A Case Study on Gender Budgeting: Harsh realities and Reforms

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Introduction

What is meant by gender budgeting?

Gender budgeting is a process of applying gender mainstreaming in the budgetary process. It refers to a gender-based valuation of budgets, integrating a gender perspective at all existing levels of the budgetary process and recreating revenues and expenditures in order to endorse gender equality. Simply put, Gender budgeting is a tool for the government to promote equality in work fields and eliminate inequalities that may arise due to gender gaps.

Why is gender budgeting necessary?

Gender budgeting can be considered as a gender status and class-based policy. As a gender status policy, the objective of gender budgeting is the doing away with power hierarchies that have granted privileges to men and diminished the contributions made by women. Gender budgeting alleviates the disadvantages and discrimination against women by integrating them in the budgetary process and battling marginalization and exclusion from economic, political, and constitutional processes. As a class-based policy, gender budgeting pictures the sexual division of labor and exposes the resulting economic and social marginalization on women. Gender budgeting exposes such discriminations and sets the table for the equalization of the status of women through the progression of resources and civic rights to facilitate better access to services backed by governments.

What is the Significance of Gender Budgeting?

Gender budgeting mainly helps to rip to pieces gender inequalities. Gender inequalities are still eminent in the modern society and are clearly visible in entrepreneurship opportunities, labor participation, remuneration, education, health outcomes, governance, and personnel representation in higher management positions. While these differences may be associated with traditional aspects particularly on the cultural roles of men and women, they prove inequalities in the allocation of public resources. The purpose of gender budgeting is to eliminate such inequalities by confirming that public policy is designed and delivered in a comprehensive manner which identifies women as key contributors to economic advancement. Gender budgeting necessitates the auditing of public budgets to incorporate the gender differences that are cemented in social systems of reproduction. Public budgets tend to ignore key social reproduction roles such as the maintenance of domestic spaces, human relationships, and bodies which is mostly done by women. The auditing of gender budgets allows for the visualization of women's unpaid work of social reproduction and its contribution to the well-being of the entire society.

Execution of Gender Budgeting in India

Three principal activities have been recognized as gender budgeting sensitive:

- At the institutional level, the goal is to comprehend policies encouraged by governmental institutions and how these affect gender discriminations within a specific society.
- Study of the institutional budget, in order to understand whether gender mainstreaming activities are involved.
- Planning as well as implementing a gender-based budget that will emphasize on gender related issues.

History of Institutionalization and Governance of Gender Budgeting in India-

Institutional innovations are an important part of any new process. The process of institutionalization for Gender responsive budgeting was reiterative. The Ministry of Finance, Government of India, began to execute the process of Gender responsive budgeting in multiple segments. The scarcity of institutional mechanisms to handle Gender responsive budgeting was identified at the later stages. To begin with, the addition of a chapter on 'gender inequality' in the Economic Survey of India, 2000–2001 can be considered as the beginning with respect to the role of institutions, in other words the Finance Ministry, in the Gender responsive budgeting process. This is the first noticeable outcome of NIPFP's participation in gender budgeting. The next stage in terms of institutionalizing the gender budgeting procedure was to prepare the 'ex-post' analysis of Union Budgets, when parliament went to recess after the budget presentation. The goal was that these articulate reports on the budgetary process could, through a gender lens, create a more informed debate on 'demand for grants' in parliament. In India, after the budget presentation, parliament goes into recess. After the stipulated recess, parliament commences to vote on demand for grants and a few are approved while some are vetoed. A 'Demand for Grant' is basically an expenditure statement and necessitates the approval of the Lok Sabha. Though this was an influential entry point in terms of the plausible institutionalization of gender budgeting in the country, the process of winning parliamentarians and policy-makers in debate on gender budgeting at this point had not picked up. However, after the Interim Report, which was prepared to deliver inputs into the 2000/01 Economic Survey, NIPFP also shaped a series of ex-post analysis on the entire budget through a gender lens. The analysis enumerated the allocations on gender into specifically targeted programs for women, public expenditure with pro-women allocation and gendered impacts of mainstream expenditure with illustrative sex disaggregated benefit incidence analysis. Following this, in 2001 the UNIFEM South Asian Regional Conference on Gender Budgeting in Kathmandu achieved a consensus to deepen the process at the provincial level in India and similarly the gender budgeting initiative in other countries in South Asia including Nepal, Pakistan and Sri Lanka. The NIPFP series of ex-post analysis continued until 2005/06, when India institutionalized the gender budgeting statement for the foremost time within expenditure budget documents. Since 2005/06, the Ministry of Finance has coordinated gender budgeting ex-post statements.

Case Studies

Kerala Case Study

In 1991, Kerala became the first state in India to have elected bodies at the local level. This was done in order to give the state a fiscal decentralization. It has also maintained a high level of literacy and low infant mortality rates.

Despite the state's low economic growth, it has demonstrated a good model for distributing public policies and implementing effective social programs.

The failure of the Kerala model of development to address the various challenges it has faced has raised concerns about its sustainability. This has led to the formation of the People's Campaign for Decentralized Planning.

Kerala has developed into the pioneer state in endeavoring gender sensitive planning and budgeting at the third tier since the introduction of People's Planning and Democratic Decentralization. The feminization of governance via the adoption of the 33 per cent gender quota shaped a new democratic space for local level interventions by elected women representatives.

Despite the extraordinary achievements in gender indicators in health and education, Kerala has been undergoing extreme marginalization of women especially in governance and work force participation. The accomplishments in health and education have had no impact on the gender status (Isaac 2004). It was in this background that the Women's Component Plan (WCP) was introduced by the state government, by allocating 10 per cent of the state's plan outlay towards specifically targeted programs for women.

