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The Political Economy of Fiscal Interventions to Tackle Gender Inequalities: Empirical Evidences on "Gender Budgeting" from India

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Abstract

The political economy processes of fiscal interventions to redress gender inequalities in India encompass four distinct phases, viz.,identifying innovative fiscal policy tools for gender equality; building institutional and policy structures to implement the identified tools; building capacity of civil society and macro policy makers to strengthen the processes ensuring transparency; and strengthen accountability mechanisms. This paper analyses all these four phases at national and subnational government levels in India. We identified that heterogeneity of stakeholders at various entry points of fiscal policy and budget management processes in India is one of the positive features of success of the fiscal innovations for gender equality outcomes in India. Our analysis revealed that the Ministry of Finance spearheaded the process at the national level and played a prominent role at the subnational level in India too along with civil society organisations, to strengthen the fiscal policy tools for gender equality through the selective policy space of feminization of governance processes and grass- root level institutional structures.

While the fiscal fiat attempts to translate the gender commitments into budgetary commitments, the lack of legal mandate to ensure the same appeared as a hindrance to deepen the policy processes. Yet another issue is the prioritization of gender issues by the subnational governments and in turn the flexibility of public finances to be made available to meet these commitments within the overall framework of SDG 2030 Agenda. The policy implications of our analysis to redress gender inequalities through fiscal interventions are twofold. One, using the selective analysis of the legal fiat of gender budgeting processes within National Finance Law in Korea and the articulation of Gender and Development (GAD) budget in the Philippines, we propose that the fiscal processes for gender equality in India needs a mandatory legal backing. Two, in order to the strengthen the efforts of subnational governments and civil society organisations in the fiscal

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processes of gender equality in the Indian States, there must be a specific intergovernmental fiscal transfer mechanism to be designed by the Fifteenth Finance Commission, recently constituted by the President of India.

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I. Introduction

The political economy of gender budgeting encompasses fiscal and legal frameworks. The fiscal frameworks on gender budgeting include taxation, expenditure policies and intergovernmental fiscal transfers through a gender lens. The legal framework incorporates the mandate for gender budgeting within Finance Laws of a country or an earmarking procedure of allocations for gender and development using a legal mandate. These both processes involve a heterogeneity of stakeholders from the budget formulation to implementation and accountability. The empirical literature points out that the political economy of the gender budgeting has four transitional phases, viz., (i) knowledge networking and model building , (ii) institutional mechanisms, (iii) capacity building and (iv) accountability mechanisms. This paper analyses all these four phases at national and subnational governments in India.

GRB is an approach to government fiscal policy that seeks to use a country's national and / or local budget(s) to reduce inequality and promote economic growth and development by applying a "gender lens" to the identified problems. It is also defined as a fiscal-innovation based policy as a way of transforming a new concept into a tangible process, resources and institutional mechanism in which a benefit meets an identified problem. Translating the gender commitments into fiscal commitments is the policy-objective of the new-found policy space.

This paper is organised into the following seven sections. Section II presents the scope of gender budgeting in India taking cues from existing public policy literature on gender budgeting. Section III deals with the measurement issues of gender inequality. Section IV presents the political economy of gender budgeting across selected countries in Asia Pacific. Section V and VI present the approach and methodology of gender budgeting initiatives in India at national and subnational levels. Section VII looks at the inter-governmental transfers across the states of India. Section VIII concludes.

II. Scope of Gender Budgeting in India

Gender Budgeting is an approach to budgeting that uses fiscal policy and administration to promote gender equality while translating gender commitments into fiscal commitments through identified processes, resources and institutional mechanisms and can work on both the spending and revenue sides of the budget (Stotsky 2016). One of the key thrusts of gender budgeting is to lift the statistical invisibility of care economy. The fundamental rationale behind gender budgeting is to make policymakers aware of the extent of loss in economic efficiency that may arise out of gender neutral fiscal policies, and to frame policies to correct those biases to prevent the policies turning gender blind.

Stotsky (2016) discusses the the 3 Es, namely efficiency, externalities and equity arising out of gender budgeting, using specific country experiences. Chakraborty (2016) provides insights on the fiscal transmission of GRB in Australia, Korea, Philippines and India and empirical literature throws light on the four phases of gender budgeting which help in the transmission of concept into a public policy framework.

Anand and Chakraborty (2010) devised a formula for tax devolution followed by incorporating gender sensitivity into the same. Their results revealed that engendering, using child sex ratio, the intergovernmental fiscal transfer adds to several advantages to improve gender equality. The methodology is to reward the states with a better child sex ratio with higher transfers to be able to improve gender equality furthermore. Poorer states tend to benefit as these states have better child sex ratio, probably due to improved gender equality and falling female foeticide. Gender budgeting at the national level seems to be more effective, but fiscal devolution at third tiers requires further strengthening of inter-governmental transfers. Transparency and accountability checks are a must at sub-national levels.

III. Measurement Issues Relate to Gender Inequality

This section on measurement issues relate to gender inequalities is extensively drawn from Aggarwal and Chakraborty (2015). UNDP has used a number of measures to encompass the human development gaps by accounting for disparities on three main economic and social fronts: education, health and standard of living. The ability to lead a long and healthy life, as a proxy for life expectancy; Expected Years of Schooling (EYS) and Mean Years of Schooling (MYS) as dual proxies for education and GNI per capita (synonymous with income required for access to resources) as a measure of a decent standard of living (UNDP report, various years) are the component indicators used in each index.

The Human Development Index (HDI) is a summary measure of achievements in three key dimensions of human development: a long and healthy life, access to knowledge and a decent standard of living.

The Gender Development Index measures the gender gaps in human development achievements by accounting for disparities between men and women in three basic dimensions of human development for both males and females – health, knowledge (education) and living standards (UNDP Report, various years) using the component indicators mentioned previously. Further, under the GDI, the average value of each component variable is substituted with equally distributed equivalent achievements ($X_{ede)}$, which represents the level of achievement that would, if attainted equally by men and women, be considered exactly as valuable to the society as the actually observed disparate achievements (Lahiri, Chakraborty, Bhattacharyya, 2003). The study noted that taking an additively separable, symmetric, and constant elasticity marginal valuation function with elasticity 2, the equally distributed equivalent achievement Xede for any variable X is the following:

$$Xede = [nf (1/Xf) + nm (1/Xm)]^{-1}$$

where, Xf and Xm are the values of the variable for females and males, and nf and nm are the population mshares of females and males. Xede is a ‘gender-equity-sensitive indicator’(GESI). Under this calculation, for a chosen value of 2 for constant elasticity marginal valuation function, GDI is computed as follows:

$$GDI = \{Lede + (2/3 \times Aede + 1/3 \times Eede) + Yede\}/3$$

GDI is an extended version of HDI, circumscribed by gender inequality. It is no way free of its counterpart HDI as it uses the same technique, with just discounting for gender inequality. Hence, GDI is not widely used. Measuring disparities in access to resources and a healthy life coupled with a pool of knowledge is not as simple as exhibited by GDI.

Table 1 presents state wise GDI scores for the year 1996 and 2006. It clearly shows that Goa, Kerala, Chandigarh and NCT Delhi have performed the best with values of 0.747,0.745, 0.763 and 0.701 respectively in year 2005. Though, there has been only a marginal improvement over time for all the states. All-India figures have increased from 0.514 to 0.590 only. Thus, much improvement on account of GDI has not yet been reported. No state-wise surveys have been done post 2006.

