular, their ability to make key choices about their lives and to engage with life outside the home is relatively limited. They face more obstacles when engaging in income generating activities, especially those outside the home and the community. The failure to understand the constraints on younger women’s participation in public life may limit the effectiveness of policies that demand their active involvement, in the labour force in particular.

Inequality in the household
• The importance of households as sites that produce and reproduce inequalities – in particular the secondary poverty of women in male-headed households – is not acknowledged. Analysis and policies stop at the front door.

Where the PRSPs do address differences between women, they tend to highlight ‘special cases’, such as black and indigenous women and women who have been deserted by men (female heads of household) and ‘victims’ of domestic violence. The papers generally focus on female heads of household, claiming that they are the poorest of the poor. This allows governments and organisations to be seen to be doing something about poverty without tackling women’s poverty in general. Such a focus marginalises the majority of women who continue to live with men. It fails to address unequal relations of power between men and women within households, which is an important factor behind the relative poverty of many women.

Although female household heads and their households are included in PRSP discourse as a target group, the documents do not discuss distribution of resources within male-headed households, effectively ignoring the majority of women.
Unintended outcomes

- Projects that target women as the recipients of family resources may lead to increased conflict and even violence.

Despite early attempts to evaluate the progress of the poverty reduction strategy in Nicaragua (Bradshaw and Linneker, 2003; Linneker et al., 2003), it is not yet possible to gauge the outcomes of the PRSPs of Nicaragua and Honduras. But it is possible to discuss what these outcomes, intended and otherwise, might be. A serious general concern about PRSPs is how far they take into account the possible indirect and even negative impacts of their policies.

One area where women are visible in PRSPs is that of social safety nets and social protection or family welfare programmes. Here, women feature as the providers of goods and services, and thus the recipients of resources such as food and money for the family. A pilot PRSP project in Nicaragua has shown the consequences such policies may have (see Quirós Víquez et al., 2002). The programme pays families to keep children in school and to take them to health centres. The cash is given to women, and could thus be assumed to have an empowering effect, improving their access to resources and increasing their assets. However, this can be questioned on a number of levels. First, it reinforces notions that women are responsible for children. Second, it ignores the fact that while women may receive the money, they may have little control over its use. In reality the project may be dis-empowering to both women – as men may seek to take the money away from them, perhaps by force – and men, in terms of undermining their socially constructed role of provider.

Employment

- Women’s employment may leave the economic well-being of the household unchanged overall, while reducing women’s social well-being.

Although women’s employment is generally assumed to improve economic well-being, it may not change the overall economic situation in the household. Recent research in Nicaragua (Bradshaw, 2002) found that when a woman earns an income, her male partner is more likely to withhold at least half of his earnings for his own personal consumption. It appears that the ‘extra’ income earned by women does not necessarily complement existing income sources, but may be seen (by the male head of household) to substitute for them. Moreover, women who said that they participated in making household decisions – and this itself is related to engagement in income generation – were more likely to mention economic issues as the basis for arguments in the home. This suggests that any gains in economic well-being may be at the expense of social well-being.

Defining the targets

How far such trade-offs between economic and social benefits could be considered successes for the PRSP depends on the target set. If it is to increase the number of people engaged in income generating activities or to increase the aggregate household income, then they could well be deemed successful. Targets aiming to improve the economic well-being of women and children within households, or taking into account the social costs of economic gains, would lead to a different assessment.

Setting and achieving targets is integral to the PRSP process, but targets may not adequately measure the objectives set. Indirect outcomes of the PRSP policy bundle, such as increased conflict, or unexpected outcomes, such as secondary poverty, are rarely considered in official monitoring processes or at the design stage. Moreover, qualitative outcomes, such as the effects of the competing messages about women’s roles inherent in PRSPs, tend to be ignored.

