



Funding inequality: how socially conservative development projects limit the potential for gender equitable development

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As traditional macroeconomic development strategies such as employment creation and foreign investment have overwhelmingly failed to 'trickle down' to the poorest people of global society, alternative strategies are increasingly being sought. Many developing country governments have begun courting foreign investment in tertiary services such as information technology, financial services and tourism. This paper is interested in the promotion of tourism as a specific national development strategy for many such countries. It focuses less on the macroeconomic dimensions of such a strategy, and more specifically on tourism-based development projects funded by international financial institutions (IFIs). In particular, the paper asks questions about the relationship between tourism development projects and gender equality. Drawing on Specific empirical examples based upon extensive interviews, it is argued that the way in which gender equality is framed in the design and implementation of such projects limits their potential to contribute to any significant redress of gender inequalities.¹

Introduction

The paper begins with an overview of the current debate on microenterprise and microfinance within international political economy and development studies. It argues for a feminist political economy contribution to the debate in order to broaden the understanding of the impact of such projects. In order to explore these ideas further, the paper turns to the region of Central America where tourism as a development strategy is being promoted by all seven nations through the Central American Tourism Integration System (SITCA). Following current development trends, both the 'macro' and 'micro' dimensions of tourism policy contain a gender dimension. However, this tends to be framed in terms of 'equality of opportunity' rather than an understanding of gender equality *per se*.

This argument draws on a broader debate within feminist analysis about the conflict between 'right-based' and empowerment approaches to gender equality. As Elias and Ferguson (2007) argue, the 'equality of opportunity' approach to gender equality within international development has often been deployed in an instrumentalist manner in order to achieve broader development goals. This debate is located in a wider divide in feminist approaches to development between those who advocate a liberal 'Women in Development' approach (Boserup 1971, Tinker 1976) and a more critical Gender and Development (GAD) paradigm (Beneria and Sen 1981, Moser 1989). The WID approach focuses on integrating women into the market through economic participation and views equality of opportunity as the key mechanism for redressing inequalities (Jaquette and Staudt 2006). In contrast, GAD feminists advocate a focus on

broader structural inequalities and the analysis of capitalism in relation to women's equality (Waylen 1996, Rai 2002). The particular feminist political economy approach of the paper situates itself in the more critical GAD tradition to development, where it is argued that gender inequalities can not be understood as separate from the intersecting inequalities of class, ethnicity and nationality.

As a consequence of the framing of inequality within such projects, the potential for the redress of gendered power relations becomes profoundly limited. Using the example of a World Bank project in Copán, Honduras, the paper offers an analysis of the ways in which such a limited framing of gender inequality perpetuates unequal power relations within tourism development outcomes. The argument will be developed in two stages. The first part of the paper will demonstrate how the integration of feminist insights into development policy has been both limited and selective. Following on from this, it will be argued that the attitudes of socially conservative practitioners carrying out projects 'on the ground' further restrict the empowerment potential of contemporary development strategies. As a result of these limitations in both the framing and implementation of development projects, the potential for such projects to contribute to greater gender equality is severely limited.

Microenterprise in contemporary development policy

Microenterprise projects should be understood in the context of the Post Washington Consensus in which poverty reduction has become a fundamental dimension of global development policy (Weber 2002, Cammack 2004). In line

with contemporary global development initiatives such as Heavily Indebted Poor Country Initiatives and Poverty Reduction Strategy Papers, the promotion of 'private sector development' has become a key component of development discourse (IADB 2006). The concept of microenterprise was developed in relation to the emergence of microcredit schemes, an initiative designed to lend money to the poorest in global society in order to give people the opportunity to set up and sustain businesses (World Bank 1999; IADB 2003). In the late 1990s, microfinance was hailed as a way of reducing poverty and in particular offering the opportunity for women to gain empowerment through economic independence (Morduch 1999; Morduch 2000; Weber 2002; Ritchie 2007). In many ways, the ideas of microfinance and, consequently, microenterprise, have always been intrinsically tied in with ideas about women's empowerment, partly due to their progressive roots in projects such as the Grameen Bank in Bangladesh and the Self Employed Women's Association in India (Yunus 2003, Kantor 2005).

