

# Institutionalizing Gender Budgeting in Korea:

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## ABSTRACT

Gender budgeting took its first step in Korea as the National Finance Act enacted in 2006. This Act requires gender budgeting statements to be included from the FY 2010 budget bill. Gender budgeting refers to all methods, procedures and instruments that are needed to achieve gender equality in the budget process. This paper includes achievements and challenges of gender budgeting in Korea, based on the experiences of research projects for the past two years. It has to be admitted that two years are a very short period of time to analyze. It is hoped that the remaining challenges will turn into achievements, as gender budgeting - when it is put into practice - becomes more mature.

**Key words : gender budgeting, institutionalizing gender budgeting, analysis tools and instruments, expertise vs. democracy, misunderstandings of gender budgeting**

## 1. Introduction

The first step in gender budgeting was made in Korea when the National Finance Act enacted in 2006 required the submission of gender budget statements. This paper reviews the achievements and challenges of gender budgeting in Korea, based on the experiences of research projects to seek detailed action strategies for gender budgeting after the legislation of the Act. The Act requires gender

budget statements to be included in the budget bill starting from the fiscal year 2010, whose guidelines will be announced in March 2009 and the government's budget request will be completed in September 2009. This makes the year 2009 as the starting year of gender budgeting institutionalization in Korea. Then, the available period for preparation is less than two years between 2007 and 2008. Although the two years that this paper tries to analyze are too short, this research has been intensively conducted as any other projects with set deadline do.

Upon the enactment of the National Finance Act, the Korean Women's Development Institute (KWDI) set up the Gender Budgeting Center to conduct a research on gender budget institutionalization, and the Center selected research projects to be consecutively conducted from 2007 to 2009. To realize gender budgeting tailored for Korean conditions required various tasks to be urgently completed: to develop gender budget analysis tools, guidelines for gender budget statements and statement format; to apply gender sensitive perspectives for the mid-term fiscal plan, program budget system and performance management system to establish institutional infrastructure; and to seek collaboration of experts from various fields. However, most experts lacked gender sensitive perspectives, let alone the understanding of

gender budgets. Thus, the research during the past two years has been a very dynamic and interactive process teaching gender sensitive perspectives to selected experts from various fields and seeking gender budgeting suitable for fiscal conditions in Korea. The degree of dynamism and interaction is demonstrated by countless numbers of workshops and seminars. During the ceaseless discussion in pursuit of an optimal system in Korea, new questions were raised and answers to them were sometimes spontaneously adopted as new research questions.

This paper is to share the achievements so far and the remaining challenges. However, it is not easy to distinguish between achievements and challenges, because this paper tries to perform a dynamic assessment, not a static one. For instance, if a challenge of last year is resolved this year, it becomes an achievement. Moreover, at a fixed point in time, an issue can be categorized either as a challenge or an achievement depending on how strict the standard is. In short, there is a fine line between an achievement and a challenge.

This paper aims to summarize the achievements made for the past two years and the challenges still remaining. It has to be admitted once again that two years are a very short period of time to render meaningful analysis. It is hoped that the remaining challenges will turn into achievements, as gender budgeting - when it is put into practice - becomes more progressed.

## 2. Achievements in Institutionalizing Gender Budgeting

Achievements so far can be classified in two fronts: researches on gender budgeting institutionalization and the practice of gender

budgeting. Most achievements have been made in the front of researches, as gender budgeting started just after the National Finance Act was enacted making it mandatory. In this sense, it is only natural that the achievements up to this year have been concentrated in researches, given the fact that the Act requires gender budgeting statements to be included in the FY 2010 budget bill.

### 1) Achievements in Research

Until the National Finance Act was enacted, gender budget activities in Korea focused on analyzing women's budget of some central government ministries and local governments and pushing for increasing and legislating budget for women, coming short of efforts to make gender budget mandatory. Thus, the first task after the Gender Budgeting Center was set up was to find out what needed to be done to make gender budgeting take root in the Korean budget process under Korea's given fiscal management conditions.

As a result, research projects to be conducted for 2007-2009 to institutionalize gender budgeting were listed as shown in Table 1. As research themes are diverse and broad, it was an urgent task to secure researchers. It was not an overstatement to say that few fiscal or administrative experts had gender sensitive perspectives, as the concept of gender budgeting was new in Korea. In this context, gender budgeting had to be studied and a system tailored for Korean fiscal conditions had to be created. The whole research process was a dynamic learning process, through which researchers increased their understanding of gender budgeting and reached agreement by identifying the best practices in other countries and ceaselessly consulting experts in Korea and elsewhere on

the possible adoption of other countries' cases for Korea. The countless numbers of workshops and seminars with researchers, Korean and foreign experts, government officials and women's organization members attest to the intensity of the research.

