

# Development is a Two-Wheeled Cart, High-Level Consultation for Promoting the Gender Equality MDG

## As Prepared for Delivery

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## Introduction

- Good morning. It is my pleasure to open this High-Level Consultation on “Promoting the Gender Equality Millennium Development Goal.”
- We’re here today because we all share a belief that the third MDG, for gender equality, is important not only as a matter of principle but also because it is essential to achieving the other MDGs.
- For the World Bank Group, promoting gender equality is a central component of our overall mission of fighting poverty.
- It is an enormous task that will require partnership and close cooperation.
- That’s why I’m grateful to be able to welcome so many partners to today’s session: the governments of Norway and the UK, the OECD/DAC gender group, the UN Division of the Advancement of Women, UNIFEM and the UN Millennium Project, and the partner countries that are represented here.
- In particular, I would like to welcome visiting Ministers: Ing Kantha Phavi, Cambodia’s Minister of Women’s Affairs; Joyce Banda, Malawi’s Minister of Women, Child Welfare and Community Services, and Mahmoud Mohieldin, Egypt’s Minister of Investment.

## A Cart with Two Wheels

- When we talk about gender equality, or about empowering women, or bringing more girls into the classroom, many think this is a women’s issue. They’re wrong. It’s a development issue. No country can expect to progress if half its population is held back from achieving what they’re capable of.
- During my visit to Pakistan this past summer, one poor woman told me that development is like a cart with two wheels—one man and one woman. If one of the wheels isn’t moving, the cart won’t go very far.
- We have made a lot of progress in recent years, both within our own World Bank programs and in the development field in general. But in order to meet the MDGs, we must accelerate that progress.

## Where We Stand Now

- We already have missed the 2005 target to eliminate gender disparity in primary and secondary education.
- In some parts of the world, we may still meet that goal by 2015. In the Middle East and North Africa, for example, 91 girls are enrolled for every 100 boys. If current trend continues, we can expect to achieve gender parity by 2015.
- But we are seriously off track in South Asia, where only 82 girls are enrolled for every 100 boys, and in Sub-Saharan Africa, where 84 girls are enrolled for every 100 boys.
- By 2015, it is estimated that we may miss the gender parity target by 6 million girls out of school. Most of them—3.8 million—will be in Sub-Saharan Africa.

### **Gender Equality and the MDGs**

- Those 6 million girls matter because every child has the right to an opportunity for a better future. But they also matter because the social and economic progress of their countries depends on them.
- I was in a small Moslem village in western Burkina Faso in June where a young woman, who was elected Secretary of the Village, guided me around. When I asked her whether it was difficult for women to be elected Secretary in a Moslem village, she said there is no way we can advance if women are denied equal rights.
- Educating women saves lives. One study of 25 developing countries found that one to three years of maternal schooling reduces child mortality by about 15 percent, whereas similar increases in paternal schooling achieves only a 6 percent reduction.
- Gender parity in income, too, can save lives: a child's probability of survival is increased by 20 times when income is controlled by the mother, rather than the father.
- One study in South Africa found that, when grandmothers receive pension, they spend a higher share of their money on clothes, food, and schooling for their grandchildren, compared to grandfathers who spend more of their pension on alcohol and cigarettes for themselves.

### **Gender Equality and Economic Growth**

- Data collection linking gender equality and economic growth is relatively new, but the evidence there, too, has started to accumulate. Creating opportunities for women is clearly smart economics.
- Studies have shown that in India, states that have a higher number of women in the work force are precisely those states that are growing faster and lifting people out of poverty.
- Sub-Saharan Africa would have almost doubled its average annual growth between 1960 and 1992 if it had closed the gender gap in schooling at the pace of East Asia.

### **Our Progress**

- The good news is, we have made some important progress in gender equality.
- East Asia, for example, has closed the gender gap in primary school: fifteen years ago, 93 girls were enrolled for every 100 boys, but by 2002 that number was 100 for 100.

- In low-income countries, the overall gender gap in primary school completion rates narrowed from 18 percentage points in 1990 to 10 in 2003.
- In North Africa, the literacy rates among women aged 15 to 24 increased by nearly 17 percent in the past decade, from 56 to 73 percent. This is a huge gain.

### **Labor Force Participation**

- We have progressed significantly in enabling women to acquire more skills and knowledge. We have not, however, made the same level of progress in creating more opportunities for women to apply their education in the labor force.
- Women continue to suffer from persistently higher unemployment rates than men. In the Middle East and North Africa women are almost twice as likely as men to be unemployed.
- Even when they are employed, women earn less than men, in all regions of the world. In developing regions, on average, women earn nearly 30 percent less.[1]
- In too many regions of the world, women face barriers in breaking into the better-paid non-agricultural job market. In Sub-Saharan Africa, for example, only 36 percent of the non-agricultural wage workers are women. This number drops to 22 percent in North Africa and 18 percent in South Asia.
- In order to tap women's potential to contribute to economic growth, we must bring more women into the labor force, and more women into higher-paid occupations.
- In the Middle East and North Africa, estimates show that if the female labor force participation rates had increased during the 1990s at the same rate as women's education, the average household income could have been 25 percent higher.

[1] World Bank (2001). *Engendering Development*. Policy Research Report. p. 55

### **Women in Policymaking**

- Another area where we need faster progress is the representation of women in the policymaking arena.
- As people in developing countries increasingly vote for women in government, a new vision of women is emerging—one of empowered citizens who are contributing to economic and social progress. We must cultivate this vision and have it guide our work.
- Statistics show that in countries where more women are in political office, there is less corruption, even in countries with the same income, civil liberties, education, and legal institutions.

### **Need for Resources**

- We need more resources to meet the MDG 3.
- Even in the most optimistic scenario, the annual financing gap for all countries is estimated at \$12 billion in 2006 and will rise to \$24 billion by 2015.

## **The World Bank and Gender Equality: Next Steps**

- Although the World Bank Group still needs to step up its involvement with gender equality work, I am proud of what we've done so far.
- We made significant progress on gender mainstreaming in social sectors like education and health. In the last two years, more than 90 percent of our lending for health and education incorporated gender issues in their design.
- But more importantly, we need to focus on mainstreaming gender in non-social sectors that support shared growth—such as infrastructure, energy, and transport—and improve data collection to understand women's participation in these sectors.
- When I visited Rwanda this past summer, I met a remarkable woman, an alumna of the World Bank, Beatrice Gakuba, who left a comfortable life in the West to start a flower-growing business in her country. She said she came back to grow flowers on the ashes of genocide. With hard work and persistence, her small farm grew, creating jobs for nearly 200 women.
- She told me one of the biggest obstacles she faced was not a lack of skilled workers but a weak infrastructure that makes electricity unreliable and transportation unaffordable. She lost about 5 percent of her crops to poor refrigeration.
- Today the World Bank Group is committed to intensifying gender mainstreaming in infrastructure, energy and transport sectors—so that women entrepreneurs like Beatrice Gakuba are no longer held back by these obstacles.
- I have seen in my travels the unmistakable role women play—not only in improving the lives of their children and families but also in revitalizing their communities and contributing to their countries' economic progress. All they need is the opportunity. It is time we do everything we can to help them get it.