Since the subsequent adoption of the microfinance model by the major IFIs as 'global best practice' (Weber 2002) such projects have attracted a good deal of attention from critical development theorists and political economists. These criticisms are particularly well articulated by Heloise Weber, who argues that microfinance projects should be understood as performing a 'dual function' in political economy: by providing a vehicle for the facilitation of deeper financial liberalisation and creating a political safety net to discourage resistance to neoliberal policies (Weber 2002: 541). Although microcredit schemes remain

abundant within development funding, to some extent the emerging development agenda can perhaps be better conceptualised through the concept of *microenterprise* projects. The term *microenterprise* in this paper is used to describe projects aimed at promoting a vibrant private sector through offering 'seed capital' or small grants to entrepreneurs aiming to set up or expand small business enterprises (World Bank 1999; IADB 2003, 2006). These projects have been particularly pioneered in Latin America, with the IADB arguing that 'the *microenterprise* sector has become a stabilizing force and has contributed greatly to overall employment, production, and national income' (IADB 2003: Foreword). It is specifically the area of *microenterprise* development projects on which the paper will focus, using the example of a World Bank project in Honduras to analyse the relationship between *microenterprise* projects and empowerment for women.

Despite the overt commitment of both microcredit and *microenterprise* schemes to tackling gender inequality, the possibility for such projects to achieve such ends have been questioned extensively by feminist political economists. In particular, research into the outcomes of such interventions has concluded that such initiatives have failed to redress gender inequalities in any meaningful way. That is, while gains may have been made in terms of incorporation into informal employment, from a more critical feminist political economy perspective such gains have not been accompanied by structural changes in gender power relations. Writing on women entrepreneurs in Zimbabwe, Mary Johnson Osirim found that such women were adversely affected by economic crises and

structural adjustment, highlighting the precarious nature of the microenterprise sector for women's economic activity (Osirim 2003). A feminist analysis of control over microcredit loan use in Bangladesh concluded that such control was overwhelmingly maintained by male household members, despite women's liability for loans. This, it is argued, is a consequence of programmes focussing on women's home-based work and a lack of attention to wider questions of gender inequality in the household and society (Goetz and Sen Gupta 1996). In a broad-ranging criticism of microenterprise development as a tool for addressing gender inequality, Linda Mayoux suggests that:

It is unlikely that microenterprise development will prove to be the rosy 'all-win' solution assumed in much of the promotional literature. Even in terms of narrow aims of increasing beneficiary incomes, microenterprise development is unlikely to succeed for the vast majority of poor women (rather than a small number of better-off women) unless it is a part of a transformed wider agenda. There are particularly serious implications for any reliance on microenterprise programmes as the main focus of any wider strategy for poverty alleviation and change in gender inequality. (Mayoux 1995: 57).

This paper follows in the critical vein of these research projects by adopting a feminist political economy approach to tourism-based microenterprise projects in Honduras. In order to contextualise the analysis, the paper will first offer a brief evaluation of the political economy of tourism development in Central America.

The political economy of tourism development in Central America

The contemporary political economy of Central America broadly comprises two key trends: the diversification of Central American exports away from agriculture towards service sector activities such as tourism; and an emerging discourse of poverty reduction among key development organisations such as the World Bank. The structural reforms of the 1980s and 1990s are being further embedded by three key processes currently taking place in Central America: the Central American Free Trade Agreement (CAFTA); the Plan Puebla-Panamá (PPP) and the deepening of outward-oriented regional integration. In addition, Central American countries are still subject to conditional credit through agreements such as the Heavily Indebted Poor Country Initiative (HIPC) and Poverty Reduction Strategy Papers (PRSPs), which serve to as contemporary versions of the SAPs of the 1980s and 1990s, offering debt relief in exchange for deeper liberalisation of Central American economies (Rai 2002). These three processes set the context for the emergence of tourism as a viable development policy, by prioritising diversification into tertiary sector activities and the further reorientation of this sector towards the global market (Robinson 2003).

The focus on trade in services reflects a deeper structural change across the region away from agricultural production and export processing zone manufacturing towards 'new' export-earning strategies such as tourism.² It also reflects the recognition by political elites in Central America that success in neoliberal development terms requires the diversification of exports and the

promotion of tertiary sector activities (SGSICA 2002). The 1996 'Declaration of Montelimar' signed by representatives of the seven tourism integration countries (incorporating Belize and Panama) recognises tourism as a force for enhancing Central American global competitiveness, and increasing the diversification of economies (SGSICA 1996). Agreements such as CAFTA facilitate and reinforce such a reorientation by 'locking in' the commitment to liberalise the service sector and forcing greater competitiveness in the global market, thus making such activities more profitable in developmental terms than traditional export activities (Robinson 2003).

