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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

Support from Commonwealth Secretariat: South Africa , Kenya, Sri Lanka, Barbados...(gender impact of Structural Adjustment programs)

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

- http://gender-financing.unwomen.org/en/areas-of-work/planning-and-budgeting

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

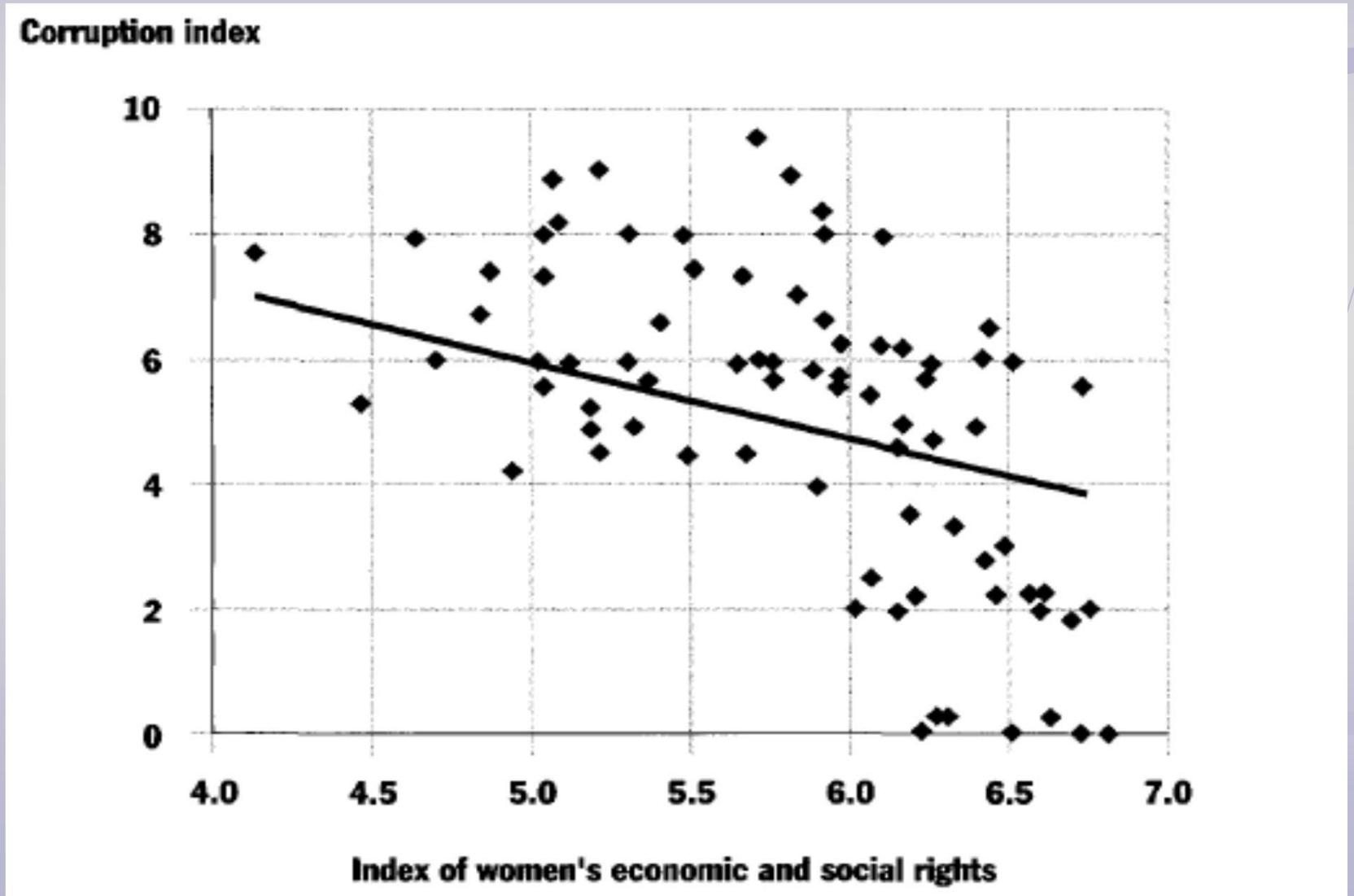
- Women as ‘gender differentiated’ citizens.
- Equal treatment does not have to mean same treatment

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 focusses ‘on the structural reproduction of gender inequality and aim[s] 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)

