

Joint Civil Society Position on IMF Gender Strategy

As civil society organisations, gender equality advocates and experts from across the globe engaged in women's rights, macroeconomic policy and the IMF over many years, we **welcome the IMF's commitment to tackling gender inequality through its new Gender Strategy** and would like to share our interest and reiterate our concerns, both with respect to process and content.

Despite the efforts around this strategy, it seems that gender has been de-prioritized by the Fund (e.g. in its recent [Work Program](#) and the Comprehensive Surveillance Review, where [gender was simply pushed down](#) the agenda to just "another form of inequality of opportunity") - exactly at a time when it has been widely acknowledged (including by the IMF) that women have suffered the most from the pandemic and will continue to carry the burden of its economic and social aftermath, making it critical to mainstream a gender lens in wider economic – including fiscal and monetary - policy decisions. We want to emphasise the interlinkage and intersection of macro-critical issues (e.g., gender, inequality, climate, social spending) – they can be integrated and do not need to present trade-offs. Civil society has proposed such a [Framework for IMF Engagement in Country-level Surveillance on Macrostructural Issues: Inequality, Gender, and Climate Change](#) in 2021.

We acknowledge that the IMF has recently put the [concept note](#) of the gender strategy up for open online consultation; however, in order to have a meaningful exchange with CSOs and WROs, this is too late and rushed considering the intention to finalise and approve the strategy before the 2022 Spring Meetings. Developing more **transparent and meaningful civil society engagement processes** from the start is therefore one of our three key asks expanded on below.

At its core, the gender strategy should subscribe to a **do no harm approach**, moving beyond the IMF's orthodox macroeconomic paradigm and **critically assessing how the Fund's standard fiscal, monetary, structural, and labour market policy framework has substantive implications for gender inequality**.

The introduction below provides a detailed summary of some of these linkages, followed by three key pillars to our joint proposal.

Introduction

Before discussing what we are hoping to see in the strategy, we want to establish a shared understanding of the unequal positions of women in the economy, and the structural relationship between their realities and macroeconomic policymaking. On a foundational level, our understanding is rooted in a perceptual shift from viewing women as mere individual economic agents to gender as a system that structures unequal power relations and enables and underpins the current economic order; without losing sight of how these power relations are also influenced by the intersection of gender with other systems of oppression.

We know that women:

- are disproportionately engaged in the social and reproductive economy of unpaid care and domestic work, a contribution to the economy and society not captured in terms of GDP
- disproportionately work in the public sector, and depend upon services from the public sector, such as health (particularly reproductive health and rights), education, and social services
- are vertically and horizontally segregated in the labour market
- have separate and specific needs for public services, including services to help prevent and respond to the prevailing shadow pandemic of gender-based violence
- are expected to pick up where public services fail or have been cut through austerity - increasing their disproportionate burden of unpaid care work
- comprise the vast majority of the poor, with lower levels of income, asset and land ownership
- make up the majority of the informal labour market workforce, and in particularly vulnerable, precarious, and insecure forms of employment and self-entrepreneurship, which often come without legal or social protections and limited access to resources and services, thus having a greater need for decent work, social protection, freedom of association and collective bargaining rights

- spend a greater share of their income on essential commodities, food, medicine, and basic goods
- are disproportionately affected by severe climate change and ecological disasters and are more likely to face displacement and distraction of livelihoods as a result.
- have been disproportionately impacted by the Covid-19 pandemic, including through loss of livelihoods and decent work, increased unpaid care loads, lack of social protection or safety nets, loss of access to public services, and increased levels of GBV including domestic violence, while being the majority of healthcare staff and frontline workers.¹

Given these conditions, and the long-term impact of the Covid-19 crisis on women as well as on developing countries' public expenditure under a growing debt crisis, the following types of policies can exacerbate and perpetuate structural gender inequalities and undermine women's rights:

- Austerity measures such as public expenditure reductions, cuts and privatisation of public systems and services
- Rationalization, targeting and/or cuts to social protection (rather than expanding current schemes to capture marginalised groups e.g. in the informal economy), including health care and basic income security
- Labour flexibilization, including reducing minimum wages and undermining collective bargaining rights
- Regressive taxation, such as indirect consumption taxes like Value-Added Taxes and General Sales Taxes, among others, which often increases poverty and inequity
- Reductions to progressive taxes, reducing fiscal revenue available to sustain social investment
- Public wage bill cuts, freezes and layoffs
- Prioritisation of debt servicing as a commitment for Governments to meet their debt obligations as opposed to prioritising social investment
- Removal of subsidies on essential goods and services that low-income communities rely on, such as energy and food while replacing them with narrowly targeted safety nets.
- Continuing producer subsidies for fossil fuel and extractive industries, which exacerbate gender and other inequalities and climate change
- Private sector deregulation and financialization, making essential services increasingly less accessible and affordable.

