

Gender Budgeting: Bridging the Gender Gulf and Espousing Inclusive Development

Akinchan Buddhodev Sinha

Abstract

Generally, a budget of a nation involves a detailed elaboration of the forecasted receipts and expenditures of the government for a particular fiscal year. It can be broadly segregated into two categories viz., revenue budget and capital budget. In essence, a budget lays down the future trajectory of economic development of a nation, by prioritizing allocation of funds to various sectors of an economy based on the estimated receipts from various sources. The union budget lays thrust on inclusive development through wider participation of its citizens and in this process upliftment of women has to be a focal point and to facilitate the same the union budgets need to provide berth to gender budgeting. According to the Council of Europe, gender budgeting implies a gender-based assessment of budgets encompassing a gender perspective at all levels of the budgetary process and restructuring revenues and expenditures to foster gender parity. A gender-responsive budget means a budget that takes into consideration the gender patterns in society and allots funds to implement policies and programmes that will transform these patterns in a way that will assist in accomplishing more gender parity. In light of the paramount position gender budgeting has secured over a period of time, as it addresses the vital issue of the upliftment of women in all spheres of economic activities, this article makes an endeavour to explore the global and Indian scenario of gender budgeting and other significant aspects.

Keywords: Global scenario; Indian scenario.

JEL Classification Code: J16 (Economics of Gender • Non-labor Discrimination).

Introduction

Gender budgeting involves obliterating gender disparity thereby engendering socio-economic development entailing women empowerment. Gender budgets gained a strong foothold in the 20th century and have been largely utilised to address the issue of gender inequalities. Gender inequalities pose a peril to the nation's balanced development. Gender budgeting mainly comprises of the following: applying fiscal policies to foster gender equality, focusing on the results-oriented allocation of expenditure, tax incentives for women and girls, and dissevering of government budgets to reconnoitre gender differential effects to ensure that gender

commitments are reflected in union budgets and targets are determined to gauge the fulfilment of commitments.

In a global survey conducted by IMF, it was observed that globally more than G20 countries have a regulatory structure in place that calls for inclusion of gender goals and activities in the budget, and nearly all the nations have collated gender-disaggregated statistics to some extent. It was further observed that information pertaining to gender information is hardly incorporated in government annual financial reports.

Gender budgeting has largely become a global phenomenon whose roots lie in Australia and then gained grounds from United Nation's commitment to the Beijing Platform for Action. Gender budgets are not separate budgets dedicated to women rather it is an approach to explicate the gap between policy statements and resources earmarked for the implementation of policies, to ensure that public money is spent in an optimum manner to achieve gender equality.

Thus, from the aforesaid discussion, it may be opined that gender budgeting has mainly three objectives:

- a. Encouraging accountability and transparency in fiscal planning
- b. Strengthening gender responsive participation in the making of budget.
- c. Endorsing the concept of gender equality and women's rights.

Literature Review

Guha Sriparna and Goswami (2006) have stated that numerous nations across the globe have espoused gender budgeting as a qualitative improvement in their development issue but groundbreaking work has been done by two nations, i.e., Australia and South Africa. Australian government embraced, "Three-Way Categorization to address the matter. This model differentiates between –

1. Gender-specific expenditure;
2. Equal opportunity expenditure for civil servants;
3. Gender expenditure (the rest) is considered in terms of their gender impact.

In the case of South Africa, the government embraced a "Five Step Approach" comprising of the following:

1. Analyzing the situation of women, men, girls and boys;
2. Assessing the gender-responsiveness of policies;
3. Assessing budget allocations;
4. Monitoring spending and service delivery;
5. Assessing outcomes.

Galizzi Giovanna, Meliou Elina and Steccolini Ilena (2021) have stated that gender budgeting or gender-responsive budgeting are umbrella terms used for referring to the tools, methods and systems to include a

gender viewpoint in the budgeting process to ultimately encourage effective mainstreaming of gender in policy making. They have also mentioned that there is testimony to the fact that a superior gender balance in policies, organizations and society is not only appropriate and fair but also economically desirable.

Wittbom and Häyrén (2021) have provided a new perception of whether public value management can assist in advancing gender equality by mainstreaming it into public policy decisions and services.

