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## Recommendations for Action

In order to engender Ministries of Finance, a number of strategic areas of action have been identified, with specific action points in each area. These are summarised in Figure 4 and discussed in greater detail in the sections that follow. These action points are not sequential in time; some of them may be undertaken simultaneously. The actual timing will vary depending on the specific country context.

The effectiveness of the actions taken will depend in the end on the extent of political support that the process of engendering has from the highest levels of the Finance Ministry or from the Cabinet as a whole. Such support is essential to bring about the institutional and attitudinal changes that the process of engendering requires.

### Strategic Areas of Action

#### **Develop a gendered macroeconomic framework of interactions for the overall economy with particular focus on the role of the Finance Ministry**

The gendered macroeconomic framework provides an analytical base for understanding gender interactions in the national context. It incorporates gender along three dimensions: gender power relations (as they impinge on the gender division of resources, labour, norms and institutions); human reproduction or what has been called the 'care economy'; and the differential impact of policies and programmes on women and girls as compared to men and boys. It would focus on three key aspects of the Finance Ministry's role: short-run macroeconomic management; setting the direction and taking key decisions regarding structural reforms; and financial sector reform/liberalisation.

##### *Action point 1: Develop an analytical matrix*

A starting point to developing the gendered macroeconomic framework is to build an analytical matrix showing the two-way interactions between various dimensions of gender differentials and the work of the Finance Ministry, as outlined in Table 2.

The matrix should be developed in as much detail as possible by Finance Ministry officials with the help of gender experts. This can be done as part of a gender training programme that will provide 'hands-on' experience of considerable value. As the matrix is filled, the number of rows and columns will increase as more detail is brought in. For example, in the cell on the interactions between short-run macroeconomic management and human reproduction, sub-cells might include interactions between specific elements of the budget and of aspects of reproduction such as childcare or healthcare. The specific content of the interactions in each cell and sub-cell will vary with the country context, although the broad categories of the matrix remain the same.

Figure 4

**Strategic Areas of Action and Suggested Action Points**

- 1 Develop a gendered macroeconomic framework of interactions for the overall economy with particular focus on the role of the Finance Ministry:
  - ◆ develop an analytical matrix of two-way interactions between gender and the Finance Ministry's work;
  - ◆ carry out budget trade-off exercises and other measures to engender the national budget.
- 2 Incorporate a gender perspective into the Finance Ministry's plans, policies and programmes:
  - ◆ conduct a gender audit of the Finance Ministry's policies, plans and programmes;
  - ◆ support a National Reproduction and Social Development Policy;
  - ◆ adopt a comprehensive approach to supporting women's access to assets and incomes.
- 3 Address institutional and attitudinal barriers:
  - ◆ adopt a 'hands-on' approach to gender training;
  - ◆ establish institutional arrangements
    - Gender Focal Points or a Gender Unit within the Finance Ministry
    - inter-departmental standing committee on gender within the Finance Ministry
    - inter-ministerial steering committee on gender
  - ◆ create incentives and disincentives for Finance Ministry officials and staff.

**Table 2 Analytical Matrix of Interactions between Gender and the Finance Ministry's Roles**

Engendering Dimensions ↓ The Finance Ministry's roles	Differential Impact on the Wellbeing of Women and Men	Human Reproduction/ the 'Care Economy'	Gender Power Relations
Short-run macroeconomic management			
Structural reforms			
Financial sector reforms/liberalisation			

Developing the gendered framework will almost certainly involve fairly substantive changes in how the overall economy and the particular ministry's responsibilities are viewed. As such it is therefore the first and most critical step; how well the framework is conceptualised will govern how effectively the next steps in the engendering process can be undertaken.

The deeper the ministry's officials go into such an exercise, the more sophisticated the matrix will become and correspondingly, the better their appreciation and understanding of the importance of gender. The cells in the matrix will include two-

way interactions; as the matrix becomes more complex, it will include more feedback effects as well as interactions that overlap more than one cell. This will lead to a more sophisticated recognition of cross-linkages.