Some of the realities described above are mentioned in the concept note (e.g. informal employment, effects of the COVID pandemic on unpaid care burdens) as “structural barriers”, and the note discusses the causal linkage from gender disparities to macro outcomes such as growth (p. 3-4). However, the note fails to make explicit the mutual interaction of gender disparities and macro-economic policies. Not only do gender disparities and structural barriers affect macro-level outcomes; macroeconomic policies affect gender disparities and can further entrench structural barriers – we provided many examples above. The note does mention in paragraph 5 that the Fund can “shed light on how macroeconomic and financial shocks and policies affect men and women differently” – this should be significantly expanded upon.

Recognizing these linkages, we hope that the IMF's new Gender Strategy will accomplish the following:

1. Articulate a clear vision on the IMF's work on gender equality rooted in a macro-economic paradigm shift and commitment to do no harm

The IMF has been addressing gender issues in some of its lending, surveillance and research for about a decade, declaring gender macro-critical and assembling a [How to Note on Operationalising Gender Issues in Country Work in 2018](#). These were welcome steps - in particular paragraph 26 of the How to Note that acknowledged adverse gender impacts of macro-

¹ We also know that women's experiences are diverse, and that women living in extreme poverty, migrant women, LGBTQI and disabled women, and women from minority and ethnic groups, particularly in the Global South, are significantly more likely to experience these disadvantages and be marginalised in the economy; and be impacted by gender-blind economic policies. Moreover, persons outside of the gender binary face an additional layer of discrimination and exclusion. Taking an intersectional approach to gender equality means taking stock of these various levels of inequality.

economic policies such as described above and recommended an alternative policy mix to mitigate them - but did not constitute a clear, long-term institutional vision for addressing structural gender inequality, and the operationalisation and policy action resulting from this recognition have been insufficient thus far.

The Fund's narrow, instrumentalist approach focused on women's labour force participation and growth fails to recognize that many of the IMF's conventional macroeconomic policy frameworks, recommendations and assessments have adverse effects and implications for women's economic and social rights, livelihoods, and well-being. Since the IMF began addressing gender issues, it has done so within this conventional policy paradigm, reflected in the bulleted policies above, which have contributed to the feminization of poverty and multidimensional inequalities. For example, the ability of national governments to achieve the Sustainable Development Goals and fulfil their human rights obligations is systematically undermined through the prioritisation of external debt payment in the interest of international creditors, while marginalised communities and particularly women bear the brunt of the resulting adjustment.

Therefore, the essential starting point is that the strategy must lay out **a clear, comprehensive, overarching vision with long-term objectives for HOW and WHEN the Fund should engage on gender (or not)**, rooted in a genuine willingness by the IMF to revisit and reconsider its macroeconomic policy paradigm.

- Recognizing the macro-criticality of gender, the IMF Gender Strategy should lay out an institutional framework for the IMF to meaningfully integrate **a gender equality analysis across its core mandate**. This integration should focus on reformulating fiscal, monetary and structural policy content toward upholding gender equality and women's economic and social rights at the outset, rather than enacting temporary and often symbolic harm mitigation measures.

Adverse gender impacts of the Fund's policy frameworks should be measured and redressed within surveillance and loan programs. This includes **systematic ex-ante and ex-post gender and inequality impact assessments of IMF supported programmes and policy advice that include the participation of local civil society, including women's rights organisations**, as well as the systematic inclusion of a gender lens in review processes such as the CSR.

- This vision must contain a **strong commitment to "do no harm"** and translate this commitment into **concrete operational guidance, safeguards, and recourse mechanisms that are systematically applied**. Rather than advising members on ways to close gender gaps in their own countries, even going as far as implementing gender conditionalities as suggested by the concept note, the first step must be **inward-looking gender impact assessments of the Fund's bread and butter macro work, and accountability for the results**.

