

Budget Analysis and Advocacy

Over the last decade, there has been growing citizen interest in budget policy. Budgets are the most powerful policy that governments make because they determine whether other policies or laws get implemented or not. Budgets reveal the true priorities of governments. They may be skewed in favor of vested interests at the expense of those with less voice in the political process. Budgets are therefore important targets and tools for social justice and rights advocates. Politicians rely on the fact that most people are intimidated by budgets.

Budget advocacy projects ideally combine research and analysis with advocacy. Most existing initiatives challenge corruption and critique budget imbalances that favor elites. Some take a pro-poor perspective, some take a gender perspective, and some combine these. Most push for budget transparency and the “right to know” about the budget-making process and the data used to make choices. However, there are important differences among budget advocacy projects in terms of how the advocacy agenda is set and who participates in the process. Below are two broad distinctions that can be found among strategies that offer some lessons for linking advocacy and budget analysis.

A notable model of participatory budgets comes from Porto Alegre, Brazil. In the 1990s, the city government legislated citizen involvement in deciding and monitoring budgets. Citizens now gather in town halls and soccer stadiums to debate budget priorities. The process has been refined over the years, with ever greater numbers involved.

Research-led

Many budget initiatives have policy research as their starting point and emphasis. In these mostly national-level projects, NGO think tanks and researchers produce valuable analysis for advocates or government reformers. Where the research is directly tied to an ongoing campaign or policy change, the information boosts advocacy significantly. However, if the research is not directly linked to a citizen action agenda from the outset, it can be difficult for citizens’ groups to figure out how to use the information. This is especially true when research looks at the entire budget because citizens’ groups may have difficulty finding an entry point.

Advocacy-led and Problem-centered

Some budget initiatives are led by citizen-organizing and advocacy groups. In these

Budget Analysis

Budget analysis looks at:

Inputs — the money appropriated (tax and other revenues) and spent;

Activities — the services planned and delivered (e.g., health services, industrial support services, tax collection services);

Outputs — the planned and delivered take-up of the activities (e.g., patients treated, businesses supported, taxes paid);

Impacts — planned and actual achievements in relation to broader objectives (e.g., healthy people, competitive businesses, sustainable growth of national income).

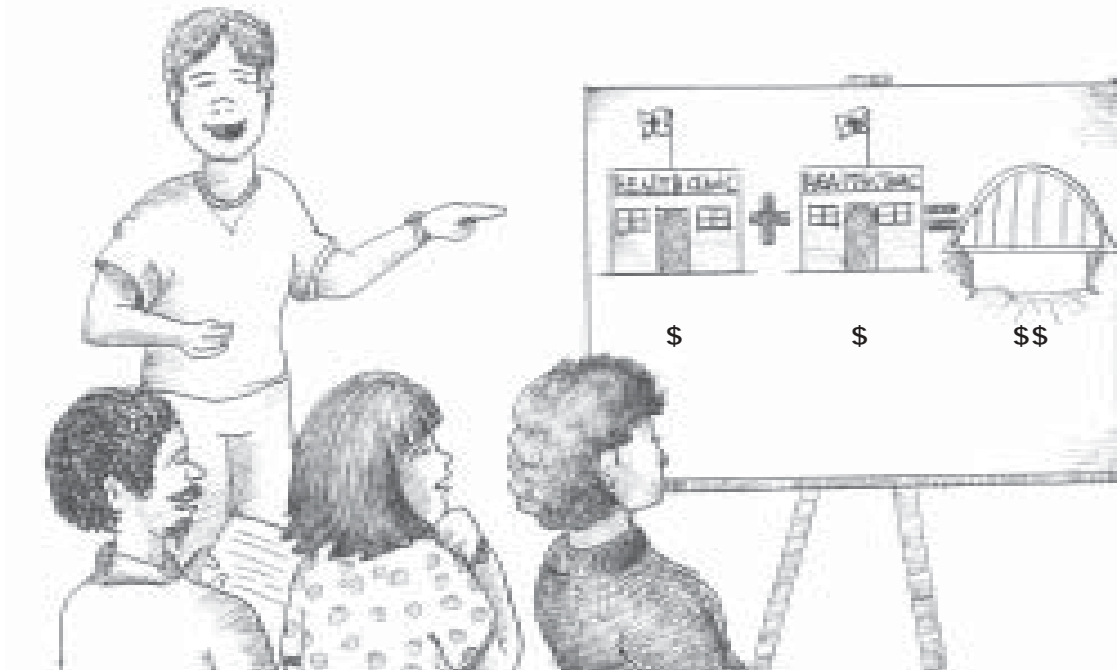
Elson, Diane, *Gender Budget Initiatives as an Aid to Gender Mainstreaming*, OECD Conference on Gender Mainstreaming, Competitiveness and Growth, November 2000.

cases, the research often starts with problems that people face in their daily lives and issues that are the focus of ongoing advocacy. These projects typically target local as well as national government, and work with research groups to develop the information and analysis related to their specific cause. Participatory or action research methods are used to engage communities in their own analysis, linking a problem to a policy to a budget allocation. Some of the projects place as much emphasis on gathering and using information to build citizen participation as on using it to change the allocations and priorities in the budget. In connecting budgets to real life and accountability, projects look at budget impact as well as allocation.

In both kinds of projects, people, legislators, and government reformers sometimes work side by side. In this way, government and elected officials gain the skills and information they need to do their job more responsively while citizens gain the capacity to influence the budget process.

A problem-centered approach combines participatory methodologies and gender analysis and includes five steps: ²

1. a description of the situation and problems faced by a marginalized group in a specific context (or sector) and a prioritization of problems;
2. an assessment of government's policies and programs in relation to these priorities, including the extent to which they are responsive to excluded groups;
3. an assessment of the extent to which the allocation of financial and other resources is adequate to implement the policies and programs;
4. monitoring of the extent to which the resources are used for the intended purpose and reach the intended beneficiaries;
5. an evaluation of the impact of the resources on the problems identified in the original situation analysis of step one.



Understanding the meaning of budgets

Budget projects that focus on women or gender use gender analysis to help groups prioritize problems and pinpoint how budgets and other policies are discriminatory, thus shaping those problems as well as potentially solving them. Using a gender lens often exposes the unequal and inefficient collection and distribution of resources. But a full analysis of budget priorities calls for a combination of gender with class, age, race-ethnicity, and regional perspectives as well.

Certain political factors are conducive to the kind of citizen budget work that gives voice to marginalized populations such as women and the poor. Those factors include:

1. political openness and a government commitment to clean up corruption and increase transparency (negotiations around debt cancellation often create an opening for budget advocacy at the national level);
2. a group of reformers within key ministries such as Finance or Planning;
3. a group of reformers in Parliament or local councils;
4. a combination of NGOs concerned with accountability and social justice that include policy expertise, membership- or community-based groups, development agencies, research or academic institutions, and rights and advocacy groups.