Central American countries are entering a new phase of development strategy. The passing of the CAFTA symbolises the deeper structural embedding of the export-led development model and forces Central American countries to further diversify their export strategies, leading to the focus on tertiary sector activities such as tourism. Coupled with deepening regional integration supported by the key IFIs, development strategies are increasingly conceptualised in region-wide terms, whereby policy-makers perceive that global competitiveness can best be achieved by promoting region-wide development. The focus of such integration has been primarily focussed on enhancing the competitiveness of the region, as supported by IADB projects such as the PPP. This can be seen as part of a broader process of the neoliberalisation of Central American development strategies in which the state is implicated in the promotion of competitiveness (Cammack 2004). Assessing contemporary development strategies in the context of a restructuring of the economy towards tertiary sector activities and the

further diversification of exports sets the context for the emergence of tourism as a key development strategy for Central America.

In Central American terms, an estimated 73% of women workers were employed in the service sector between 1990 and 1997, compared with just 38% of men, outlining the gender dimensions of the emerging 'new' export activities (Chant 2003: 209). Tertiary sector activities in Central America are overtaking the traditional sector of agricultural production and the new manufacturing industries. However, the service sector is diverse, including both public sector workers and those forming part of the global division of labour in multinational corporations. A key service sector activity in all Central American countries is tourism and tourism-related services. In both Belize and Costa Rica, tourism is the single largest source of foreign exchange earnings (Duffy 2002).³ In contrast, tourism in Honduras accounts for a much smaller percentage of all foreign exchange earnings, leaving plenty of room for the development of the industry. However, despite its relatively new export status, earnings from tourism grew by 20% a year in Honduras between 2001 and 2004.⁴ In 2001, tourism earnings accounted for 10.8% of all export revenue compared with 10.2% in 2000, making it a growing part of the country's export profile. Across the region, tourism has been a growing source of both export and foreign exchange earnings. If the trend continues, tourism will become the primary income-earning strategy of all Central American countries, with its contribution in relation to other economic activities increasing steadily.

Tourism as a development policy is increasingly being supported by multilateral development agencies and financial institutions, particularly in relation to the key themes outlined above of poverty reduction and achieving the MDGs. A Tourism Policy Forum organised by the UN World Tourism Organization (UNWTO) in October 2004 spurred new commitments from multilateral donor agencies such as the World Bank, leading to a 'new mindset among top officials of the IFIs that tourism can be the 'entry point' to development in areas like infrastructure and rural renewal' (UNWTO 2005: 12). The World Bank recognises that tourism features as a focal sector in 90% of Poverty Reduction Strategy Papers (PRSPs), the key framework documents for donor support UNWTO 2005: 12). Tourism projects constitute 3% of the Bank's total portfolio, and the concept of tourism as an 'entry point' means the World Bank will be embracing 'a new paradigm' in which tourism will be integrated into PRSPs and national strategies (UNWTO 2005: 38). According to the UNWTO tourism has become the main source of foreign exchange revenues for the forty-nine LDCs, excluding the oil industry which is concentrated in only three of these countries. Analysing the aggregate export earnings of the LDCs reveals that tourism accounts for one-sixth of their non-petroleum exports, surpassing the second and third largest earners of raw cotton and textiles (UNWTO 2002:10-28).⁵

The tourism development project has been vigorously supported by all Central America leaders. Following on from the renewed outward-oriented integration project of the 1990s, tourism has been seen as a force for uniting the region, as well as promoting development for all countries. Costa Rica and Belize are

presented as the models for tourism development, as both countries have had considerable successes in gaining development outcomes from tourism and the tourism services sector.⁶ Private sector actors have managed to entrench their interests within the Central American tourism project from the start. In fact, it could be argued that the project originated from the pressure of tourism industry actors wanting to invest or expand in the area. A key element of SITCA's policy strategy is the incorporation of the private sector into public sector decision making (SGSICA 2002: 6, 2004; FODESTUR 2003). As such, the formation of tourism development policy is heavily influenced by the objectives of the tourism industry, both regional and international, and the interests of such actors are strongly represented in the policy process.

Although tourism as a development strategy in Central America is primarily led by the private sector, it would be wrong to suggest that this sector was in any way harmonious. The tourism private sector in Central America is made up of three key sets of actors: large multinational companies; locally-based small and medium enterprises; and an emerging tourism-oriented microenterprise sector. Current development strategies attempt to create linkages between the microenterprise sector and larger corporations. However, such relationships are not without their tensions, as many representatives of the small and medium enterprise sector in Central America perceive the pursuit of large foreign investment projects as in conflict with a more low-scale understanding of tourism development.⁷ These tensions are important for understanding the political economy of tourism in Central America, as such contestations over the nature

and direction of development are frequent. Although this paper focuses specifically on the microenterprise dimensions of tourism development such projects are best understood within the broader context of the regional tourism development project.