Table 1: Dimension-wise GDI Scores for States/UTs - 2006 and 1996

S.N.	States/UTs	GDI 2006				GDI 1996			
		HI 06	EdI 06	YI 06	GDI 06	HI 96	EdI 96	Y1 96	GDI 96
1	Andhra Pradesh	0.584	0.422	0.716	0.574	0.525	0.346	0.656	0.509
2	Arunachal Pradesh	0.621	0.603	0.702	0.642	0.615	0.351	0.667	0.544
3	Assam	0.497	0.608	0.650	0.585	0.440	0.523	0.606	0.523
4	Bihar	0.536	0.377	0.524	0.479	0.474	0.274	0.449	0.399
5	Goa	0.792	0.652	0.797	0.747	0.733	0.627	0.711	0.691
6	Gujarat	0.600	0.529	0.742	0.624	0.540	0.454	0.682	0.559
7	Haryana	0.601	0.521	0.773	0.632	0.530	0.434	0.700	0.555
8	Himachal Pradesh	0.631	0.594	0.767	0.664	0.561	0.506	0.689	0.585
9	Jammu & Kashmir	0.600	0.466	0.639	0.568	0.527	0.411	0.638	0.525
10	Karnataka	0.632	0.494	0.707	0.611	0.591	0.403	0.642	0.545
11	Kerala	0.834	0.697	0.705	0.745	0.836	0.678	0.649	0.721
12	Madhya Pradesh	0.457	0.451	0.641	0.516	0.340	0.335	0.576	0.417
13	Maharashtra	0.697	0.587	0.748	0.677	0.626	0.516	0.704	0.616
14	Manipur	0.759	0.631	0.705	0.699	0.684	0.505	0.611	0.600
15	Meghalaya	0.564	0.609	0.700	0.624	0.570	0.565	0.640	0.592
16	Mizoram	0.698	0.640	0.723	0.687	0.566	0.630	0.641	0.612
17	Nagaland	0.719	0.644	0.727	0.697	0.585	0.626	0.666	0.626
18	Orissa	0.471	0.450	0.651	0.524	0.355	0.380	0.600	0.445
19	Punjab	0.680	0.558	0.749	0.663	0.634	0.479	0.701	0.605
20	Rajasthan	0.526	0.381	0.672	0.526	0.423	0.284	0.637	0.448
21	Sikkim	0.656	0.608	0.713	0.659	0.546	0.537	0.616	0.566
22	Tamil Nadu	0.684	0.559	0.722	0.655	0.589	0.469	0.671	0.576
23	Tripura	0.641	0.608	0.628	0.626	0.567	0.542	0.529	0.546
24	Uttar Pradesh	0.487	0.437	0.604	0.509	0.401	0.321	0.563	0.429
25	West Bengal	0.666	0.526	0.675	0.622	0.578	0.468	0.614	0.553
26	Chhattisgarh	0.524	0.413	0.688	0.542	0.392	0.335	0.576	0.434
27	Jharkhand	0.590	0.418	0.665	0.558	0.490	0.274	0.449	0.404
28	Uttarakhand	0.622	0.600	0.718	0.647	0.487	0.321	0.563	0.457
29	Andaman & Nicobar Islands	0.698	0.642	0.737	0.692	0.689	0.594	0.723	0.669
30	Chandigarh	0.774	0.684	0.832	0.763	0.741	0.633	0.744	0.706
31	Dadra & Nagar Haveli	0.679	0.619	0.722	0.673	0.562	0.480	0.667	0.569
32	Daman & Diu	0.716	0.660	0.654	0.677	0.546	0.458	0.624	0.543
33	NCT Delhi	0.674	0.703	0.727	0.701	0.640	0.641	0.707	0.663
34	Lakshadweep	0.728	0.627	0.551	0.635	0.757	0.636	0.589	0.660
35	Puducherry	0.721	0.638	0.759	0.706	0.774	0.564	0.645	0.661
All India		**0.573**	**0.494**	**0.702**	**0.590**	**0.490**	**0.409**	**0.643**	**0.514**

Note: **HI** is the Index of 'A long and healthy life' based on Infant Mortality Rate and LifeExpectancy at age 1;

EdI is the Index of 'Knowledge' based on 7+ Literacy Rate and Mean Years of Education for 15+ age group;

YI is the Index of 'A decent standard of living' based on Earned Income and

HDI is the 'Human Development Index'.

Source: Human Development Reports (various years)

Gender Inequality Index is an inequality index which replaced GDI in 2010, due to its inadequate indicators, and hence the estimates. It serves as a measure of quantifying the disparities among men and women on the following grounds[2], (a) Reproductive health assessed by Maternal Mortality Ratio (MMR) & Adolescent Birth Rates (ABR), (b) Empowerment proxied by the number of parliamentary seats occupied by females (PR) & proportion of adult females and males aged over 25 with at least some secondary education (SE) and (c) economic status expressed as labour market participation (LFPR) by both males and females aged over 15 years.

GII shows loss in development due to gender inequality, with a value of 0 indicating that men and women fare equally and 1 indicating complete inequality, with one gender faring as poorly as possible as compared to the other gender. There are some methodological and conceptual issues with using GII as a tool to measure the disparities amongst men and women on account of empowerment, reproductive health and economic status. The choice of variables remains erroneous and inadequate to be able to capture the full impact of gender inequality. Aggarwal and Chakraborty (2016) identified the following three caveats as regards the gender inequality measurement. One, it amalgamates the indicators for men and women that are defined only for women, for instance MMR and ABR. It simultaneously furnishes the geometric mean for males with a value of 1 for the reproductive health indicator, which not only overestimates the value of GII, but is also unrealistic. An index value of 1 implies that MMR and ABR for men is 100%, which is clearly impractical. Moreover, GII represents a worsening of the gender inequality with an increase in MMR and ABR, while it argues that the inequality stays unchanged if the education or LFPR decrease by same amount for both the genders. It is imprecise to conclude that only changes in reproductive health (clearly, only for females) affects the disparities, while worsening of female's education or her economic status does not affect the inequality if men's education or his economic status also falls. Second, it is argues that it is highly inaccurate to include the share of women's seats for political representation in parliament at national levels only, while ignoring the state governance and intra-household decisions. The latter ones too are of utmost importance and signify that women are well-equipped to hold powers in their states as well. The third criticism owes

[2] Human development Reports, UNDP, 2016

to the unawareness of the fact that counting only paid market activity as a `channel to enhance the economic status of the people. Avoiding the women's contribution to the unpaid care economy via child care, care of relatively elderly and management of other household chores, which is indispensable to an economy's undisrupted growth, results in a biased gender-inequality measure. A number of methods have been proposed to quantify labour activity (from time-use statistics) across non-market and market activities yet no substantial integration of such methods seems to have been used in GII or other measures.

III.1: Incorporating the Care Economy in Gender Budgeting using the Time-use Surveys

Time-use surveys (TUS) provide comprehensive information on how individuals spend their time, daily or weekly, on SNA activities (productive and included in national accounts), unpaid SNA activities (productive but unpaid, eg, work performed by unpaid family workers in household enterprises) and unpaid non-SNA (household work, care of children, old ,sick). A proper analysis and understanding of how gender gaps prevail because of the burden of unpaid care economy and domestic services coupled with deteriorating human capital formation is recapitulated by TUS (Chakraborty, 2008).