One question that must be addressed is, what do we wish to evaluate? The extent to which PRSP policies meet their own targets? The extent to which they reduce women’s poverty and improve the situation of women? Or the extent to which they improve the situation as low-income women themselves perceive it? All these questions await further research and evaluation after the implementation of the poverty reduction strategies.
Section Four: Conclusions

While PRSPs are a welcome policy commitment, the important question remains of how to make them work more in the interests of the poor, and of poor women in particular. A large gulf seems to exist between the official rhetoric and the reality of producing PRSPs in developing countries. The problems of incorporating gender into poverty reduction strategies stem from external constraints inherent in the neo-liberal policy framework in which they are constructed. There are also difficulties that stem from internal constraints, and the capacities and limitations of national governments, civil societies and women’s movements. The mixture of external and internal pressures on the PRSP process, and the mix of top-down and bottom-up policy formulation processes, create contradictions that are difficult to resolve.

The PRSP initiative promotes the participatory design process as ensuring pro-poor, pro-gender poverty reduction strategies. However, the concept of participation in designing PRSPs, both on paper and in practice, suggests that this may not necessarily come about:

- The notion of ‘country ownership’ means that the extent of participation is determined by a government’s willingness to undertake such processes and take note of the recommendations that emerge.
- The need to produce a PRSP that meets with World Bank and IMF approval may mean that governments are inclined to write programmes they know will be accepted, even if this conflicts with other key policy priorities identified by consulting the public.
- The urgent need for debt relief creates pressure to rush, and therefore limit, participation and the introduction of the Interim PRSP encourages governments to confine the process to consultation on a prepared draft, rather than participation in designing a new strategy.
- The link between PRSPs and debt relief poses dilemmas for civil society, because any disruption to the timetable delays the release of funds and this may effectively shut down the participatory process.

The participatory design process, as a mechanism for ‘engendering’ PRSPs, faces some more specific obstacles:

- PRSPs do not have to include a gender perspective to obtain approval from the Bank and the Fund, as the strategy papers produced and approved so far demonstrate.
- Gender guidelines from the Bank tend to focus on economic growth, productivity or efficiency rather than on equity. This limits the extent to which they truly promote gender concerns and support policies to reduce the gender inequalities behind women’s relative poverty.
- Women’s participation in official PRSP processes does not necessarily give rise to recommendations on gender, as their voices are often ignored or marginalised, and their issues treated as a secondary concern. Gender recommendations are not automatically included in final PRSP documents, because this demands a political will that may be lacking.
- Organised civil society initiatives to influence PRSP processes are not necessarily gender-aware. The presence of a single, strong, civil society coalition may undermine women’s movements if splits occur over participation. This weakens the collective voice and limits representation in the processes.
- Not only national governments, but also civil society and women’s groups, lack the capacity to include a gender perspective in some key elements of PRSPs, in macroeconomic policy in particular. Even when such capacities exist in women’s movements, they are not always recognised as such.
- The official PRSP discourse operates in a neo-liberal framework. This may lead women’s movements and feminist organisations to choose to remain outside the process because they see the framework as inherently incompatible with a gender perspective.

The PRSPs produced to date have not necessarily included a gender perspective. Ultimately their similarities with Structural Adjustment Programmes mean that they fail to address well-documented gender concerns:

- Poverty reduction strategies continue to be led by economic growth, despite continued debate over how far economic growth is directly related to poverty reduction, and the scant evidence to suggest that economic growth reduces women’s relative poverty.
- Although the inclusion of investment in health and education in PRSPs is welcome, the reasons for its inclusion are in general, and in gender terms, problematic.
- Social safety nets aim to ‘protect’ the most vulnerable rather than to address the root causes of their vulnerability. The targeting of women as ‘beneficiaries’ is highly problematic in this context.
- Plans to reduce corruption and improve representation and transparency in governments are welcome, but their presentation as gender-neutral policy is questionable.
• Given the neo-liberal framework that influences the formulation of poverty policy, including a gender perspective in PRSPs may not be a realistic goal.

The PRSPs of Honduras and Nicaragua, like most poverty reduction strategies produced so far, are not ‘gendered’ documents. How far this is due to limited participation in the design processes or contradictions in these processes is debatable. Bottom-up participatory processes are only one way of introducing a gender perspective into PRSPs. In fact, they do not appear to be a real option, given that the World Bank does not require a PRSP to address gender, or require the design process to be truly participatory. Moreover, even where civil society initiatives to influence PRSPs exist, they are not automatically ‘gendered’ themselves, nor will any recommendations on gender automatically be included in the official PRSP.

