

## **EMPOWERMENT OF WOMEN THROUGH BUDGETS: INDIAN EXPERIENCE**

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### **ABSTRACT**

*If money has the power to make things happen Budget has the potential to mend the socio economic structure of a society. This notion had provided necessary impetus to the concept of Gender Responsive Budgeting (GRB) to gain currency as an international tool for empowering women so as to progress towards the ultimate goal of Gender equity. This paper attempts to gauge the performance of GRB in India as a tool for Gender Equity using three parameters : 1) Extent of adoption measured in terms of no. of demands in Gender Budget Statements, (2) Degree of Gender Responsiveness of Indian budget as measured by financial commitments towards women empowerment ,3) Govt. seriousness towards implementation of women issues measured in terms of difference between budget estimates (BE) and Revised estimates (RE). This paper reveals that GRB is now in vogue in India through two prime strategies of Gender budget statement (GBS) and Gender budget cells (GBC's) .This paper also finds out that decrease in Expenditure under part A of Gender budget statement as percentage of total budget Expenditure over the period of time indicates that we are heading towards the paradox of gender budgeting wherein on one hand we are showing increasing sensitiveness towards the women issues while on other hand in percentage terms we are earmarking lesser and lesser from national coffer towards such policies and actions. Further continuing positive gap between budget estimates and revised estimates shows lack of commitment on the part of Govt. to make stipulated expenditures that might stifle motive of gender budgeting . As such there is need to embolden our women oriented policies and programmes by adequate financial commitments and allocations in GRB statement (both under Part A and B) need to be increased with special emphasis on expenditure under Part A which is specifically for women empowerment . "Gender equality does not imply that all women and men must be the same. Instead, it entails equipping both with equal access to capabilities; so that they have the freedom to choose opportunities that improve their lives. It means that women have equal access to resources and rights as men, and vice versa". (Asia Pacific Human Development Report, 2010)*

**Keywords:** Gender budgeting, Women empowerment, Gender equity, Paradox of gender budgeting, Gender responsive budgeting, Women and budget.

## 1. INTRODUCTION

While aiming at development with human face planners and policy makers need to be cognisant of the fact that such an aim is elusive in India without the development and empowerment of million women and girls who according to census 2011 account for % of our population. In India at present Literacy rate among women is 65.46% as compared to 82.14% among men , maternal mortality ratio (per 100000 live births ) is 212 , sex ratio is 914 per 1000 males ,worker population ratio (per 1000) is 336 in women compared 819 in men and more than 75% of MP's are males (GOI, 2011). Further the time series data reveals increasing incidence of violence against women and a sluggish improvement in various welfare indicators pertaining to this sex especially in fields of education , health and employment. As such public opinion in favour of protection and prosperity of this fair but weaker and exploited sex is strengthening day by day and some noteworthy steps are announced in the domains of public policy, public expenditure and legal framework of the country in this direction. However , it is difficult to conceive of any state policy /action that could ensure a society wherein women will be empowered educationally, economically. Politically and wherein they could enjoy a good standard of living that too at par with their opposite sex , unless and until it is backed by national coffer. So any promise or policy statement needs to be emboldened by strong financial commitments.To empower women and to let the aim of gender equity to see the light of day the concept of Gender Responsive Budgeting (GRB) has emerged as a global tool that ensures sound budgetary allocations for such state policies and actions. As opined if money has the power to let things happen budget has the potential to turn the socio-economic structure of society. The reflection of this notion was evident in the budget speech (2013-14) of Finance Minister P. Chidambaram:

“..... I make a promise we have a collective responsibility to ensure the dignity and safety of women.....we stand in solidarity with our girl children and women. And we pledge to do everything possible to empower them and to keep them safe and secure.....I have made sufficient allocations to programmes relating to women and children. Hon'ble members will find from the budget documents that gender budget has Rs 97,134 crore”.

### 1.1. Plan of the Paper

This paper is divided into three parts.

**Part A:** gives a brief introduction about the concept of Gender Responsive Budget.

**Part B:** makes a theoretical analysis of time series pattern of various measures in Indian five year plans that culminated in to adoption of Gender Responsive Budgeting (GRB) in India which is now in vogue through two prime strategies of Gender Budget Statements (GBS) and Gender Budgeting cells (GBCs).

**part C** makes a Quantum analysis of Gender Budget Statements to assess the progress of Indian financial commitments towards women empowerment.

