

Participation in Public Finance Reform and Gender

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Introduction

Given increasing recognition of the need for direct public participation in the development and implementation of public policies, the United Kingdom's Department for International Development (DFID) posed the question as to how their staff members who are advising on public finance management (PFM) reforms can ensure that women are not excluded when the demand-side component of these reforms is designed.

This brief attempts to stimulate further discussion toward answering this question. The brief does this more by posing further questions than by offering answers. The shaded boxes, in particular, pose explicit questions that designers and managers of PFM reforms might want to ask. The questions in the shaded boxes focus on gender issues. They are intended to assist in diagnosing some of the gender issues relating to existing or planned PFM reform programs. The text suggests a range of further questions that relate to participation and accountability in general, rather than specifically from a gender perspective. If these more general questions are not answered adequately, then women alongside men will likely not participate effectively.

The Global Initiative for Fiscal Transparency advocates for public participation to be integrated throughout the annual budget cycle and for PFM reforms to create systematic opportunities for participation. The demand-side component of a DFID-supported PFM program in Nepal aimed to provide support for participation by nongovernmental organizations (NGOs) in budget process, contributions to budget review through independent analysis that would "demystify" the budget, widespread dissemination of the analysis, expenditure tracking to ensure resources reached intended beneficiaries, monitoring of service delivery in respect of quality and access by social groups who tend to be excluded, and monitoring of public procurement to counter corruption.¹

This brief does not attempt to cover all the stages of the budget process or all aspects of PFM. Instead, it draws on experience to date among others in implementation of gender-responsive budgeting initiatives. The brief focuses on the institutionalized reforms that one might want to see from the government side, on the basis that governments should be the main drivers of PFM. It does not look at what development partners might do to support civil society organizations and other nongovernment actors to enhance participation at different stages of the budget process.

¹ See http://iati.dfid.gov.uk/iati_documents/4299721.doc

What is Participation?

The term “demand side” is most easily understood as referring to participation in which (potential) beneficiaries state their needs and interests. In the past PFM reform programs have generally provided very limited opportunity for participation, whether of women and gender advocates or more generally. More recently, some PFM reform programs have included a demand-side component that brings in participation as part of a broader focus on transparency and accountability to citizens.

The International Association for Public Participation distinguishes five levels of public participation, each of which makes a different promise to the public, as follows:

- 1) Inform: we will keep you informed.
- 2) Consult: we will keep you informed, listen to and acknowledge concerns and provide feedback on how public input influenced the decision.
- 3) Involve: we will work with you to ensure that your concerns and aspirations are directly reflected in the alternatives developed and provide feedback on how public input influenced the decision.
- 4) Collaborate: we will look to you for direct advice and innovation in formulating solutions and incorporate your advice and recommendations into the decisions to the maximum extent possible.
- 5) Empower: we will implement what you decide.²

Underlying the distinction between the steps is the distinction between the direction of flow. With the first level, the flow is in only one direction – from government to citizens. As one goes up the levels, the relative importance of the flow in the other direction increases.

The country-based reports produced under the Open Government Partnership suggest that countries currently rarely achieve even the second level of participation as, while they might ask for and perhaps listen to concerns, they often do not provide feedback on how the input influenced the decision (in our case budgets).

Citizens Budgets serve as one example of level-one participation in PFM. The Open Budget Index includes a score for production of Citizens Budgets. The documents produced are often attractive and some effort may be put into producing them. However, the information presented is often at such a high level of aggregation that it rarely allows for meaningful participation. In such cases, the Citizens Budget serves, instead, more as information sharing and publicity. At a technical level, the method of presentation may, while attractive, not recognize that some readers will not have the graphic literacy required to understand diagrams. Cynically, one must note that a Citizens Budget document is also likely to avoid mentioning anything that casts a negative light on government. In sum, Citizens Budgets are potentially a tool for facilitating participation, but do not automatically service this purpose unless carefully designed with real participation in mind.

Questions:

Into which of the five levels do the participation elements of the PFM program fall?

What is the gender composition of those who are likely to participate in the elements at different levels? For example, are women mainly expected to be recipients of information, while male dominated technical consultant groups advise on what should be done?

² See IAP2 Public Participation Spectrum. 2014, https://www.lga.sa.gov.au/.../IAP2_Public_Participation_Spectrum.pdf

How are Women Framed?