• In reality bottom-up participatory processes may have little chance of success in terms of ensuring a gender perspective in PRSPs.

The alternative is the inclusion of a gender perspective from the top down, which may have been the case with the PRSP of Honduras. This could be achieved if gender consultants are hired to help formulate the strategy paper. However, an obvious contradiction exists between the desire to ensure the inclusion of gender in a PRSP and the desire to ensure an inclusive design process.

• The involvement of gender consultants in the formulation of official PRSPs could lead to an ‘engendered’ strategy, but women and women’s movements would not feel they owned it. This would introduce new dilemmas for the women’s movement: to back the PRSP for the gender gains the policies might bring, or to boycott it because of its exclusionary design process.

    Of course, consultants could promote inclusive participatory processes. However, if the consultant was an unknown ‘outsider’, in particular an international consultant, it is unlikely that a broad spectrum of women and organisations would wish to participate, given the neo-colonial connotations of such a policy. The use of an ‘insider’, whether a national or an established non-national development professional, brings its own problems, given the factionalism in Central American social movements. It is difficult to envisage that all groups would be happy with the choice, and once again participation could be limited and the collective voice weakened. Ultimately such an option does not solve the problem, because it tackles symptoms and not causes. In other words, it leaves unchanged the divisions and unequal power relations within women’s movements.

• The extent to which consultants can ensure inclusive participatory processes is debatable, because truly participatory processes depend on internal, not external, factors.

The most obvious solution is capacity building with men and women. The sometimes problematic gender relations within civil society suggest the need to include men in any long-term action. At the same time, activities that strengthen the capacities of women and women’s movements to lobby effectively for agreed agendas on the national and international stage should be supported.
Section Five: Recommendations

As a first step to incorporating gender into PRSPs, general concerns over the policy-making process need to be resolved:

- There is a need to resolve the tensions inherent in the idea of a policy initiative led by the World Bank and the IMF, but owned by the country concerned. Lack of clear guidance on roles and responsibilities leads to confusion. However, the biggest problem is perhaps the emphasis on participatory design processes as a means to address gender inequalities.

- The lack of guidelines for including gender and the failure of the Bank and the Fund to set a minimum requirement for the participation of civil society and other actors in the design of a PRSP leaves these matters largely to the political will of individual governments. While this may lead civil society actors to demand strict requirements for the extent of gender inclusion, it may also set up policy contradictions. Demands for the World Bank and the IMF to exert tighter control over the gender content of PRSPs may provide justification for their control of macroeconomic policy. To argue for the control of one and against the control of the other appears inconsistent. This contradiction is difficult to resolve from a gender perspective, and the World Bank should address this with clearer guidelines.

Options for introducing gender

The contradictions thrown up by experiences of the PRSP process in Nicaragua and Honduras may help those embarking on such a process in future to clarify their options. The various options for ensuring a gender perspective is included in PRSP processes are not necessarily mutually exclusive:

- Introduce gender into policies within the prevailing ‘economic growth for poverty reduction’ paradigm.

The present neo-liberal discourse in which PRSPs are formulated is dominant and difficult to change. The process is guided by macroeconomic policies, and all other policies are formulated to ensure economic growth gains. Accepting this would mean seeking to ‘engender’ existing policies rather than seeking to formulate ‘gendered’ policies. It would mean making women visible in the PRSP process.

Key advocacy points would include seeking to ensure that women (alongside other actors) take part in participatory aspects of the PRSP design process, that women’s contributions to economic growth goals are made visible in PRSPs, and that legislation exists to encourage equality of access to the ‘opportunities’, both economic and political, that the PRSP process brings. In essence this implies little more than implementing the guidelines in the World Bank’s PRSP Sourcebook.

However, it is hard to insist that World Bank guidelines be followed while challenging the macroeconomic conditionalities of PRSPs. Moreover, for many the World Bank gender approach is far from satisfactory: many find it difficult to support a PRSP that uses women to boost national economic growth without establishing mechanisms to remove the inequalities that prevent women from benefiting from their involvement.

- Promote policies of gender equity that aim for economic and social well-being, within the existing PRSP framework.