This is briefly mentioned in the Concept Note (p. 5, paragraph 8, "At the very least, IMF policy advice should not exacerbate gender disparities"), but then not discussed further, leaving it open to interpretation both 1) how IMF policy advice can, and has, exacerbated gender disparities, and 2) what the IMF intends to do to prevent this in future. We strongly encourage this to be detailed further in the gender strategy.

Moreover, it is concerning that the IMF is considering addressing gender inequality in program conditionality (p. 5, paragraph 9). The IEO and the staff review of conditionality have already recommended that the Fund should adopt more parsimony when it comes to conditionality, and we strongly suggest focusing first on gender impact assessments for every regular Fund operation rather than adding further conditionality into programs.

- This vision should go beyond selective gender issues and commit to include all dimensions of gender equality and other intersecting discriminations, especially unpaid care work and time poverty and decent work, as well as the close link between gender inequality and economic inequalities. This should include further **developing the Fund's impact modelling work** with the aim of producing a more comprehensive and accurate portrayal of these complex realities (than previous DSGE models) that can be applied in a practical manner by staff.

We were encouraged to see this highlighted by the concept note in some detail as one of the main priorities (p. 6-7), including the acknowledgement of external work, and the commitment to developing new indicators, models, and toolkits.

- This vision should also spell out a **framework for how the IMF's gender work should relate to that of other institutions beyond the World Bank**, such as UN bodies (ILO, CEDAW Committee, UN Women), and set out clear criteria for when the IMF should engage on gender and when NOT to, e.g. which gender-related topics other institutions are more apt at addressing.

We were encouraged that the concept note highlights collaboration with other organisations, including academia, CSOs, and the UN system. We look forward to seeing this systematised.

- In terms of concrete policies to advance gender equality and mainstream a gender lens in the IMF's concept of the (macro) economy, there are many **alternative policies** that the Fund can consider and promote, such as putting gender

budgeting at the core of public financial management, re-valuing the role (and the accounting) of investment in social infrastructure and social care, advancing the economic accounting of unpaid (care) work, and committing to pushing for alternatives to austerity measures.

2. Commit resources

We remain gravely **concerned about the lack of staff capacity at the Fund to conduct meaningful gender analysis at scale**, including the lack of expertise on feminist macroeconomics and very limited resources to expand this. We have seen little to no commitment in the IMF's regular operational budget to fund rigorous gender research and expand staff capacity for feminist economists and specialists in gender equality and macroeconomic policies, while the practical implementation of the Fund's operations e.g. in surveillance and lending as currently done do not allow for necessary level of analysis, consultation, and data collection for a meaningful gender analysis or impact assessment.

Therefore, we need to see some **real commitment in the IMF's regular budget to expand capacity for in-house gender expertise**. This involves:

- Hiring the requisite staff with feminist macro economics expertise
- conducting intensive training across the organisation, and investing in the change management needed to conduct regular operations differently
- funding relevant research and development of new models, e.g. including unpaid care work and other wellbeing markers in GDP
- conducting a Gender Responsive Budgeting exercise of the Fund's own budget

Not doing so risks overall sustainability within the institution, the likelihood of other departments to take the Gender Strategy seriously, and country staff's capacity to implement it.

The concept note lists internal governance and resource constraints as two of the main gaps, including the need for training, "trial and error" through pilots, and accountability. We posit that significantly more will be needed to rigorously examine the Fund's impact on gender and lead an organisation-wide change in mindsets and practices.

Given the existing limitations, it is also crucial that the IMF **seek outside expertise and draw on the substantial body of research and evidence already available**, including by establishing partnerships with feminist economists, civil society, and research institutions (also see next point).

3. Invest in meaningful external engagement to build knowledge on gender and macro-economics

Civil Society

Despite improvements in the past years, the Fund's **engagement with civil society** remains unsystematic and often superficial. While in-country consultation is mostly reliant on the personal priorities of IMF mission staff, CSOs and women's rights groups have also been largely excluded from key recent global IMF processes, such as the CSR.