TUS in India was done in 1998-99 with an objective of estimating the labour force and to estimate a value of unpaid care economy in the country (UN stats). Policy implications of the same on gender equity were also recommended.

Table 2a: Time Spent in Care Economy by Men and Women in Selected States of India

States	Females	Males
Haryana	31.06	1.99
Madhya Pradesh	35.79	4.43
Gujarat	39.08	3.19
Orissa	35.7	4.47
Tamil Nadu	30.46	3.19
Meghalaya	34.52	7.16
Combined States	34.63	3.65

Source: CSO (2000), Time Use Survey, Government of India

Table 2b: Time Spent in Care Economy as a % of State Domestic Product (SDP) by Men and Women in Selected States of India

States		Males	Total

	Females		
Haryana	27.28	2.48	29.76
Madhya Pradesh	40.99	6.31	47.3
Gujarat	26.07	2.55	28.62
Orissa	34.72	4.48	39.2
Tamil Nadu	22.8	3.52	26.31
Meghalaya	38.35	11.58	49.93

Source: Basic Data, CSO (various years), Government of India

Table 2a suggests that women spend about 34.63 hours a week in unpaid work, while men spend only 3.65 hours a week in the same. This clearly indicates the burden of unpaid care economy on the females, in particular.

There are two methods to value the unpaid work, i.e. unpaid domestic work and unpaid voluntary work. One, input method of valuing the labour input that goes into the work, and two, valuing the output so generated by the work. The Input method is the value of the unpaid work is computed by multiplying the time spent on domestic and voluntary work (TUS) by an appropriate wage rate. Aggregating the total time spent with total appropriate wages gives the market value of unpaid care economy. Setting of appropriate wage rate is crucial. Wage rate can be following two types: *a) Replacement wage rate:* Wage paid to the person who produces a similar service in the market. This wage rate can further be classified into two categories. One, Generalist wage rate is the same wage rate applies to the entire group of paid domestic workers as prevailing in the local market. For instance, Rs.200 to all the domestic housekeepers, irrespective of the type of work done by them. Two, specialised wages are paid for specialised work to each domestic housekeeper comparable to relevant domestic activities. Both methods assume that there are jobs available in the market that are comparable with the job of a domestic worker (whether generalised or specialised) and are likely to receive a wage if they enter the market. Also, productivity does not fall in either home or market, given the wage rates. The opportunity cost is the wage rate that is foregone by a person undertaking the unpaid domestic work. The foregone wages are computed based on age and qualification of the domestic workers, and not the market activity. The opportunity cost method is preferred the most because of its inherent assumptions of getting a suitable job as per their age and qualifications, irrespective of the number of workers that enter the market.

Rationality and utility maximisation (in terms of accepting the job) are well portrayed.

Under output method, value of the unpaid care economy is calculated by multiplying the units of output produced multiplied by the wages per unit of output. For instance, the wages are set according to the number of dishes washed, number of grocery items purchased, area of house cleaned, number of clothes washed and ironed, number of meals prepared etc. Output method also can be segregated in two further methods. One, direct method, where, value of the payment is based on a contract per piece of output. It does not include the cost of raw materials and other intermediate activities and services, like water. Two, indirect method, where we pay the wages according to the residual method of deducting the non-labour cost (cost of raw material) from the market value of output. The value of payment under the indirect method will be higher because of the higher operating surplus ascertained. However, output methods ignores the quality of goods produced in different households and input method ignores the productivity of the workers and only focuses on the time spent in domestic activity. Conceptually, output method seems more plausible due to its similarity with the output methods of national accounts, but due to easy access to data on the input method, the latter is used. The concept of comparative advantage is ignored in the input method, while it is inherently used in the output method. The deficiency of data on standard labour time and adoption of uniform per capita consumption of unpaid work is acceptable across the globe is a major fallout of these methods and hence, cross-country comparisons are not possible.

Time-use surveys (TUS) are not conducted at a macro level in most of the developing countries, or even if they are, time-use statistics is not updated often. In many countries, the data itself of time is unavailable, which makes it impossible to impute the necessary values. Secondly, labour participation rates rarely compute and include unpaid care economy in their calculations which makes it irrelevant to use time-use data, even if available. Challenges like imputing market price of wage to time and expressing it into utils (i.e. units utilised) ,and hence, using the minimum wages existing in the market to approximate the price of the care economy, still persist.

IV. The Political Economy of Gender Budgeting in Asia Pacific: Selected Cross-country Analysis

There is no single means of assessing the success of gender budgeting and it is partly because government budgets, and gender responsive budgets, can be seen as multi-faceted processes with substantive outputs resulting from government activities and their effects on the economy, and more broadly, society (Elson and Sharp, 2007). The gender budgeting differs in the nature, objective, scope, institutional settings, format of engagement with the budget, actors and the participants involved, tools of analysis and the results. Although, the short term targets, particular to a nation (example: impact of social welfare schemes, execution and implementation of girl-child oriented schemes) might differ across the countries, the ultimate and long-term criteria for success of GRB is the effect on gender equality and improvement in the status of women in the society.

1. Australia

Australia was the pioneer in introducing gender budgeting at the national level in 1983-84. m. In Australia these factors have produced three broad phases of the Women's Budget Statement over the past 30 years (Broomhill and Sharp, 2013) each associated with a different political party in government – the Hawke-Keating Labour government (1983–1996), Howard Liberal/ National government (1996–2007) and RuddGillard Labour government (2007–2013). The first phase was the most successful as it sustained for 12 years. The Hawke Labour government undertook a pilot exercise involving 13 departments forming a Women's Budget Statement (WBS). Associating economic policy and their respective outcomes on the stature of women in the society, followed by a comprehensive study and analysis of impact of policies on women and their well-being, defined by equity and efficiency in utilisation of resources. It was made sure that the statements staging the impact of policies of women must be presented by all the cabinet ministries. Without pursuing the details of the achievements and the policy suggestion made by then Australian government, a conclusion can be thereon made that the first phase was only an "accounting framework" rather than an "outcome framework". Also, a shift from Keynesian economics to neo-liberal ones (Sharpe and Broomhill, 2013) resulted in cuts in public spending and thus, the negative impact on policy changes in GRB.

The second phase under Howard Liberal/ National government during 9 years was major failure due to a shift in policy recourse to a conservative government. Office for Women in the Department of Family and Community Services, the new official government body responsible for WBS was less supportive of gender equality. Thus, the opportunity to shift to performance budgeting was missed and hence, a failure of the gender budgeting in the mainstream budget was concealed.

The new government in the third phase had the ease of resource boom, with ballooning exports and shrinking unemployment, and thus had the scope to improvise on gender budgeting. The financial crises of 2007 surely had a positive impact on the Australian economy. A raft of policies were introduced to make a pitch for the prevailing gender gaps. Funding for the care economy was increased, importance of unpaid care economy was re-instilled in the economy. The Party commissioned a micro-simulation study on the impact of the budget on different income groups which was discussed widely in the media and highlighted how single parents (85 percent of whom are women) would be particularly adversely affected by proposed budgetary policies (Budlender, 2015).