Quantifying the interactions might lead to further research or other studies. While the matrix might start with hypothesised interactions, information on potential interactions needs to be collected through quantitative and qualitative research which could be carried out by research institutions, by consultants or by officials within the ministry itself.

Developing the framework is not a one-off task to be done prior to the other steps in engendering the Finance Ministry, but an ongoing process that helps to strengthen and deepen officials' understanding of the implications of gender analysis over a period of time, for example two to three years. This process of building the framework also becomes thereby a mechanism for keeping substantive work and interest on gender going in the ministry, so that it does not disappear after an initial enthusiastic phase. It is especially important that such a framework building process be located in the Finance Ministry, because of the central and powerful role of the Finance Ministry in current structural reform processes.

An effective framework does not need to be comprehensive in the sense of spelling out all the relationships in complete detail.<sup>1</sup> But at a minimum it should be developed at two levels – the aggregate economy, and the specific ministry/department's work, and it should include all three aspects of engendering. The framework should conclude with a set of guidelines that spell out how its elements can be transposed to the ongoing work of the ministry.

Once the framework has been developed, it has to be incorporated into the policies, programmes and work-plans of the ministry involved. To do this, existing policies, programmes and work-plans have to be examined in light of the framework and the points of contradiction identified. Where possible, existing programmes should be retro-fitted to bring them more into line with the framework's guidelines. This may not be feasible for all of the ministry's previously determined plans and programmes, in which case some examples may be chosen for retro-fitting in order to provide lessons for future attempts.

The work of ministries/departments usually falls into one of three categories: ongoing routine work; time-bound work that is based on previously decided policies, plans or programmes; and plans for future work. Retro-fitting gender into a few sample cases is appropriate only for the second of the three. Both future work and ongoing routine work (which is not specifically time-bound) should have gender *fully* incorporated in accordance with the guidelines developed by the framework. In both cases, definite check-points and timeframes need to be specified to ensure that engendering is not lost in the inertia of existing (non-gendered) routines, or in the rush to finalise the plans for future work. For example, ongoing work needs to be broken down in detail and analysed on the basis of the framework, and a detailed timeframe needs to be developed for the steps to be taken. Similarly, plans for future work should include specific check-lists for engendering against which the planning process should be judged.

### **Action point 2: Budget trade-off exercises**

Another important action point in developing the framework is to carry out a set of budget trade-off exercises. These exercises examine alternative scenarios for reducing budget deficits while supporting human reproduction needs and reducing gender inequities. Traditional budget exercises seldom take gender into account when

developing alternative revenue and expenditure possibilities. Engendering budget trade-off exercises will require examining the role gender plays in the two-way impacts between annual budgets and medium- or long-term growth. Clearly, budget exercises will inform and be informed by the matrix development exercise, but they need to be seen as a distinct though linked activity.

## **Incorporate a gender perspective into the Finance Ministry's plans, policies and programmes**

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### **Action point 1: Gender audit**

The first action point here is to conduct a gender audit of the ministry's plans, policies and programmes. This is different from the framework building exercise in that the framework is a macro-level exercise for the economy as a whole (albeit with particular focus on the Finance Ministry) while the gender audit is a meso-level exercise focusing on particular plans, policies and programmes.

The gender audit examines how the three dimensions of gender (see Table 2 above) are affected by specific policies and programmes. It then identifies positive steps to be taken to engender these plans and programmes. The audit would need to examine ways in which both the routine work of the Finance Ministry and its plans for the future can be made more gender-sensitive. Current programmes and plans may have to be retro-fitted to at least partly incorporate more gender-sensitive approaches.

### **Action point 2: National Reproduction and Social Development Policy**

A second action point is for the Finance Ministry to take the lead in (or at least provide key support to) the formulation of a National Reproduction and Social Development Policy which would work out the modalities and financial implications of providing effective support to the 'care economy'. This would link back to a key aspect of the gendered framework described above. The middle cell of the 3 x 3 matrix shown in Table 2 works out the impact and feedback effects between structural reforms and human reproduction/the 'care economy'. It is important to remember that not only is the work of women and girls critical to the care economy, but that factors beyond health and education (such as childcare, access to water and sanitation, etc.) have to be addressed if the capability and productivity of the labour force is to be enhanced, and the human requirements of the growth process are to be met. The Finance Ministry's specific task here is both to work out the financial implications of different measures, and also to lend its weight and standing to the formulation of the policy.

