

**Learning from gender budgeting for small administrations.
The project BIG COSE in the province of Siena, Italy**

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1. The project

BIG COSE¹ is one of the first attempts in Europe to involve small size local governments in a gender budgeting experience. The basic idea underlying the project is to implement GB for networks of small Councils, rather than individually. This lowers the potentially large costs of individually setting up an appropriate methodology. In perspective, networking can also allow small Councils to share experiences and procedures in the routine implementation of GB, and could promote coordination and collaboration in the provision of social services.

The project aimed at exploring routines of GB analysis to be eventually compiled into a collection of guidelines that we shall refer to as the BIG COSE 'manual' (Bettio et al. 2006). Eight out of the 36 Councils (*Comuni*) in the wealthy province of Siena, Tuscany, took part in the project, their resident population ranging from 5 to 50 thousands. The *Comune* is the smallest administrative unit in Italy, headed by the Province and the Region. The project was entirely an 'inside government' initiative. It was promoted and funded by Siena's provincial government, and it had no support either from women's organizations or from civil society. Participation in the project by the Councils was ultimately on a voluntary basis.

A team of three experts conducted the project: Francesca Bettio and Simonetta Botarelli professors of Economics at the local University of Siena, and Annalisa Rosselli from the University of Tor Vergata, Rome. In previous GB initiatives at local level in Italy, - notably for the Council of Modena (SCS 2003) and that of Sestri Levante - members of the team had devised a three step methodology. In the first step a selective list of policy objectives is identified alongside quantitative and qualitative indicators to monitor progress in the implementation of objectives. The selected policy objectives and corresponding indicators focus primarily on issues of equity and effectiveness from a gender perspective, and the selection is made in accordance with perceived policy priorities in the area. In the second step the indicators are calculated for the unit/area of interest and compared with appropriate benchmarks. In the third step relevant expenditure items and trends are identified and assessed whenever the respective indicators signal unsatisfactory performance.

Within the BIG COSE project the team of experts interacted with local Council administrators to adapt this methodology to small administrative units (the term 'administrator' refers here to both the elected members of the Council's governing bodies

¹ BIG COSE stands for Bilanci di genere per i Comuni Senesi (Gender Budgeting for the Councils in the Province of Siena). In Italian it means Great Things; the name was chosen to underline the novelty of the initiative.

and the administrative staff). Small size makes the gathering of information easier, but it also implies that resources and expertises are scarce and that the procedures must be simplified. One of the aims of the project was to show the usefulness of GB as a tool that local administrators could use and which would increase their gender awareness. Direct participation and personal involvement of the administrators was therefore crucial, but in our case they were able to devote to the project only a limited amount of time. This is one of the reasons why we chose not to undertake analysis of the entire budget – too costly in terms of time and labour if properly performed. We favoured instead in-depth analysis of a few broad policy objectives. The selection of policy objectives was made partly in accordance with perceived policy priorities in the province, partly with the view to build a sufficiently diversified collection of examples for the proposed manual. The selected policy objectives are:

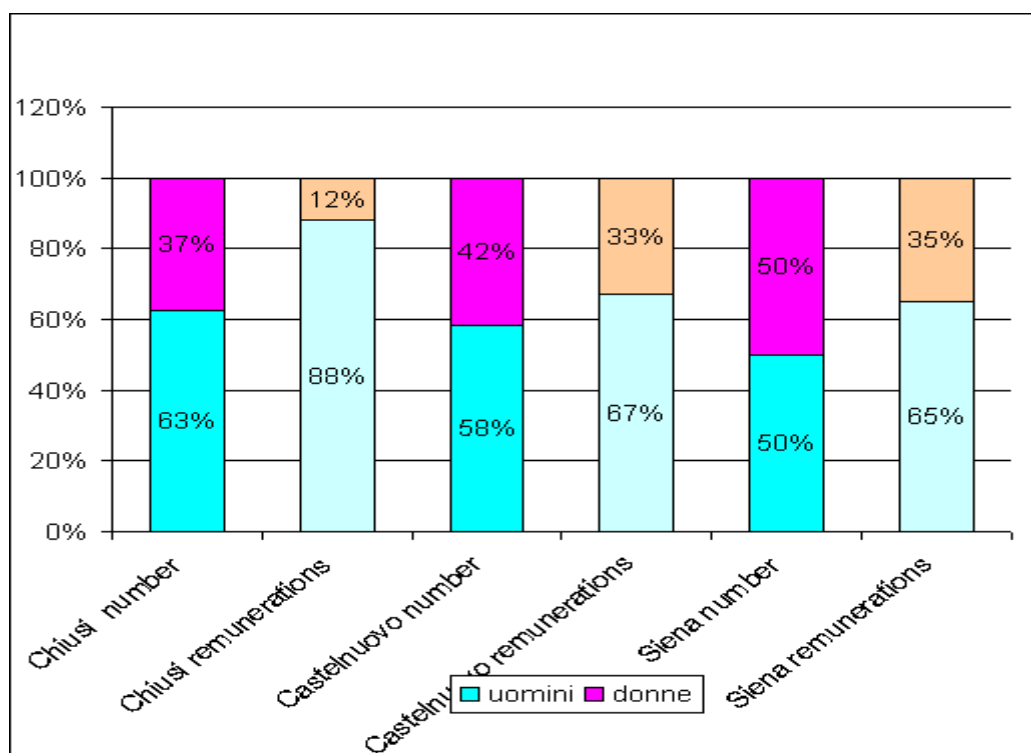
- Reconciliation of work and family, focussing on child care and on care of the elderly, respectively
- Gender empowerment, focussing on women in decision making positions within local government
- Social integration of migrants, with the main focus on female care migrants

The first two policy objectives were chosen by the experts, while immigration was a collective choice of the workgroup: immigration is a relatively recent phenomenon in the province of Siena and has strong social impact.

A focus group was set up comprising the three experts, two (part-time) research assistants and the administrators (generally one per municipality). Five meetings were organised over five months, one introductory plus one for each policy objective. The experts brought to the focus group background information that could alert participants to key gender issues. They also provided a list of indicators designed to assess from a gender perspective the performance of the individual Council in the area of interest, and discussed with the administrators the feasibility of calculating each indicator. Administrators were then asked to contribute to calculating these indicators for the respective municipality as well as to provide information on the related budget expenditure. Typical requests to administrators were (i) to contribute to the mapping of relevant services – e.g. for child care, for home care of the elderly, for assistance and social integration of the migrant population, especially female; (ii) to cost these services; (iii) to identify the related budget expenditure and its trend over time.

Such information was often not available from published budget figures, because a different breakdown was needed, or because quantity and quality of some services (like opening hours) were not recorded in detail in budget documents. To give an example, when debating choices made by the local government and affecting gender empowerment, we found that information was easily available on personnel policies or on the position of women within the local government hierarchy. However, collecting adequate information on discretionary personnel policies like hiring a consultant or appointing the Council's representative in the executive board of private or public companies was only possible if we secured collaboration on the part of administrators. Table 1 shows that in 2006 the administrators of three *Councils* apparently followed an equal opportunity policy when procuring consultancy services, since differences in the number of men and women consultants are small or nonexistent. However, the share of the overall expenditure for consultancy accruing to men was much larger. Moreover we found large gender disparities among Council representatives in the boards of local and public enterprises. If we confine analysis to the Council of Siena, only 10 per cent of the board members representing the Council were women; interestingly, the share rose to 28 per cent when the appointment was made not by the Council Assembly, but by the Mayor himself.

Chart 1. **Share of women among consultants and share of expenditure on consultancy accruing to women in the province of Siena**



The information collected by the administrators was further processed by the experts to serve as the basis for the evaluation of

- a) comparative performance in the policy area of interest, with the benchmark being set close to the better performances among those of the eight Councils;
- b) comparative expenditure versus performance.