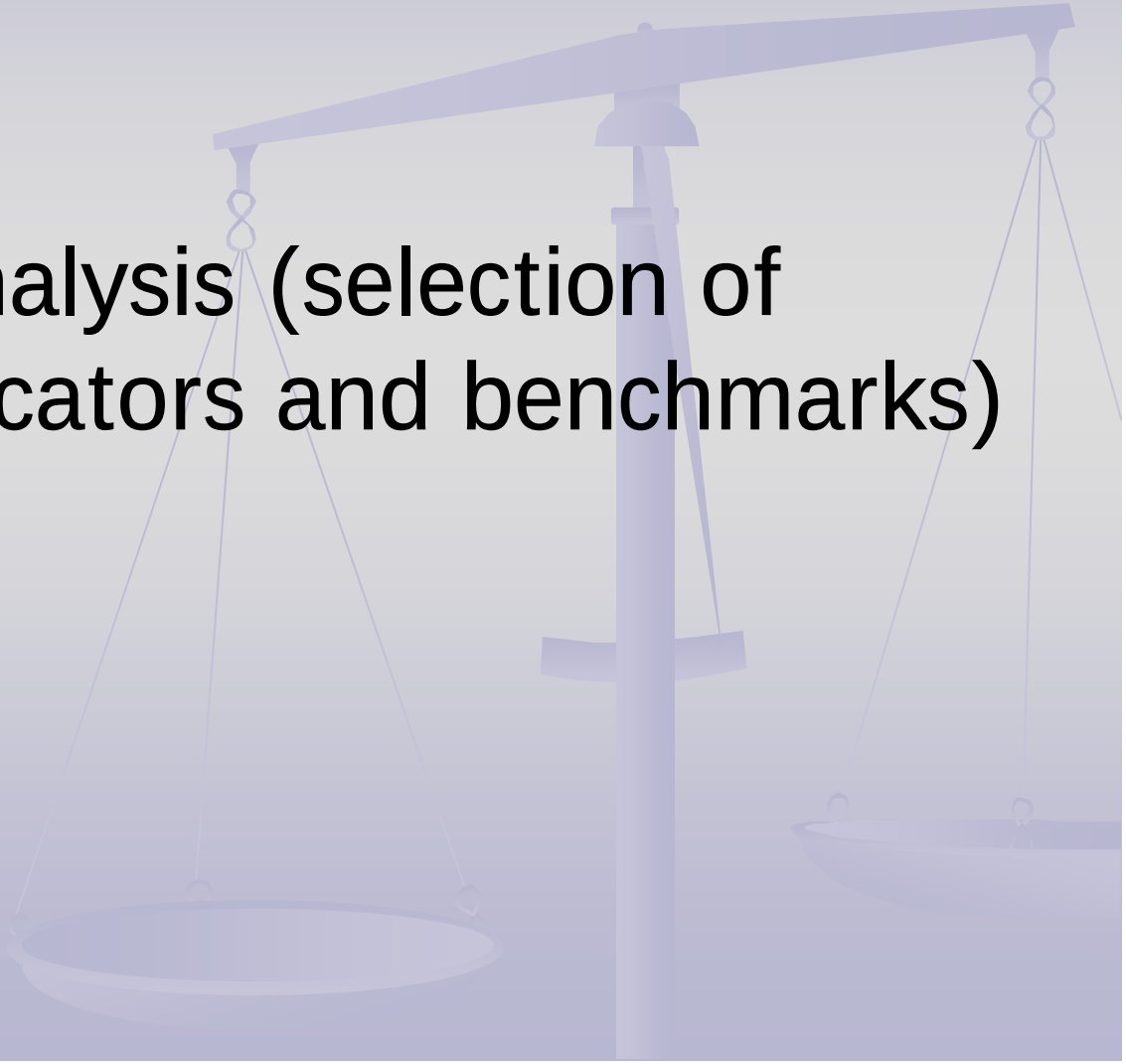
c) Trasformative ⇒ *Gender mainstreaming (*Example: Gender budgeting is an application of gender mainstreaming in the budgetary process)

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

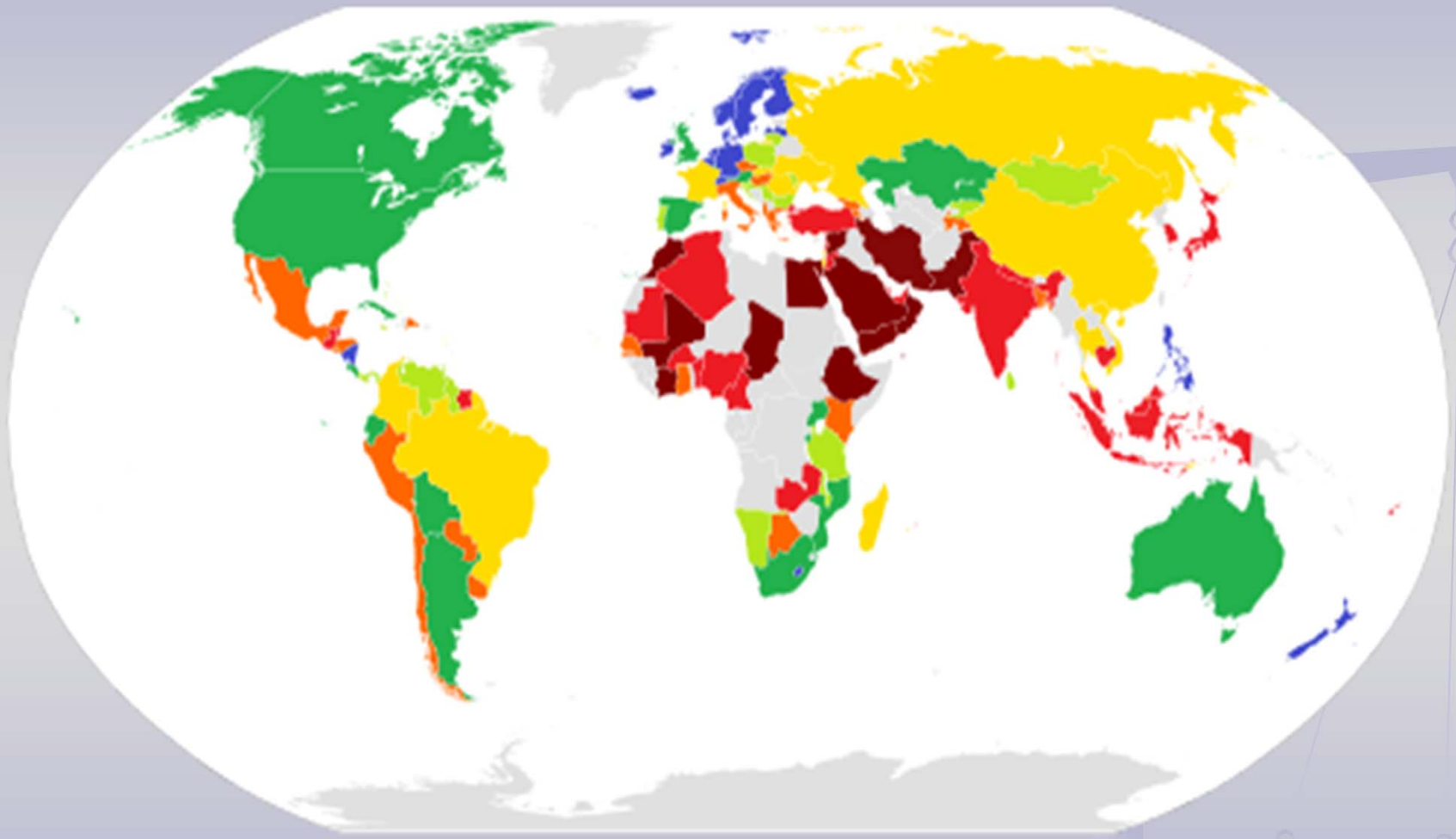
An effective monitoring of gender equality, based on a common set of indicators can:

