Economic policies for gender equality: gender budgeting in theory and practice

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Gender budgeting

Definition

Gender budgeting is an application of gender mainstreaming in the budgetary process.

It means a gender-biased assessment of budgets, incorporating a gender perspective at all levels of budgetary process and restructuring revenues and expenditures in order to promote gender equality (Council of Europe)
Gender-biased assessment of budgets

- The budget appears to be gender-neutral, but it could be more accurately described as «gender-blind»

- Conceptual frameworks and statistics ignore the different socially determined roles and responsibilities of men and women and the different impact of fiscal policy on them

- It ignores the «unpaid economy» in which women do most of the work of caring for and maintaining the labour force and the social capital - both vital for the paid economy (Elson 1998)
Goals of GB

Main goal:

to promote gender equality

- equity (allocation of resources)
- efficiency

Ancillary goals:

- Transparency and accountability
- Awareness of governments, administrations and civil society of gender issues
GB : where does the idea come from?

1984 Australia : first gender-analysis of the budget

1995 Beijing, United Nations Fourth World Conference on Women, the “Beijing Platform for Action”
1995, UN 4th World Conference on Women, “Beijing Platform for Action”

(*Strategic Objective F1*): Promote women’s rights and economic independence, including access to employment, appropriate working conditions and control over economic resources. Actions to be taken by Governments include: [..] Facilitate, at appropriate levels, more adequate and transparent budget processes [..] This requires the integration of a gender perspective into budget policies and planning, as well as the financing of specific programmes in order to pursue Equal Opportunities between women and men. At the national level [..] governments should act with the objective to verify how women benefit from public expenditure, and to redirect budgets in order to ensure equal opportunities of access…”
From Beijing to now


At end of 2011, UN Women was supporting GRB work in 65 countries at national and/or local level

European Union

- 1997: introduction of the principle of gender equality into the EU Amsterdam Treaty

- 2003: the European Parliament Resolution on Equal Opportunities for Women and Men 1.3.30. on "Gender budgeting - Building public budgets from a gender perspective" was issued

- 2006: European Charter for equality of women and men in local life

- GB mandatory at national and/or local level in some Member States
Political location (who is involved?)

Inside the government
• initiated by the Ministry of Equal Opportunities, the Finance Ministry or the Planning Ministry
• focus on particular portfolios: education, health…

(Continental Europe, developing countries)

Outside the government
• by civil society actors (UK; Canada)

Combination of both inside and outside government
Worried that economic recovery is not including women? Want to ensure that not only do women get a fair share of the famous faces on banknotes, but that women also get a fair share of the banknotes?
Equity or equality?

- The terms are not interchangeable; difference is emphasized, for example, by CEDAW (Convention on the Elimination of all Discrimination Against Women)
- “equity” means *de jure* or formal equality, (with reference to the laws of a country, formal rules etc)
- “equality” means substantive, *de facto* equality
- Equality of opportunities or of outcomes?
Different approaches to gender equality

A) Integrationist approach

Women must be included into a world where the male values and norm prevail

*Women are not seen as a resource, but as a marginalised group, of particularly needy people,*

...in a defensive position (they must show that they are “as good as men”)

Gender equality is seen as a worthwhile goal, but its also seen as having potential costs or even acting as a constraint on economic growth: growth first, equality later.
Different approaches to gender equality

B) Difference approach

- Women as ‘gender differentiated’ citizens.
- Equal treatment does not have to mean same treatment

Cons: cultural differences in tastes, values and habits may appear as biological differences
No room for transformation
Corruption and women’s rights

Dollar et al. (2001)
Different approaches to gender equality

C) Transformative approach

It questions the present gender roles and division of labour in the economy and society. It focuses on the structural reproduction of gender inequality and aims to transform the policy process such that gender bias is eliminated. (Ben-Galim et al. 2007)

“gender-policy” would be about “using Gender to undo Gender” (Lorber 2000).
Gender Equality Policies

a) Integrationist → Equal opportunities policies, against discrimination

b) Difference → positive actions (Example: quotas)

c) Trasformative → Gender mainstreaming (Example: Gender budgeting is an application of gender mainstreaming in the budgetary process)
GB in four steps

1. Context analysis (selection of appropriate indicators and benchmarks)

2. Integration of gender into a) aggregate macroeconomic strategy and b) composition of revenues and expenditures

3. Analysis of specific actions which address gender equality directly

4. Equal opportunity policies inside the administration (careers, salaries ….)
Step 1

Context analysis (selection of appropriate indicators and benchmarks)
How and why to measure gender equality

An effective monitoring of gender equality, based on a common set of indicators can:

a) identify strong or weak aspects of a national or local situation and raise awareness of problems

b) facilitate comparisons

c) monitor progress and signal effective policy

d) and make governments accountable.
Gender Inequality Index, 3 dimensions

- **Health**: maternal mortality ratio, adolescent fertility rates

- **Empowerment**: ratio of female to male representatives in parliament; educational attainments in secondary and higher education

