

GENDER BUDGETING: MYTHS AND REALITIES

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I will begin my presentation with two truisms no matter where in the world you happen to be:

- First, money talks
- Second, men listen to money talk!

These truisms are at the heart of the enthusiasm with which gender budgeting has been embraced by activists. When we talk budget, we finally have a sense that we are getting to the heart of the matter... and that men will sit up and listen.

The concept of disaggregating government expenditure to determine the extent to which it is furthering- or detracting from- the achievement of gender equality is one of the most powerful tools at our disposal for mainstreaming gender. But like all novelties, its shine can easily wear thin. In this paper I will argue that:

- Gender budget exercises that are not accompanied by coherent strategies for policy reform and concerted lobbying campaigns are likely to end up as public relations exercises.
- As a tool of macroeconomic policy, budgets cannot be seen in isolation from the broader economic context. Questioning such contexts will, in all likelihood, bring us up against deeply vested interests- and the powerful international institutions that back such interests. We must be prepared for a backlash.
- Rather than try to take on every economic policy issue of concern, we may be best served both at national and regional level by prioritising just one or two each year; demonstrating the benefits for gender equality, and building incrementally on such successes.

Gender and macroeconomic policy

Let us begin with the broader context. Recent years have witnessed growing research and advocacy around the gender impact of economic policy and budget allocations. Feminist economists have long argued that conventional macroeconomic thinking is flawed because it does not take account of the "care economy"- the unpaid reproductive and domestic work of women including caring for the aged and the sick; as well as voluntary community services. The UNDP's 1995 Human Development Report estimated that women's unpaid work is equivalent to some \$11 trillion annually.

Recent experiments have shown that it is possible to incorporate gender into macro-modeling. Time studies are underway in a number of countries to obtain a clearer

picture of the unpaid labour of women. Some experiments have been conducted on incorporating women's work into national accounts (for example in Canada), but so far these have been placed in parallel accounts. Very little quantitative research and information is available in the closely related area of the "informal sector"- the survivalist activities that the poor, and especially women, engage in, often circumventing cumbersome and costly regulations, in order to make a living.

This field of inquiry intensified in the eighties as a result of mounting evidence that the cuts in social spending as a result of the need to reduce budget deficits under structural adjustment were leading to disproportionately negative effects on women, who bore the brunt of new user fees and declines in subsidies in areas such as education and health. Retrenchments also led to an increase in the number of those making a living in the "informal sector"- an area in which women predominate. Such criticism prompted moves to ensure that social spending is protected in structural adjustment programmes.

With the recent wide-scale trade liberalization measures being undertaken both by countries undergoing structural adjustment and those that are not, the debate is shifting towards the gendered impact of globalisation. Rapid export led growth, often entailing the establishment of Export Processing Zones (EPZs), has led to job creation for women in many developing countries because of the nature of the industries (predominantly textiles and clothing) and the fact that women's labour is cheaper. Some 80 percent of employees in EPZs are women.

In Latin America and Asia, this phenomenon has raised the living standards of women and is leading to shifts in the sharing of responsibilities within the home. But it has also raised labour-related concerns including direct and indirect wage discrimination; and the vulnerable status of women employees in EPZs. In Sub Saharan Africa, where exports are still largely agriculturally- based, the shift towards export- led growth is placing increasing burdens on women who shoulder major responsibilities for food production as well as providing labour to export crops whose proceeds are typically controlled by men.

Understanding the gendered outcomes of macro- economic policy is critical to targeted policy formulation. In the above examples, for instance, the disadvantages confronted by women relative to men can be ameliorated by labour legislation on the one hand; and support for women farmers (including access to land tenure; credit, labour saving devices and technical advice) on the other.

Far more research is required on the gendered outcomes of market processes; women's unwaged work; the informal sector; casual work; the development and institutionalization of gender auditing methods relevant to private sector organizations.