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

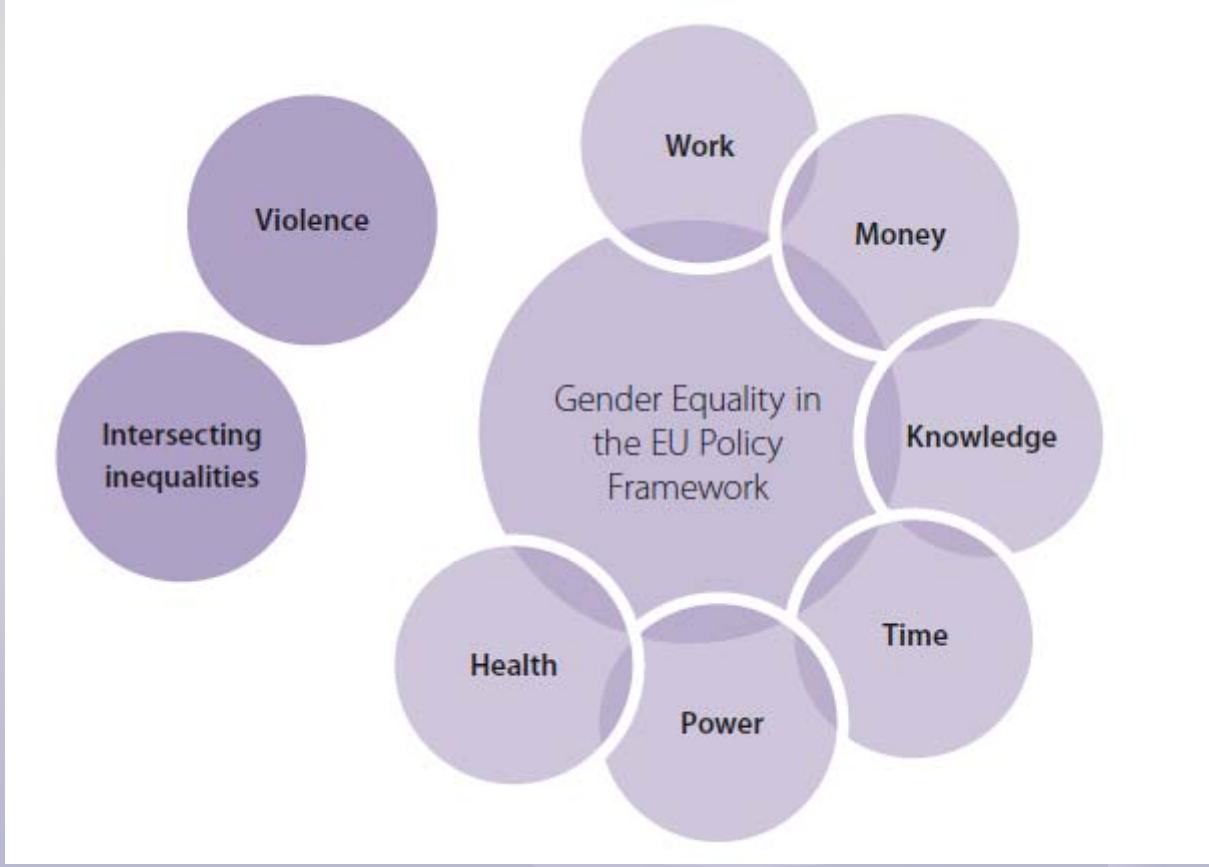
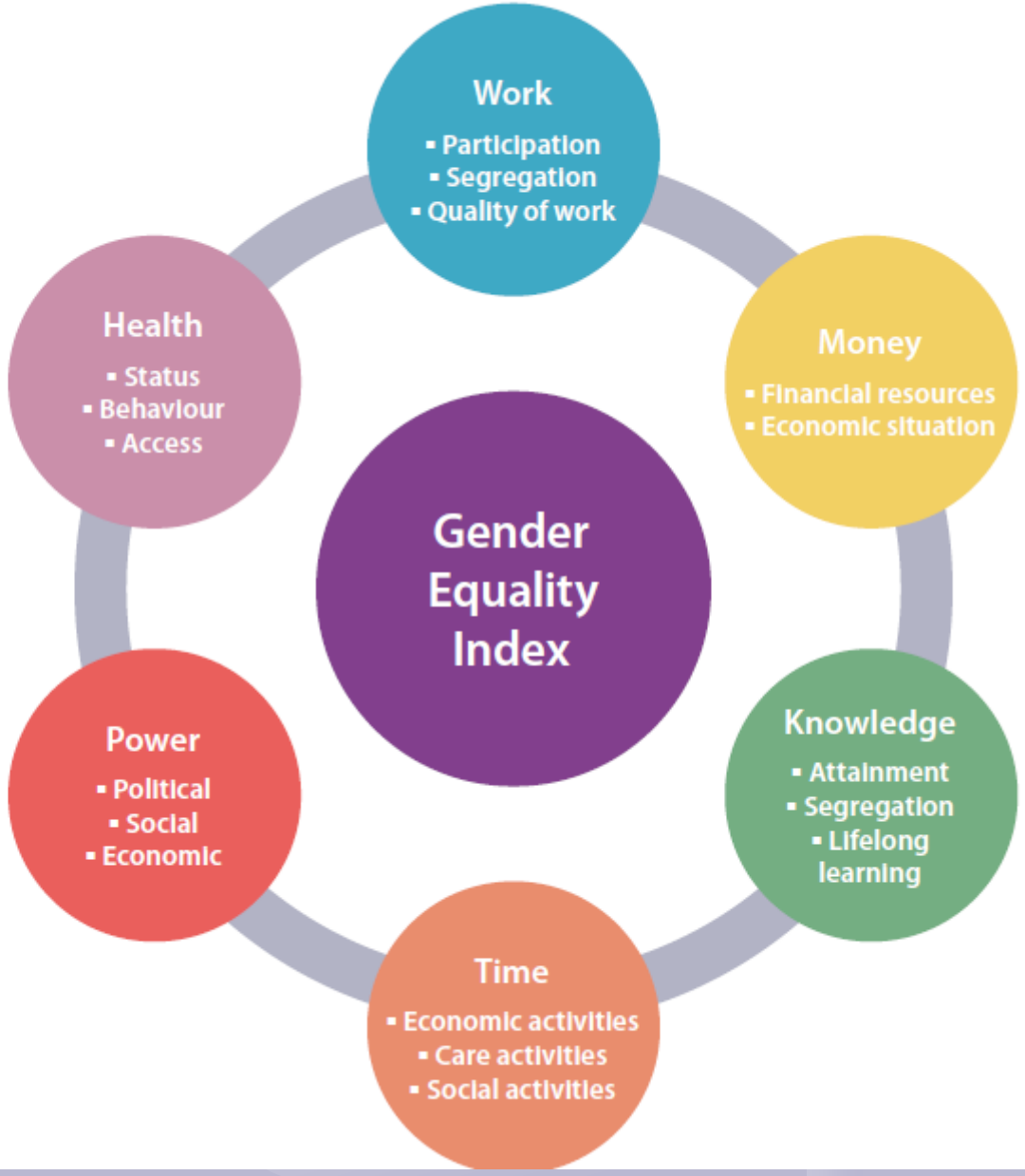