We find that the **lack of transparency about the process and seemingly last-minute nature of consultation on this Gender Strategy** does not reflect a significant shift towards meaningfully engaging with civil society: The consultation was announced a week before the first Board meeting and two weeks before the eventual CSO meeting, with 6 weeks between the first CSO meeting and the finalisation of the strategy, and a total of 2.5 weeks for the online consultation.²

This means civil society groups have very limited time to prepare, coordinate, and draft inputs. When consultation does happen, it often defaults to large INGOs headquartered in the Global North, **with limited engagement with women's rights organisations from the Global South**. This is particularly relevant under the context of the intersecting COVID-19 and climate crises, which have put additional strain on women's rights groups and their representatives. One key lesson of the pandemic should be that truly participatory processes require time, resources, intention, and thought.

Tackling gender inequality is in large part about dismantling structural inequalities to empower those that have been systematically marginalised and made most vulnerable. A genuine commitment to advancing gender equality therefore

² Timelines are currently being adjusted in response to a personal emergency on the IMF team. Our statement here is based on the initial coordination of the process, and our assertion that longer timeframes should have been planned in from the start.

requires **the meaningful participation of diverse women in the policy decisions that impact their lives**, including major macro-economic policy decisions. Women's rights groups and civil society bring **long-standing expertise and lived experiences** on these issues, and their consultation is key to ensure that the IMF's recommendations are context appropriate, especially with the given resource constraints at the Fund for developing in-house gender expertise.

Therefore, it is our strong recommendation that the strategy contains a **clear commitment to more meaningful CSO consultation and participation** (e.g., during impact assessments, evaluations, and development of standards and models), and a willingness to seek and acknowledge gender expertise outside the Fund's traditional purview.

- The IMF should adopt a **clear policy** of systematic, timely, and transparent engagement and consultation with civil society, including gender justice organisations, across its operations and their life cycles, to enable meaningful participation of women, LGBTQ+ and others.
- This should include a **mechanism for independent accountability** that goes beyond consultation and that is responsive to community complaints.
- **Appointing a specific gender CSO liaison** who is tasked to ensure meaningful consultation with Global South based women's rights organisations could facilitate better engagement.

As outlined, this is necessary to address gender in a rigorous and credible manner, rather than an ad hoc or rudimentary afterthought or an instrumentalization of women's labour for the purpose of boosting GDP-based economic growth measurement.

Expert bodies and international organisations

This also requires enhancing the IMF's **collaboration with expert organisations** in the field of women's rights and gender equality, in recognition of the fact that the Fund has historically lacked gender expertise and legitimacy. Alliances and more formal partnerships should be established between the IMF and agencies such as UN Women, the ILO, CEDAW, UNICEF, UNFPA, etc., special procedure mandate holders of the UN Human Rights Council, who have in recent years scaled up their work on the relationship between macroeconomic policies and human rights. This recommendation echoes the conclusion of the IMF's Independent Evaluation Office's report (2017), which noted that the Fund's approach "meshed less well" with rights-based organisations and that "in an area where the IMF is not a global leader it must rely heavily on other agencies for in-depth expertise ... there is no alternative to the Fund cooperating, and being seen to cooperate, with others willingly and constructively."

The concept note highlights expanding collaboration with other organisations through knowledge sharing and collective advocacy for reforms (p. 5, paragraph 6; p. 8, paragraph 16). Given previous experience of collaboration has been inconsistent, as highlighted by the IEO, it will be important that the strategy spell out a more systemized framework (also see recommendation under 1. A Clear Vision). For example, such partnerships should rest on publicly available Memoranda of Understanding that detail shared objectives and spell out the delineation of mandates and different areas of work/expertise in relation to gender issues.

Feminist economists

Lastly, the Fund's engagement with **feminist economists** - and indeed, knowledge of the existing body of work from several decades of feminist economic research - is unsatisfactory. Civil society and heterodox academics have produced a wealth of publications tackling gender in relation to tax and fiscal policy, debt, as well as social, labour, and monetary policy, drawing out how women are impacted differentially by seemingly gender-neutral macro-economic policy decisions, and how gendered dynamics in the economy in turn impacts the macro-economic environment. These publications are widely accessible and given the Fund is coming "late to the game" on gender by their own admission, engaging meaningfully with this serious and substantive canon of feminist economics work should be a priority.