



The Need for Gender-Responsive Budget for the Empowerment of Women

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Abstract

Gender responsive budgets have emerged as an important and widespread strategy for scrutinizing government budgets for their contribution to gender equality. They have utilized a variety of tools and processes to assess the impact of government expenditures and revenues on the social and economic position of men, women, boys and girls. The purpose of these assessments of the gender impacts of budgets are threefold and interrelated. One is to raise awareness and understanding of gender issues in budgets and policies. A second is to foster the accountability of governments for their gender equality commitments. Another is to ultimately change budgets and policies in the light of the assessments and having effected accountability. Gender responsive budget initiatives are a gender mainstreaming strategy that directs attention to economic policy by focussing on government budgets. These exercises have taken on, and been influenced by, the discourse of good governance that has characterised the public sectors reforms of the past decade.

Key words: Women Empowerment, Gender Responsible Budgeting, Women Budget statement.

A public budget sets forth a Government's priorities by showing what it intends to spend over a specified period of time and how it will allocate and finance those expenditures. Government budgets are generally presented in financial aggregates, with no specific references to men or women. As such, the budget appears to be gender neutral. But if revenue and expenditure decisions have differential impacts on men and women, the budget is not gender neutral; to ignore the differences constitutes what has been termed "gender blindness". Government policies that intentionally treat men and women differently obviously are not meant to be gender blind. Gender blindness specifically refers to the unintended impacts of budget policies that occur because of economic and social differences between men and women.

The development of Gender Responsive Budgets

Gender responsive budgets date back to the mid 1980s when they were implemented by Australian federal and state governments as a gender mainstreaming strategy that incorporated economic as well as social policy and a whole-of-government approach. These initial exercises were called 'women's budgets' because of their focus on the budget's impacts on women and girls. Since the late 1990s the terms 'gender' budgets, 'gender sensitive budgets', 'gender responsive budgets' and 'gender budget initiatives' have gained wide usage. This terminology partly reflects a move to use gender as a category of analysis.

It also represents a pragmatic response to overcome tendencies to misrepresent 'women's budgets' as separate budgets for women. By the mid 1990s a few initiatives had developed in other countries illustrating the diversity of the forms of gender responsive budget exercises. One was a one-off Canadian Women's Budget in 1993 undertaken by the NGO, Women's International League for Peace and Freedom. This exercise sought to demonstrate the opportunity cost for women and children of budgets biased towards defence and environmentally destructive expenditures.

Goals of Gender Responsive Budgets

The implications for gender responsive budgets of the shift to performance oriented budgeting. Some context for examining the potential role of performance oriented budgeting in assisting the integration of a gender perspective into budgetary processes and decision-making is required. In this regard, a brief review of the existing goals utilised by gender responsive budgets is provided below. It has been argued by Sharp (2002) that a strategic approach to implementing gender responsive budgets includes choosing tools and processes on the basis of the goals that the initiatives are seeking to achieve. In other words, the achievement of the goals of gender responsive budgets is significantly affected by the availability, choice and application of appropriate tools. Sometimes this involves 'technical issues' such as having the capacities to use the tools effectively. More often than not though, it is because tools take on different degrees of relevance or effectiveness under different governance arrangements. Consequently, while various gender responsive budgets have long used gender disaggregated statistics to indicate gender differences, budgetary impacts, and, in some cases, identified targets, these performance measurement tools are likely be less than effective in a budgetary context that does not give credence to past and expected results as a basis for decision making than one that does.

The goals of gender responsive budgets can vary according to the particular political and social context of the country and the institutional arrangements underpinning their implementation. However, goals that are core to the majority of gender responsive budget initiatives are:

- to raise awareness among stakeholders of gender issues and impacts embedded in budgets and policies
- to make governments accountable for translating their gender equality commitments into budgetary commitments
- to change budgets and policies to promote gender equality.

Raising awareness among stakeholders of gender issues and impacts embedded in budgets and policies

Fundamentally, raising awareness of gender issues and their policy and budgetary impacts entails challenging the illusion of the gender neutrality of budgets and policies, and making visible to government and the community the gender impacts of policies and budgets. It is a crucial step in developing a public argument for ultimately changing budgets and policies. Raising awareness involves unpacking budgetary information, analysing budgetary allocations and making assessments of performance and progress with respect to gender equality. Awareness raising tools and processes also cover issues related to transparency of information, data, training and capacity building. Transparency requires that information about gender issues and the impact of policies and budgets is provided and that it is in an understandable and relevant form. Several gender responsive budget initiatives have sought to raise awareness with publications that seek to inform sections of the community with basic levels of education. Similarly, training and capacity building of community participants and government officials in gender disaggregated revenue and expenditure analysis, including the development and use of gender disaggregated data and indicators, have served as important strategies for awareness raising. The availability of gender-disaggregated data is a necessary prerequisite for gender budgeting initiatives to function effectively within the framework of performance oriented budgeting. At its most basic level, raising awareness means gaining an agenda for the idea that budgets need to be scrutinized for their impacts on different groups of people and that the outcomes for society are important. This process of agenda setting fosters democratic participation. The significance of the goal of awareness rising for a pro-poor community based budget initiative in India.