Note that the benchmarks in this case are necessarily 'internal' to the network and therefore 'comparative' in nature. Provided that the network is large and diversified enough for such internal benchmarking to be meaningful, there are two advantages of doing so: internal benchmarking cannot be dismissed on the ground that it applies to distant and therefore different socio-economic conditions; internal benchmarks can be more easily calculated and understood by the administrators. Also, the very process of calculating benchmarks and engaging in comparative evaluation raises awareness.

An example can be found in Table 1 where we summarize the results of our survey on the number of places, the calendar and the opening time of formal childcare facilities for children aged 0-2:

	Asciano	Castel- nuovo	Chiusi	Monte pulciano	Poggi- boni	Rapolano	Siena
How many places	11	34	30	44	137	14	336
Days per week	5	5	5	5	5	5	6
Hours per day	10	9	10,5	8,3	8,3	9	8,1
Weeks per year	38	44	42	42	42	44	42
Population aged 0-2	188	248	182	297	821	106	1245
Places/children	6%	14%	16%	15%	17%	13%	27%

The last row of the table records the percentage of toddlers who attended a childcare facility and shows values ranging from 6 to 27 per cent. Given that the largest difference is as high as 21 points, an internal "benchmark" is far more convincing and acceptable than a benchmark drawn from 'outside' because it reflects commonality of culture and legislation.

2. Lessons learned

Based on the data and information brought to the focus group and discussed therein, a basic 'how to' manual for the GB of small local Councils was drafted, finalized and distributed in 2006. There was no follow up, but the project sponsor, the Province of Siena, recently expressed interest to proceed further with the initiative.

Some important lessons emerged from this project. The first is what a "low cost" GB requires. The second is how far a low cost GB at local level can go in terms of the four objectives of a GB exercise: effectiveness, efficiency, transparency, equity. The third is that GB at local level can be too poor or too costly without guidance and support from a central coordinating body. Let us briefly discuss each lesson.

The most important ingredient of a successful GB at local level is involvement of political administrators and collaboration by the Council's officers who must not see GB just as an increase of their workload. Italian administrators are not obliged or even encouraged to engage in GB, with the possible exception of those working in well run local governments who wish to use GB to signal good administrative performance. Because effective involvement means more awareness, the very process of taking administrators on board is an achievement in itself. However, the BIG COSE project was only partially successful in this respect, since attendance of meetings by the administrators was not always regular and discussion of the project results was confined to one single public meeting.

Involvement of the administrators is essential both to keep the cost of the budgeting exercise within affordable proportions and for purposes of analysis since most of the relevant information cannot be inferred from public budget figures. In our case, however, lack of career and/or economic incentives made most administrators and officers take only a mild interest in the initiative. Thus, systematic and effective involvement on the part of administrators may require a mandate, economic or career incentives or a careful combination of both, depending on the context.

Moreover, the BIG COSE project strongly suggests that, in order to fully assess effectiveness, efficiency, transparency, and equity of budget policies, administrators must be flanked by experts not only at the stage of identification of the appropriate methodology (as in the BIG COSE project) but also in the routine implementation of GB. This may prove unaffordable for small government units, and even networked government units may find it too expensive on a regular basis. Assistance from higher-level administrations (the region, the state or a coordinating agency) is therefore a must. Specifically, small Councils

should be given standardized procedures and clear guidelines from some upper level coordinating body. A simple episode drawn from our experience clarifies the need for guidelines: when asked to single out the expenditure for equal opportunities programs (a clear exercise in transparency), many officers did not know exactly how to proceed, e.g. should the salary of the staff in the equal opportunities department be included in the calculations? Also appropriate benchmarks identified at regional or national levels can help local level officers assess efficiency or effectiveness of budgetary allocations. For example, a range of acceptable cost figures per elderly person of given disability cared for at home allows local administrators to quickly ascertain whether their costs are more or less 'in line'. "Checklists" should also be included in the tool kit that local government receives from an upper level coordinating body, e.g. to make sure that the special needs of a given population subgroup are adequately assessed. One such group considered in our exercise are the so called independent migrant women who are coming to Italy on their own to work, and have different needs from those that come to join their husbands, brothers or other family members.