2. The Philippines

The year of 1995 marked an important date in the history of the Philippines as the introduction of Gender and Development (GAD) budget policy in the nation at both national as well as subnational levels to nurture the contribution of women in the community. Promoting gender equality by earmarking 5% of the budget (also known as 5% GAD budget policy) for all government agencies, government owned and controlled enterprises, state colleges and universities and local government units has proven to be an indispensable change in the country. But, the absence of an operational mechanism to deter non-compliance aggravates the problem of unspent surplus on GAD. This means that GAD was only a technical procedure rather than a development-expanding one. However, the 5 per cent requirement was eventually made more flexible so that departments could spend money only on effective programs (Chakraborty 2016). Moreover, the limited role of civil society creates imbalances in gender inequality and hence, increasing their role became imperative.

The Philippine Commission on Women has been the primary agency of gender budgeting since 1995 acting as the national machinery on women responsible in monitoring the compliance. Public expenditure analysis of gender has been carried out at the sectoral level, including education, health, environment and climate change, social welfare and protection, peace, and security. It has been noted that there have been no gender budgeting initiatives on the tax side or with respect to employment or procurement policies.

But, unfunded mandates and poor inter-governmental transfers were largely influenced by politics lading to ineffective implementation and thus, the resource gaps. The decentralisation of the health, social welfare sectors were thought of providing a push to the motive, but they did not.

There has been no direct attempt so far to incorporate gender concerns into intergovernmental fiscal relations in the Philippines. Given the asymmetries in the assignment of functions and finance, a significant prerequisite of gender budgeting is to overcome the issue of unfunded mandates (Chakraborty, 2006a).

Local units such as Sorsogon and Hilongos were identified to conduct gender budgeting. In Sorsogon, initiative was taken in the health sector to reduce MMR to zero; while for Hilongos, it was in the agricultural sector, where forced migration of women was focused on. Local level GRB indicates that spatial needs too are required to be focused on before national level budgeting.

3. Korea

Gender budgeting took its first step in Korea in 2006, enacted by the National Finance Act. In Korea, the central and the local government and the institutions were pushing for increasing and legislating budget for women. The planning team under the Gender Budgeting Centre (GBC) was leading a massive learning network. From framing the concept of gender budgeting , developing gender budgeting statement formats, developing gender analysis tools to formulating gender-sensitive medium term fiscal management system. GBC had twin objectives: to exchange the opinions of researchers regarding the policy and the results with the public; to enhance the understanding of the concept. Legalising and institutionalising GRB was the major achievement for the Korea. Ministry of Planning and Budget included guidelines for gender budgeting allocation in the guidelines for national budget allocation (Kim, 2010). The National Finance Act, legislated in 2006, requires submission of gender budgets and gender balance reports from the 2010 fiscal year onward (Kim, 2010). The Act requires the government to draw up gender budget statements which analyse the impact of the budget on women and men in advance, encompassing both spending and revenues. The government is required to produce a gender balance sheet, which assesses whether the budget benefits women and men equally and remedies gender discrimination (Chakraborty, 2016).

Institutionalisation in Korea is enacted through, unlike in India and Australia. Korean women's development Institute (KWID) had undertaken the research and methodology of GRB. The Gender Budgeting statement had two parts and the classification procedure of gender budgeting has similarities with that of India. The KWDI has classified the gender budget into expenditure those specifically targeted to women and aiming at improving gender equality all the mainstream budgetary activity. In addition, a Gender Budget statement was prepared, which evaluates the expenditure performance by conducting an impact analysis on gender equality and the overall budget expenditures. There is a Gender Budgeting Task Force organized by both Ministries.

Despite the achievements in the areas of research and legal backing, some challenges kept knocking Korea's door. First of which was the difficulty in assessing whether the focus should only be on women or at gender equality or the general projects are to be included too. The area of focus and definition of GRB was confusing for some leading to arguments like budgeting should be done separately for disabled and elderly too.

V. The Approaches and Methodology of Gender Budgeting in India at National and Subnational Levels

India's gender budgeting policies implemented both at national and sub-national level are renowned globally. The States like Kerala and Karnataka have demonstrated their success stories in reducing gender-disparities using a fiscal innovation tool like GRB. A few of the initiatives include tax reforms, inter-governmental fiscal transfers, fiscal decentralisation efforts and local budgeting, and assessing the effectiveness and feasibility of public expenditure via expenditure tracking analysis and Benefit Incidence Analysis (BIA).

Women's Component Plans (WCP), a strategy to promote gender equality was adopted in 1997. One of the initiatives of WCP was to designate 30 percent of the developmental funds particularly for women to promote gender equity and equality in all of the sectors. However, economic theory also confirms the fact that funds reserved for 30 percent ad-hoc policies is only a second-best policy choice, rather focusing on the specific area that requires development will be a viable tool. This led to the demise of WCP, leading to construct of macro level gender budgeting in 2000, encompassing the entire budget.

Gender budgeting takes place in four sequential phases namely: a) innovative networking with new fiscal policy tools for gender equality, b) building institutional and policy structures to implement the identified tools, c) building capacity to civil society and macro policy makers to strengthen the process and d) ensuring transparency and accountability.

Gender-Budgeting is defined as an analysis of the entire budget process through a gender lens to identify the gender differential impacts of the policies addressed in the annual budget to translate gender commitments into fiscal commitments. This section explores the four distinct phases of gender budgeting: a fiscal innovation as an attempt to disclose the methodology that revolves behind the concept of GRB.

In India, Ministry of Women and Child Development (MWCD) and National Institute of Public Finance and Policy (NIPFP) along-with UN Women have been the cornerstone to bring forth this fiscal innovation in the country. 2000-01 was the pioneering year for GRB in India. The NIPFP pioneering methodology of gender budgeting has later been owned by the Ministry of Finance in conducting GRB in the country by institutionalising it within the Ministry of Finance. This part of the section prioritises on the contributions of these major players to the distinct components of GRB innovation strategy. This 4-point game plan is crucial to our understanding of gender-budgeting processes at the national as well as the subnational level.

V.1: Knowledge Building and Networking

Investing in research and knowledge building is pivotal for the further development of a new budgetary innovation called as gender budgeting. At the time when no developing country had adopted this strategy, India invested its research and networking skills in the concept that achieved national accreditations and validations. NIPFP had done the pioneering study on gender budgeting with UN Women and MWCD, Government of India. The role of the NIPFP in the process of GRB as an innovation was multifold. First, it provided an analytical framework and models to link fiscal policy stances to desired gender development. Second, the research institute served as the nodal agency to provide policy inputs in the process of institutionalization. Third, it served as the coordinator and facilitator for capacity building for the sectoral budgetary processes of GRB. Fourth, it highlighted the need for accountability processes.

The study was given its due credit when a link between public spending on public education and public health was analysed. An association between economic growth and economic development finally spearheaded with the study with its critical emphasis on trickle-down effects of economic growth strategies with fiscal benefits of gender equality. Knowledge building and networking was given a boost when Women Component Plans (WCP) was on forefront with its homogenous budget targeting of 30 percent across all sectors specifically for women. But, this planned project was criticised on the argument that differential budget targeting for women across all sectors identified based on their needs would have been more successful and operative. Implementation of such disparate strategies is much better than analogous ad-hoc targeting of 30 percent.

