Green and equal: financing for sustainable and equitable development

Men and women play dissimilar roles in areas such as food production and resource management. Climate change funds that overlook women's role in those fields miss an opportunity to make a significant impact on both food security and mitigation efforts. Gender budgeting can make a significant contribution; in fact, placing women's empowerment in the centre of climate change strategies is the most effective way to go. Special attention to women economics must be a key element in any viable paradigm of development.

Kate McInturff
Feminist Alliance For International Action (FAFIA)

An essential element in ensuring the substantive implementation of any international agreement is adequate financial and political support. Civil society organizations have begun to track not only political commitments to address climate change, but also the financial resources that underwrite them.[1] The gap between promised funds and actual funds allocated is itself a key measure of the durability of political commitments. Following the money, however, is not sufficient to ensure that climate change funds are being directed in an equitable and sustainable manner. Climate funds must also integrate a gender budgeting approach in the design and disbursement of those funds in order to address and mitigate the differential impact of climate change on women. Moreover, the administration and design of the funds must be conducted in a gender equitable manner, including by involving women and women's rights organizations in decision-making at every level.

The Climate Funds Update project, supported by the Heinrich Böll Stiftung Foundation and the Overseas Development Institute, has led the way in tracking and analysing financing in this area. The project charts:

- the financial support that has been pledged by donors to climate funding mechanisms,
- money that has actually been deposited in climate funds,
- money that has been approved for climate adaptation and mitigation projects and
- money that has been disbursed.[2]

Across 23 climate funding mechanisms, the gaps are significant: USD31,896 million pledged, USD13,199 million deposited, USD6,569 million approved and USD,162 million dispersed. The gap between the amount of support pledged and the amount actually given over to climate funds demonstrates a failure of political will that has the potential to further damage the credibility of the ongoing process of negotiation among state actors. It suggests that there is not only a gap between the commitments of different state actors, notably between high-income countries and low-income countries, but also a gap between the stated and the actual financial commitments of those actors in practice.

The Global Gender and Climate Alliance brings together civil society and multilateral actors "to ensure that climate change policies, decision-making, and initiatives at the global, regional, and national levels are gender responsive."[3] Analysis has demonstrated, however, that there continues to be a significant gap between the stated commitments of fund administrators, such as the World Bank, to gender equitable development policies and a near total absence of gender-based analysis of climate change fund policy and programming by these administrators.[4] The consequences of this absence are significant, not only for closing the gap between the well-being of women and that of men, but for the overall success of any climate change strategy.[5] This is because men and women play distinct roles in the economy, particularly in areas such as food production, fuel consumption, resource management and in disaster response. As a result they are affected in unique ways by climate change and are positioned to make unique contributions to adaptation and mitigation efforts.

Women make up the majority of small-scale food producers. They are far more likely than men to be responsible for cultivation, food preparation and managing the distribution of food to their families and communities. For example, in the Philippines, women make up 70% of the agricultural labour force engaged in rice and corn production.[6] As elsewhere, farmers in the Philippines must now respond to shifting weather patterns and increased food production costs. However, in Montalban, Rizal, women have responded to the impact of changing weather patterns and increased fertilizer costs by changing their methods of cultivation and the variety of rice that they grow – resulting in lower greenhouse gas emissions, less fertilizer use, and crops that are better adapted to the shifts in weather patterns.[7] As this example demonstrates, climate change funds that overlook the role women play in food production miss an opportunity to make a significant impact on both food security and adaptation and mitigation efforts.

Gendered climate funding

Climate change funds must also address the broader structures of inequality, or risk widening the gap between women and men. Although women make up the majority of small-scale farmers, and are best positioned to respond to food insecurity, they are far less likely to hold formal title to the land they cultivate. They are less likely to have property rights, including rights of inheritance. Research has also demonstrated that in times of food scarcity women often allocate more food to male family members than female family members. A gender-sensitive evaluation of climate change funds must consider not only how the funds are distributed, but the extent to which funding is allocated to address the structural impediments to women's full participation in adaptation and mitigation efforts. To return to the example from the Philippines, it is not enough simply to ensure that funds go to female as well as male farmers, it is also necessary to ensure that female farmers have control over the resources that go into food production and that the food produced benefits women as well as men.