Gender budgeting: origins and significance

The last five years have witnessed a plethora of "gender budget" initiatives in different parts of the world, driven by state and non- state actors, with the support of international organizations such as the Commonwealth Secretariat and UNIFEM. These initiatives, soon to be evaluated in a UNIFEM study, have captured the imagination of those concerned with gender and governance for a number of reasons:

- Analysing budgets from a gender perspective is integral to gender mainstreaming. If gender considerations have been built into policies and project design, they should reflect in resource allocation; and if they have not, the outcomes are not likely to deliver substantive equality for women. Budgets are thus a critical tool for mainstreaming.
- Gender budgeting is a tangible way for women to engage in hard-core resource allocation debates that are likely to enhance empowerment rather than tinker at the fringes of social welfare policies as has traditionally been the case.
- Such exercises increase the transparency of, and participation by citizens in, economic governance.

Conceptual issues

The central plank of gender budgeting is that because of the different locations of men and women in society and in the economy, no budget line is neutral. To take the latter example, by obtaining gender disaggregated data on such issues as land tenure, credit, and agricultural extension, a picture emerges as to whether or not a budget line item on agriculture is actually addressing gender disparities in this sector; and by so doing contributing to the empowerment of women.

Gender budgeting involves both an analysis of allocations between sectors (such as defense versus social allocations) and within sectors to determine their impact. A commonly used model for distinguishing between types of gender expenditure is that developed by the Australian economist Rhonda Sharp, who has played a leading role in gender budget initiatives in Australia, where the concept originated. Sharp distinguishes between:

- *Specifically identified gender-based expenditures* of government, for example, women's health projects; typically less than one percent of the overall budget.
- *Equal employment opportunity expenditure* (for example, re writing job descriptions to reflect equal employment opportunity principles).
- *General or mainstream budget expenditure* by government department and authority assessed for gender impact. For example does the education budget, less the above two considerations, reflect gender equity objectives? Are boys and girls equally represented in all categories of education? What proportion of the education budget goes towards educare and adult literacy? Not surprisingly, this category of questions is most critical for policy reform because the "mainstream" budget in Australia, as elsewhere, constitutes some 98 percent of government expenditure.

Institutional arrangements

There are now examples of several different kinds of *institutional arrangements* for gender budgeting:

- *Inside government:* The concept of gender budgeting originated in Australia in the early 1980s. Until the change of government in 1996, all departments were expected, as part of their budget submissions, to indicate in what way these would advance gender equality. The submissions were co-ordinated by the Office on the Status of Women located in the cabinet office, and published as the "Women's Budget" along with budget documentation each year. Initiatives within government have been given impetus by the Commonwealth Secretariat. At its Fifth Meeting of Ministers Responsible for Women's Affairs in Trinidad and Tobago 1995, the Commonwealth launched a gender and macroeconomic policy initiative with two countries- South Africa (see below) and Sri Lanka- as pilots. St Kitts Nevis, Barbados and Fiji have since joined this initiative.
- *Civil society:* The Tanzania Gender Networking Programme (TGNP) has undertaken reviews of the planning commission, ministry of finance, education, health and agriculture budgets and worked with government on implementing recommendations. In Bangladesh, the Institute for Development Policy Analysis, which has long been involved in pro poor participatory budget processes is engaging with other NGOs in a gender budget initiative. Gender concerns have also been taken up by the Alternative Federal Budget initiative in Canada. The UK Women's Budget Group has argued that tax cuts even at the lower end of income benefit men more than women and that women's unpaid work needs to be taken into account. Trade Unions and NGOs in Switzerland have carried out studies on the effects of austerity measures on the employment of men and women; the unpaid work of women; and the incidence of benefits.
- *Parliament and civil society:* The Ugandan Gender Budget Initiative (GBI) is a joint undertaking of the Women's Caucus in parliament and the Forum for Women in Democracy (FOWODE), an NGO that provides training and research capacity for women members of parliament. After carrying out research on the national budgets for education, health and agriculture, the GBI research in these areas is being piloted at district level.
- *Parliament, civil society and government:* The South African Women's Budget Initiative (WBI), which was to some extent inspired by the Australian example, has its roots in civil society and in parliament. It began with detailed research into all sectors and government departments by a team of researchers in civil society, working closely with the parliamentary Committee on the Quality of Life and Status of Women. These findings have been published in four volumes of the "Women's Budget", and in the simplified version: "Money Matters." The WBI found an entry point into government when South Africa became one of two Commonwealth countries participating in a pilot study on integrating gender into macroeconomic policy launched at the Fifth Meeting of Commonwealth Ministers Responsible for Women's Affairs in Trinidad and Tobago in 1995. The Central Statistical Services worked with the Ministry of Finance to incorporate gender considerations into budget reviews that raised significant analysis and questions on the gender impact of specific expenditures.