Guidance from a coordinating agency must however go beyond providing guidelines, benchmarks and checklists: To see why think of a complex exercise like ascertaining whether it is socially efficient to build 'smart houses' for the elderly, to invest in home care technology or to do a bit of both. This kind of efficiency evaluation is clearly relevant to a Council providing elderly care, and the related decisions may have important gender implications. However, the calculations involved are too complex to be entrusted to Council officers or administrators because they include evaluation of the *social* costs of the care alternatives concerned, and the latter include opportunity costs as well as the pricing of possible externalities. Studies carried out at national or regional level should then be circulated at local level to serve as reference in the relevant policy area.

In sum, we found that an ideal arrangement in the Italian context is a division of labour between GB analysis at local level and that carried out by the coordinating body. The coordinating body could support the work of the local administrations by providing statistics, benchmarks, methodological standards as well as efficiency or equity evaluation analyses that may serve as reference. However, while experiences of GB at the local level have grown in Italy over the recent years, no such coordinating experience at national or regional level has kicked off. Potentially strong complementarity with the work of administrators at the local level is, in fact, an additional reason to advocate GB at the national level in a country like Italy.

3. Which methodology for GB?

The methodology that we propose in our gender budgeting manual for small municipalities in Italy falls broadly within what we may call policy-based approach. As noted, we adopted this approach in other GB initiatives in which we participated. In order to clarify what we mean by policy-based approach, it is useful to conceptualize it within a comprehensive taxonomy of the approaches that have been proposed or implemented so far in order to operationalize gender budgeting. Below we present this taxonomy and use it to begin assessment of the relative strengths and weaknesses of each approach, including our own. This evaluation is important, we believe, to identify future directions in the concrete implementation of gender budgeting exercises.

i) Accounts-based approach

We have identified three main approaches in the young history of gender budgeting experiences, respectively the accounts-based approach, the policy-based approach and the holistic approach. The first example of accounts-based approach is the proposal by Sharp (1995) to classify expenditure based on gender relevance as the first step in the evaluation of budgets, namely: 1) expenditure specifically targeted at women or men in the community intended to meet their particular needs; 2) equal employment opportunity expenditure by government agencies for their employees; 3) general or mainstream budget expenditures for the provision of goods and services to the whole community assessed for their gender impact.

More sophisticated examples are beneficiaries analyses like the expenditure breakdown by sex, age and nationality carried out in Basel or the BASS method applied in Swiss GB initiatives (See Madoerin 2007).

Underlying all these analyses is the assumption that 'more is better' where more refers to expenditure accruing to the female share of the population. Clear advantages of this approach are that a) it is capable of conveying a simple and unambiguous message b) it does not need to rely on complex and somewhat discretionary policy evaluation exercises and c) the cost of carrying out a transversal analysis of the entire budget is

therefore made feasible². One disadvantage is that the breakdown of the expenditure by beneficiaries is not so straightforward as it could sound. For example, how can we classify a public contribution to a cultural foundation? In doing so, should we look at the gender composition of the Foundation's board or is the board composition irrelevant? If irrelevant, which alternative criteria should be applied?

Perhaps the main disadvantage of the accounts-based approach is that it fails to identify priorities other than general ones. For example, the BASS method is a very ingenious and effective means to disclose and lobby against savings made at the expense of women's unpaid labour, but it may not always yield clear policy indications. Suppose, for the sake of argument, that cuts must be made either to subsidies in favour of kindergartens or to provisions protecting women against domestic violence. Since the latter provisions bear no obvious connections to unpaid labour, the method is of limited help if a choice has to be made. More generally, the link between expenditure and specific policy outcomes tends to be weakly defined within the accounts-based approach which, in turn, does not help to clearly identify budgetary priorities.

ii) *Policy-based approach*

In order to illustrate the policy-based approach, it is useful to draw a parallel with one of the experiments in socio-economic engineering that have been promoted by the European Union, namely the European Employment Strategy (henceforth EES). The EES has a clear ultimate and measurable objective – reducing unemployment and increasing employment – and a less clearly defined set of objectives that act as ancillary goals to be pursued in parallel with the reduction of unemployment. The latter goals aim at ensuring consistency with pursuance of the so called European Social Model. Examples are job quality or equal opportunities: their inclusion within the EES implies that employment growth (efficiency) should not be pursued at the expense of either and, more generally, at the expense of equity in labour market transactions³. Note that the EES goals have emerged partly out of political consensus partly out of scholarly consensus, and they evolve constantly.