Unpacking the budget is an important part of the awareness raising process and requires examining the budget papers and engaging with the type of budget format used. A starting point has been to identify gender sensitive expenditures. A useful tool has been to categorise expenditures into (1) specifically targeted to gender groups, such as rural women or young men; (2) equal employment opportunity personnel expenditures of government that have significant gender impacts, such as programs to increase the number of permanent part-time positions; and (3) general or mainstream expenditures, not in the two categories above, but which can have significant direct and indirect gender impacts.

The third is the most difficult category to analyse but the most important, being about 99 percent of total expenditures. While this process raises awareness about a number of issues, including debates about whether category is relevant to the budget process, the capacity to actually assign quantities of expenditures to each category is highly influenced by the type of budget system used. For example, traditional 'line item' budgeting, which remains widely in use, identifies what each ministry is allocated for salaries, equipment, infrastructure, consumables and so on. These budget inputs are difficult to assign to particular activities because 'input budgeting' is not readily amenable to identifying what government goods and services are produced. This can be difficult even in the case of specifically targeted programs. How would the salary and infrastructure expenditures of a ministry be assigned to a targeted program for women? A shift away from looking at 'inputs' under line item budgeting to specifying outputs and outcomes under performance based budgeting changes the budget format and shifts the focus to what is delivered to the community by the budget and the expected impact. As a result, performance oriented budgeting has the potential to be a more effective framework for achieving gender impact awareness rising.

Making governments accountable for translating their gender equality commitments into budgetary commitments

Accountability entails holding governments to task for their record on actually implementing their commitments to gender equality. Ensuring accountability is a demanding task and usually involves some institutional change. Many gender responsive budgets have been constrained in their success in bringing about desired budgetary and policy changes because they have been unable to devise effective mechanisms for making governments genuinely responsible for gender equality policies and their resource allocation implications. Accountability involves issues of voice, aspects of transparency and credibility of government commitments to gender equality. Firstly, since budgetary decisions are ultimately political in nature, budgetary changes to promote gender equality also requires actors engaging with budgetary processes and institutions, both within the state and civil society, to give 'voice' and advocacy to gender issues and ensure government accountability. At its most basic level, accountability involves preparedness to include relevant stakeholders in budget decision making.

Secondly, accountability, like the awareness-raising goal, requires transparency. Access to gender disaggregated information and analysis of government budgets is essential for raising awareness of the gender issues and impacts of policies and budgets. However, in order to ensure accountability, gender responsive budgets have to go beyond the information simply being available and require accessibility and transparency. In particular, as Isabella Bakker argues, transparency also raises issues of 'what' and 'for whom' that have to be addressed. In relation to 'what', governments are much more inclined, for example, to be transparent about the relatively small, specifically-targeted allocations to women than the other 95% of their budgets, much of which can have significant gender impacts. Monitoring the performance of different categories of expenditures is therefore an important accountability strategy.

In relation to the 'for whom' question, a number of analysts identify performance indicators as a key tool for gender responsive budgets if they are going to provide evidence of the nature and beneficiaries of change. That is, gender responsive budgets need to provide performance information to stakeholders, both inside government and in the community in order to promote accountability. An example of performance information being used by government is provided by the Western Cape provincial government of South Africa. These targets and indicators included the number of women beneficiaries for each project and provided a basis for tracking the government's gender equality commitments. The use of such gender disaggregated budgetary performance, however, is not common. While

governments produce forward looking budgets that include targets and indicators, few governments report on what has been achieved in terms of these targets and indicators, and even fewer incorporate gender disaggregation.

Finally, another accountability issue for gender responsive budgets concerns what Isabella Bakker terms the ‘credibility’ of government policy commitments. ‘A government’s intentions and actions must be believed by its constituents or market players’. She argues that gender responsive budgets and other ‘applied budget analysis’, such as pro-poor and environment-sensitive budgets, are a means for ensuring government accountability to international and national commitments as well as a balanced distribution of public resources. Ensuring credibility of gender equality policy commitments requires these commitments to be unpacked for their budgetary and policy implications and this process needs to be pursued on several levels – micro, institutional, macro, domestic, international etc.

In the absence of strong accountability tools and processes, government policies are probably more likely to increase gender inequality than reduce it. The work that has been done on the gender issues in macroeconomic policies is a case in point. One aspect of this work has been the development of a critique of orthodox economic theory for failing to include the large sector of unpaid care activities in its construct of an economy.