- **Local government:** The national budget does not tell the full story—particularly as regards service delivery. In South Africa for example, 41 percent of revenue raised nationally is spent nationally; 57 percent is spent on the nine provinces (which raise minimal revenue of their own); and 2 % on local government that raises nine times this amount for itself. (11) In its fourth year, the WBI has begun an analysis of spending at a local government level from a gender perspective. In Latin America, the regional chapter of the International Union of Local Authorities (IULA) has undertaken a study on “How to apply a Gender Perspective in the Budget for Development Planning, Health, Education and Environment”.
- **Intergovernmental organizations:** In 1996 the UNDP Administrator directed that twenty percent of regular; ten percent of global and fifteen percent of country programmes be devoted to gender issues. Two tracking exercises have monitored these allocations.

Achievements of gender budget initiatives

Although still in their early stages, gender budget initiatives have scored important successes, ranging from actual expenditure re-allocations to opening traditionally secretive budget processes to much greater transparency and accountability.

- **Re-prioritisation of expenditure:** In the Philippines, the government has directed that all ministries allocate at least five percent of their resources to taking forward gender mainstreaming throughout government. A report from the South African Minister of Finance to the Committee on the Quality of Life and Status of Women in 1997 stated:

“Following a cabinet meeting in February 1996, the Department of Finance committed itself to considering the reallocation of military expenditure to support women’s economic advancement. The Department has reduced expenditure on defence from 9.1 percent of total government spending in 1992/93 to 5.7 percent in 1997/98. The priority has shifted instead to the social services, which benefit predominantly women and children. Spending on social services increased from 43.8 percent of total spending in 1992/93 to 46.9 percent in 1997/98 ” (12)

- **Effecting policy changes:** The Australian Office on the Status of Women cites state provision of affordable, quality child-care as one of its most successful policy interventions linked to the Women’s Budget. The OSW believes that the federal government outlay of A \$ 1 billion per annum for child care is linked, at least in part, to its efforts to “present child care as a mainstream economic issue and not just a woman’s issue.” (13) The UK Women’s Budget Group claims as one of its successes the Working Family Tax Credit in which households can choose to whom this sum is paid. The AFB in Canada played an important role in lobbying for the doubling of the duration of maternity and paternity leave under the unemployment insurance schemes.

- *Exposing policy weaknesses:* In Sri Lanka, the gender budget initiative has shown that while there is equality of access and usage in the social sectors such as education and health, targeting of women in the productive sectors, such as agriculture and industry, is weak. The initiative has recommended that resource flows into technology transfer, organizational strengthening, training, extension services and communications systems be targeted at improving the participation of women ⁽¹⁴⁾. Gender budgeting has been used to track and gauge government commitment to policies and legislation. For example, the Gender Advocacy Programme, a South African NGO, has carried out a budget analysis of the 1998 Domestic Violence Act. The study found a disjuncture between the provisions of the act, such as special courts for addressing violence against women, and budgetary provisions.
- *Exposing general budgetary weaknesses:* The work on gender budgets has surfaced more general budgetary problems. For example, the work at local government level in Uganda has demonstrated that payments to government officials consume large portions of meager budgets, leaving little for actual programmes; but also raising the specter that any re-prioritisation is bound to be accompanied by conflict (Budlender 2000).
- *Sharpening approaches to gender mainstreaming:* The Australian OSW commented that "the Women's Budget statement provided a wealth of information about the impact of government policies and instigated a process whereby, in theory at least, departments were required to critically examine their activities from a gender perspective." ⁽¹⁶⁾ As a result of the TGNP research, the Tanzania Ministry of Finance issued general guidelines for mainstreaming gender in its 1998/99 budget. The TGNP was invited to work with six sectors in an initial gender budget mainstreaming exercise, especially in building the analytical capacity of technocrats. The Tanzanian NGO also took part in Tanzania's Public Expenditure Review. In South Africa, the most visible outcome of the budget initiative within government has been a discussion of gender issues woven into budget documents tabled by the Minister of Finance; as well as the requirement that departments disaggregate output indicators when preparing their submissions for the budget process. The gender budget initiative in St Kitts Nevis has been introduced alongside the establishment of a Gender Management System for gender mainstreaming.
- *Developing economic literacy and participation:* The Uganda Women's Caucus has documented how the GBI there helped new women legislators to demystify budget processes; led to the discovery that budgets were being crafted by just 6 to 8 officials; and that each year there was only a five percent variation in allocations such that biases and prejudices contained in the budget are perpetuated from year to year. They have since engaged in a campaign to make the budget more transparent and to reform budgetary processes. In South Africa, the simplified "Money Matters" has been converted into simple workshop materials that have been used for training government, parliamentary and civil society audiences on simple budgeting concepts. This year, a South African NGO, Women's Net, worked with the WBI in setting up a website where women could