² It does, however, pose problems of measurement, e.g. how to identify the share of public expenditure on administrative staff accruing to men and women of different age groups and nationalities.

³ Of course, there may be conflicts or trade-offs between goals, but the idea is that what we call here ancillary goals act as 'constraints' in the pursuance of employment growth.

Despite re-definition over time of the set of objectives, the implementation machinery of the EES is designed with sufficient clarity. A (numbered) set of policy objectives is identified under the name of policy guidelines: the most recent version of the EES counts twenty-four such guidelines. Example range from general and complex ones (no.2: To promote a growth- and employment-orientated and efficient allocation of resources Member States should, without prejudice to guidelines on economic stability and sustainability, re-direct the composition of public expenditure towards growth-enhancing categories in line with the Lisbon strategy[...]) to narrowly defines ones (no.7: to increase and improve investment in R&D, in particular by private business, the overall objective for 2010 of 3% of GDP is confirmed with an adequate split between private and public investment[...]). Progress in implementation is monitored by a battery of indicators and by numeric targets, as in any planning process. Numeric targets are set for key indicators only, i.e. those that are deemed to best measure progress. For example, targets are set for the overall employment rate (a key employment indicator) as well as the employment rate of women and older workers, because substantive growth in employment can only rely on these labour reserves.

Since employment policy is the primary responsibility of member states, the Commission entrusts the implementation of the EES to the so called Open Method of Coordination, a process that relies primarily on fostering competition among member states for convergence towards the best models, while the sanctioning power in the hands of the Commission is rather limited. The numeric targets are chosen to ensure such convergence, e.g. the target for the female employment rate has been set at 60% by 2010, a value close to but lower than the highest values registered by some member countries (five countries out of 27 currently record a female employment rate higher than 65%). This is intended to ensure feasibility of convergence while stimulating progress on the part of laggard countries.

Our gender budgeting exercises for the Modena and Siennese Councils bear manifest similarity with the process of implementation of the EES. We posited a set of broad objectives that are widely recognized as desirable from a gender perspective in academic and policy circles, from closing gaps in employment, wages or political representation, to easing reconciliation of family and work and reducing violence against women. For the Modena Council we used indicators to assess priorities among these goals, identified key policies and assessed trends in the relevant budget expenditure for

the selected priority objectives (selection was made necessary by limited resources for analysis). For example, reconciliation was identified as a key policy area in Modena given that fertility rates in the area were among the lowest in the country at the time of the exercise. Reconciliation was also given high priority in our budgetary analysis of Siennese Councils, where we examined in detail public childcare provisions (see above) and suggested setting 'internal' targets to monitor progress e.g. in the rate of coverage or in hours of opening per week.

The advantages of this methodology lie in the setting of measurable objectives and in clearly identifying the implementation policies. To put it differently, the strong point here is definition of the 'roadmap' or, more simply, the process. A clear disadvantage is that identification of goals and targets as well as impact analysis of budgetary decisions are neither simple procedure nor easy to standardize, with the result that experts are often needed to make discretionary or complex judgements. Consider, for example, evaluating the impact of the introduction of a subsidy granted to female candidates who run in the local election. In principle, use of a sophisticated (and data intensive) econometric analysis could, ascertain that, say, the probability of having one additional female candidate did actually increase by three percent per every 10,000 Euro spent. In practice, this type of analysis can be too costly even for a rich municipality, and the related complexity may deter administrators.

iii) *Holistic approach*: improving women's capabilities

All gender budgeting exercises ultimately aim at enhancing the well-being of women. Depending on the methodology, however, each approach ends up focussing on selected dimensions of well-being. To take the example of the BASS method once more, the selected dimension is reduction of women's (share of) unpaid labour. By contrast, an holistic approach aims at encompassing all the dimensions of women's well-being, and from this perspective we can think of nothing superior to the capabilities approach. As is well known in the literature on capabilities, however, operationalization is a difficult process and is still ongoing (Alkire 2002). With specific reference to gender budgeting, the problem of translating the theoretical concept of capabilities into concrete measurement adds to that of identifying the impact of budgetary decisions on the chosen measure(s) of capabilities. This latter difficulty is inherent in any attempt to assess the socio-economic impact of decisions to spend or to tax and is therefore shared by the accounts-based and the policy-based approaches.