The massive learning network was led by the Planning Team and each research project team within the Gender Budgeting Center. Research project teams have carried out such projects as framing the concept of gender budgeting and developing analysis tools, developing gender budgeting statement format and guidelines for gender budgeting and formulating gender sensitive mid-term fiscal management system. In the meantime, the Planning Team has taken charge of managing and supporting each research project, analyzing each research project's subjects, hosting international symposiums, organizing field trips abroad and operating the Gender Budget Forum and the Gender Budget Net.

A number of workshops have been held with the Planning Team and the research project teams present together, and five rounds of Gender Budget Forum in 2007 and six rounds in 2008 so far have been held to notify the progress of research and collect various opinions from various sectors on research results. In the Forum, officials from competent ministries and agencies, scholars, journalists and civic group members took part to have an in-depth discussion on research direction and content.

About one year ago from now, on October 22 to 23, 2007, the KWDI organized the first International Symposium on Gender Budgeting under the theme of Gender Budget Institutionalization in the World: Where Are We? The symposium identified the status of

**<Table 1> Research Areas and Subject Details of the Three-Year Research on Gender Budget Institutionalization**

**<Table 1>**

Research Areas	Subject Details	Research Year
Conceptualization of Gender Budget and Development of Methodology	Concept and Methodology of Gender Budgeting	2007
	Research of Gender Budgeting Institutionalization in Other Countries	2007, 2008
	Development of Gender Budgeting Statement (draft) and Guidelines (draft) for Gender Budgeting	2007
	Development of Gender Budgeting Balance Sheet (draft)	2008
	Pilot Analysis of Departments and Policies	2008, 2009
Preparation of Gender Budget Tools and Institutional Infrastructure	Gender Budgeting Mechanism and Implementation Methods	2008, 2009
	Development of Gender Budgeting Information Database (DB) and its Pilot Application	2007-2009
	Gender Budgeting Analysis Manual and Training System Targeting Government Officials	2009
	Publication of Gender Budgeting Guidebook and PR Brochure	2009
	Gender Budgeting Institutionalization for Local Autonomous Associations	2008
	Identification of Budget Analysis Cases of Local Governments	2009
Gender Sensitive National Fiscal Management System	Gender Sensitive Approach to the Tax System (in Analyzing Tax Revenue)	2008, 2009
	Gender Analysis on Mid- and Long-Term National Fiscal Management Plan and Program Budget System	2007, 2009
	Development of the Gender Budget Performance Management System	2007, 2008
Monitoring and Feedback of Public Finance	Development of the Monitoring and Feedback System	2009

"caring" in the macroeconomic policies, invited experts from six European and Asian nations to share experiences of those advanced nations in terms of gender budgeting, and offered advices for Korea's successful institutionalization of gender budgets.

In addition, the Gender Budgeting Center opened Gender Budget Net (<http://gb.kwdi.re.kr>) for two objectives: First, to facilitate opinion exchanges among researchers of each research project team and to share with researchers and the general public the materials and research results generated by forums and international symposiums; Second, to provide a venue to enhance interests in and understanding of gender budgeting, a concept new in Korea. The Gender Budget Net introduces what gender budgeting is, what this research is about, and gender budget cases in other countries, provides presentation materials of the Gender Budget Forum and interim findings of this research, and notifies events such as international symposiums in real-time.

**Figure 1. Homepage of the Gender Budget Net**



The research results in 2007 can be seen in the following reports as shown in Figure 1.