Assessing the 'gender paradigm' of tourism development projects

The term 'gender paradigm' is used in this paper to describe an emerging discourse in which gender equality is a fundamental component of contemporary development policy. Since the UN's Conference for Women in Beijing in 1995, 'gender mainstreaming' has been steadily adopted across all political institutions (Hafner-Burton and Pollack 2002). The adoption of Millennium Development Goal number three – promote gender equality and empower women – has further provided the impetus for the integration of gender equality goals into all elements of development policy. However, the terms in which feminist notions of equality have been incorporated into global development discourse need to be carefully analysed (Elias and Ferguson 2007). As Suzanne Bergeron argues, the framing of World Bank discourse around notions of economic rationality and social space have meant that alternative conceptions of feminist inclusion have been left out of development policy (Bergeron 2002). The problem with gender mainstreaming from a critical perspective has been those elements of feminist critique which have been incorporated, and which have been rejected (Prügl and Lustgarten 2006). Gender mainstreaming in development policy has mainly incorporated the WID interpretation of equality as outlined above, in which it is argued that

women's integration into market society through work in the sphere of production will contribute to greater gender equality (Waylen 2006). The wholesale acceptance of the WID paradigm has caused development discourse to challenge few of its fundamental assumptions about the role of the market in development (Perrons 2005). In fact, the integration of women into the market as a primary goal of all development projects is in many ways perceived as instrumental to facilitating the spread of global market relations. The 'gender paradigm' identified here is one based on the general acceptance of women's right to participate in market development, and the attempt to facilitate such integration through targeted development strategies.

In more specific terms, Central American tourism development policy broadly reflects the global dimensions of the gender paradigm. Within regional tourism institutions, representatives discussed gender in terms of 'marginal groups'. The term 'equality' was rarely used. Instead, tourism was understood as a way in which such groups – women and indigenous people – could *access the opportunities* offered by tourism. Tourism is understood as an economic activity that can integrate women into the economy, which in turn allows them to contribute to the family economy and strengthen their personal development. Such perspectives follow the liberal notion of equality of opportunity without considering the structural roots of such inequalities, embedded in intersecting hierarchies of class, ethnicity and nationality. 'Gender' is therefore understood in a very limited way. Respondents repeatedly argued that tourism development

policy should aim to preserve family and social structures, and stressed the importance of the nuclear family to development in Central America.⁸

One civil servant with an interest in gender equality spoke more frankly about these issues, suggesting that there is a complete absence of gender-sensitive policy at the national and regional level. This, she argues, is mainly due to the fact that tourism is predominantly a private sector activity, and as such policy initiatives have to be directed towards this sector in order for tourism policies to have benefit for women and men. She also cites the presence of machismo in rural communities as a big hindrance to tourism development policy contributing to gender equality.⁹ Issues such as gender and feminism are simply not acceptable topics of conversation in many communities, so policy is needed in order to ensure that such issues go hand-in-hand with economic development. The majority of respondents argue that women will be the protagonists of tourism development – both at the policy and labour level. However, it is important to question the level at which women and gender politics are being incorporated into the overall development project.

These attitudes are reflected even more strikingly at the national level. In Honduras, a conservative Catholic country, notions of gender equality are approached from an 'equality of opportunity' perspective. As well as proving its 'poverty alleviation' credentials, all tourism policy in Honduras must involve a 'social, gender and environmental dimension'.¹⁰ This contrasts sharply with Costa Rica, where policy is perceived on a more ad-hoc basis and gender issues are rarely discussed, particularly in the area of tourism policy.¹¹ In part, the focus

on 'social' and 'gender' issues in Honduras can be understood through the government's greater involvement with international donor agencies and funding organisations, where gender awareness has been 'mainstreamed' and as such has become a required component of any development project. What is important to remember is that 'gender' – however (mis)interpreted – nevertheless features strongly in the Honduran Tourism Ministry (IHT)'s discussions and understandings of the relationship between tourism and development.