Using a variety of strategies and tools, gender responsive budgets have been able to promote government accountability for their progress towards gender equality. However, progress has been patchy and difficult to sustain over more than one budget cycle. To the extent that performance oriented budgeting can promote government accountability for the types of goods and services delivered by government, along with their impacts on the community, then it can also potentially progress the goal of greater government accountability for gender equality commitments.

Labor Force Factors

Women’s more discontinuous work histories—that is, their greater likelihood of holding part-time jobs and, when working full-time, earning less than men—may result in differential gender impacts on both the revenue and expenditure sides of public budgets.

Family Responsibilities

Worldwide and through the ages, women have generally had primary responsibility for child care and for the care of the elderly and other dependent persons. This work, in what is known as the “care economy,” pays very low or no and the concentration of women in it has contributed to gender inequities on both sides of the budget

Gender-Responsive Budget Initiatives

The first gender-responsive budget initiative was undertaken in Australia at the federal level in 1984 and fully executed in 1985. It was implemented to address pervasive gender inequities by “mainstreaming” gender analysis into central policy processes, including the public budget process. What would come to be known as the “Women’s Budget Statement” required all departments and agencies in the federal government to submit in-depth reports demonstrating the impact of their programs on women. They were also required to identify methods to improve program outcomes in meeting the needs of women.

Gender-Budgeting Tools

Once a decision has been made to integrate gender into the budget, analytical tools must be developed and applied to determine the differential impact of spending and revenue decisions on men and women. In this section, we briefly describe some of these tools and provide some illustrations of where they have been used.

Expenditures

Gender-responsive budgeting initiatives have generally focused on the expenditure side of the budget (UNIFEM 2003). In fact, the “Beijing platform” explicitly encourages governments to “make efforts to systematically review how women benefit from public sector expenditures; and adjust budgets to ensure equality of access to public sector expenditures, both for enhancing productive capacity and for meeting social needs” (United Nations 1995). The conceptual framework for analyzing the impact of government expenditures on different groups dates back more than 100 years, when Knut Wicksell pioneered differential incidence analysis to analyze the impact of government spending by income group (Musgrave 1959). In recent years, this technique has been extended to analyze the differential impacts of government spending by gender. Budlender and Sharp (1998) were pioneers in establishing a framework for analyzing the gender impact of government expenditures. They use three spending categories to determine how women benefit from public-sector expenditures:

(1) Expenditures that are specifically identified as gender based; (2) equal opportunity expenditures that are designed to change the gender profile of the workforce; and (3) mainstream expenditures. The differential impacts of the first two spending categories should be obvious. The third category, which constitutes the bulk of government spending, is the primary challenge. Elson (2002a) suggests a variety of techniques to address this challenge, including expenditure incidence analysis, gender-aware policy appraisal, gender-responsive budget statements, beneficiary assessments, and time-use studies.

Expenditure Incidence Analysis

Expenditure incidence analysis compares the impact of specific government expenditures on women and girls with the impact on men and boys. When applied to public expenditures on education in Ghana, expenditure incidence analysis found that “women ... benefit less from spending at all levels of education” (Budlender and Sharp 1998). This differential impact was also found in Pakistan and in Kenya (Budlender and Sharp 1998). When undertaking expenditure

incidence analysis, a difference must be drawn between the *initial impact* of a public expenditure and its *incidence*, or actual economic effect.⁹ Failure to consider this difference may result in a misleading assessment of gender impacts. For instance, in a maternal and child health care clinic that is staffed entirely by men, the initial impact would be direct spending on wages—100 percent male, 0 percent female. However, the primary beneficiaries of the expenditure are women and children, so the incidence would reflect the economic benefit of the program to these beneficiaries.

Gender-Aware Policy Appraisal

Gender-aware policy appraisal determines whether current policies are likely to reduce or increase gender inequities. One illustration of this technique is the analysis undertaken in South Africa to identify the gender impact of that country's land reform program. The policy failed to recognize the legal restrictions that prevented many women from having effective access to land, as well as the financial resources needed to develop the land. As a result, women were not able to benefit from the land reform policy as it was originally enacted. In response to this concern, the Department of Land Affairs began to integrate gender concerns into its policy monitoring and evaluation systems.

Gender-Responsive Budget Statements

Gender-responsive budget statements require departments to identify how expenditures affect gender equality using a variety of indicators. The Commonwealth Secretariat has identified several indicators that can be used for gender responsive budgeting statements to monitor resource allocation and to link resources to policies and goals.