### **A) Gender Budgeting**

Gender budgeting which had replaced the notion of WCP women component Plan in India had emerged as an umbrella term for various government initiatives and actions that seek to address gender issues in the domain of public expenditure and policy. It entails an approach to look at the budget formulation process, budgetary policies and budget allocation and implementation of these policies from gender lens and hence can be regarded as a much broader and profound than its precursor Women Component Plan (WCP) that was restricted to allocations only. However this approach should not be mistaken as a notion that demands a separate budget for women rather it advocates for greater priorities for programmes and schemes directly benefitting women and girl child and their better implementation. In the evolution of this exercise and its integration with Indian union budget so far focus has been on auditing government budgets for their contribution towards empowerment of women and girls in terms of expenditure only and little has been done on Revenue side. This in no way restricts the domain of this concept to expenditure side only and one could expect a similar analysis of Budget from revenue side and its presentation along with Gender Budget statements.

### **B) Indian Trajectory to Gender Responsive Budgeting (GRB)**

One should take this thing with a grain of salt that Indian planners took a long time to adopt the concept of Gender Responsive Budgeting (GRB) because when in mid 1980's Australia got the distinction of becoming first country to adopt the GRB, failure of trickle down and widening gender inequalities were already vivid in India also. As such India too should have integrated GRB with its budgetary process in the same period so as to empower women through financial commitments and address the issue of Gender inequality. However it should also be accepted equally that albeit with low degree of intensity women were in focus of Indian planners right from the first five year plan. The setting up of social welfare boards (during first five year plan) formation of Mahilamandals (second five year plan) for promotion of women welfare, provisions for improving development indicators (education and health), child health services and expectant mothers during third, fourth and interim plan period are testimony to this fact. A significant impetus for policies in this context was provided by of a committee on status of women [titled "Towards Equity"] brought out by Government of India in 1974. This Report highlighted the imbalances and widening disparities created by development process and suggested necessary adoption of women oriented policies to retard and reduce these widening disparities. Consequent to the consciousness generated by this report sixth five year plan (1980-1985) accepted women development as a separate economic agenda and a multidisciplinary approach with three pronged thrust on Health, Education and Employment of women was adopted. For the first time in history of Indian economic planning bringing of women into mainstream of

development was declared as one of the objectives of planning in seventh five year plan .As such it initiated a mechanism for identifying and monitoring schemes targeted at women development and special attention was provided to allocations for those programmes. During the same pan in 1986 the Department of women and child development, under ministry of Human Resource Development was entrusted the responsibility of monitoring 27 beneficiary oriented schemes under various sectors which directly benefit women. This was in fact first exercise towards quantifying the women allocations in Indian budgetary process. A paradigm shift was witnessed during Eighth five year plan wherein emphasis was shifted from women development towards women empowerment. With a promise to ensure flow of benefits to women in core sectors of Health, Education and employment. while treading this trajectory of measures oriented at women empowerment the most important mile stone observed is the one depicting notion of Women Component Plan (WCP) which was laid down during Ninth five year plan(1997-2002).This plan besides reiterating women empowerment as its strategic objective adopted WCP wherein it was made mandatory for all Ministries and Departments that were perceived to be women related to earmark a minimum of 30% of their total allocations specifically for women under various schemes / programs of development .The minimum figure of 30% was same both for both central and state governments with no clear mention made of the methodology to arrive at this figure of 30%. with notion of WCP in vogue , tenth five year plan(2002-07) has suggested specific strategies for further empowerment of women as evident from its plan document wherein it was mentioned "...measurement of development has to go beyond achievement of GDP growth to indicators of distributive justice and their monitoring . women headed households have to be specifically targeted ,identifying added disadvantages in the rural and urban locations with reference to different parameters of deprivation. Formulation of gender development indicators to measure human development and their use as a tool for monitoring development needs to be hastened". During the same plan in 2003 an expert group on classification system of Govt. Transactions were constituted under the aegis of Ministry of Finance, (GOI). This expert group called for budget data to be presented in a manner that Gender sensitiveness of budgetary allocations of line Ministries /Departments are vivid (GOI, 2004). The recommendations of this report became instrumental in laying down the road map for GRB in India. The report submitted in 2004 suggested for developing an institutional mechanism to integrate GRB with our budgetary process. Following this report Ministry of women and Child Development adopted "Budgeting for Gender Equity" as a mission statement in 2004-05 budget. A strategic framework of activities was also framed and circulated to all Departments/Ministries for its adoption and consequent to this for the first time Gender Budget Statement appeared in union budget 2005-06. Further on 8th of march 2007 a charter was issued by Ministry of Finance which mandated the formation of Gender Budget Cells (GBCs) with the objective to influence and effect a change in the