Representatives of the IHT were keen to point out that all projects have a strong gender dimension, and many of the respondents mentioned gender without prompting, indicating that it has indeed been a key part of the process behind the development of the National Tourism Development Strategy. However, it is important to interrogate how 'gender' is understood by policy-makers and how the relationship between gender and tourism is perceived. These findings are surprisingly consistent across the IHT and are also reflected by those working in tourism development in Copán. The primary understanding of gender within the IHT is that it relates to women in their roles as producers of tourism goods and services. In general, support and assistance for these productive activities is what constitutes the gender component of policy. As such, issues such as reproductive rights and social provisioning are left out of the picture as equality of opportunity and participation are the goals of policy. In particular, it is argued that tourism offers the greatest opportunities for women as the majority of tourism small businesses are run by women, in contrast to larger enterprises which tend to be male-run. The reasons given for this are that

tourism offers a space for women to make a living out of their 'primary activities', allowing them to value these activities – such as *artesanía* (roughly translated as 'handicrafts') or traditional food preparation – as some kind of artistic or creative achievement.¹² The gender dimensions of IHT policy should therefore be understood as profoundly socially conservative, arguing that tourism activity is positive for women as it retains social structures of reproduction while allowing income and increasing 'productive capacity'. In other words, 'primary' or reproductive activities should be commodified for tourism as they allow women to stay in the home and community and continue to take care of the children whilst earning an income.

Setting out the specific ways in which gender equality is understood by those directing tourism development policy in Honduras acts as a bridge for conceptualising the relationship between global notions of gender equality in development policy discourse and how these come to be interpreted by actors in developing countries. The ways in which gender is understood by policy makers in Honduras is both a reflection of the global gender paradigm and the values and culture of that country. In particular, the incorporation of notions about women's productive work being carried out in the home reflects the conservative nature of Honduran tourism development policy. Likewise, the explicit commitment to integration into the market as a means by which to retain structures of reproduction frame the ways in which tourism development projects are likely to be carried out.

Microenterprise projects in action – funding inequality in Copán, Honduras

Tourism development in Copán should be understood within the context of a broad sustainable development strategy in which tourism is the main focus of economic activity and income generation. Despite the relative wealth of the urban area of Copán Ruinas due to tourism, the surrounding areas remain desperately poor. The department of Copán is the 38th poorest out of three hundred municipalities in Honduras. A survey carried out by the municipality for the World Bank found that 80% of people in the area were living without electricity and other basic infrastructure, 40% of people had no access to clean drinking water and 40% were illiterate (World Bank 2003). World Bank projects and the overall tourism development strategy for Copán aim to tackle this extreme poverty and allow for some improvements in the quality of life of the people living in rural areas in the region.

In order to integrate people living in extreme poverty in rural areas into the tourism development project, there is a perception that all economic activity should be oriented towards tourism (World Bank 2003). In the case of Copán this means that people traditionally working in agriculture are being encouraged and trained to turn this activity towards tourist consumption, a policy which is duplicated at the national level. This is not to suggest that all farmers should open a hotel or restaurant, but more that they are being supported in re-orienting their production to tourism – for example, by creating honey for sale in souvenir shops. The opportunities for indigenous people to participate in tourism production are predominantly offered in tourism-related economic activities such

as *artesanía* and other microenterprises, situating the work of indigenous people in the unprotected, highly flexibilised informal economy (Jonakin 2006). Poverty alleviation projects in the context of Copán tend not to be oriented towards the generation of employment but the integration of rural producers into the production and consumption chains of tourism. In the case of Copán this means that people traditionally working in agriculture are being encouraged and trained – both by the national government and development projects - to turn this activity towards tourist consumption.

Productive and income-generation activities are therefore being re-configured towards tourism products and services. Along with this change in economic activity a radical change in mentality will be required in order to transform indigenous communities from an agricultural to service mindset (World Bank 2003). This is the role of organisations such as the Valle de Copán project and Fondo Prosperidad, whose key goal is to facilitate and support a ‘dynamic tourism private sector’. The focus of such support is ‘improving the productive capacity’ of previously marginalised economic groups by integrating them into the production and consumption of tourism services.¹³ As such, poverty alleviation is considered to be directly related to tourism development, as it provides an opportunity for groups to be brought into the economy through their links to the tourism market. This amounts to a goal of radically altering the productive economy of Copán away from a dependence on international commodity prices towards tourist consumption in the local area.

In line with gender-mainstreaming within development agencies, the project features a 'gender equity' component, in which practitioners are required to consider women in all dimensions of the project (World Bank 2003). As expected, however, rather than addressing issues of inequality in development outcomes and processes, the Valle de Copán project focuses on the potential of tourism to generate the conditions for 'marginal groups' (women, young people and old people) to *access the opportunities* afforded by tourism.¹⁴ Tourism in this sense is understood as an economic activity that can integrate women into the economy, which in turn allows them to contribute to the family economy and strengthen their personal development.