Arguments for public participation in budget processes are sometimes framed around the fact that those who pay tax should have some influence over how the money is spent. This argument has its limitations. It could imply that those who pay more should have more influence than those who pay a small amount of tax. It may be interpreted to mean that those who do not pay any personal tax – but who certainly will pay indirect taxes such as sales taxes – should not have any say. It may be interpreted to mean that only those who pay a certain type of tax, for example property tax, should have a say over how that particular revenue is spent.

These observations are important from a gender perspective because women, who tend to be poorer than men, are likely to pay less (monetary) tax than men. However, this statement ignores the unpaid care work tax that women pay in the form of the housework; bearing, rearing and caring for children; and care of adults that women do – a contribution that, when given monetary value, sometimes far outweighs the amounts paid by both women and men in monetary tax.³

Along these lines, women (and men) should ideally be framed as “citizens” rather than “beneficiaries” (implying recipients of charity), “clients” (implying buyers of market services), or “taxpayers” (for the reasons suggested above).

Questions:

What arguments do the PFM reform documents use for enhancing participation?

How are invitations to participate framed?

To whom and how are invitations to participate distributed?

How Might Women be Marginalized in Respect of Participation?

If we think of some of the typical ways in which women tend to be different from men, we can see a range of possible barriers by women:

- Adult women tend to be less educated than adult men: This will hamper women’s ability to engage with the information available, find additional information, and formulate written demands. Women may also be less able to communicate in the dominant language used by government.
- Women tend to spend less time in the public sphere than men, both in terms of the time spent at home and because of the types of work and other activities they do: This will mean that women are less exposed to publicly availability information.
- Women are less likely than men to have access to internet, including through mobile phones: This will hamper women’s ability to access information, communicate, and submit demands.
- Women tend to bear the main responsibility for child care and child rearing: This will make it difficult for women to attend meetings and other events, especially if they are held at key times such as early evening.

³Budlender, D. 2010. “What do Time Use Studies Tell Us about Unpaid Care Work? Evidence from Seven Countries” in D. Budlender (ed) Time Use Studies and Unpaid Care Work. Routledge: New York: 41-2.

- Women tend to be poorer than men: This will constrain any forms of participation that involve monetary cost, for example travel, or being away from income-earning work.
- In many countries, women are less likely than men to live in the capital city: This is likely to constrain physical participation, especially if transport and other costs are not covered.

There are some ways of reducing these disadvantages. For example, engagement can be conducted in multiple languages with full translation; information can be broadcast on radio and in public spaces to which women have access, such as clinics; internet can be de-prioritized as the main or only form of communication; free and quality child care can be provided during meetings and events; information and participation can carry no direct charge and indirect costs can be subsidized; and events such as hearings can be organized outside the capital city.

Questions:

What explicit and implicit barriers might women face, when compared to men, when trying to use the available opportunities for participation in the PFM reforms?

In what ways can these barriers be removed or minimized?

What Seems to be the Core of Public Finance Reforms?

PFM can be defined narrowly or broadly. In practice, the PFM reforms supported by development partners have tended to focus on similar aspects. Arguably, the reforms introduced focus primarily on achieving fiscal discipline, efficiency, and value for money. For example:

- the introduction of a medium term budget framework and associated budget ceilings aim to ensure that expenditure planning is based firmly on available revenue;
- the introduction of financial management information systems aims to ensure financial control and improved and more comprehensive information on revenues and expenditures; and
- the introduction of a performance element which focuses on service delivery and outcomes, although usually not among the first steps in PFM, aims to promote value for money.

These reforms can lay the basis for more informed engagement by parliamentarians and the public, including those concerned with gender equality. In particular, the reforms should improve the availability and accuracy of information and the type of information.

However, these benefits are not automatic. For example, with the multiyear budgeting, one would need government to take planning for the outer years seriously (which is not done in all countries) so that those wishing to participate can engage with “real” predictions rather than meaningless numbers. With the financial management information system, one would want any gender-related elements, such as gender budget statements, to be part of the standard system rather than a separate add-on. With the performance element, one would want gender-relevant and sex-disaggregated performance reporting. While this is not directly related to direct participation, the information lays the basis for more informed direct participation. On the negative side, the bulky information that results from PFM reforms, and the technical and often complicated nature of the frameworks and terminology, may hamper participation because the needed information is so overwhelming and opaque.

Further, while the PFM reforms may assist potential participants to do so effectively, for their participation to be effective, the government side needs to be able to hear the gender-related arguments. PFM training will

likely emphasize that the reforms focus on the “three E’s” of economy, efficiency and effectiveness, with the transition from budget inputs focusing on economy, the transition from inputs to outputs focusing on efficiency, and the transition from outputs to outcomes focusing on effectiveness. If government officials do not accept the need for the fourth E, equity, participation is less likely to contribute to gender equality.