Figure 2.2. Domains and sub-domains of the conceptual framework: Core Gender Equality Index



Equality in TIME

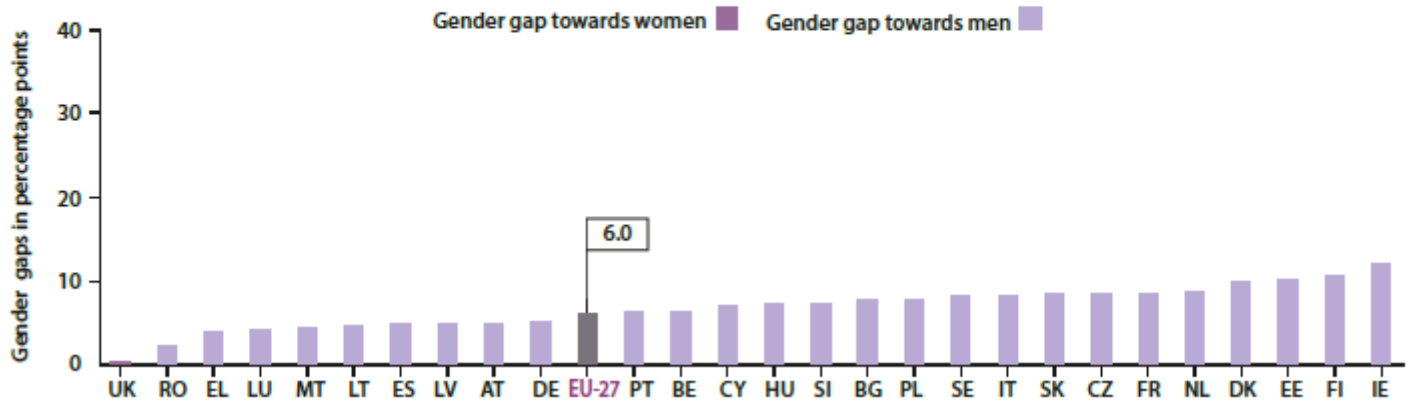
Domain	Conceptual framework	Measurement framework	Concept measured	Indicators	
Time	Economic	-	-	-	-
	Care activities	Care activities	Childcare activities	v14	Workers caring for and educating their children or grandchildren, everyday for one hour or more (% 15+ workers)
			Domestic activities	v15	Workers doing cooking and housework, everyday for one hour or more (% 15+ workers)
	Social activities	Social activities	Sport, culture and leisure activities	v16	Workers doing sporting, cultural or leisure activities outside of their home, at least every other day (% 15+ workers)
			Volunteering and charitable activities	v17	Workers involved in voluntary or charitable activities, at least once a month (% 15+ workers)

Equality in POWER

Power	Political	Political	Ministerial representation	v18	Share of Ministers (%, 18+ population)
			Parliamentary representation	v19	Share of members of Parliament (%, 18+ population)
			Regional assemblies representation	v20	Share of members of Regional Assemblies (%, 18+ population)
	Social	-	-	-	-
	Economic	Economic	Members of boards	v21	Share of members of boards in largest quoted companies, supervisory board or board of directors (%, 18+ population)
			Members of Central Bank	v22	Share of members in all key decision-making bodies in Central Bank (%, 18+ population)

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)