Valle de Copán offers *capital semilla* (seed capital) to groups and individuals proposing to establish or expand microenterprise initiatives directed towards the tourism economy. In particular, this micro-funding is intended to benefit women's and indigenous groups (or, ideally, groups of indigenous women) (World Bank 2003). Groups are invited to workshops on presentation skills, accounting and business planning in order to be able to put together their proposals for *capital semilla*. The purpose of the fund is to encourage and support creativity and innovation among Copán's private sector and therefore contributing to a 'dynamic' tourism industry (World Bank 2003).¹⁵ Although *capital semilla* is not a loan, it has a strong ethos of 'co-investment', meaning that applicants must put up a proportion of the cost themselves. This can be in cash or land deeds, leading to problems for groups who are very poor or live as tenants. The fund is predominantly run as a business, and expects applications to be professional

with a long-term business plan and a clearly defined target market. Rather than being about a broad-based understanding of development, therefore, Valle de Copán should be understood as specifically facilitating the development of the private sector of Copán's tourism industry.

The gender paradigm in Valle de Copán microenterprise funding

A key component of development policy is encouraging and supporting women to set up microenterprises based around *artesanía* (handicrafts) as a way of enabling groups to access the tourism market without the need to reform social structures. *Artesanía* is perceived by development workers as a method by which women's groups can be integrated into the market as well as offering a tourist attraction to potential visitors to rural communities, which at the same time is said to enhance cultural awareness and local conditions.¹⁶ It is also argued to be the most effective way for women to be integrated into the tourist economy, as it allows them to use their traditional skills to earn an income without disrupting structures of reproduction.¹⁷ As argued above, a key element of the gender paradigm in Honduras is the perception that tourism development projects should not change family structures. However, as one respondent candidly argued, in reality encouraging women to get involved in *artesanía* is really more about a pragmatic and strategic use of resources rather than a gender equity policy.¹⁸ Likewise, women working in Fondo Prosperidad admitted that the training provided is perhaps not enough to overcome the serious hurdles faced by women, particularly indigenous women, in becoming business women.¹⁹

Development workers on the World Bank project point out that 42% of the *capital semilla* bursaries are held by women's groups or woman-led groups and offer this as evidence that this kind of funding is beneficial to women.²⁰ A clear example of the 'gender equity' component of the project is that while men's projects are required to put up 33% of the cost of their proposal upfront, women only need to find 25%. However, this is perhaps more problematic than it appears as almost all land in the region is in the name of the husband or father, making it practically impossible for a woman to secure her project against land. Additionally, as women in rural areas have traditionally not worked for money, it is unlikely that such groups will be able to find the 25% required in cash, meaning that predominantly women from urban areas will be likely to benefit from Fondo Prosperidad and Valle de Copán funding.

In terms of gender, the scope of such a vision of development to contribute to the empowerment of indigenous women is profoundly limited. When interviewed, development workers reiterated the importance of having a gender equity component to the project, as specified in the conditions of funding from international donor agencies. However, when questioned on the meaning and practical application of such a requirement, few respondents moved beyond the notion of 'integrating women into the economy'. Development workers (mostly middle-class Honduran females) argued that providing economic opportunities for women to benefit from tourism was the only way in which this equity component could and should be understood, defending this limited definition of gender equality with arguments such as 'well we can't do everything'²¹ and 'we

don't want to talk about equality as that would lead to lots of problems'.²² As such, the gender paradigm embedded in global development discourse in many ways gets significantly 'watered down' as it is filtered through national and then local cultural values, to the extent that the final conceptualisation of gender equality is in many ways profoundly non-feminist. This is not to argue that somehow the 'blame' lies with local development, but to suggest that it is the combination of the dominance of the WID concept of equality at the global level combined with the local context that contributes to the limited outcomes of such policies.

Responses to microenterprise opportunities

There is a widely-held perception among both development workers and indigenous groups that the doors are wide open for funding and support for women's groups who are willing to 'play the game'.²³ As argued above, funding for women's *artesanía* projects in particular is abundant in Copán, and workshops and training sessions have become a part of everyday life for many indigenous women. As such, more and more groups of indigenous women have begun to apply for funding for tourism-related microenterprises. Many of these groups were active before the establishment of Valle de Copán and Fondo Prosperidad, a selection already receiving funding from organisations such as the Peace Corps and other US-based NGOs. In the closest village to the town of Copán Ruinas – La Pintada - there is now a strong women's *artesanía* collective,

using funds from Fondo Prosperidad and supported by the Valle de Copán project.