ministry's policies and programs in a way that could tackle the Gender imbalances, promote Gender Equity and ensure that public resources through concerned budgets are allocated and managed accordingly (GOI, 2007). Thus all these efforts to institutionalize the mechanism of GRB have culminated into following two prominent strategies finding their place in Budgetary process of India.

### **B.1 Gender Budget Statements (GBSs)**

Gender budget statement (as statement 20 in budget 2013-14) that had now become an integral part of Indian budget is basically an empirical effort to cull out the quantum of budgetary allocations for schemes/programmes undertaken by different Ministries/Departments with women as target beneficiaries (wholly or partly). It presents in absolute terms the amount budgetary expenditure oriented towards women empowerment through various schemes/ programmes undertaken by different Departments/Ministries in this direction. It furnishes "one-number format" that could easily be used by common man, women rights activists and lobby groups to assess the seriousness of Government of India in general and of a specific Department /Ministry in particular towards attaining the ultimate goal of gender equity. This is an applaudable step in this direction as any decision regarding adequacy or inadequacy of funds for bringing about gender equity cannot be taken unless one has fair idea of existing allocations in this direction (Das and Mishra, 2006). Presently gender budget statement is furnished in union budget under two headings; Part A and Part B. Part lists the schemes / programmes in which 100% of allocations are meant for women part B reflects programs/ schemes undertaken by various Departments/Ministries wherein allocations for women constitute at least 30% of the total provisions.

### **B.2 Gender Budgeting Cells (GBCs)**

This second important instrument to institutionalize the GRB in India was recommended by Ashok Lahiri Committee and was mandated via a charter issued by Ministry of Finance which outlined its objectives as :

*....influencing and effecting a change in Ministry's policies, programmes in a way that that could tackle gender imbalances, promote gender equality and development and ensure that public resources through ministry budget are allocated and managed accordingly. (GOI, 2007).* Equal seriousness was shown in the charter towards the composition of GBCs about which charter mentioned .....the gender budget cell should comprise a cohesive group of senior/middle level officers from the plan, policy, coordination, budget and accounts decision of the ministry concerned. This group should be headed by an officer not below the rank of Joint Secretary. The functions and working of GB cell may be reviewed at least once a quarter at the level of secretary/additional secretary of the department. (GOI, 2007)

Besides these three important functions outlined for GB cells in the charter are

- 1) To identify a minimum of three and maximum of six largest programmes ( in terms of quantum of funds) in the concerned ministry for assessing its gender responsiveness.
- 2) To carry out performance audits for reviewing the actual physical/financial targets of the women oriented programmes, identify the constrains in implementation and finding out measures for strengthening delivery system, infrastructure/capacity building etc.
- 3) To organize meetings/discussions/consultations with Gender Budgeting cells of related Departments/Ministries for exchanging ideas and taking suggestions.

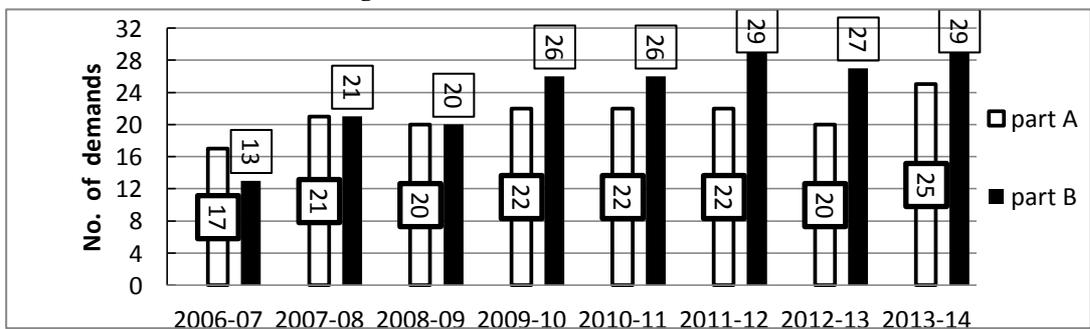
### C) Quantitative Analysis

With Gender Budget Statements in vogue since 2005-06 budget this section carries out empirical analysis of GBS available till date (2005-06 to 2012-13 revised figures only) to asses our financial commitments towards attainment of Gender Equity. This section comprises of three sub-sections with each making assessment of GBSs in India using a different Proxy variables. Data in all three sections contains revised estimates of budgetary figures presented under GBSs since 2005-06.