Kasliwal Ria (2023) has stated that the gender budget involves a microscopic view of the allocation and utilisation of funds for the upliftment and welfare of women. She further states that on perusing the data it can be observed that gender budgeting is still not impeccable and accomplishment of the objective of women's welfare still remains a distant dream.

Objective of the study

1. To comprehend the global scenario of gender budgeting.
2. To ascertain the scenario of gender budgeting prevailing in India.

Research Methodology

1. **F-Test (One Factor Model):** It will facilitate in gauging whether any variation exists or not in the expenditure incurred by the Asian Development Bank on Gender Equality Designs and Results in Lending Operations, Pilot Initiatives with Key Lessons for Scaling up, Gender Knowledge Products and Services in DMCs (Developing Member Countries) and Partnerships on Gender Equality. This statistical tool is linked to the first objective of the research study, i.e., the global scenario of gender budgeting.
2. **Partial Correlation Coefficient:** Through this statistical tool the impact of gender budgeting on two key economic variables of the country, i.e., Gross Domestic Product and Net National Income will be ascertained. This statistical tool is linked to the second objective of the research study, i.e., the scenario of gender budgeting prevailing in India.

Limitations of the study

1. No primary data have been used in the authoring of this article. This research study is completely based on the secondary data.
2. Due to technical constraints expenditure incurred on gender budgeting by other global financial institutions apart from the Asian Development Bank (ADB) could not be studied.

Gender Budgeting – Global Scenario

To provide a fillip to gender equality and encourage women's empowerment in the Asia-Pacific (APAC) region, the Asian Development Bank initiated a noteworthy initiative of establishing the Gender and Development Cooperation Fund. The mentioned fund facilitates country-wise gender assessments and formulates strategies that pave the way for developing country partnership strategies, project-specific gender action plans for Asian Development Bank gender-relevant projects, recruitment of long-term gender consultants, gender impact assessments and promoting partnerships with women's organisations and other development partners.

The fund extends financial assistance for activities that involve the following:

- a) Country strategy and program activities.
- b) Gender and Development (GAD) plans and strategies for ADB loans.
- c) GAD specialists in resident missions.
- d) GAD capacity building.
- e) Gender impact assessments.
- f) GAD partnerships.

As a sample, to ascertain the progress in the area of gender development through gender budgeting, the expenditure incurred by the Asian Development Bank on the project, "Promoting Gender Equality and Women's Empowerment, Phase II has been considered for the period 2016 to 2019, as the mentioned project was financially completed in February 2020. Under the mentioned project, the expenditure has been incurred under the four heads-

- i. Gender Equality Designs and Results in Lending Operations.
- ii. Pilot Initiatives with Key Lessons for Scaling Up.
- iii. Gender Knowledge Products and Services in DMCs (Developing Member Countries).
- iv. Partnerships on Gender Equality.

The expenditure incurred under the above-mentioned four heads on the project, "Promoting Gender Equality and Women's Empowerment, Phase II has been referred from the Asian Development Bank website and the project.

To determine whether there is a significant difference or not in the expenditure incurred on Gender Equality Designs and Results in Lending Operations, Pilot Initiatives with Key Lessons for Scaling up, Gender Knowledge Products and Services in DMCs (Developing Member Countries) and Partnerships on Gender Equality, F-Test (One Factor Model) have been applied.

Null Hypothesis (H₀): *No substantial difference in the expenditure incurred on Gender Equality Designs and Results in Lending Operations, Pilot Initiatives with Key Lessons for Scaling up, Gender Knowledge Products and Services in DMCs (Developing Member Countries) and Partnerships on Gender Equality.*

Alternative Hypothesis (H₁): *There is a substantial difference in the expenditure incurred on Gender Equality Designs and Results in Lending Operations, Pilot Initiatives with Key Lessons for Scaling up, Gender Knowledge Products and Services in DMCs (Developing Member Countries) and Partnerships on Gender Equality.*

Anova: Single Factor						
SUMMARY						
Groups			Count	Sum	Average	Variance
Gender Equality Designs and Results in Lending Operations			4	988960	247240	17145264807
Pilot Initiatives with Key Lessons for Scaling Up			4	452001	113000.3	4749398329
Gender Knowledge Products and Services in DMCs			4	3235559	808889.8	97195081555
Partnerships on Gender Equality			4	433242	108310.5	2591459348
ANOVA						
Source of Variation	SS	df	MS	F	P-value	F crit
Between Groups	1.33E+12	3	4.43E+11	14.55023553	0.000266	3.490294819
Within Groups	3.65E+11	12	3.04E+10			
Total	1.69E+12	15				