In general, men in La Pintada have been supportive of women's business ventures as they have seen that this is how the community can benefit most from tourism.²⁴ However, in other communities – many much further away from Copán Ruinas and accessed by dirt roads – men have been strongly resistant to such projects, and have stood in the way of women's productive activities for the tourism market.²⁵ As a response to the substantial availability of funding and technical support for indigenous women's microenterprises, the national indigenous council *Comite Nacional Indigena Maya Chortí* (CONIMCHH) has begun a series of workshops to train men and women in gender awareness, and to persuade men that these women's businesses are the best hope of development for the Chortí people. CONIMCHH is highly aware of the fact that this sector is predominantly directed towards women, and men and women in CONIMCHH offer a highly critical analysis of this.²⁶

A trend noted by several women working in development in Copán is that men are slowly being marginalised from production. Whereas traditionally agriculture was the staple income-generating activity for the family, women are now realising that they when sell a *muñeca de tusa* (corn doll) they can earn as much as their husband can earn in two days working in coffee or tobacco production.²⁷ Respondents noted that men's influence on income and monetary control on an interpersonal or family level was in decline. Integration into the informal economy of tourism through development projects has forced women to come

together into groups – often for the first time – and think of themselves as businesswomen. Women’s involvement in *artesanía* and other small business groups often inspires participation in wider social life. In particular, women find they must go to a series of meetings, talks and lectures if they want to fund their business ventures. These workshops offer the opportunity to learn business skills and team work, and often help to raise women’s self esteem and enable them to value their ‘traditional’ skills.

Limits to empowerment through microenterprise

Despite the ‘market empowerment’ offered by involvement in microenterprise projects, *artesanía* production for the tourism market is profoundly limited in its potential to challenge gendered power relations. Despite the considerable benefits offered, opportunities for women’s *artesanía* groups are in fact tightly controlled and quite limited. The Women’s Council of CONIMCHH argue that in practice women’s groups are being held back, as they are only encouraged to produce *artesanía*, and not how to market or develop their products. There is little encouragement for Chortí women to work on their creativity or own designs, with workshops clearly directed towards particular standardised products. Indigenous women in *artesanía* businesses argue that there is no market in Copán for the products they want to make.²⁸ This generates a situation whereby women are entering into the productive sphere yet find their opportunities for personal and economic development limited. Additionally, the purely technical level of training and support offered by development institutions means that

issues of gender equality, self esteem and other issues are completely avoided in the implementation process. As such, women are being trained in business and accounting skills *as empowerment*, with major issues of gender inequality being left off the agenda.

Indeed, a key function of development policy is to limit the impact on the sphere of reproduction. As argued above, tourism development activities in Copán being promoted and supported by policy predominantly involve women working in the home, where they would be able to continue providing childcare. Also, the level of development in Copán means that currently many children are unable to attend school past primary level and female children often remain in the house to bring up siblings and support their mothers. Tourism policy in Copán and Honduras actively discourages challenges to power relations within the sphere of reproduction, suggesting instead that family structures should be 'maintained'. When questioned about these issues, women development workers from Valle de Copán usually responded by suggesting that these kinds of activities are beyond the scope of development agencies.²⁹ This implies that running a business in itself is a step to greater gender equality, and that deeper gender equality issues are 'additional' or 'complementary'. Participation in the informal economy of *artesanía* production considered as a tool for the empowerment of women needs to be critically evaluated. In particular, questions need to be asked about the short-sightedness of a development project that effectively limits the potential of its participants, namely women. As one

respondent put it, participation in the market is a 'necessary but not sufficient condition for empowerment'.³⁰

Conclusions

This paper attempts to demonstrate the ways in which the gender equality potential of tourism projects is shaped by both the global gender paradigm and the attitudes of development project workers. The incorporation of the 'women in development' understanding of gender equality – through integration into the market – at the global level leads to what has been termed here a 'gender paradigm'. The limited framing of equality as equality of opportunity within global development discourse becomes even more limited at the national and project level when interpreted by development workers conditioned by conservative cultural values and ideas about the sanctity of the nuclear family. As demonstrated here in the case of Honduras, this conservative framing of gender equality limits the potential for women's empowerment by taking a narrow vision of gender equality as merely integration into the tourism economy, rather than attempting to tackle the underlying structures of inequality inherent in capitalist development.

The feminist political economy approach adopted here allows for an incorporation of the perceptions of empowerment held by female project participants whilst analysing the broader implications of such changes. In particular, adopting a feminist critique of the 'gender paradigm' allows us to evaluate what is left out of microenterprise projects aimed at the empowerment

of women. By neglecting to account for wider inequalities both within the household and society, microenterprise tourism development projects are profoundly limited in their ability to offer meaningful empowerment opportunities for women in tourism development communities. This paper is intended to offer a preliminary attempt at understanding the contentious relationship between microenterprise development and redressing gender inequalities.