**Economic independence**: Female labour force participation, (global average 51% in 2013)
Gender Equality Index EU

- [http://eige.europa.eu/content/gender-equality-index](http://eige.europa.eu/content/gender-equality-index)
Figure 2.2. Domains and sub-domains of the conceptual framework: Core Gender Equality Index

- **Work**
  - Participation
  - Segregation
  - Quality of work

- **Health**
  - Status
  - Behaviour
  - Access

- **Power**
  - Political
  - Social
  - Economic

- **Time**
  - Economic activities
  - Care activities
  - Social activities

- **Money**
  - Financial resources
  - Economic situation

- **Knowledge**
  - Attainment
  - Segregation
  - Lifelong learning
## Equality in TIME

<table>
<thead>
<tr>
<th>Domain</th>
<th>Conceptual framework</th>
<th>Measurement framework</th>
<th>Concept measured</th>
<th>Indicators</th>
</tr>
</thead>
<tbody>
<tr>
<td>Economic</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Care activities</td>
<td>Care activities</td>
<td>Care activities</td>
<td>Childcare activities</td>
<td>v14 Workers caring for and educating their children or grandchildren, everyday for one hour or more (% 15+ workers)</td>
</tr>
<tr>
<td>Domestic activities</td>
<td>Domestic activities</td>
<td>Social activities</td>
<td>Sport, culture and leisure activities</td>
<td>v16 Workers doing sporting, cultural or leisure activities outside of their home, at least every other day (% 15+ workers)</td>
</tr>
<tr>
<td>Social activities</td>
<td>Social activities</td>
<td>Social activities</td>
<td>Volunteering and charitable activities</td>
<td>v17 Workers involved in voluntary or charitable activities, at least once a month (% 15+ workers)</td>
</tr>
</tbody>
</table>
### Equality in POWER

<table>
<thead>
<tr>
<th>Power</th>
<th>Political</th>
<th>Political</th>
<th>Ministerial representation</th>
<th>v18</th>
<th>Share of Ministers (%, 18+ population)</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td></td>
<td>Parliamentary representation</td>
<td>v19</td>
<td>Share of members of Parliament (%, 18+ population)</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>Regional assemblies representation</td>
<td>v20</td>
<td>Share of members of Regional Assemblies (%, 18+ population)</td>
</tr>
<tr>
<td>Social</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Economic</td>
<td></td>
<td></td>
<td>Members of boards</td>
<td>v21</td>
<td>Share of members of boards in largest quoted companies, supervisory board or board of directors (%, 18+ population)</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>Members of Central Bank</td>
<td>v22</td>
<td>Share of members in all key decision-making bodies in Central Bank (%, 18+ population)</td>
</tr>
</tbody>
</table>
Gender gap in quality of work

Figure 4.8. Gender gaps in employees who do not have a fixed start and end of a working day or varying working time as decided by the employer in EU Member States, 2010
### Final ranking (2012)

<table>
<thead>
<tr>
<th>Rank</th>
<th>Country</th>
<th>Score</th>
<th>Rank</th>
<th>Country</th>
<th>Score</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Sweden</td>
<td>74.2</td>
<td>15</td>
<td>Latvia</td>
<td>46.9</td>
</tr>
<tr>
<td>2</td>
<td>Finland</td>
<td>72.7</td>
<td>16</td>
<td>Malta</td>
<td>46.8</td>
</tr>
<tr>
<td>3</td>
<td>Denmark</td>
<td>70.9</td>
<td>17</td>
<td>Cyprus</td>
<td>44.9</td>
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<tr>
<td>4</td>
<td>Netherlands</td>
<td>68.5</td>
<td>18</td>
<td>Czech Republic</td>
<td>43.8</td>
</tr>
<tr>
<td>5</td>
<td>Belgium</td>
<td>58.2</td>
<td>19</td>
<td>Poland</td>
<td>43.7</td>
</tr>
<tr>
<td>6</td>
<td>UK</td>
<td>58.0</td>
<td>20</td>
<td>Hungary</td>
<td>41.6</td>
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<tr>
<td>7</td>
<td>France</td>
<td>57.3</td>
<td>21</td>
<td>Italy</td>
<td>41.1</td>
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<tr>
<td>8</td>
<td>Slovenia</td>
<td>56.5</td>
<td>22</td>
<td>Lithuania</td>
<td>40.2</td>
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<tr>
<td>9</td>
<td>Ireland</td>
<td>55.7</td>
<td>23</td>
<td>Croatia</td>
<td>39.8</td>
</tr>
<tr>
<td>10</td>
<td>Germany</td>
<td>55.3</td>
<td>24</td>
<td>Bulgaria</td>
<td>38.5</td>
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<tr>
<td>11</td>
<td>Luxembourg</td>
<td>55.2</td>
<td>25</td>
<td>Greece</td>
<td>38.3</td>
</tr>
<tr>
<td>12</td>
<td>Spain</td>
<td>53.6</td>
<td>26</td>
<td>Portugal</td>
<td>37.9</td>
</tr>
<tr>
<td>13</td>
<td>Austria</td>
<td>50.2</td>
<td>27</td>
<td>Slovakia</td>
<td>36.5</td>
</tr>
<tr>
<td>14</td>
<td>Estonia</td>
<td>49.8</td>
<td>28</td>
<td>Romania</td>
<td>33.7</td>
</tr>
</tbody>
</table>
Context analysis at local level