Questions:

Are the budget performance indicators sex-disaggregated where they refer to individuals?

Are other gender-relevant indicators (such as maternal mortality) included in the performance indicators?

Is equity positioned as a core element of PFM reforms in training, support and documentation?

Can Those in Need make Effective Demands?

The core of gender-responsive budgeting consists of trying to ensure that the needs and interests of women and men, girls and boys — and different subgroups of each of these — are taken into account in budget making, and in the policies underlying budgets. The emphasis is, or should be, on the most disadvantaged within each of the groups and subgroups. Indeed, the conflation of gender and women reflects the fact that women are generally disadvantaged relative to men. DFID’s expressed wish to find ways to make PFM reforms more responsive to “women and other marginalized groups” seems to show that their concern about gender is driven by a concern around disadvantage or marginalization.

The challenge is that those who are most disadvantaged are generally less likely to have “voice” and be able to use available participation channels. This could arguably result in provision of opportunities for participation exacerbating disadvantage — just as powerful private sector lobbyists have been given and found opportunities to influence budgets in many countries since well before PFM reforms.

Questions:

What is the class and gender profile of those who are using the various participation channels?

What is the relative effectiveness with which they use the channels?

In what ways can the disadvantaged be assisted to be more effective?

What is the class and gender profile of those who engage in the informal processes of participation that happen alongside the formal processes?

How Many Participants?

In any country — and particularly those with large populations — only a minute proportion of the population will participate directly in the budget process. This means that the most that the majority of citizens (and non-citizens) can hope for is that their interests are represented. Instead of direct participation, one should therefore perhaps be discussing “representatives,” especially at the budget formulation and decision-making stages.

In formal terms, elected officials (parliamentarians or their equivalent) should represent the needs and interests of citizens. This often does not happen even for the “average man” given class and other

differences between elected representatives and the “average” citizenry, and sometimes limited budget- and policy-related knowledge and skills among the elected officials. A gender-balanced parliament may represent the interests of women better than a male-dominated one, but this is not guaranteed. This then becomes one of the motivations for encouraging direct participation.

It is, however, questionable whether allowing individuals to participate is more or less likely than relying on parliamentarians to produce a voice that represents the needs and interests of marginalized groups. If individuals with particular concerns come together in an organization or group, their voice would arguably be more representative than if they spoke individually. Similarly, if a civil society organization (CSO) has worked with individuals with a particular profile who have not been able to organize themselves strongly, their voice would again arguably represent what might otherwise be “unheard” needs and interests of the individuals concerned. However, some — including parliamentarians — might, and sometimes do, argue against CSOs representing others on the basis that the CSOs are foreign-funded and thus represent outside interests.

Question:

On what grounds do the individuals and groups that claim to speak on behalf of women base their claims?

How Can One Hear the True Woman’s Voice?

Determining who are “true” representatives and who are not is difficult, if not impossible. How, for example, do we choose between two different groups, both claiming to represent the interests of poor women, but one of which is pro-choice and the other vehemently opposes funding for abortion services?

A participation approach should presumably, instead of excluding voices, try to hear as many as possible. The aim of participation initiatives should then perhaps be to ensure that there is diversity in who is heard, rather than simply counting the numbers of those heard.

Further, if the intention is to do more than appear to be listening, what is said and submitted through other means needs to be consolidated, digested and considered by the decision makers — and feedback provided to those who participated. Who does the work of consolidation and digestion, and how it is done, are important. From our perspective, one would want an individual or team with the ability to see and understand gender issues, and also the ability to compensate for imbalances in submissions that arise from imbalances of power within the society. The task must be seen not as one of creating a document that shows that consultation has happened and that tells a coherent story without contradictions, but instead of compiling a document that illustrates the diversity of views, and that accords weight to different views on the basis of agreed criteria. The criteria might include the size and degree of disadvantage of the group represented, as well as the supporting evidence presented to back up the views. Representatives of membership-based groups may be given a higher weighting in this assessment, but representatives of CSOs might score in terms of evidence. The criteria should favor group-based submissions over individual submissions so as to encourage people to work together to address the problems they face.

As implied above, women are not homogeneous, and encouraging direct participation by women will almost certainly result in conflicts between inputs from (some) men and women, as well as conflicts between inputs from different groups of women. Participation initiatives should not expect to hear a single “women’s voice,” and should be wary of demands that are presented as coming from all women. Even on an issue that affects virtually all women, such as gender-based violence, the way in which women are affected and what they need from the budget will differ across groups.