Notes

¹ The article is based on extensive field research in Costa Rica, Honduras and Belize funded by ESRC as part of a 1+3 studentship. The research drawn on here refers predominantly to Honduras. I would like to thank research participants and note that interviews were carried out in Spanish and all translations are my own. I take responsibility for any linguistic errors, and apologise for any misinterpretations.

² The data show that the tertiary sector is likely to be the fastest growing sector in future years, reflecting the new trade agenda notions of trade in services and the service-based bias of the CAFTA. For example, in Costa Rica, the most developed country in the region, earnings from services contributed 61% of all GDP. In contrast, in Nicaragua, services contribute only 44%. A comparison with the US economy shows that services make up a total of 80% of all GDP, suggesting the future direction in which Central American economies will be expected to turn (CIA World Factbook).

³ Also see World Bank Country Profiles

⁴ www.casapresidencial.hn

⁵ 'Address by Francesco Frangialli, Secretary-General of UNWTO, at the World Summit on Sustainable Development', Johannesburg, South Africa, 29 August 2002.

⁶ Interview with Mercedes Melendez de Mena, Director of Central American Tourism Integration Secretariat (SITCA)

⁷ Interview with Marco Tulio Picado, Director of Microenterprise, Instituto Costarricense de Turismo; Interview with Johanna Lazo, SME Coordinator, IHT; interview with Melchor Rodriguez, Director of Honduran Business Development Services Fund (FODESEH); interview with Gonzalo Aguirre, Director of the Association of Central American Small Hotels (APHC); interview with Fernando Garcia, Director of the Centre for the Promotion of Small and Medium Enterprises in Central America (CENPROMYPE)

⁸ Interview with Mercedes Melendez de Mena, Director of Central American Tourism Integration Secretariat (SITCA); interview with Elena de Rivera, El Salvador Tourism Ministry

⁹ Interview with Mirna Palacios, Gender Consultant, El Salvador Tourism Ministry

¹⁰ Interview with Luis Sarmamiento, Planning and Development Department, Honduran Tourism Ministry

¹¹ Interview with Marco Tulio Picado, Director of Microenterprise, ICT

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- ¹² Interview with Miriam Leiva, Director, Project Coordination Unit, IHT; Interview with Digna Lorenzo, Director, Municipal Development Unit, IHT
- ¹³ Interview with Jose Eguigure, Local Planning Officer, Valle de Copán
- ¹⁴ Interview with Delmis Paz, Gender Consultant, Fondo Prosperidad; interview with Eva Carina, Funding Administrator, Fondo Prosperidad; interview with Mariel Rivera, Microenterprise Consultant, Valle de Copán
- ¹⁵ Interview with Jose Eguigure, Local Planning Officer, Valle de Copán
- ¹⁶ Interview with Delmis Paz, Gender Consultant, Fondo Prosperidad; interview with Eva Carina, Funding Administrator, Fondo Prosperidad; interview with Mariel Rivera, Microenterprise Consultant, Valle de Copán
- ¹⁷ Interview with Jose Eguigure, Local Planning Officer, Valle de Copán
- ¹⁸ Interview with Delmis Paz, Gender Consultant, Fondo Prosperidad
- ¹⁹ Interview with Eva Carina, Funding Administrator, Fondo Prosperidad
- ²⁰ Interview with Mariel Rivera, Microenterprise Consultant, Valle de Copán
- ²¹ Interview with Alessandra Folletti, Handicrafts Consultant, Honduran Tourism Institute
- ²² Interview with Delmis Paz, Gender Consultant, Fondo Prosperidad
- ²³ Participation in indigenous womens' council meeting; interview with Alessandra Folletti, Handicrafts Consultant, Honduran Tourism Institute
- ²⁴ Interview with Ignacia Ramos, Microenterprise Participant
- ²⁵ Interview with María de Jesus Interiano, Microenterprise Participant
- ²⁶ Interview with Julia Garcia, CONIMCHH; interview with Anita Martinez, CONIMCHH; participation in indigenous womens' council meeting
- ²⁷ Interview with Carin Steen, Voluntary Trainer in La Pintada Project
- ²⁸ Interview with Julia Garcia, CONIMCHH; interview with Anita Martinez, CONIMCHH
- ²⁹ Interview with Eva Carina, Funding Administrator, Fondo Prosperidad; interview with Alessandra Folletti, Handicrafts Consultant, Honduran Tourism Institute
- ³⁰ Interview with Alessandra Folletti, Handicrafts Consultant, Honduran Tourism Institute

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