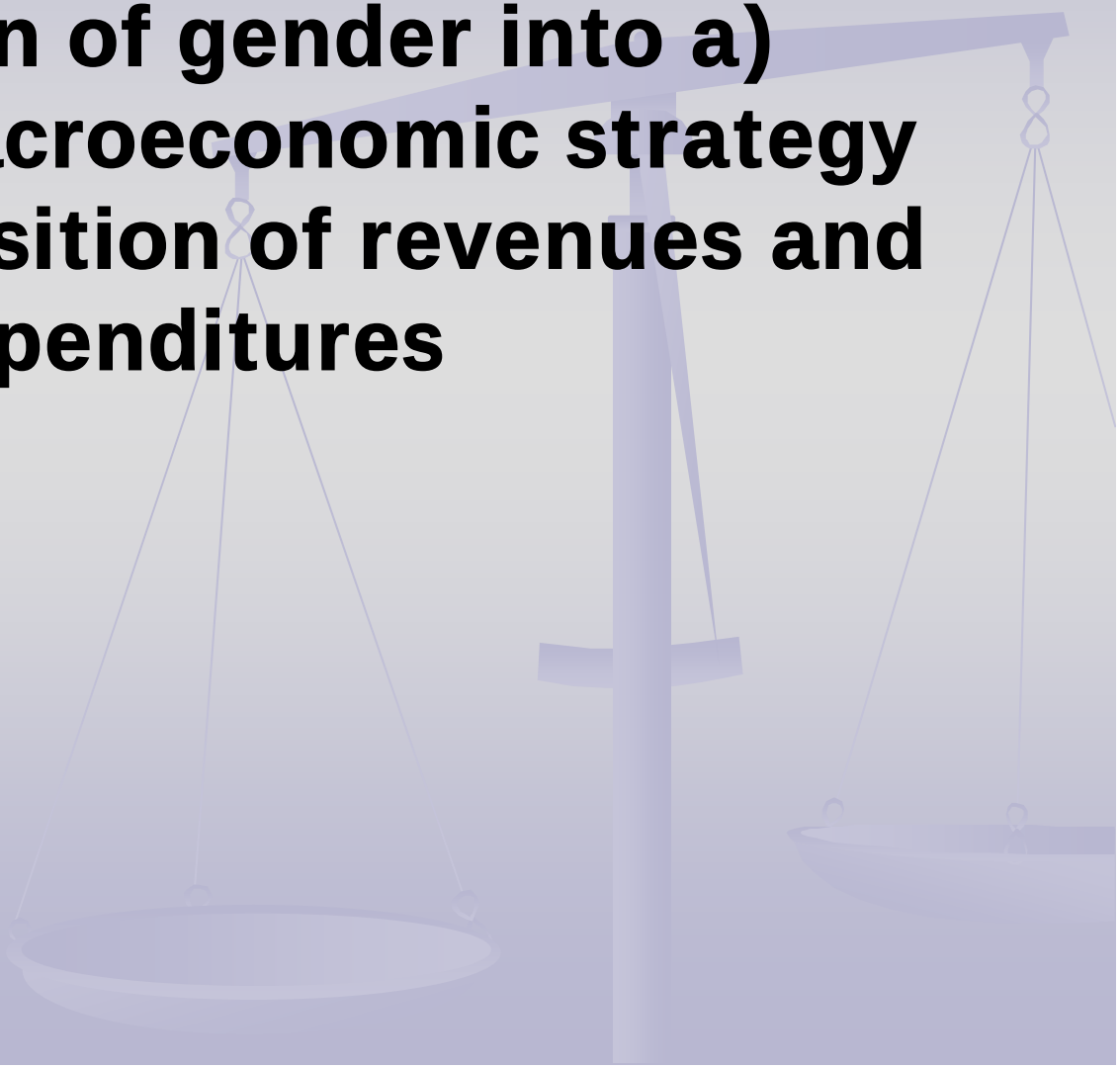
1	Sweden	74.2	15	Latvia	46.9
2	Finland	72.7	16	Malta	46.8
3	Denmark	70.9	17	Cyprus	44,9
4	Netherlands	68.5	18	Czech Republic	43.8
5	Belgium	58.2	19	Poland	43.7
6	UK	58	20	Hungary	41.6
7	France	57.3	21	Italy	41.1
8	Slovenia	56.5	22	Lithuania	40.2
9	Ireland	55.7	23	Croatia	39.8
10	Germany	55.3	24	Bulgaria	38.5
11	Luxembourg	55.2	25	Greece	38.3
12	Spain	53.6	26	Portugal	37.9
13	Austria	50.2	27	Slovakia	36.5
14	Estonia	49.8	28	Romania	33.7

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

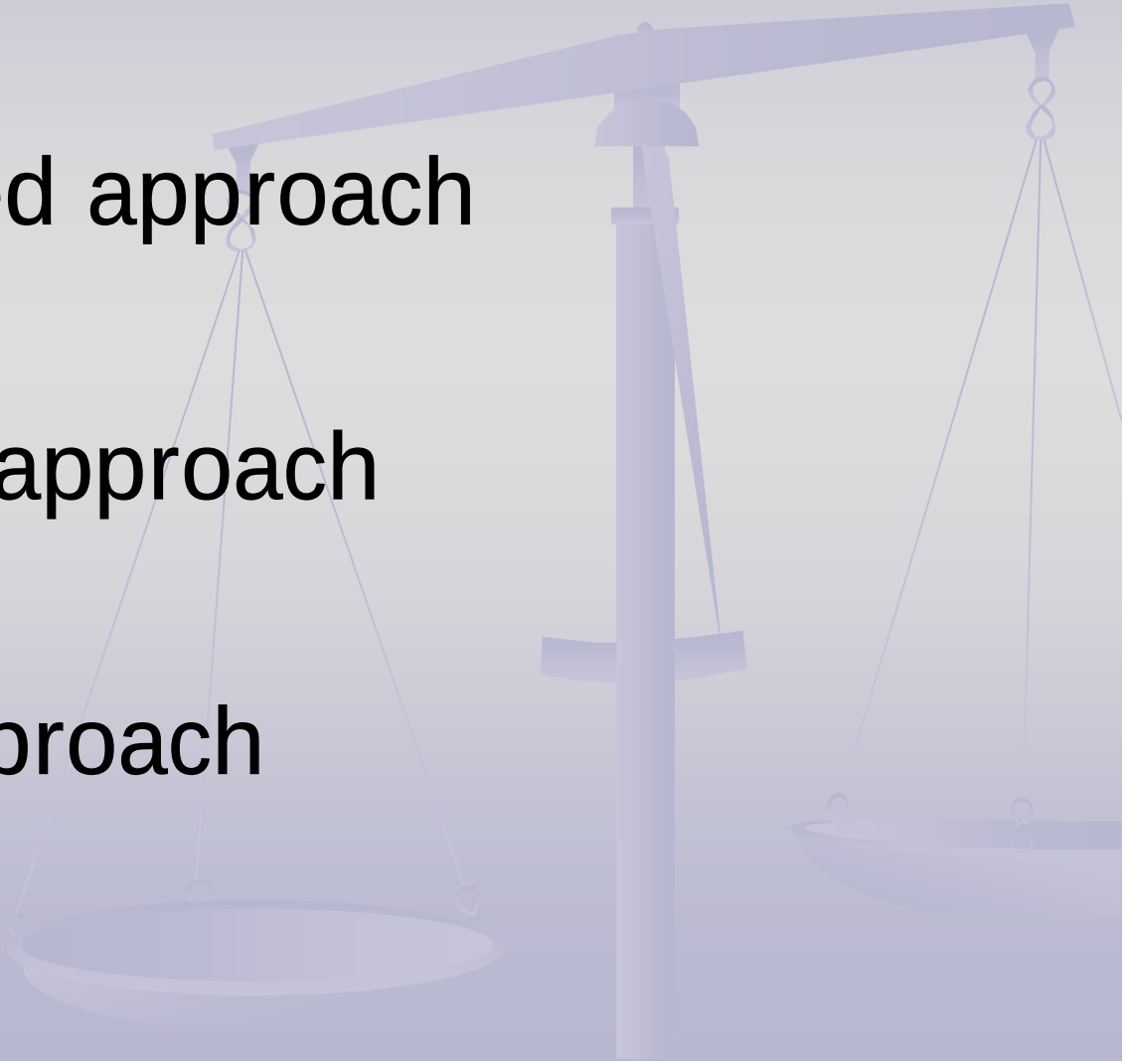
On the contrary, paternity leaves are addressed to men, but have an impact on gender equality