### **Action point 3: Comprehensive approach to supporting women's access to assets and incomes**

A third action point is for the Finance Ministry to develop a comprehensive approach to supporting women's access to assets and incomes. Again, it is important for this effort to be spearheaded by the Finance Ministry with its standing and expertise. A key aspect of such support is ensuring women's access to credit as part of financial sector reform; this is directly within the Finance Ministry's purview. Other aspects include guaranteeing women effective (*de facto*, not *de jure*) rights to land, trees and common property resources; promoting the availability of technology and training for women particularly in agriculture, small scale industry, and self-employed services; the removal of gender inequitable practices in labour markets (unequal wages, occupational segregation, sexual harassment/violence); and the removal of barriers to self-employment by women. While many such measures fall within the purview of other ministries, the Finance Ministry can help by working out their financial costs and benefits from the viewpoint of the overall economy, and also provide its support to less powerful ministries.

## **Address institutional and attitudinal concerns**

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### ***Action point 1: 'Hands-on' approach to gender training***

Moving the engendering agenda forward in a ministry as powerful and complex as finance requires a strong institutional structure. Much of the work required to be done will be quite new to the ministry's officials, and an appropriate institutional set-up needs to use external gender expertise judiciously as well as draw out the knowledge and co-operation of the ministry's own experts. The action points suggested under the first two Strategic Areas provide the opportunity for a hands-on approach to gender training, one which involves Finance Ministry officials in the development of the gendered framework, the gender audit, and gender-sensitive policies.

### ***Action point 2: Establish institutional arrangements***

The setting up of a technically competent Gender Focal Point or a Gender Unit in a strategic location in the office of the Minister of Finance or senior bureaucrat is an important institutional arrangement for gender mainstreaming. The Gender Focal Point or Gender Unit, which should be staffed by people with expertise in both macroeconomics and gender, would backstop the activities in the first two Strategic Areas. It would also initiate research to fill in knowledge and data gaps, draw on the expertise of external consultants as necessary, and liaise with counterparts in other ministries. The competence, tough-mindedness, and tenacity of the Gender Focal Point or Gender Unit are key ingredients in an effective engendering strategy.

Since many of the proposed measures and actions cross over the different departments within the Finance Ministry (revenue, taxation, etc.), an inter-departmental standing committee may also be necessary. The function of this committee would be to facilitate communication and co-ordination across all departments

The overall engendering strategy of the government may also require a high-level inter-ministerial standing committee that would draw up plans, and monitor and review the progress made. The Gender Focal Point or the head of the Gender Unit in each ministry, including the Ministry of Finance, would be the representative on the inter-ministerial steering committee.

### ***Action point 3: Incentives and disincentives***

The structures of incentives and authority within the ministry/department need to be examined and modified to ensure that the engendering is successful. This is the critical step between the theory of engendering and its actually being put into practice. It involves a set of actions that challenge entrenched interests and ways of doing things within the ministry/department itself. Carrying out this change requires, therefore, the strongest possible support from the highest level of the ministry (or even beyond), in order to overcome possible inertia, resistance, or even outright opposition.

A system of incentives and disincentives needs to be developed so that Finance Ministry officials and employees find it in their interest to take gender seriously. Measures that are more creative than the traditional checklists need to be developed. For example, performance appraisal systems could be updated to include references to established gender targets and achievements, and to the level of gender awareness attained by employees. Since these measures may not be specific to the Finance Ministry alone, developing them may be one of the first tasks of the inter-ministerial steering committee, with technical back-up from the Gender Unit in the Finance Ministry. Ideally, such incentives should be put in place by the government's central personnel office or Public Service Commission, as part of an overall strategy for gender mainstreaming.

### Notes

- 1 While developing the framework it might well happen that there may not be enough of a knowledge base on specific gender relationships or impacts. The framework cannot be expected to specify these in detail, but can start with a set of hypotheses that can be tested in later work.