Assessment of infrastructure budgets, such as energy, technology and transport that are assumed to be “gender-neutral” is of paramount importance. This will not only help in analysing the differential impacts of policies on men and women, but also the inefficiencies and mis-appropriations of allocations about the gender, especially women.

Moreover, a good amount of research is required to monetise statistically unpaid care economy which has serious fiscal implications such as, loss in working hours, loss in profit/revenue generation and gender inequity on the economy.

V.2: Institutionalization and Governance of Gender Budgeting in India

It is been often said that a good institutional mechanism is one of the most important ingredients for a good policy implementation. The role of institutions however, cannot be denied at any stage of the process, be it the initial thinking, intermediate process of knowledge building or the final process of implementation. The Ministry of Finance, Government of India, started with their process of institutionalising in various phases. Scarcity of well-functioning institutional mechanisms has been identified at the later stages of GRB indicating the need for improvising on this front.

Inclusion of a chapter on “gender inequality” in the Economic Survey of India (2000-01) can be acknowledged as the embryonic step in the institutional process of GRB initiated by the Ministry of Finance. This can be attributed to the pioneering study conducted by NIPFP, in collaboration with MWCD and UN Women.

Moreover, theoretical framework of gender budgeting can be dichotomized into ex-ante and ex-post. Ex-post gender budgeting refers to the analysis of existing budgets through a gender lens to ascertain the gender differential impacts, whereas ex-ante gender budgeting refers to building budgets from below after identifying the gender needs. Intensity of gender allocations in public expenditure, public expenditure benefit incidence analysis and tax incidence are the components of ex-post framework. In India, the ex-post gender budget analysis begins with the identification of three categories of public expenditure: (i) expenditure specifically targeted to women and girls (100 per cent targeted for women), (ii) pro-women allocations; which are the composite expenditure schemes with a women component (that is, a scale of

100 to 30 - at least 30 per cent targeted or women) and (iii) mainstream public expenditures that have gender-differential impacts (that is, a scale of 0 to 30). Another important method for ex-post gender budgeting analysis is through benefit incidence analysis (BIA) which involves allocating unit costs according to individual utilisation rates of public services. It helps to identify the distributional and allocational benefits of the public services.

The ex-ante gender budgeting process includes:

(i) identifying gender issues by place, sector and across various socioeconomic groups to segregate the data (ii) identifying and translating gender concerns into relevant objectives to be included in the annual budget policy and programmes for implementation (iii) defining gender strategies at the policy and programme levels, with appropriate targets to be achieved (iv) defining gender-sensitive performance indicators for all dimensions and (v) costing interventions to form the gender budget and subsequently identifying the budget as per the cost-benefit analysis.

The next step in institutionalising is preparing an ex-post budgetary report, where the Parliament went into recess after the budget presentation. A debate on “Demand for Grants” in India was the lucid element of the presentation. The process of engaging parliamentarians, policy makers and research had not taken its full shape, despite continued efforts. The NIPFP had undertaken various ex-post analyses of the budget through a gender lens to quantify the allocations by gender into specifically targeted programs for women, public expenditure with pro-women allocations (at least 30 percent women specific programs), benefit incidence analysis and expenditure tracking analysis.

Another main entry point was establishment of an Expert Group on “Classification System of Government Transactions” which has two-fold objectives: preparing analytical matrices; proposing institutional and governance reforms to GRB. Categorising expenditure based on the analytical matrices, checking for transparency and accountability of the policies with effective targeting of public spending for gender equality.

V.3: Capacity Building

This aspect of the methodology can be understood to improve the performance and results of the officials across all ministries. Training of these various stakeholders is an important milestone that needs to be achieved for effective realisation of the goals of gender equality. But, this phase remains a challenging one for building on further efforts to strengthen gender budgeting policy mechanism. Researchers, bureaucrats and policy makers and other participants in the initial process (2000-05) damper the exercise of increasing accountability and deepening the gender equality as the mainstream objective by acting as a constraint to the policy. Their poor performance and lack of acceptable institutional mechanism must have added to the problem of capacity building.

The two distinct phases (2000-05 and 2006-present) had been initiated to build the capacity and proficiency of the officials of ministries so involved in GRB. The NIPFP acted as the major role-player in training of various stakeholders at national as well as international levels, followed the UN Women's initiative to organise five regional meetings on GRB for South-Asian region (2000-05). NIPFP and UN Women have been indispensable to this phase, which is the most crucial element for strengthening the procedure.

Gender gaps in development, amply supported by statistics and empirical evidence, are largely due to the absence of women from decision-making bodies[3] (Nayyar, 1997). The role of civil society organisations like Women's Political Watch (WPW) was prominent in capacity building programmes for Women Counsellors across States at district, block and village level in consolidating the capacity to implement gender budgeting with bottom-up approach[4]. WPW was also prominent in providing gender auditing expertise for tracking the public expenditure effectiveness[5]. The political economy of gender budgeting is its inclusive nature in India as it was distinctly a two-level approach, with economists work at one level in co-ordination with Ministry of Finance and the civil society organisations advancing it at the local level integrating the gender needs[6].

The second phase, which started in 2006 had the responsibility of training the officials within and outside the ministry, i.e. capacity building for officials already in the ministries along-with reinforcing the working of the Gender Budgeting Cells (GBCs). More than 100 training workshops on gender

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[3] https://sites.google.com/site/wpw2020/ending-male-monopoly

[4] https://sites.google.com/site/wpw2020/projects-and-programmes/workshops-for-elected-women-counsellors

[5] https://sites.google.com/site/wpw2020/projects-and-programmes/development-sector-interventions

[6] https://sites.google.com/site/wpw2020/projects-and-programmes/advocacy/gender-budgeting

budgeting have been reported by ministry's Annual Report 2010-11. Also, the Gender Budgeting Handbook and Gender Budgeting Manual were published by MWCD for the training programs. In 2007, a charter for functioning, rules & regulations and their composition of GBCs was also published.

V.4: Accountability Mechanisms

The accountability mechanisms for gender budgeting process are yet to be established in a proper manner. The Planning Commission's XII Five-Year Plan Report of the Working Group on Women's Agency and Empowerment 2012) was the entry point in this phase. The NIPFP was responsible for providing the inputs to the working group. The groups' functions included a full-length review, analysis and evaluation of the existing provisions and programs for women and to make recommendations for the XII Five Year Plan.

The following recommendations were suggested by the Working Group for accountability mechanisms (Government of India 2011).

1. The Results Framework Document is an accountability mechanism that must be gender mainstreamed.
2. Evaluation and impact assessment of schemes by an external agency are a mandatory requirement for the continuation of existing schemes beyond the plan period. All impact assessment and evaluation of schemes should include impact assessment/status of gender mainstreaming.
3. At the state level, mandatory gender audits of all centrally sponsored schemes and central schemes should be undertaken.
4. A quantum leap in GRB can be achieved if gender perspectives are incorporated within the expenditure and performance audits conducted by Comptroller and Auditor General (CAG).
5. The Mid-Term Appraisal of the XII Five Year Plan should include the conducting of an independent gender assessment of all flagship programs. One of the other works to monitor the outcomes by capturing Benefit Incidence Analysis (BIA), whose importance has already been discussed. However, BIA has not been used much in the cases of India, except in health. Even though, GRB was implemented in India, it was not ensured that higher allocations convert themselves into higher expenditure. A method called as fiscal marksmanship (to assess the forecast errors or deviation of budget estimates from actual results) was used to reach this conclusion and expenditure tracking surveys and BIA was used to improvise further on.