- No convergence on a well-defined set of indicators designed to capture the salient aspects of gender inequality.
- Inadequacy of statistics to capture crucial elements of gender equality: family-friendly working organization, time allotted to specific tasks.
- Positive result: Interpretation of demographic data in terms of needs.
Step 2

Integration of gender into a) aggregate macroeconomic strategy and b) composition of revenues and expenditures
Integration of gender into appraisal of Overall Budget Strategy

- An additional definition of sustainability of deficits
- Families produce labour force and social capital
- Need for monitoring the time budget of citizens
- Have budget deficits been reduced by expenditure cuts which rely on unpaid work to substitute for public services?
UK Women’s Budget Group “Budget 2014 - Giveaways to men, paid for by women”

- The majority of tax giveaways such as increases in the personal tax allowance, which alone cost £12bn a year, will go to men and those on higher incomes. This is equivalent to the £12bn additional cuts to social security benefits (the brunt of which are borne by women) to be made in the first two years of the next parliament.

- The cap on social security spending (£119.5bn for 2015-16) will have more impact on women who rely on benefits more than men. It will also do nothing to address the root causes of increased need.
Expenditure for gender equality and not for women

The fact that the beneficiaries of an expenditure are women does not imply that the expenditure is for gender equality. Example: money transfers for care labour. On the contrary, paternity leaves are addressed to men, but have an impact on gender equality.
Gender Analysis of Expenditure

Good news: Budgeting procedures are being reformed in many countries, from line-item input budgeting (focus on input and past expenditures) to more performance-based forms of budgeting (focus on output and outcomes).

Three approaches

1. Account-based approach
2. Policy-based approach
3. Capability approach
Account-based approach

- It is a classification exercise, devised by R. Sharp (1998). It covers the whole budget.

  - Best examples:
    1. Basel 2002 (BASS methodology)
    2. Belgium 2010

Institute for the equality of Women and Men
Manual for the application of Gender Budgeting within the Belgian Federal Administration, 2010
Belgium 2010

category 1: concerns internal functioning or otherwise does not contain a gender perspective

category 2: aims specifically to achieve equality between women and men;

category 3: concerns a public policy and has a gender perspective (which one?)
BASS methodology: classification of expenditure

- A) beneficiaries. Each expenditure is classified as “neutral” “pro men” “pro women”
- B) impact on employment M o F, “direct” (employment in the public sector), “indirect” on the market, through public procurement
- C) impact on unpaid work: X if positive (unpaid work increases), 0 if negative
Health
Public security
Welfare
Pros and Cons of the Account-based approach

- **Pros:**
  - It increases gender-awareness
  - Replicable at low-cost
  - Clear results, easy to communicate

- **Cons:**
  - Beneficiary analysis may be misleading
  - Classification is arbitrary
  - It is more preventive than curative
Policy–based approach

- Identify (context analysis) priority action fields and benchmarks within the policy areas covered by the budget
- Set numerical targets
- Identify specific policy actions to reach those targets (and a road map)
- Construct Indicators to monitor progress and carry out monitoring
Policy–based approach: pros and cons

Pros:
- It pursues a well-defined goal which is relevant for the area.
- Successes and failures monitored.

Cons:
- It is costly and requires experts; not replicable
- It may lose the broader perspective.
Capability approach

- Identify a list of capabilities which concern the general well-being of all members of society
- Analyse expenditures by identifying the capability/ies which are affected by each item
- Build a connection between the results of the analysis and allocation of resources
Martha S. Nussbaum (2003) Capabilities

1) Life 2) Bodily health 3) Bodily integrity
4) Senses, imagination and thought
5) Emotions
6) Practical reason
7) Affiliation
8) Other species
9) Play 10) Control over one’s environment
Capability approach: pros

1. It is a holistic approach which aims at encompassing all the dimensions of women’s well-being.

2. It emphasizes not only the availability of material resources, but also the importance of relations with the physical and social environment.
Capability approach: cons

Difficult to operationalize:
1. Which capabilities?
2. How to choose good proxies for them?
3. How to connect indicators and budgetary decisions?
Conclusions

GB = an instrument against Gender Inequality with great potential, which has not been fully developed yet, because of lack of political will, appropriate institutional framework and adequate expertise. Not to be abandoned, but improved.
References

Gender –responsive budget analysis in the Canton of Basel-Stadt, Switzerland, 2008


European Institute for Gender Equality, *Gender Equality Index 2015*