Decision: Since the calculated value of F, i.e., 14.55 is higher than the tabled value of F at a 5% level of significance (F_{0.05}) is 3.49, hence the null hypothesis is rejected and the alternative hypothesis is accepted. Hence, there is a significant difference in the expenditure incurred on Gender Equality Designs and Results in

Lending Operations, Pilot Initiatives with Key Lessons for Scaling up, Gender Knowledge Products and Services in DMCs (Developing Member Countries) and Partnerships on Gender Equality.

Indian Scenario

In India too, gender budgeting has gained steam with the passage of time. To analyse the impact of gender budgeting on two key economic variables of the country, i.e., Gross Domestic Product and Net National Income, a partial correlation coefficient have been applied. The data pertaining to Gross Domestic Product and Net National Income have been referred from the Indian Union Budgets. Gender budget allocation (revised estimates), Gross Domestic Product and Net National Income are provided in table 1 below-

Table 1

Gender Budget, Gross Domestic Product and Net National Income

Revised Estimates of Gender Budget (Rs.in Crore) (X1)	Gross Domestic Product (Rs.in Crore) (X2)	Net National Income (Rs.in Crore) (X3)
96331.83	12308193	10782092
117221.47	13144582	11508774
125531.58	14003316	12226019
142813.3	14569268	12641633
207261.02	13512740	11536004
166182.71	14753535	12519976

For applying the partial correlation coefficient, Revised Estimates of Gender Budget have been considered as variable 1, i.e. X1, Gross Domestic Product (GDP) as variable 2, i.e., X2 and Net National Income (NNI) as variable 3, X3. The formula used for the partial correlation coefficient is as under:

$$r_{12.3} = \frac{r_{12} - r_{13} \times r_{23}}{\sqrt{(1 - r_{213})} \times \sqrt{(1 - r_{223})}}$$

$$r_{13.2} = \frac{r_{13} - r_{12} \times r_{23}}{\sqrt{(1 - r_{212})} \times \sqrt{(1 - r_{223})}}$$

The value of the partial correlation coefficient is provided in table 2 below-

Table 2
Partial Correlation Coefficient Values
S.NO.
Partial Correlation
Partial Correlation Coefficient (r)

1
r(Gender Budget, GDP)
0.822922243

2
r(Gender Budget, NNI)
-0.793781295

3
r(GDP, NNI)
0.982119

Findings A significant difference in the expenditure exists on the four different projects/activities of the Asian Development Bank pertaining to gender budget, i.e., Gender Equality Designs and Results in Lending Operations, Pilot Initiatives with Key Lessons for Scaling up, Gender Knowledge Products and Services in DMCs (Developing Member Countries) and Partnerships on Gender Equality as evident from the outcomes of the F-Test (One Factor Model). However, it does not imply that adequate initiatives are not being taken at a global level.

It is to be noted that in this article, the analysis of gender budgeting at a global level has been conducted by considering only a sample from the complete gamut of various activities that are being conducted by various international organisations and nations. Even from the Asian Development Bank's gender budgeting-related projects, only one project has been taken into account for research study.

Therefore, if all the projects/activities or funding scenarios of various international organisations such as the International Monetary Fund (IMF), European Union, United Nations etc. had been taken into consideration then the research outcomes would have been different.

But even if we look at the expenditure pattern of the Asian Development Bank on the aforesaid activities carried out under the project- "Promoting Gender Equality and Women's Empowerment, Phase II, it may be inferred that substantial expenditures have been incurred for the upliftment of women.

Further, if we look at the Indian scenario, it is heartening to note that budgetary allocation for the gender budget is showing a rising trend and exerting a positive impact on the Gross Domestic Product, as evident from partial correlation analysis, i.e., the correlation coefficient is +0.82. However, the negative partial correlation coefficient between gender budget and Net National Income does not mean that allocation for gender budgeting is not delivering the desired results, as the partial correlation coefficient between Gross Domestic Product and Net National Income is extremely high, i.e., 0.98, implying that somewhere gender budgeting is assisting in accomplishing inclusive economic growth thereby exerting a positive impact on both the mentioned economic variables. Thus, gender budgeting is creating optimism at both global and national levels.