Beneficiary Assessments

Beneficiary assessments ask potential or actual program beneficiaries to assess how well programs have or will meet their needs. This can be done using focus groups, surveys, interviews, or polls. In Sri Lanka, for example, focus group meetings with poor women living in urban and rural areas revealed that while educational facilities were available, poverty constrained their access to good schools and vocational training

Time-Use Studies

Gender analysis incorporating time use studies relies on surveys to calculate the effect of budgetary changes on the daily time use of men and women. This can identify the false economies of a budgetary reduction in which care costs are shifted from the public sector to individuals. As mentioned previously, the reduction in public spending on health care in Zambia between 198 and 1985 caused women to increase their time spent as care givers.

Generally, gender-responsive budgeting initiatives have not been comprehensive, but have analyzed specific parts of the budget using these techniques. A full-fledged gender-responsive budget would require measuring gender impacts for all functions of government, including seemingly gender-neutral expenditures such as fire protection and infrastructure construction and repair. "The Gender Impact of Government Spending" box shows the results of a gender-responsive budgeting effort in San Francisco that assessed the gender dimensions of spending in its Department of Public Works.

Revenues

Most gender-responsive budgeting initiatives have not focused on the revenue side of the budget, with a few exceptions such as the United Kingdom. When the U.K. budget is initially released, the media focuses on revenues, while spending is announced later with less publicity. In addition, taxes are more broadly based and affect more of the population than in most other countries. When countries do decide to focus on the revenue side, they find that some revenues are more amenable to gender-specific analysis than others. The following discussion looks at gender-responsive analysis as it relates to the four major types of government revenues: direct and indirect taxes, user charges and fees, intergovernmental revenues, and debt.

Direct Taxes

A gender-specific analysis of taxes that are imposed directly on the taxpayer (such as the personal income tax) reveal that unequal treatment of men and women may result explicitly from the tax laws or implicitly through the differential impact of taxes on women and men (Stoksky 1997). For example, an explicit gender bias is evident in many countries where nonlabor income is allocated only to the husband for income tax purposes. An implicit bias may result from excise taxes if there are differential patterns among men and women in the consumption of taxed and untaxed goods. A comprehensive gender analysis of taxes would have to disaggregate the gender impact of every tax imposed by the government by undertaking gender-responsive budgeting.

Indirect Taxes

Indirect taxes are not imposed directly on persons. They include the general sales tax; excise taxes on alcohol, tobacco products, and gasoline; and all taxes imposed on trade and businesses, such as the corporate income tax. Because they are not imposed on the individual, their gender impact is much more difficult to establish. When applying gender analysis to the sales tax, for example, the gender of the purchaser would have to be determined. This information is not usually recorded by the tax Collector (in most cases, the vendor). Samples of taxable purchases could be used to compile this information.

User Charges and Fees

Government revenues also come from user fees and charges, that is, payments for voluntarily purchased goods and services sold or rented by the government. User charges are becoming more prevalent throughout the world, and the International Monetary Fund has even suggested they be used as a way to finance basic social services such as water and electricity, in developing Countries.

Changing budgets and policies to promote gender equality

Ultimately, the success of gender responsive budgets is linked to their record in actually changing budgets and policies so that gender equality is promoted. In other words, the question needs to be posed: to what extent have gender sensitive changes occurred to budget policies, allocations and outcomes? It is important to note that while changing budgets and policies might involve more resources, it also involves doing things differently in order to achieve different outcomes for society.

A strategy to achieve this goal can include one or more of the following:

- Increasing budgetary allocations
- improving the quality of resource inputs (eg. gender training for public servants, greater funding certainty, including spending the funds as planned)
- redistributing budget allocations
- changing the type and quality of goods and services delivered by government
- Changing policy outcomes.

However, this goal of changing budgets and policies along gender sensitive lines cannot be pursued in a vacuum. It needs to be understood in relation to the interrelated goals of awareness raising and accountability. The implementation of budgetary changes is more likely to be sustained if they are built upon good analyses and accountability processes whereby governments can be held responsible for what they do or don't do. However, at this stage there are few published examples of how gender responsive budget initiatives have contributed to a gender sensitive formulation of policies and budgets. Some work has begun on documenting the concepts, theories and processes necessary for progressing this goal in her overview of gender budgets makes a number of recommendations for achieving a gender sensitive budget. Several of these recommendations highlight a potential role for performance oriented budgeting. They include civil society involvement, strategic vision, consistent evaluation of identifiable results from gender budget initiatives and gender sensitive participatory research techniques.

Conclusion

In summary, an assessment of the potential impact of the adoption of a performance oriented budgeting framework on gender sensitive budget initiatives involves understanding its impact on the key goals of gender budget initiatives – gender awareness raising, increased accountability and ensuring real change in budget policies, allocations and outcomes. The remainder of this paper will address these issues and assess how performance oriented budgeting might further the goals of gender responsive budgets, particularly those of accountability and changing budget outcomes.

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