**<Table 2>  
Publications in 2007**

Report 1.	Gender budgeting Analysis Tools and Strategies to Build Institutional Infrastructure
Report 1-1.	Gender Sensitive Analysis of Mid-term Fiscal Management Plan and Program Budget System
Report 1-2.	Development of Gender Budgeting Performance Index and Performance Management System
Report 1-3 .	Gender Budgeting in Other Countries: Diversity and Policy Options
Brochure	Genbudgeting for Equitable and Efficient Resource Allocation

In 2008, the research projects shown in Table 2 will be completed. This year, the focus is on the development of a gender budgeting statement format and implementation mechanisms, because the preparation of FY 2010 budget bill starts in early 2009. At the same time, an in-depth analysis is also being conducted on the impact of public spending on gender inequalities. As part of the in-depth analysis, grass-root women's organizations in six regions were advised to analyze the budgets of their own regions from a gender sensitive perspective under the theme of "Local Government Budgets from the Perspectives of Women's Organizations." This project was devised to develop capabilities of women's organizations to take part in gender budgeting from the beginning. Jointly with the Gender Budgeting Center, participating women's organizations selected local projects to analyze and analysis tools to use.

It is also necessary to set a scope of projects that are required to submit gender budgeting statements. We found that different analysis tools should be used depending on whether the project is about people or not (e.g., social overhead capital establishment or military

equipment purchasing). We also concluded that a phase-in introduction is desirable given the enormous administrative costs, and therefore we are classifying projects to phase in gender budgeting statements.

<Table 3>

**(Scheduled) Publications in 2008**

Report 1.	Study on Gender Budget Statement (draft) & Gender Budgeting Implementation Mechanisms
Report 1-1.	Development of Gender Budget Statement and Balance Sheet (draft) and Guidelines
Report 1-2.	Gender Budget Mechanism and Implementation Methods
Report 1-3.	Gender Budgeting Performance Management
Report 1-4.	Gender Budgeting Institutionalization for Local Autonomous Associations
Report 1-5.	Case Studies for the Impact of Public Expenditures on Gender Inequality
Report 1-6.	Gender Budgeting in Other Countries (II): 3 Government-led Cases
Brochure	"Untitled" English PR Brochure "Gender Budgeting in Korea"

## 2) Achievements in Institutionalization

Achievements in institutionalizing gender budgeting are mainly two-pronged: First, legal grounds were founded and the guidelines for gender budget allocation were laid down. Starting from 2005, the Ministry of Planning and Budget included guidelines for gender budgeting allocation in the guidelines for national budget allocation. And the National Finance Act enacted in 2006 requires the government to submit a gender budget statement and a gender budget balance sheet. Article 16, 26, 34, 57 and 58 are related to gender budgeting as shown in Table 4.

Another achievement is that a budget statement draft developed as a pilot gender budget statement for 2009 was prepared. The pilot project was conducted from April to October 2008. As part of it, training on gender budgeting was performed in June

for officials at the central government ministries and agencies. The results of that pilot project will be presented during this symposium.

<Table 4>

**Gender Budgeting-related Articles in the National Finance Act**

◇Article 16 (the Principle of Budget) The government should follow the principles of next numbers in budgetary allocation and implementation.

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5. The government should evaluate the impact of public expenditures on women and men and try to reflect the results on national budgetary allocation.

◇Article 26 (Preparation of Gender Budget Statement) ① The government should draw up gender budget statements which analyze the impact of budget on women and men in advance.

◇Article 34 (Attached Papers for Budget Bill) According to the provision of the Article 33, the Budget bill submitted to National Assembly should include each of the documents mentioned in the next numbers.

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9. Gender Budget Statement

◇Article 57 (Preparation of Gender Budget Balance Sheet) ① The government should prepare a report assessing whether budget benefits women and men equally and remedy the gender discrimination. (From now on, this report is called the Gender Budget Balance Sheet) ② Specific details regarding on the preparation of gender budget balance sheet is determined by a presidential decree.

◇Article 58 (Preparation and Submission of the Statement of Accounts)

① According to the determination of the Presidential decree, every fiscal year the representatives of each central organizations should prepare each of the documents mentioned in the next numbers and submit to the Minister of Finance and Economy until February of the following year.

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4. Gender Budget Balance Sheet

## 3. Challenges in Institutionalizing Gender Budget & Partial Solution

### 1) What to Analyze: Budget for Women, Gender Equality Budget and General Budget

The first and foremost issue was the scope of projects to assess that we faced in developing the drafts of gender budget statement which is to be prepared from 2009; whether we should focus on projects targeting only women or aiming at improving gender equality, or include general projects as well. In the latter case, again, we had to decide whether to include all the projects or only some projects based on certain criteria. The criteria vary depending on the countries which prepare gender budget statements based on different criteria. For example, Sweden's statement includes selected general projects like unemployment policies or annuity policies, while France assesses only those policies specifically targeting women.