While the framework in which PRSPs operate is largely pre-determined, the focus on poverty does open up new opportunities for policy formulation. Elements such as investment in education and health could be used to ensure wider well-being, as well as higher productivity.

Such an approach would seek to broaden conceptualisations of poverty in PRSPs, and lobby for social as well as economic indicators to be taken into account when ‘measuring’ and monitoring poverty. It may also suggest supporting those women and representatives of women’s movements who work in the PRSP process, strengthening their capacity to critique the policy formulated and suggest ways to improve it. This presents an opportunity for donors and project designers to ‘subvert’ the PRSP agenda for their own gender equality aims. For example, the inclusion of reproductive health in PRSPs offers an opportunity to formulate projects around reproductive and sexual rights.

However, such an approach does not alter the fact that women and gender are included in PRSPs as secondary considerations, rather than as a central concern in policy formulation. Moreover, although individual practical projects may bring short-term gains to a few women, they do not alter the conceptualisation of gender concerns such as reproductive health and violence within the family in official discourse. This works against long-term aims of promoting women’s rights.
• Promote a poverty reduction strategy that addresses gender inequalities rather than poverty.

The dominant neo-liberal policy framework emphasises economic growth as the key to reducing poverty and gender inequality. To reject this framework suggests the need to step back from the PRSP process and formulate alternative, gender-centred policy. The focus on poverty may itself be problematic in gender terms. If women’s relative poverty is to be challenged, its root causes need to be addressed, and these relate to the structural gender inequalities that underpin it.

Such an approach would mean working outside the poverty framework and formulating alternative strategies focused on gender inequality, within which income poverty reduction would be one aim. Such policies would focus on power and unequal power relations between men and women, and among women. Such an approach would appear to reject World Bank notions of gender mainstreaming. It may suggest the need for a Gender Strategy Paper to be produced for each PRSP, operating in much the same way as the Poverty Reduction and Growth Facility (PRGF), and requiring similar agreements to run parallel to the wider process and guide all policies within it.

However, rejecting the dominant discourse and operating outside it can isolate and marginalise key gender activists and divide women’s movements. Moreover, the PRGF runs parallel to the PRSP process and informs all stages of it because the importance of macroeconomic policy initiatives is recognised by the key international actors who control the processes. This is lacking where gender is concerned, and the danger would be that unlike the PRGF agreements, gender agreements would not be enforced.

Monitoring outcomes
While the three options presented above suggest different advocacy strategies, one common action could unite them: the monitoring and evaluation of the outcomes of PRSPs for gender roles and relations, and women’s relative poverty. This also suggests a strategy for those countries which, like Nicaragua and Honduras, have already embarked on the PRSP process and in which the strategies are now being implemented. The strategy would seek to:
• Monitor and evaluate implementation of the PRSP processes to highlight women’s role in them and the ‘gendered’ outcomes of these processes, both official and civil society instigated, and to lobby for change to existing policies in the light of the findings.

Key requirements for the participatory process
More generally the experiences in Nicaragua and Honduras indicate certain key elements, whatever the scenario or stage in the PRSP process:
• Women must be visible in society and in the PRSP process as active participants in that process, in their roles as reproducers, producers and political actors.
• There is a need to improve the capacity of women and women’s movements to lobby effectively, whatever position they take, and to disseminate information among themselves and to others who may be in solidarity with their agendas.
• In particular, women’s movements must feel capable of engaging with all elements of the present policy discourse, either to recommend improvements, or to produce critiques, in particular of the macroeconomic aspects.
• Monitoring of PRSPs needs to take into account ‘gendered’ outcomes, not only those predicted or presented as targets by governments, but also indirect and negative outcomes such as conflict and violence.