V.5: Recommendations of Lahiri Committee on Gender Budgeting in India

1. Programmes/schemes of the Government may be classified from the gender perspective into the following three categories: a. Women-centric programmes/schemes with 100 per cent pro-women allocation; b. Schemes/Programmes that have a significant (over 30 per cent) allocation for women; and c. Schemes/Programmes that cannot have gender sensitive elements.
2. Opening a "head" in the annual budget for gender development. This will ensure an accounting exercise to be confined to GB in India. Ministry of Natural Gas and petroleum has integrated gender in energy policies (Chakraborty 2016). Such a head will ensure compulsory allocation of some amount to the policies for gender development. This will help segregate the provisions for women in the composite programmes under education, health and rural development sectors, which target girls/women as the principal beneficiaries. This initiative will fortify that the funds earmarked are not left unspent.
3. Gender Budgeting Units (GBUs) in identified departments: Supervising the formulation and proper implementation of policies, programmes and workshops will ensure a well-functioning GRB. It will safeguard the interests of the public and ministries investing in the policies.
4. Gender budgeting at the third tier of the government: Devolution of powers, functions and responsibilities at the third tier of local government i.e. urban and rural bodies will ensure timely collection of data, analysis and formulation of policies. Paucity of data which is the major setback in analysis of policies can be solved.

It is easy written than easy-done. These recommendations along with several others (Lahiri committee report) have been stated. Budget circular states that now each ministry and sectorial department is required to undertake analysis of specific demand for grants[7] through GBCs using a practitioner's manual[8] developed by National Institute for Public Finance and Policy (NIPFP), a think tank in New Delhi.

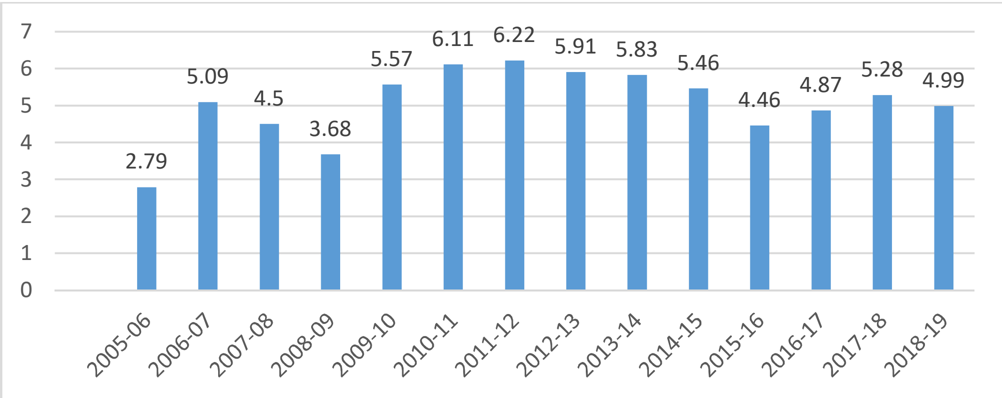
Legal Mandate

It is not yet legally mandatory to undertake GRB in India, due to which the budget circular's notice of specific demand for grants' analysis to be undertaken by each ministry is not working well. Having a legal backing will

[7] India Budget 2018-19, https://www.indiabudget.gov.in/ub2018-19/eb/stat13.pdf
[8] Chakraborty, 2005a: Gender Budgeting in Selected Ministries: Conceptual and Methodological Issues," Working Paper, NIPFP- DWCD, Ministry of HRD, Government of India, May 2005

ensure the mandatory implementation, probably, an effective one, to protect the economic interests of the nation. Legalising GRB might help in achieving the gender budgetary allocation of 4.99% out of total budget in 2018-19, as shown in Figure 1.

Figure 1: Gender Budget as a percentage of Total Budget



Source: Basic Data , Union Budget documents (various years), Government of India

V.6: Fiscal Marksmanship

Fiscal marksmanship, the accuracy of budgetary forecasting, can be one important piece of such information the rational agents must consider in forming expectations. The significant variations between actual revenue and expenditure from the forecasted budgetary magnitudes could be an indicative of non-optimization or non-attainment of set objectives of fiscal policy. It is a term addressed in the Economic Survey 2012-13 to measure the precision and accuracy of forecast, targets and estimates, in budget making exercise. The problems caused by inaccurate forecasting of expenditure by central/state governments is the main idea behind the concept. The difference between the budget estimates and actual expenditure gives the fiscal marksmanship. A positive value indicates that the actual allocation has been lower than what was estimated, hence, a poor implementation of policies. A negative value points to the fact that actual expenditure was higher than what was estimated and is a sign of good policy implementation. A designated value of zero for fiscal marksmanship implies that the budgetary allocation has been perfect in its role, i.e. what had been estimated and what has been allocated is the same. Underestimation/overestimation of the budget is of critical importance to drive home the point of accountability of the government.

Following Table 4 elaborates upon the budgetary estimates, revised estimates and the fiscal marksmanship so obtained for select ministries/ departments. Several ministries had over-estimated their budget but could not provide justice to the same. 100% women-specific programmes implemented by Department of Agricultural Research and Education, Ministry of Women and Child development, Ministry of Petroleum and Gas had overestimated their budget and thus, poor implementation with positive fiscal marksmanship. Programmes with 30% allocation for women for the above-mentioned programmes, too were poorly implemented. Fiscal Marksmanship for petroleum and natural gas was as high as Rs. 988 Crore, while Ministry of External Affairs performed marvellous with perfect implementation. Department of education had done well in executing in programmes with negative fiscal marksmanship. A value of -3136.94 indicates that Ministry of Health and Family Welfare has performed quite well in implementing its policies by allocating a much higher amount that was budgeted. Most of the 100 percent women specific programmes have poor implementation, while 30 percent women specific programmes have better implementation. This points towards a fact that even though, smaller amounts have been appropriated for 100 percent women specific schemes, gender equality remains an issue. The fiscal marksmanship of 1 is perfect forecast, while other deviations are either underestimates or overestimates (Table 4).

Table 4: Fiscal Marksmanship of Select Ministries

Ministry/ Department	2017-18 Budget Estimates (In Rs. Crores)	2017-18 Revised Estimates (In Rs. Crores)	Fiscal Marksmanship ratio (RE/BE)
Department of Agricultural Research & Education	44.04	19.74	0.44
Ministry of External Affairs	32.72	32.72	1.00
Ministry of Petroleum and Natural Gas	3200.00	2251.81	0.70
Ministry of Women and Child Development	4269.88	4061.07	0.95
Department of School Education and Literacy	13335.00	13547.00	1.01
Department of Higher Education	9777.27	10376.70	1.06
Department of Health and Family Welfare	19288.01	22424.98	1.16
Ministry of Petroleum and Natural Gas	282.30	124.75	0.44
Ministry of Women and Child	10338.69	10002.92	0.96

Development			
Department of Empowerment of Persons with Disabilities	334.57	280.01	0.83
Department of Social Justice and Empowerment	1953.24	1953.31	1.00
Ministry of Micro, Small and Medium Enterprises	473.85	494.67	1.04
Ministry of Textiles	226.39	226.39	1.00

Source: Author's compilations (Basic Data extracted from https://www.indiabudget.gov.in/ub2018-19/eb/stat13.pdf)

VI. Gender Budgeting at Sub-National Level in India

The relevance of local governments at state level is becoming increasingly important. The process started with a wave of decentralisation of powers and finances at first in the sectors of education and health, followed by state level gender budgeting in the new era. The transition of political, administrative as well as the fiscal responsibilities to subnational levels strengthens democracy, transparency and efficient service delivery. Policy makers put endorsing gender equality uppermost in their list by allocating additional investment resources. Devolution of powers to multiple layers of government to assess the performance of governments in gender equality and equity remains intact, is the main objective of gender budgeting at sub-national levels. In most of the cases, national governments remain the most significant, or the only significant, source of public revenue which is devolved to sub-national levels through inter-governmental transfers and grants. Several noteworthy examples of nations that have considered gender responsive budgeting efforts at sub-national levels include Bolivia, Ecuador, Philippines, Rwanda, Uganda and India. In this section, we look at the gender budgeting at state level, only in the case of India.