A gendered analysis of climate change funds must also be attentive to the division of paid and unpaid labour. This is an area where gender budgeting can make a particularly significant contribution to understanding how to improve climate change financing. Women continue to perform a disproportionate amount of unpaid labour, much of which is directly impacted by climate change. This labour includes care for family and community members, who may experience increased negative health effects from climate change. It includes labour per-

1 See: <www.climatefundsupdate.org>; <www.faststartfinance.org>; <www.climatefund.info>; <www.globalclimatefund.org/>.

2 "Chart: Pledged v deposited v approved v disbursed," Climate Funds Update, (2011), <www.climatefundsupdate.org/graphs-statistics/pledged-deposited-disbursed>.

3 "Global Gender and Climate Alliance, "Welcome", <www.gender-climate.org>.

4 A. Rooke, et al. *Doubling the Damage: World Bank Climate Investment Funds Undermine Climate and Gender Justice*, Gender Action and Heinrich Böll Foundation North America, (2009).

5 Ibid..

6 A. Peralta, *Gender and Climate Change Finance: A Case Study from the Philippines*, Women's Environment and Development Organization, (New York: 2008).

7 Peralta, op cit.

GENDER EQUALITY AT THE CORE OF SUSTAINABLE SOCIETIES

Women around the world work longer hours, participate less in formal labour markets, receive lower incomes and have fewer social protection benefits than do men. Feminist economics demands a new development paradigm that is not based exclusively on economic growth and which is not measured by per capita GDP – which conceals the half of the economy that is non-monetary.

In the classic model, activities that are essential for the existence of the family and community are ignored as they take place outside markets. These include maintaining a household, child rearing, caring for the elderly and a large part of food production and crop maintenance. Since these activities are carried out informally, without contract or exchange of money, they are considered "noneconomic activities," not only in the economics textbooks but also the in the international System of National Accounts.

In the current economic paradigm growth equals economic development and GDP is the most used indicator to measure the "wealth" generated. However, feminist economics has shown that over 50% of all work hours are unpaid and therefore are not recorded in GDP. If this invisible work were considered we would see that nearly two thirds of wealth is created by women. The traditional divisions of tasks by gender, such as women's "specialization" in domestic and care-giving work, do not take into account the fact that this "specialization" is a social construction based on gendered power relations that have an impact in the economy. Therefore, it is necessary to redefine macroeconomics and recognize that the monetary economy is just the tip of the iceberg that rests on an extensive care economy in which the main work force is female, and that women account for at least half the total work force.

In response to the global economic crisis, as many countries have emphasized the need to stimulate employment as central to economic recovery, the resulting programmes are typically "blind" to gender differences, both in paid and unpaid employment. The provision of support to poor households, through Conditional Cash Transfer Programmes (income granted to poor households conditional upon children going to school and having health care), while important in helping poor families to weather the shock of job and income losses nevertheless fail to consider the impact they may have on women's work time, even though their success depends on this very factor.

From what has been learned from previous crises, it is clear that the maintenance of public social expenditure is of vital importance, but we also know that social indicators take twice as long as economic ones to recover and many people are left by the wayside. This means that human capital is lost, and that the equation "when the economy recovers, the social indicators will recover" is not valid.

Women, in their strategies to cope with the crisis, typically give priority to the family's survival; they take on additional part time jobs, usually in the informal economy, accept lower wages, and do more unpaid hours It is important to know which sectors of the economy women work in, and not to fall into generalizations as if they were all in one uniform category called "workers". For example, government spending cuts will always tend to cause an increase in unpaid work.

Gender discrimination is not just a matter of poverty, it is also a question of equity and citizenship, and the problems that emerge from inequality cannot be solved by these Conditional Cash Transfer Programs alone. To go further, we need systems of social protection that are universal and holistic.

Sustainable, inclusive and equitable development requires a change in economic theory and this must be reflected in practice. It is not a question of aiming for growth and formulating some policies for women, but of designing and implementing a new development paradigm with equal rights and equal opportunities for everyone without any kind of discrimination whatsoever.

Source: *Social Watch Occasional Paper 06*: Beijing and Beyond. Putting gender economics at the forefront, (2010), < www.socialwatch.org/node/11571>.

formed in the cultivation and preparation of food and water, which is made more difficult by drought and other changes in weather patterns, and it includes collecting and using fuel to clean, cook, and sterilize. All of these burdens are increased by the negative impact of climate change.