In order to ascertain the specific advantages and limitations of the capability approach when applied to gender budgeting, it is useful to single out the essential steps in this exercise. Note that this is our view of essential steps since, to our knowledge, a full blown capability-based methodology is still being experimented (Addabbo 2004). The first step we envisage is selection of a list of capabilities that, according to a fairly consensual view, can adequately reflect the overall well-being of a person, from material well being to bodily integrity to control over one's environment⁴. Authoritative lists of essential capabilities have been proposed (Nussbaum 2000), but even that list which might unambiguously emerge at some point as the most acceptable may need fine-tuning in order to reflect the specific socio-economic context. The second step we envisage involves the choice of a set of indicators to proxy capabilities like the share of women in top level government positions to capture control over one's political environment. The third and fourth steps would involve linking progress (or decline) in these indicators to actual budgetary decisions, and using this information to estimate change in well-being. As noted earlier, however, tracking the precise impact of a given budgetary policy may prove difficult or very costly, as in the above example of subsidization of women's electoral campaign. By contrast, estimating how budgetary policies contribute to improving or decreasing well-being - poses specific challenges since it involves aggregating into a single value the changes recorded by separate indicators, say an increase in the share of women candidates in local election thanks to a subsidised electoral campaign and a lengthening of kindergarten's opening hours via higher expenditure for kindergarten personnel. Methods of aggregation are still widely debated, chiefly because condensing a multidimensional phenomenon like well-being into a synthetic value can be as problematic as summing up apples and walks in the park.

In avoid this kind of difficulties, the capabilities approach might be adopted 'loosely', e.g. the final attempt to arrive at estimating change in well being in response to budgetary decisions could be dropped. Arguably, however, in this way the holistic approach would come down to something rather close to the policy-based approach, although the former would retain the advantage of a more rigorous initial list of objectives, and the latter could boost a more clearly identified set of policy and measurable targets to pursue the objectives.

⁴ Here we are deliberately neglecting the distinction between capabilities and functioning which has a central role in the capabilities approach but may be overlooked in our very brief and very simplified account.

4. Comparing approaches and way forward

Given the limited scope of this contribution, we do not even attempt to weigh advantages and shortcomings of the three approaches with the view to rank them or to devise some kind of optimal combination. Our intention is far less ambitious, since we would be content if these notes contributed to kick start a process of methodological assessment of gender budgeting experiences, especially within Europe. Although gender budgeting has hardly come out of the experimental phase, we believe that methodological assessment of what has been done so far is not only feasible but it is important to avoid the risk of fragmentation of experiences and dispersion of intellectual and political resources.

To start from the beginning, let us launch a call for cooperation among all scholars, administrators and activists involved in gender budgeting to arrive at a basic list of primary objectives that can serve as the starting point in any future GB experience. For the reasons spelt out earlier, in fact, the selection of goals is still somewhat arbitrary within all the approaches, although it draws some legitimacy from broad consensus in scholarly and policy circles or from a rigorous theoretical framework. In turn, such arbitrariness may hinder a process of convergence towards a more widely shared methodology.

The lists of basic capabilities that have been circulated in the literature can be a source of inspiration, but our feeling is that they need to be contextualised, especially with reference to European countries. The recent attempt by European Community experts to define a Gender Equality Index that 'fits' Europe thus represents another potentially useful reference (Plantenga et al. forthcoming). By all evidence, enough has been produced for considering drafting a chart of essential objectives that can help bring forward the implementation of gender budgeting.

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