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).

How to do GB in performance-oriented budgets: Sharpe (2003).

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

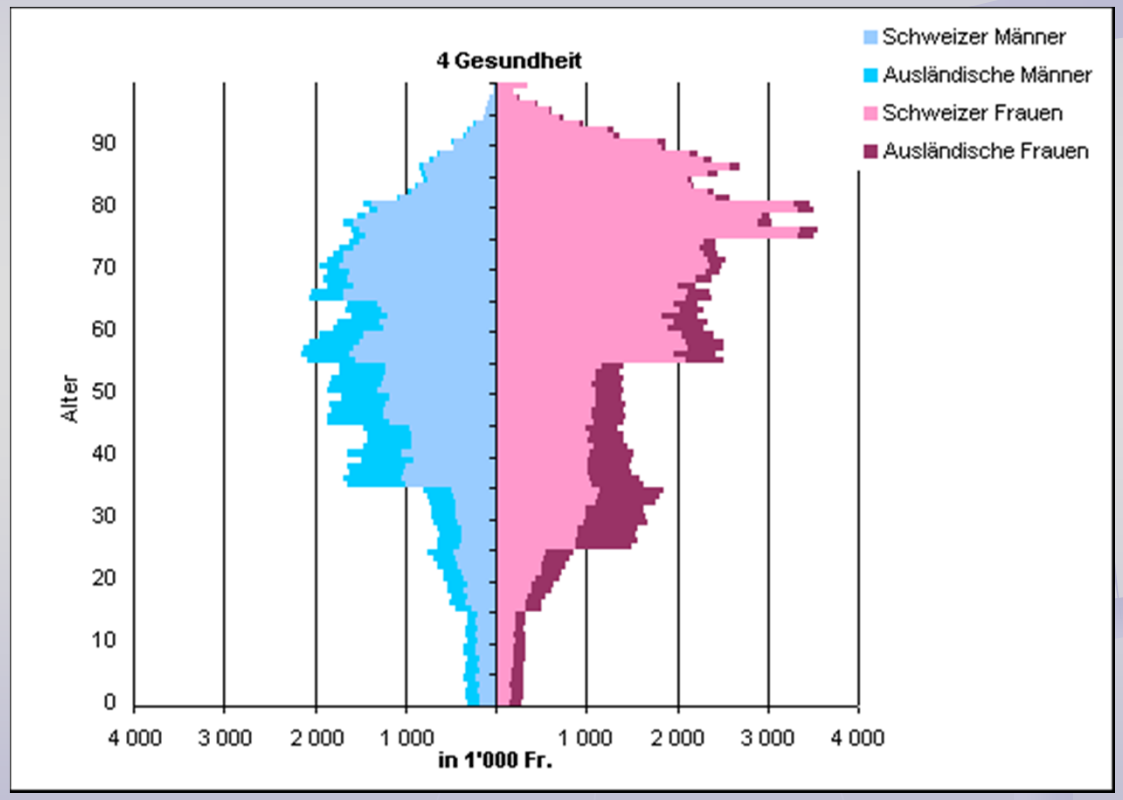
category 2: aims specifically to achieve equality between women and men;

