

Expenditure Incidence Analysis: A Gender-Responsive Budgeting Tool for Educational Expenditure in Timor-Leste?

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Among feminist economists, government spending is widely seen as a policy tool for promoting gender equality. And, since the 1990s, gender-responsive budgeting has served as a framework for feminist advocates. This study reports on the experience of conducting an expenditure incidence analysis – an analysis of the distribution of government expenditure – for public schools in the new Asia Pacific country of Timor-Leste; the study also discusses how effective this analysis is as an input into the budget decision-making process.

What is EIA? Typically, expenditure incidence analysis (EIA) combines information on the cost of providing public services with evidence on who uses those services. The analysis can take many forms, from a simple comparison of the proportion of users of a funded service for different social groups to complex econometric analysis of demand functions for these services. While this study presents a gender-disaggregated EIA of education budgets in Timor-Leste, it recognizes that a gender analysis cannot stand alone in bringing about change in actual expenditures. Gender-responsive policy and budget changes require a political strategy that links research and policy. Toward this end, the study examines how and under what conditions EIA studies can effectively contribute to a political strategy (for example, advocacy) for budget and policy change in a gender-sensitive way.

Gender inequalities in education spending. The gender-disaggregated EIA of Timor-Leste's educational spending showed inequalities in educational expenditure. We first matched school attendance data of boys and girls with the actual "spending" on education by the government in 2006/7 to show that expenditure shares favored boys compared to girls (52.5 to 47.5 percent). This amounted to a total education expenditure on boys that was about US\$0.8 million higher than that on girls. The gender-disaggregated EIA also found a rural-urban gap: both boys and girls in rural areas receive a relatively small share of total expenditures on secondary schooling.

While the EIA provided evidence of gender gaps in education expenditure, it did not tell us which factors were important contributors to the relatively low share of education expenditure on girls, especially those in rural areas. Policymakers wanted to know what programs they could target to improve gender outcomes. In response, a second stage of analysis was undertaken. This involved applying 2007

national survey data to a regression analysis of the factors affecting the likelihood of a girl's attendance at school. The analysis showed that a girl's chances of attending school in 2007 were linked to household characteristics, such as educational background, the use of the national language (Tetum), urban location, and economic situation. These results suggested increasing the education levels of mothers and their access to and use of the national language, as well as reducing household poverty, would help reduce the relative disadvantage of girls.

Fulfilling the potential of gender-disaggregated EIA. The study concluded that gender-disaggregated EIA of education spending can generate a useful "headline" indicator of gender inequality. It can also contribute to gender-responsive budgeting by contributing to an evidence base for arguments that challenge claims of gender neutrality in education budgets.

Nevertheless, we also found that the potential of gender-disaggregated EIA can only be fulfilled when it is combined with additional gender analysis and a deep understanding of the budget decision-making processes and the actors involved. For example, when policymakers have limited technical knowledge of statistics, it can be difficult to communicate the results of gender-disaggregated EIA in a way that allows them to fully embrace the findings.

A need for interaction. Thus, a sustained interaction between academia and decision makers is critical to bring analysis and a strategy for change closer. We also found that access to information by policymakers, the timing of the budget decision-making processes (such as those associated with the consideration of relevant research on issues associated with spending on education), the gender politics within institutions (such as the politics affecting the power and seniority of gender focal points in ministries), the strength of the political commitment to gender equality, and international influences can also constrain the use of gender-disaggregated EIA as a tool to influence policies and budgets in a gender-sensitive way. These findings need to be brought to the forefront of the debate on evidence-based external assistance, given that organizations, such as the World Bank, have sponsored an expansion of sophisticated statistical techniques and made large investments in data collection.

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