#### C.1) Extent of Engendering of Indian Budget

Every Demand that finds a reflection under GBSs is a contributor (Partly or wholly) towards Women welfare as such with every increase in no. of demands under GBSs the fund allocation towards women welfare increase. Thus taking number of demands as proxy for Engendering of Indian budgetary process the empirical data reveals that when in 2005-06 GBSs was furnished for first time in union budget there was no bifurcation of demands and total number of demands was 10. In 2006-07 Demands were presented separately under Part A and Part B with part A representing allocations wholly meant for women empowerment and Demands listed under part B representing allocations of which a minimum of 30% are meant for women empowerment.

Figure-1. No. Of Demands under Part A and B



Source: Union Budgets since 2005-06

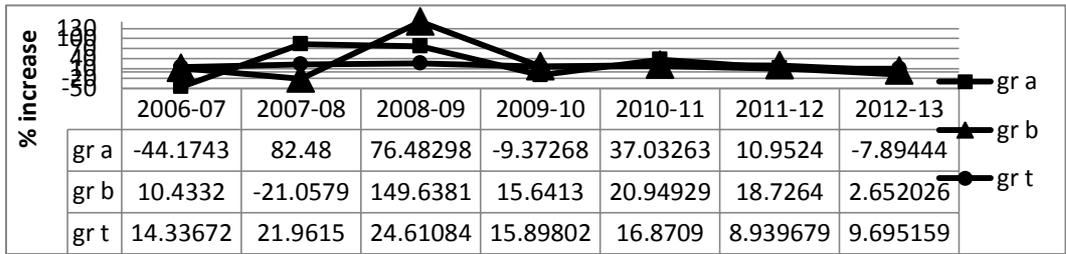
The number of demands under part A had increased from 17 in 2006-07 to 25 in 2013-14 while demands under part B had increased from 13 to 29 during the same period.

The net increase of 8 and 16 demands under Part A and Part B respectively explains increasing adoption of GRB in India as it implies both intensive and extensive adoption of GRB by various Ministries/Departments of (GOI). However a lesser increase in no. of demands under Part A compared to B is a matter of concern because being women specific the demands under Part a can be more effective towards women empowerment than demands Under Part B. Further no Ministry/Department explains the methodology adopted to calculate a minimum of 30% benefits accruing to women through policies/programmes enlisted by them in Part B. Taking cognizance of the fact that some demands have components under both the parts (eg. Demand no. 59 from department of school education and demand no.47 from Department of health and family welfare) and factoring out the double counting the total no. of demands (Part A+ Part B) had actually increased from 10 in 2005-06 to 35 in latest budget of 2013-14. In fact in 2013-14 budget 30 Ministries/Departments and 5 union territories have made allocations for women related schemes/ programmes. These figures surely support the view of increasing engendering of Indian budget as more and more Departments/Ministries are getting reflected in GBSs.

### **C.2) Gender Responsiveness as Proxied by Quantum of allocations**

This section tries to assess the degree of responsiveness of Indian budget towards women issues proxied by Quantum of allocations Under Part A and part B of GBSs since expenditures under part B are not Wholly meant for women and also some methodological ambiguity regarding calculation of minimum of 30% contribution towards women welfare is associated with these Expenditures only expenditure under Part A has been used as proxy for degree of responsiveness towards women issues. Data shows that for most of years so far there has been an increase in allocations both under Parts A and B in absolute terms and total allocations under G BSs had increased from 24240.51 crore rupees in 2005-06 to 78111.44 crore rupees in 2012-13 (RE). Growth analysis of expenditure data as presented in fig. 02 reveals that growth rates of expenditures under both the parts are having many peaks and troughs and some bottom values are in negative range too. This indicates that although we at times had shown due attention towards women oriented allocations but we could never attain a momentum in this direction .