Yet, much of this work is not part of the monetized economy. Thus, climate change financing mechanisms that measure impact in terms of paid work and GDP or GNP do not capture either the growing burden of unpaid work on women or the impact of mitigation strategies in decreasing that burden. For example, a survey of rural women's energy use in India allowed women to identify their priorities for reducing energy use. Their priorities were directly tied to time use. They identified more sustainable sources of energy production. Higher energy efficiency reduced their burden of unpaid labour, which has, in turn, provided more opportunities for participation in income-generating activities.[8]

Funding for this kind of gender-specific programming has multiplier effects. Lower burdens of unpaid work not only increase women's capacity to engage in paid work and, thus, potentially increase their economic independence but may also increase educational opportunities for women and girls. Increased education levels for women, in turn, have demonstrated positive impacts on their health and the health of their families. None of these impacts, however, can be measured without measuring the nature and effect of unpaid work on women and their communities.

The example of unpaid work raises a more fundamental tension in climate change fund monitoring efforts. Gender and climate budgeting are both based on the premise that budgets are statements of values, not simply mechanical responses to market and other economic dynamics. Gender and climate budgeting assumes that spending is an opportunity for change for the better – for a macroeconomics that is sustainable and equitable, that measure progress in terms of well-being and not GDP, that captures change in quality of life, not just the monetized economy. As such, this kind of monitoring and analysis is a radical reframing of neo-liberal economic theory.

8 *Power Surge: Lessons for the World Bank from Indian Women's Participation in Energy Projects*, Bretton Woods Project, (2011).

FROM AID EFFECTIVENESS TO TAX JUSTICE

Barbara Adams
Global Policy Forum

Looking at one source of development financing – ODA, it is clear that fewer countries are now dependent on ODA and the traditional donors are becoming more explicit about securing their own interests as donors – through trade, property rights and support to their own economic actors in the private sector. The picture is now further complicated by the emergence of new sources of development financing, both public and private. The shifting financing picture challenges all players to ask whether sustainable development requires a whole new approach – beyond FFD to FFSD

Transparency about aid and investment flows has long been demanded by women's groups and CSOs as they monitor who benefits from ODA flows and procedures, and advocate for greater fairness. Their advocacy has contributed to securing more, albeit limited, financing for constituencies that are socially excluded and whose rights have been identified through UN processes and promoted in legal instruments.

The international and multilateral terrain has been very valuable for advancing women's rights and has generated legal commitments, programmes of action and institutional support to carry the struggle to the national governance domains.

The process, engaged over the years since 1975, the International Women's Year and the 1st UN Conference for Women in Mexico City, has also generated a number of challenges, not least how to operationalize the human rights approach and the universalization of women's rights, how to move beyond the proclamation in communiques and legislation to specific outcomes and targets, implementation and financing.

Fiscal policy is a key instrument of governments to turn the rights-based approach into practice. Governments priorities are reflected more clearly in public budgets than in government declarations and action programmes. Gender equality advocates have impressed upon the FFD process the importance of public finance management for gender equality and of fiscal policy for establishing a universal social protection floor.

Even with a strengthened system of public finance with increased tax revenues and reallocated public expenditures, the maximum available resources will not be sufficient in many countries to fulfill the social, economic, cultural and ecological rights. External funding will still be required and this calls for a new global system of burden-sharing. The International Covenant on Economic, Social and Cultural Rights (ESCR) offers a model for developing a global financing regime as the realization of those rights is a responsibility of governments "individually and through international assistance and co-operation, especially economic and technical, to the maximum of available resources."

Today we are not only economically independent, but also ecologically and socially connected. The ability of a government to provide its peoples with economic security, through decent work and social protection has to be negotiated and brokered through a myriad of rules that are all too often not accountable to national political processes. ODA should be governed by a process of restoring that accountability to the people. Not of choosing winners and losers and placing some peoples' rights higher than others.

In practice, however, gender and climate budgeting projects often invoke both the ideas of fairness or justice and traditional economic arguments regarding cost-effectiveness and growth. In times of global economic crisis it is difficult to make arguments that do not attend to the cost and productivity. However, when state actors begin to step back from international commitments to climate change and gender equity they often do so by citing the cost of meeting those commitments. In the face of the argument that justice and equality are too expensive, proponents of the values that underwrite climate and gender budgeting projects must face the contradiction within their own tactics—they must consider whether or not they are willing make claims for justice and equality even when those end goals are antagonistic to market growth and productivity. ■