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


4 Gesundheit
Schweizer Männer
Ausländische Männer
Schweizer Frauen
Ausländische Frauen
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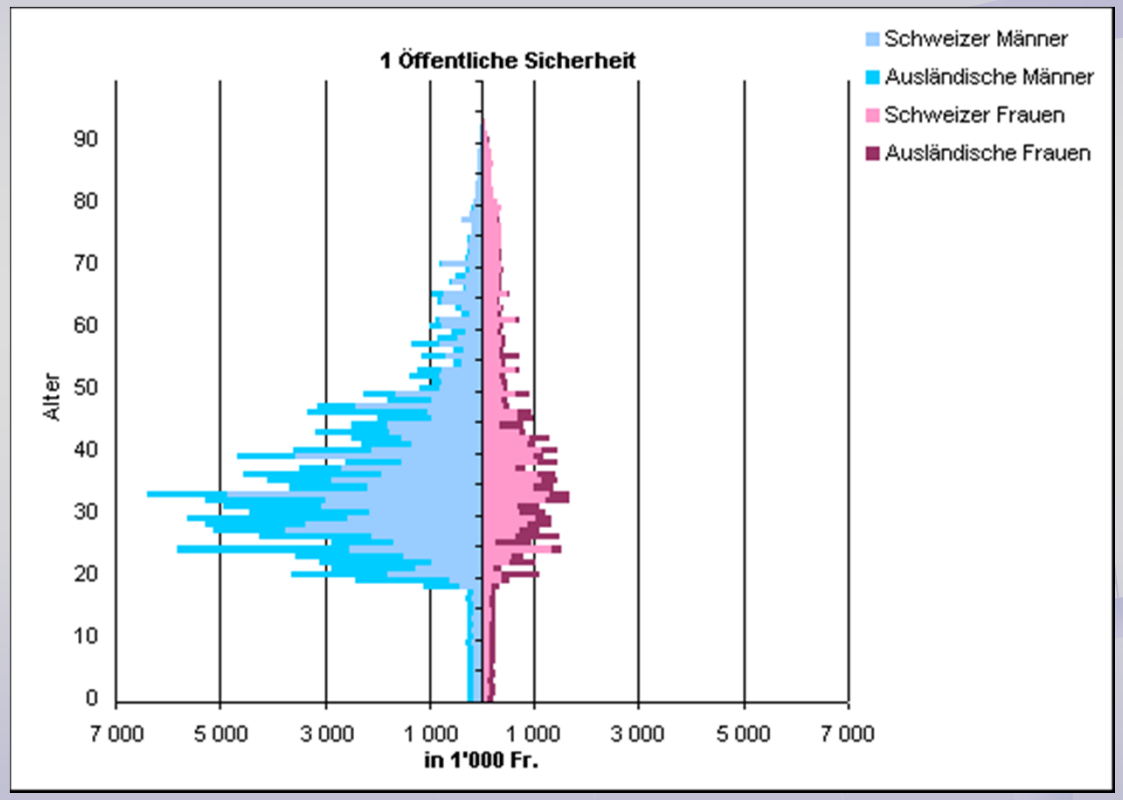
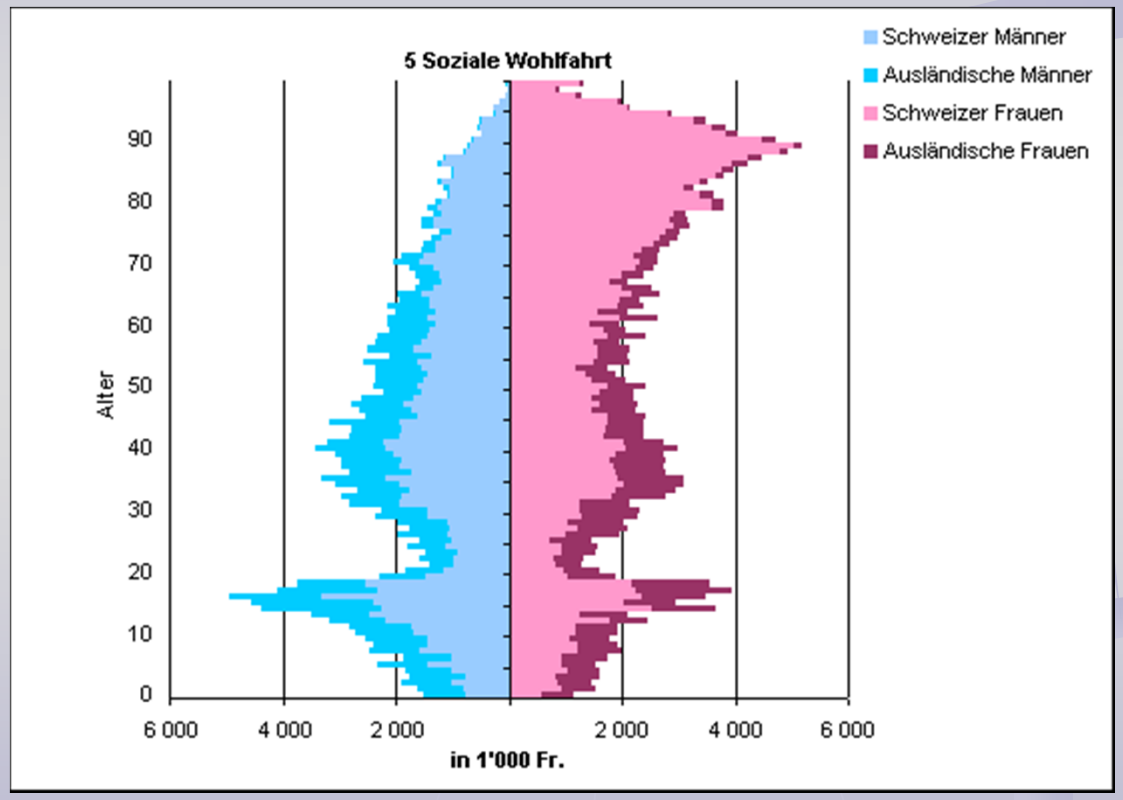
Public security



Welfare


5 Soziale Wohlfahrt
Schweizer Männer
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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:

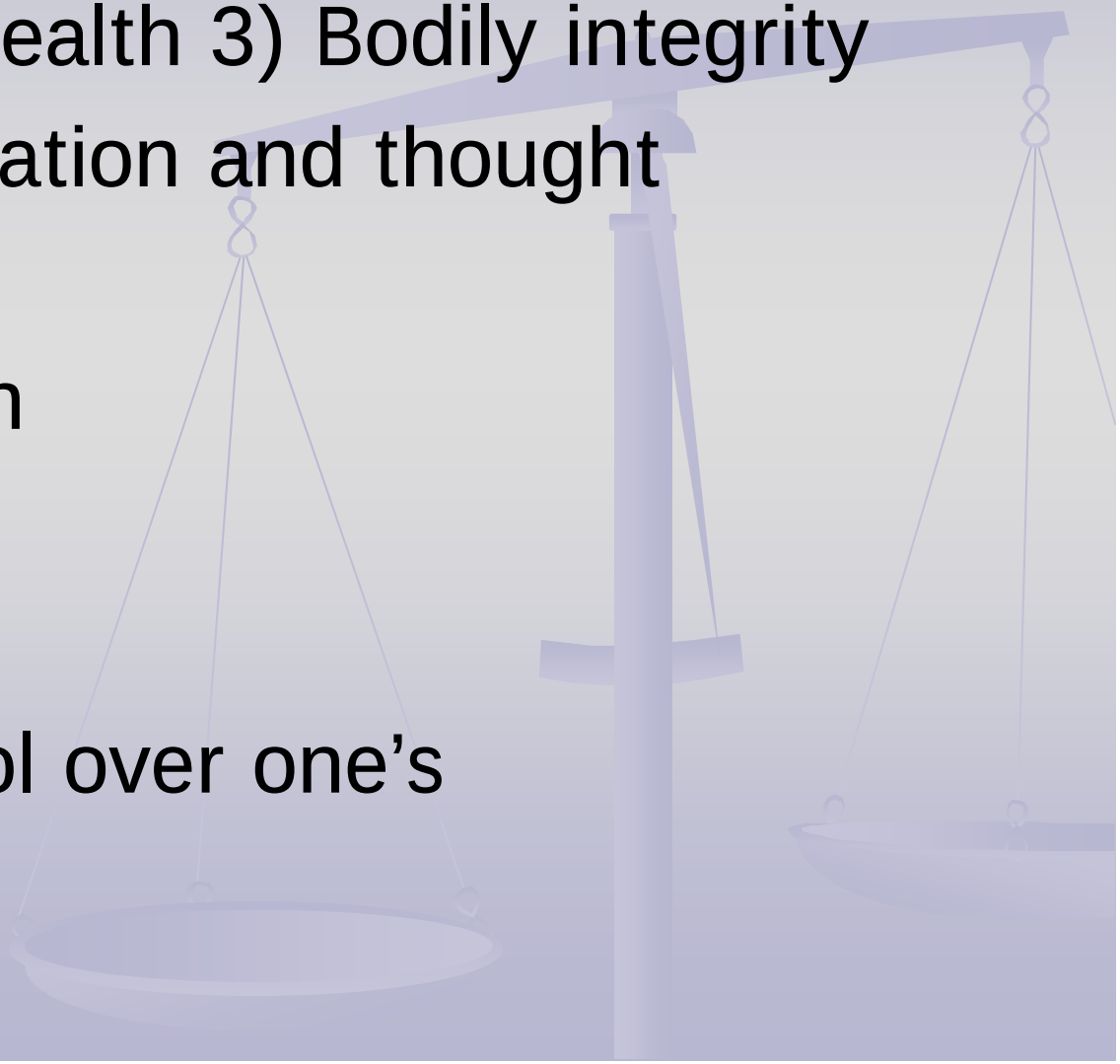
- It is costly and requires experts; not replicable
- It may lose the broader perspective.

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



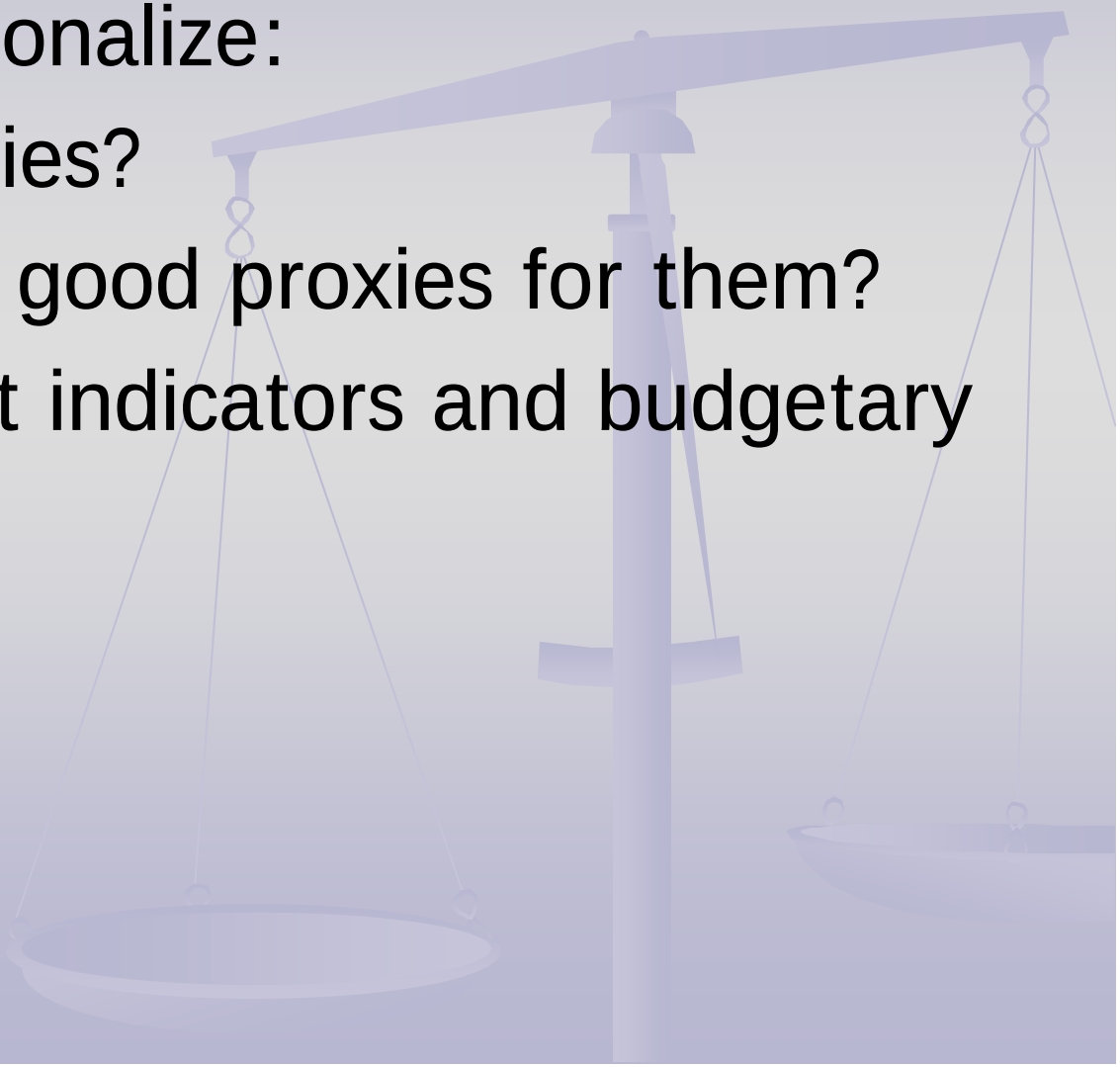
Capability approach: pros

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 developped yet, because of lack of political will, appropriate institutional framework and adequate expertise. Not to be abandoned, but improved.

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