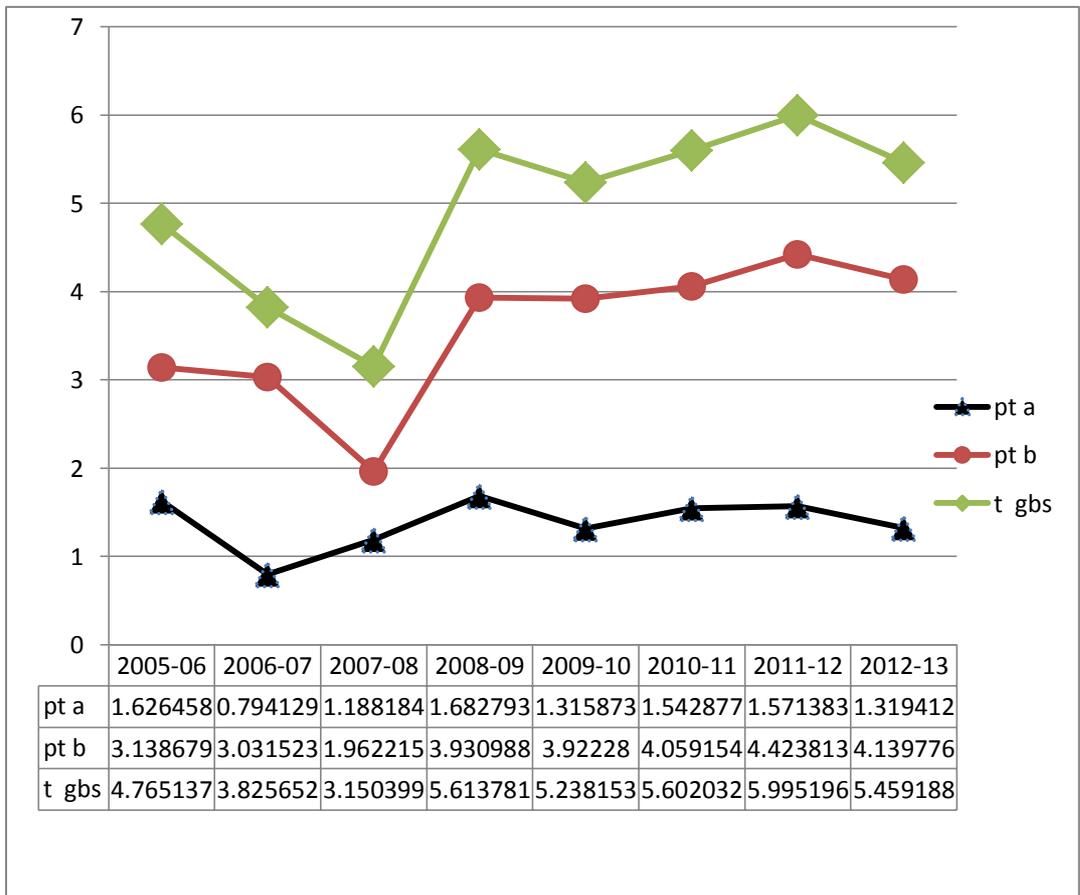
Figure-2. Percentage increase in Women related expenditures on yearly basis



Source: Union Budgets since 2005-06

However interesting thing to note is that total budgetary expenditure had never shown a negative growth rate and fluctuations are relatively lesser. so there is need to maintain this graph in positive quadrant only with no or little downward movements if we intend to attain the ultimate aim of Gender budgeting.

Figure-3. Women related expenditures as percentage of total budgetary allocations