VI.1: Kerala

- At the state level, Kerala was one of the states that institutionalised gender budgeting in 2008. The "Kerala Model of Development" is often cited as a peculiar case where human development indicators of education, health, nutrition are as comparable to international countries, but per capita and economic growth remains at low level. The acclaimed model of Kerala's gender and social development, which is at crossroads required government intervention, and thus, gender budgeting. Against the backdrop of budget announcement in 2006, the state government entrusted Centre for Development Studies (CDS) Unit of Local Self Government to undertake a study on gender-budgeting (Chakraborty 2016). The CDS conducted an ex-post budgetary study by providing a roadmap for institutionalising the fiscal innovation. A special "statement on gender" was incorporated in every year's budget post 2008, as announced by the Finance Minister.

- Separate allocations for infrastructure programs were also introduced. Meanwhile, several studies on the status of women were undertaken by local governments. Ten percent of state outlay, according to WCP was earmarked for gender budgeting efforts at the third tier. Innovative projects such as *She-Taxi* was introduced as an infrastructure project where taxis are driven by women, for their safe mobility and to recapitulate women empowerment. "Gender Park" introduced by the Department of Social Justice, Government of Kerala had various programs, with She-Taxi as its flagship program. However, the immediate impact on human development cannot be evaluated as of now, but these initiatives are likely to give a boost to social development.
- *Process*

  The process of gender budgeting[9] is initiated along with planning and budgeting of Local-Self- Government Institutions (LSGIs) every year. The budget of LSGI is prepared by Finance Standing Committee by adhering to the content of Budget Document, as proposed in the Budget Manual.

The first step is preparing a draft budget, by compiling plan and non-plan proposals (available from Annual Plan Document.

The budget shall be seen through a gender lens to do gender budgeting by LSGIs, which is the duty of the Standing Committee and Working Groups (WG). Each project should clearly inform that what percentage of females and males are benefiting out of each project. A compiled statement of such projects shall be included in the Plan Document of the LSGI as "Gender Budget Statement of LSGIs".

The next step *is "Gender Auditing", which is the process of reviewing the plan and budget to find* out the gaps and achievements envisaged in the goals of the budget of LSGIs with gender lens. It also includes the review analysis of all the projects under WCP with s gender lens.

The following steps are involved:

[9] Gender Budget Manual for Local Self Government Institutions of Kerala

1. Internal Auditing: Internal auditing on all expenditures incurred on GRB every month is conducted by the Finance Standing Committee of LSGI.
2. Performance Audit: Analysing the process of planning with gender perspective, preparation of gender status report, annual engendered plan, maintenance plan and role of Standing Committee and WGs. It helps in effective formulation and implementation of GRB schemes.
3. Social Audit: Evaluating the social, environmental, economic benefits and inadequacies in the gender budget.

Moreover, a Gender Advisory committee was also set-up in the year 2008. Flagship Programmes in the XI Five-Year Plan are as follows:

i) The State Government has undertaken certain initiatives in terms of women targeted schemes (gender responsive) through Flagship Programmes in the 11th Five-Year Plan. a. Flagship Programme on Gender Awareness including the implementation of the Protection of Women from Domestic Violence Act (PWDVA). b. Flagship Programme on Finishing Schools for Women (to enhance employability of women through skill training).
ii) For both the Flagship Programmes various Departments were called on Board in 2008.

iii) A Gender Audit of the two programmes/schemes was undertaken and fund allocation under these programmes was increased[10].

Performance audit i.e. a review analysis of the policies and a proper logical understanding of expenditure of allocation on pro-women and gender-neutral studies is important to analyse the exact success of GRB.

Budgetary allocation for women/girls

The main weakness of efforts to implement the GB methodology on real Budgets has been its limited ability to achieve even the technical objective of estimating the flow of budgetary resources to women due primarily to non-availability of gender disaggregated data, and the absence of a broader vision of including women in the development planning process (Gender Budget Statement, Kerala).

There are certain lessons to be learnt from 11th Five Year Plan to be implemented in 13th Five Year Plan:

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[10] Gender Budgeting Handbook-State Wise/ District level/Government of India

The first lesson is that there is a strong need for political commitment to introduce GB into the planning process strictly.

The second *lesson* is that the funds are to be allocated in the schemes pertaining to the crucial needs of the women, for instance: in care economy, education, health, power, transport, infrastructure etc and to create awareness across all departments even if they are “gender-unrelated”. This had been done in 11th FYP, however, it is very clear that the larger resources flow to composite schemes which benefit both women and men across sectors and hence an overall thrust in the 13th Five Year Plan is on making Planning and Budgeting gender sensitive through (a) outlays allocated for 90-100 percent women specific schemes, included in Part A of Gender Budget Statement; and (b) schemes in which women’s share is specified or identifiable based on gender disaggregated beneficiary data, Part B, and is less than the above.

The third lesson is to identify thrust areas for women’s development based on which new schemes are to be formulated. The areas identified are: Skill development, employment generation, livelihood security for women and prioritizing vulnerable women.

The fourth and the most critical lesson is to implement GB along-with the planning process, which includes discussions and attempts to include women’s prioritised sectors. Hence, following budget statement is proposed keeping in mind all the above lessons and priorities.

Creating an environment that is sensitive to the needs of women is of vital importance which is described below as follows:

1. Creating equal opportunities for women in the workplace and developing employable skills for women adds to the empowerment of women in the domain of employment.
2. Recognising the time spent in unpaid care economy and minimising the same to be able to provide women with adequate quality child care by upgrading the Anganavadi system and creche-childcare facilities in workplaces. This will allow them to participate in the market economy and utilise their time and skills. Moreover, safe mobility of women is an essential element for travelling and working and providing social protection is also a mandate to enhance their safety.

A gender budget statement summarising the resource allocations for women is given in the following table. Part A consists of the 90-100 women schemes, whereas Part B has less than 90 percent schemes for women.

Table 5 suggests the total allocation for resources for women and girls in Kerala in the year 2018-19 is Rs.3240.33 Crores, which is 14.6% of the state's total outlay. However, there is an urgent need to increase the allocations for women to realise the full potential of female population in the state which faces high gender inequality.