Support for women’s movements
The analysis presented here suggests a need to continue supporting women’s groups and movements, and further build their capacity, and in particular to continue funding expressions of the women’s movements and women-only projects. Key projects would include:
• Social communication strategies using all available media such as billboards, radio and TV to raise public awareness, including women’s own awareness, of the important roles that women play in society and the economy.
• Activities that foster and develop women’s networking, not only across national boundaries but also, and perhaps more importantly, within them.
• Education and training opportunities to improve women’s economic literacy and capacities to produce policy critiques and formulate alternative policy agendas that take account of socio-economic realities.
• Monitoring the implementation of PRSPs and evaluating them from an independent gender perspective to form the basis for future pro-poor, pro-gender activities.
References


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References


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Endnotes

1 www.worldbank.org/cdf/overview.htm
2 In addition to PRSPs, the CDF envisaged Sectoral Strategy Papers, a City Development Strategy and a revised framework for Economic and Sectoral Work.
3 The Poverty Reduction and Growth Facility (PRGF) replaced the Extended Structural Adjustment Facility in 1999. It is the IMF’s low-interest lending facility for poor countries, the mechanism to make concessional loans to poor countries focus on poverty reduction. The PRGF loans are supposed to stem from, and be consistent with, PRSPs. Rapid and sustained economic growth has always been behind IMF policy. The PRGF is intended to reflect the added objective of reducing poverty.
4 The World Bank has used the Country Policy and Institutional Assessment (CPIA) rating to examine governance. The CPIA tracks some 20 policy environment indicators, including policies for social inclusion such as poverty monitoring, pro-poor targeting and safety nets (see Collier and Dollar, 2002).
5 Studies suggest that women wage earners, in contrast, are more likely to contribute all their wages to the household. While studies have highlighted this ‘irresponsible’ behaviour of men, few have problematised this ‘altruistic’ behaviour of women.
6 Cited on www.brettonwoodsproject.org/topic/adjustment/wolf.html
7 See www.worldbank.org/poverty/strategies/
8 The CCER is now known as the Civil Coordinator. For further information about its activities, visit www.ccer-nic.org
9 How far the inclusion of the fourth pillar was a result of civil society lobbying is also debatable. International pressure may have been the real influence, reflecting the concerns of many donors and agencies about corruption in government (Quiroş Viquez et al, 2002).
10 Based on participant observation of the events as they unfolded.
11 The third consultation was a localised initiative undertaken in Leon Norte financed by an international NGO (see Cranshaw, 2003).
12 Analysis based on interviews undertaken with women leaders in Honduras as part of the project ‘Actualización de la metodología de evaluación de los efectos socio-económicos de los desastres naturales: Incorporación del análisis de genero’ undertaken for the United Nations Economic Commission for Latin America and the Caribbean – ECLAC – (Mexico) in September 2000 (Bradshaw, 2003).
13 Analysis based on personal communication with actors involved.
14 Analysis based on ECLAC 2000 study (Bradshaw, 2003).
15 Ibid.
16 Based on participant observation of the events.
17 Analysis based on communication with actors involved.
18 For example the document highlights low productivity, lack of access to productive resources, and lack of opportunities in the labour market as important determinants of poverty, and the need to improve the way Honduras interacts economically and commercially with the rest of the world as a key objective.
19 Workshops were held in 14 of the 17 departments of the country, with another two meetings in the autonomous region of the North and South Atlantic and one more in the troubled ‘mining triangle’. Rather than merely presenting the government document for comment, the aim was for participants to construct their own vision of the situation in their communities, and the priorities and emphasis needed to resolve them. Themed meetings, including two meetings about conceptualisations of poverty, complemented this process, providing a critique of the guiding principles of the official PRSP.
20 In Nicaragua, for example, the 1993 poverty gap is defined as the percentage at which annual average household consumption per capita is below the poverty line of US$428.94. However, the 1998 poverty gap is defined as the percentage at which annual average household consumption per capita is below the poverty line of US$402.05 per year. The extreme poverty line for 1998 is estimated at US$212.22. It basically covers minimum calorific intake.
Challenging women’s poverty

The World Bank and the International Monetary Fund now require poor countries seeking debt relief to outline their plans for reducing poverty in Poverty Reduction Strategy Papers (PRSPs). This CIIR briefing examines the extent to which women and gender issues are included in these poverty reduction strategies.

Combining an incisive review of the PRSP policy context and of women’s experiences of poverty with detailed analysis of the PRSP process in Nicaragua and Honduras, the authors critically examine the ability of PRSPs to recognise women’s needs and challenge women’s poverty. Their findings and conclusions will be essential reading for anyone involved in PRSP processes or interested in poverty and gender issues in Latin America and beyond.