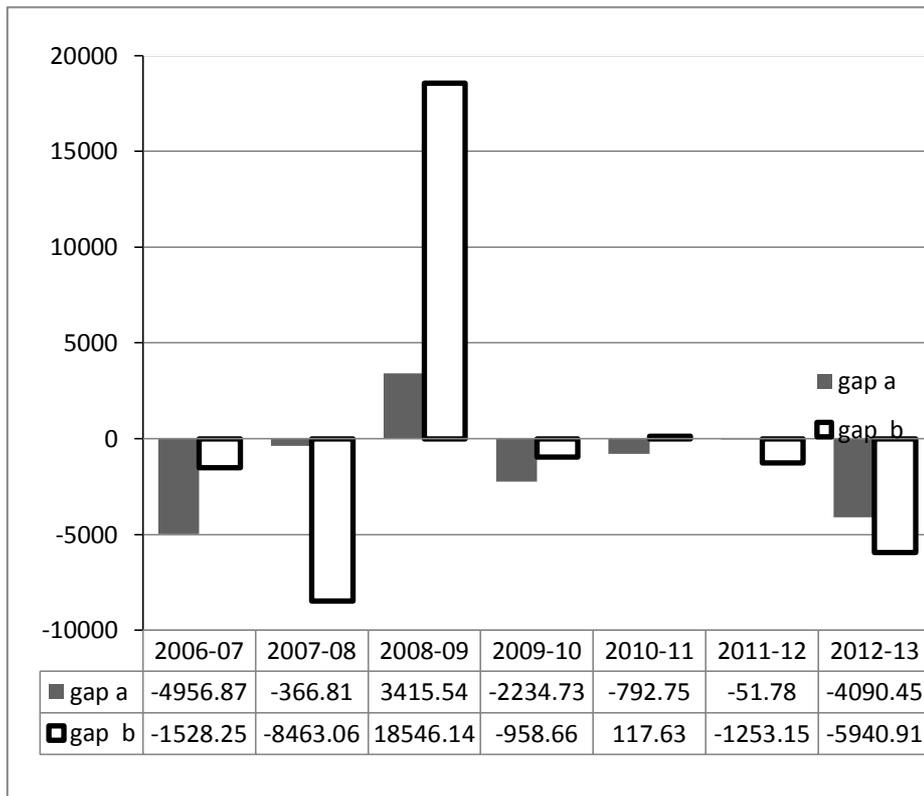
Source: union Budgets since 2005-06

Most depressing revelation of this data analysis is that Expenditure under Part A as proportion of Total Budget expenditure was 1.6% in 2005-06 and had come down to 1.3% in 2012-13. This shows that we are heading towards a sort of paradox where on one hand because of increased pressure from different corners we announce more and more policy measures towards gender equity while on other hand our financial commitments towards such an end decrease in percentage terms. If such a trend continues this paradox of Gender Budgeting will surely stifle our efforts towards gender equity. Although total allocations under GBSs are 5.45% of total budgetary allocations need is there to increase the contribution of Part A in this total allocation so as not to get trapped in paradox of gender budgeting.

**C.3) Execution of Gender Budgets as proxied by (RE-BE)**

Keeping funds available will not do the justice unless they are spent fully and efficiently on the women related schemes/programmes by concerned ministries. If funds remain unspent that could definitely be treated as governments failure to benefit the targeted beneficiaries. As such difference between revised estimates and budget estimates(if any) can be used as a proxy variable to assess the execution of Gender budgeting in India.

**Figure-4.**Difference between BE and RE for women related expenditures



Union budgets since 2006-07:

Fig.3 shows the difference between Revised Estimates and Budgetary estimates of allocations under Gender Budgeting Statements. For whole analysis period except in 2008-09 difference is negative showing lack of government commitment towards such expenditures. Whether these funds benefit women wholly or partly, Governmentt. had failed to utilize them fully as such targeted beneficiaries would have received less than what was promised at the time of budget presentation even if we assume no leakages in the part that was actually spent.

## 2. CONCLUSION

Replacing women component plan with more profound approach of gender budgeting so that the ultimate objective of Gender equality could see light of day was a good beginning by Indian planners. Institutionalised via twin instruments of Gender budgeting cells and Gender budget statements this approach on one hand provides necessary mechanism to every Department/Ministry to integrate women oriented programmes/schemes with its individual budget while on other hand it presents the financial commitments of Government of India towards gender Equality in simple numerical figures, inferences from which could be drawn by a common man also. However the proportion of money flowing in this direction is showing a declining trend and we are heading towards the paradox of gender Budgeting. If this issue is not addressed seriously the whole Gender budgeting process will just turn out to be an additional statistical Exercise with increasing number of Ministries/Departments finding their figures in this rather unproductive Exercise. So on one hand there is need to revitalise the gender Budgeting cells so as to ensure good Quantity and Quality of budgetary spending for women oriented programmes while on other hand there is need to ensure that such allocations are utilised fully and efficiently by the Executing agencies for desirable outcomes. An initial step in this direction should be Gender Planning to be Initiated by respective GBCs and adoption of GBS formats of countries like Indonesia wherein besides allocations action plan and impact are mentioned with each activity.

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