Table 5: Gender Budget Statement: Allocation of Plan / Budgetary Resources for Girls/Women[11]

Year	Part A	Part B	Total
	Allocation of resources for g/w (Rs crs)	Allocation of resources for g/w (Rs.crs)	Allocation of resources for g/w (Rs.crs)
2017-18	1267.28 (5.7)	1973.05 (8.9)	3240.33 (14.6)

Source: *Annual Plan proposals 2018-19 and Department Level Scheme-wise Gender Disaggregated Data.*

VI.2: Karnataka

Karnataka adopted gender-budgeting in the year 2006-07 as recommended by NIPFP with collaboration within its Ministry of Finance. The Comptroller and Auditor General (CAG) mentioned that Ministry of Karnataka followed Lahiri Committee recommendations (already discussed above) on fiscal matrices and classification of budgetary framework in categorizing allocations for gender budgeting. Data paucity was the major constraint in stratifying the expenditures. Karnataka highlighted the importance of having a disaggregated approach in classification of the budget into Protective, Regulatory, Economic and Social Services (PRES) categories suggested in the Lahiri Committee report (Chakraborty 2016). The disaggregated classification of expenditures paved its way in recognising if the allocations were utilised for women empowerment or were skewed to promote traditional roles of women. Training workshops for gender budgeting had been organised by MWCD in collaboration with GBCs in the state. The role of Karnataka Mahila Abhivruddhi

[11] Gender Budget, Kerala, https://www.kerala.gov.in/documents/10180/90cb0019-aee4-44dd-85b3-f54a56b7b60e

Yojana (KMAY) as a part of the WCP, which had been implemented from past 20 years has been extended to monitor the performance and evaluation of the results for gender budget statement. Under KMAY, the development schemes are monitored periodically with a gender focus. GBCs are set up in the Fiscal Policy Analysis cell of Finance Department. The main work of GBC is to identify the quantum of resource allocation and expenditure for women. Another remarkable work by GBCs includes capacity building exercise which was strengthened by training 250 officials[12]. The GB document reflects allocation of funds under various schemes cutting across various departments[13]. The schemes are presented in two categories namely, Category-A and Category-B. a) Category – A presents women specific budget provisions in which 100% of provision is meant for women. b) Category – B presents women specific budget provisions wherein at least 30% of provision is meant for women.

The identification and classification of Schemes as indicated above is taken up during the Budget preparation every year (Table 6 and Table 7). The GB document is progressively being stabilized as the classification of Schemes under Category – B is based on assumptions due to lack of gender segregated data. The increase is due to significant increase in allocations for Schemes like 'Vajpayee Urban Housing Scheme from Rs. 10,000 Lakh to Rs. 33,662 Lakh, Bidaai from Rs. 5, 000 Lakhs to Rs. 13, 500 Lakhs, Self-Employment Scheme from Rs. 4,500 to Rs. 16,400 Lakhs, Indira Gandhi Mathruthva Sahayoga Yojana from Rs. 3,600 to Rs. 11,580 Lakhs and so on. In Category B Scheme, there is an overall increase of 13% as compared to previous year, owing to many new schemes in the gender document as well as individual schemes. Training Programme for Women Entrepreneurs through Women's Development Corporation, Udyogini- Women Development Corporation, Shree Shakti, Rajiv Gandhi scheme for empowerment of adolescent girls are some out of many of the renowned schemes that have worked in favour of the state and can be attributed to the increase in allocations in part A of the budgetary allocation.

Table 6: Consolidated Gender Budgetary Allocations in 2017-18

Percentage of Budgetary allocations of Gender Budget to State Consolidated Budget - 2017-18	**Percentage**
Category A	3.16
Category B - (Minimum 30 %)	11.2
Remaining allocation of Cat. B (70%) + Cat. C C (>30% Allocations for Women)	85.6

[12] Gender Budgeting Handbook-State Wise/ District level/Government of India
[13] http://fpibangalore.gov.in/english/Gender_Budget.asp

Note: (i) The categorisation of schemes varies in each year. (ii) All figures are rounded off to nearest decimal. (iii) The figures are total of State Sector and District Sector Beneficiary and Non-Beneficiary Schemes. (iv) Category C Schemes are all Schemes other than Category A and B. Some schemes like Karnataka Government Secretariat, Krishi Bhagya, Organic Farming – Horticulture and Agriculture department & Science and Technology Mission – Science and Technology Department have potential to be treated as Category B Schemes after further analysis.

VII. Inter-Governmental Transfers

Wide-ranging inter-state disparities in terms of health, education and other socio-economic indicators is compelling to conduct a study on each state separately. States as large as Madhya Pradesh, Rajasthan, Uttar Pradesh have lowest growth rates with maximum share of population, while smaller states like Kerala, Goa have performed adequately well to achieve highest per capita GDP growth, but poor gender equality. Delhi, Punjab, Haryana fare good in gender equality. These regional differences in social and infrastructural needs can be mitigated through inter-governmental transfers to achieve the required balance. Gender disparities are also a reason behind regionally differentiated growth rates and developmental policies. In a large diversified country like India, lower level jurisdictions are better placed to provide and implement social schemes which are essential for development of the state. The rationale for intergovernmental transfers is to offset the fiscal disabilities of subnational jurisdiction and for addressing horizontal and vertical imbalanced in fiscal federalism. Some states like Maharashtra, Gujarat, Delhi have revenue-raising sources but are not able to utilise the capacity to their full potential, while states like Bihar, Uttar Pradesh, Odisha have fewer endowments at their disposal. Despite the resource endowments, it is the responsibility of the states to provide the citizens with a comparable standard of living. In fulfilling these responsibilities, the states might not have a proportionate amount of revenue to bridge this gap in standard of living. To close this gap of finances across the states, and between states and the centre, Article 280 of the Indian constitution establishes an institutional framework to facilitate transfers from the central government to the states. This body is the Finance Commission, which came into existence in 1951. The core mandate of the Finance Commission, as laid out in Article 280 of the constitution, is to make recommendations on “the distribution between the Union and the States of the net proceeds of taxes which are to be, or may be, divided between them.” Since 1951, fourteen Finance Commissions have been assembled to submit their reports to the Union government (Chakraborty, 2016).

VIII. Conclusion and Policy Recommendations

The political economy of gender budgeting has four distinct phases, viz., (i) innovative networking with new fiscal policy tools for gender equality, (ii) building institutional and policy structures to implement the identified tools, (iii) building capacity to civil society and macro policy makers to strengthen the processes and (iv) ensuring transparency and accountability. This paper analyses all these four phases at national and subnational governments in India. We identified that heterogeneity of stakeholders at various entry points of fiscal policy and budget management processes in India is one of the positive features of success of the fiscal innovations for gender equality outcomes in India. The Ministry of Finance has led the process at the national level and played a prominent role at the subnational levels in India too along with civil society orghanisations. The feminization of governance processes at the local level also helped in effective translation of gender needs into public expenditure decisions.

The policy implications of our analysis to redress gender inequalities through fiscal interventions are twofold. One, using the selective analysis of the legal fiat of gender budgeting processes within National Finance Law in Korea and the articulation of Gender and Development (GAD) budget in the communes of Philippines, make the gender budgeting in India legally mandatory. Two, in order to the strengthen the efforts of subnational governments and civil society organisations in the fiscal processes of gender equality in the Indian States, Fifteenth Finance Commission may recommend a specific intergovernmental fiscal transfer mechanism to tackle gender inequality across the subnational governments in India.

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