If the concern is with disadvantage, the priority should be women who are disadvantaged in other ways in addition to gender. Determining this in advance may not be possible for all factors, but consideration of socioeconomic status, language, geography, and ethnicity are, as always, likely markers.

Question:

Do the reports that emanate from participation processes reflect a diversity of views, including diverse views of women? If not, whose voices are not being heard?

Do Representatives Need Empowering?

The female proportion of members of parliament is a commonly used indicator of gender equality. It constitutes one of the indicators for Goal 3 of the Millennium Development Goals. Overall, one can assume that an increased proportion of women among parliamentarians is likely to encourage consideration of women's needs and interests. But the skill and inclination to conduct gender analysis is not inborn. Indeed, one could argue that socialization tends to equip most people, parliamentarians included, with sexist views in line with the sexism prevailing in the general society.

Some initiatives that support women to stand for parliament have followed up by providing support for women once elected. Such support should include not only capacity building in areas such as public speaking and how to manage their suddenly increased personal wealth, but also capacity building and mentoring in approaching their responsibilities — including budget scrutiny — with a gender-aware eye. Arguably, similar support on gender awareness should also be provided to male parliamentarians.

Gender training for parliamentarians is probably among the most common gender-responsive budgeting activities supported by development partners. Unfortunately, there is often not much to show for it. In some cases this may be because the training is theoretical rather than practical, and not clearly linked to the format and content of the budget documents in a particular country. In some cases there may be little impact because parliamentarians do not have the power or inclination to change budgets. In some cases parliamentarians may propose what they consider gender-sensitive allocations, but they may be ones — such as removal of excise tax on imported sanitary pads — that are not helpful for poor women.

If parliamentarians are chosen as a focus and have real power in relation to budgets, there may be need for further choice of emphasis. Commentators on women in parliament commonly observe that women tend to be clustered in particular committees (the social ones in particular) and under- or not represented in others (such as defense and committees dealing with infrastructure). While virtually all sectors have gender issues, an over-rigid stance on “equal” distribution of women across all committees is probably not sensible. Some sectors are more important from a gender perspective than others, and it may make good sense to concentrate the womanpower in the relevant committees.

Questions:

Do women parliamentarians sit on the committees that discuss and take decisions on budgets?

Do women parliamentarians raise gender issues when they participate in the budget debates?

Are Demands Equivalent to Need?

Governments should not rely only or primarily on public participation to determine the needs of poor women. If this approach is adopted, governments might simply be attending to the “squeaky wheels,” and those in most need might not even have wheels in the first place. This point is especially important if the interest in women's participation arises out of a desire to ensure that women's needs are addressed rather than a concern about women's participation in decision making.

Instead of relying primarily on public participation, governments should pay particular attention to exploring gender inequalities and needs in what should be the first stage of budget making at the sectoral level, i.e., the situation analysis. Unfortunately, this is a stage that is neglected — and perhaps not even mentioned — in PFM reforms, with their focus on inputs, outputs and outcomes. The situation analysis step should inform government what the issues are which programs, policies and projects need to address. It is then these programs, policies and projects that need to be adequately funded.

Expressed differently, gender-responsive budgeting cannot be done effectively without gender-responsive planning. This is not a call for complicated gender analysis frameworks that are unlikely to be done on a regular basis. It is instead a call for, firstly, the situation analysis step not to be skipped and, secondly, the question “what are the gender issues” to be asked when the analysis is done.

Gender and gender-responsive budgeting advocates often complain that the necessary data do not exist for gender-responsive budgeting. This generally leads to calls for support to the national statistics agency. In reality, however, administrative data are as important, if not more so, for gender-responsive budgeting than the survey, census and other data produced by the typical national statistics agency. Surveys and the census can help to some extent with the situation analysis, for example in showing what proportion of the population is in a particular situation and/or accesses some key services. Administrative data can give greater detail on access to services, and information on a wider range of services. Administrative data are also crucial for production of performance indicators. This information — with the requisite gender-related variables and sex disaggregation — should be publicly available so that those who “participate” can do so on the basis of solid information.

Questions:

Is there research, administrative data, or other evidence that highlights the situation facing and needs of (poor) women in respect of the issues that are or might be addressed by the budget?

If not, what improvements can be made to administrative systems to enhance the availability of sex-disaggregated and gender-relevant data?

What differences are there between the other evidence and what emerges in the participatory processes?