These programs are determined by women at the local level via participatory process at Gram Sabha. This was a proactive step to mix the gender perspective into the process of democratic decentralization. Kerala reveals a paradox in terms of gender development. The high literacy rates and the dramatic decline in fertility did not convert into quick growth in paid employment for women or upward occupational mobility.

The electoral arena of Kerala has also fallen short on women's representation. There are two avenues through which democratic decentralization can contribute to the empowerment of women: agency of women elected representatives; and new democratic space for local level intervention by women. Despite the initial imbalance with repute to gender budgeting at the local level in the year of commencement, the counterfeit projects on gender disappeared in due course and 'practical gender needs' projects became the building block for institutionalizing strategic gender needs.

In 2008, the Government of Kerala started Gender Responsive Budgeting by publicizing gender intensive allocations in the budget. The Centre for Development Studies led an analytical study, in 2007-08, on the institutional mechanisms with a motive of collecting gender disaggregated fiscal data which had been introduced at the state level.

In the 2008 budget speech, the Finance Minister of the Government of Kerala publicized that the state would be directing gender responsive budgeting and establishing an office in the Department of Finance to coordinate data and information. Later, the selected government ministries in the state designed innovative gender sensitive programs related to infrastructure.

Karnataka Case Study

In Karnataka, there has been a civil society initiative to observe whether the increased feminization of governance could modify the public expenditure decisions at the third tier. Forty-four per cent of those elected to village panchayats are women, though the Constitution provides for 33 per cent. In 2002, UN Women funded a 'building budgets from below' project aimed at highlighting how women benefit from budget and the power located in the structure of governance to aid women to direct the local economy to serve their choices.

The project was put into action by the local NGO Karnataka Women's Information and Resource Centre (KWIRC). In effect it was an action research project led in three phases, which investigated the extent of freedom available to women elected to self-government bodies to govern local fiscal policies (Chakraborty 2007b).

The findings of the study exposed that originally unfunded mandates created difficulties with regard to Gender Responsive Budgeting and elected women representatives could not discover their newfound authorities in influencing the local level planning and budgeting procedures to integrate gender concerns. However, this was corrected in the following phases through the technique of Janaagraha (community participation).

In the third phase, elected women representatives were trained to analyze budgets as well as authorized to identify the spatial gender needs but their bargaining power in terms of making changes to the budgetary priorities remains dismal. Another major study undertaken in Karnataka analyzed whether state taxes on liquor induces poverty.

Rajaraman (2007) analyzed whether liquor taxation had a substantial impact on the consumption patterns of rural households. The study found that it induced poverty in rural households and therefore emphasized those fiscal resources to reach the Millennium Development Goals should not be accomplished at the expense of the state becoming a partner in encouraging the consumption of a potentially addictive substance.

Conclusion

Challenges and lessons learned

1. It is relatively easy to identify specifically targeted programs for women from the budgets. Though, these contribute to less than 1 per cent of total budget. Consequently, the real challenge faced of the gender budgeting exercise lies in the study of the residual 99 per cent budget through a gender lens.

2. Gender disaggregated benefit incidence analysis can be a valuable tool for analyzing the distributional impacts of public expenditure across gender.

3. Another area of policy concern is the usage of time budgets and integrating the unpaid care economy into fiscal policies. Chakraborty (2008a and 2008b) analyzed the implications of time-use statistics for fiscal policy making, particularly investment in public infrastructure, for example the water sector.

4. Equally vital is integrating gender into monetary policy making. This is particularly applicable in the context of the global financial crisis. Domestic financial deregulation policies across nations could have gender differential effects. However, barely any study captures these effects, particularly in the credit market.

5. Despite the increasing recognition of fiscal decentralization in gender development, and its gaining occurrence in public policy making, there have been relatively fewer attempts to implement fiscally decentralized policies for development in the area of gender. Specifically, the attempts to fiscally decentralize gender budgeting are rare. Decentralized gender budgeting is significant especially when almost all the states have a major element of their social sector allocations at the subnational level.

6. The analysis of the revenue side of gender responsive budgeting is at an early stage due to the lack of gender disaggregated tax data, explicitly direct tax and indirect tax user charges.

My Recommendations on the Matter

The major recommendations for the sustainable process of gender budgeting are as follows:

1. Sectoral initiatives on gender budgeting must be given emphasis.

2. The gender differential influences of direct and indirect taxes need to be studied.

3. The attempts to frame policies to integrate the unpaid care sector in Gender Responsive Budgeting need to be given precedence.

4. The institutional mechanisms for Gender Responsive Budgeting need to be reinforced,
5. Develop a new header title in the budget classification on ‘gender development’.
6. Integrate gender budgets into outcome budgets.
7. Shape gender disaggregated data.

Everything Summed up so far

The broad conclusion is that gender responsive budgeting, though it started as a hopeful fiscal innovation in India, has not been rendered effectively into policies that impact on women.

Gender responsive budgeting is not chiefly an issue of additional resources for gender development, nor is it confined to specifically targeted programs for women. Gender responsive budgeting is making the complete budgetary exercise more responsive to gender issues. The single most important ingredient in the entire process is government ownership of the whole exercise and it should preferably be led by the Ministry of Finance to make the process institutionalized and sustainable.

India should deepen the gender responsive budgeting process by reprioritizing the policies related to planning and budgeting through a gender lens to effectively translate them into healthier gender development.

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