Way Forward

Gender parity has occupied a centre stage across the globe and in view of this nations as well as various international organisations involved in developmental activities are laying thrust on gender budgeting. Looking at India's Union Budget 2023-24 has espoused a unique and innovative approach of '*Saptarishi*' or seven principles, wherein the first principle of 'Inclusive Development' has given due emphasis on women empowerment. Honourable Finance Minister in her budget speech has mentioned that the government recognises the significance of women's power as a precursor of a bright future.

According to a study by the World Bank, enhancing gender parity and investing in empowerment engenders mammoth economic gains. No society can develop sustainably without transforming and increasing the distribution of opportunities, resources, and options for men and women so that they have the same power to shape their own lives and contribute to their families, communities and countries. It is also stated that on average across nations, long-run GDP per capita would be nearly 20% more if gender employment gaps are narrowed or obliterated.

More thrust may be given to channelising of investments, formulation of reforms, and increased interventions towards bolstering the earnings and productivity of women farmers and entrepreneurs, expanding female human capital participation by creating gainful employment opportunities for them and encouraging women's involvement in decision-making in communities, businesses, and in organisations or institutions affiliated to public and private sectors.

References:

1. Ramesh Prathyusha (2022). "Gender Budget 2022-23: Have the Challenges Faced by Women Been Adequately Addressed?", Accessed from <https://feminisminindia.com/2022/08/11/gender-budget-2022-23-have-the-challenges-faced-by-women-been-adequately-addressed/#:~:text=There%20has%20been%20an%20increase,in%20this%20year's%20budget%20allocation.>
2. Curristine Teresa, Tchelishvili Nino and Weerathunga Sureni (2022). "Gender Budgeting is more widespread but implementation remains a challenge", Accessed from <https://www.imf.org/en/Blogs/Articles/2022/03/08/gender-budgeting-is-more-widespread-but-implementation-remains-a-challenge>
3. Pathak Punita. "Gender Budgeting", Accessed from <http://gbpssi.in/admin/coursepack/MBR620ASLect08.pdf>
4. "What is Gender Budgeting", European Institute for Gender Equality, Accessed from <https://eige.europa.eu/gender-mainstreaming/methods-tools/gender-budgeting>
5. Goswami Samrat (2006). "Impact of Gender Budgeting on Women Empowerment", Social Science Research Network, Accessed from https://papers.ssrn.com/sol3/papers.cfm?abstract_id=902530
6. Galizzi Giovanna, Meliou Elina and Steccolini Ileana (2021). "Institutionalizing gender budgeting- Contemporary Experiences and Future Challenges, Accessed from <https://www.tandfonline.com/doi/full/10.1080/09540962.2021.1971862>
7. Kasliwal Ria (2023). "The Status of Gender Budgeting in India", Accountability Initiative, Accessed from <https://accountabilityindia.in/blog/gender-budgeting-in-india/>
8. "Gender and Cooperation Development Fund", Asian Development Bank, Accessed from <https://www.adb.org/what-we-do/funds/gender-and-development-cooperation-fund>
9. "Funds Administered by ADB", Accessed from <https://www.adb.org/what-we-do/funds/funds-administered-adb>
10. "Economic Surveys and Union Budgets", Accessed from <https://www.indiabudget.gov.in/>
11. "The World Bank in Gender", Accessed from <https://www.worldbank.org/en/topic/gender/overview>
12. "What is Gender Budgeting", Accessed from <https://eige.europa.eu/gender-mainstreaming/toolkits/gender-budgeting/what-is-gender-budgeting#:~:text=It%20involves%20conducting%20a%20gender,order%20to%20promote%20gender%20equality.>
13. "Gender Budgeting", European Institute for Gender Equality, Accessed from https://eige.europa.eu/gender-mainstreaming/tools-methods/gender-budgeting?language_content_entity=en#toc-definition-and-purpose

14. “Gender Budgeting in India: A Tool of Women’s Empowerment”, Information Bulletin, Research and Information Division, Lok Sabha Secretariat