make comments on the budget to be forwarded to the Minister of Finance. The TGNP has produced a simplified version of its research findings as well as flyers in ki Swahili.

Challenges

The challenges confronted by these various initiatives may be summarized as follows:

- *Inside or outside government?* Several of the above initiatives have grappled with what constitutes the most suitable location for gender budget initiatives. In Australia, where the initiative was entirely government based, it ran out of momentum and then died completely with a change in government. On the other hand, initiatives that are entirely civil society based run the risk that they produce interesting research that does not result in policy changes. The South African WBI is cited as one of the more robust initiatives because of its grounding in civil society; support from parliament; and association with in a high profile international project which has put pressure on the government to pay more than just lip service to the idea of integrating gender considerations into the budget. Yet even there, the initial enthusiasm shown by the government during the two- year pilot study with the Commonwealth Secretariat is starting to wane. In February 2000, when the Minister of Finance tabled his budget, there was no mention of women or gender in his budget speech, despite several places where it would have been easy to insert the issue (Budlender 2000). Ultimately, the more different groups involved in gender budgets, the more likely there is to be follow up and sustainability.
- *Follow through:* While gender budget initiatives have made many interesting findings, these have frequently not been accompanied by well articulated lobbying and advocacy strategies to ensure follow through. In South Africa, for example, the research pointed to the fact that three quarters of the budget of the Department of Trade and Industry (DTI) went towards the General Export Incentive Scheme (GEIS)- a subsidy to exporters, who by and large consist of white men. Only two percent of DTI's budget went towards Small and Medium Enterprises (SMEs), in which women predominate. GEIS is now being phased out, theoretically opening the door for more resources to be invested in SME's. Yet even the existing resources designated for SME's have not been taken up due to bureaucratic bottlenecks and problems inherent to this sector, such as lack of capacity to draw up business proposals. Thus the WBI has raised a tantalizing possibility, but has not had the capacity to see this through all the complex changes of policy reform, project redesign, and service delivery (Lowe-Morna 1997).
- *Ensuring broad participation:* Despite efforts in Uganda, South Africa and Tanzania to simplify gender budgeting materials, the initiatives are still often seen as the concern of a few activists. Efforts to simplify materials even further, and ensure broader participation, will be critical in the future.

Conclusion

In the short space of a decade, gender budgeting has taken the world by storm- a positive example, one might say, of globalisation ! The concept is integral to, and a powerful tool for, gender mainstreaming. We cannot talk about policies and programmes without talking about money! The real trick has been to learn to distinguish between women specific expenditures and gender disaggregation of mainstream budgets. It is only when we begin to look at these lump sums through a gender lens that the real effect of policies with regard to gender equality becomes apparent.

Coming from Africa, I am especially proud at the leading role that the continent has been playing in shaping and developing this concept. Although the original idea came from Australia, we have colonized it and made it our own! And long after Australia ran out of steam we continue to experiment with new ideas and approaches.

But the lesson of Australia is that noble ideas can easily wither unless they are resolutely entrenched in our systems, enjoy political support, and perhaps most importantly are the subject of constant advocacy by civil society.

That is what gives me hope about being with all of you tonight! Not only is this a case of a reverse information flow, from south to north, but the energy I feel being among so many activists gives me hope that I am, in some small way, passing on the flame. May it burn brighter- for all the women of the world!

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