Booth and Bennett (2002) asserted that all of the “equal treatment perspective,” the “women’s perspective” and the “gender perspective” are gender mainstreaming approaches and actually essential for the successful conduct of others, and that they are complementary rather than mutually exclusive. In other words, as the three perspectives are interconnected, if any of the three elements is weak, all of them are weakened. They pointed out that the tendency to associate a gender mainstreaming strategy only with the third perspective, the gender perspective, is a mistake, which will end up limiting the strategy's transformative potential. Not only in theory but also in practice, the European Commission (EC) recommends the use of all three gender equality strategies simultaneously, as the EC perceives them as complementary. This approach, which appears to combine equal treatment, gender-specific actions and a wider gender dimension, is developed in the European Employment Strategy, the guidelines for the employment policies of member states put forward by the European Commission and Council (Sylvia

Walby, 2008). Carolyn Hannan (2008) also revealed that gender mainstreaming is not an alternative to women-specific programs or affirmative actions, adding that the United Nations uses the double strategies of taking policy actions for women and gender equality and gender mainstreaming.

That is, a basic gender equality strategy is a gender mainstreaming approach. As gender mainstreaming is relatively a long-term strategy, however, policies and affirmative actions are also required to dynamically tackle the reality of women who are differently positioned from men in an unequal structure. Some women still need the government's protection and support. Women-specific policies are in the same context as gender mainstreaming in that they change gender discriminative structures. Also required are the efforts to eliminate gender discriminative norms, values, institutions and practices still widespread in various social domains, and to introduce affirmative actions to support women to advance to the fields that they are under-represented because of gender discrimination.

Against this backdrop, we decided to analyze all government budgets with two key classifications: those specifically targeting women and aiming at improving gender equality vs. the rest of them. The two types of budgets are different in targets and goals, which led to the use of different gender budget analysis tools. For the former, we calculated the total amount of budgets and their proportion in the total budgets, and assessed the priorities of those projects and whether they serve their original purpose. Based on that, we proposed new projects, increase or decrease in some projects' budgets, or change in the way of budget execution. For the latter, as the amount of the budgets or its proportion are not important, we tried to prevent



unintended gender discrimination of projects and to find out whether policies were improved or budgets were fully executed, focusing on the gender balance of policy benefits and responsiveness to gender-specific policy needs.

## 2) Analysis Tools and Instruments

Gender budgeting means integrating gender sensitive perspective to the entire budget processes from allocation, execution and to settlement. Thus, the scope is wide. However, the level of development of appropriate analysis tools and instruments varies for each element of the budget process. The scope of research on gender budgeting institutionalization is wide: gender budget statement submission, review of the mid-term fiscal plan, development of methods to link performance management budget systems, connection of the local budgets participating in gender budgeting to tax revenue analysis. Among them, the research methods to perform gender sensitive mid-term fiscal planning and tax revenue analysis have not been fully developed.

At present, all the foci is on the submission of gender budget statements, which gives enough reason to be concerned that gender budgeting might rest on its introduction itself, losing its original goals of transforming budget size and budget execution method and adjusting the priority of government expenditures. Regina Frey (2008) expressed concerns over the possibility that gender budgeting plays only as an alibi without bringing about concrete changes. Eunsil Kim (2008) also cautioned against the possibility that gender sensitive policies including gender budgeting can be routinized by the hands of government officials, losing its political significance and transformative power.

In this context, as part of efforts to develop and strengthen gender budgeting analysis tools, we conducted in-depth gender budgeting case studies under the theme of the Impact of Public Expenditure on Gender Inequalities with five selected government expenditures such as payment of worker's compensation, health insurance benefits, welfare spending for the disabled, public spending related to sexual assault and projects to foster cultural content experts. Simultaneously, we are performing a gender sensitive analysis of the National Pension System, Earned Income Tax Credit (EITC), and Benefit Incidence Analysis.

As in the World Bank Group gender action plan "Gender equality as smart economics," investment for gender equality returns profits. The issue is that it takes a significant amount of time to realize those profits. Here, the long-term benefits of the policies to promote gender equality are accompanied by costs in the short run. That is, fiscal spending is needed to improve existing policies, launch new projects and inspect and examine them. However, gender equality enhancement provides the benefits of efficiency in economic functions, improvement in institutions, increases in investment and growth. For instance, the benefits which are gained from the increased investment in women's human resources go down to the next generation. To adopt policies for gender equality is like investing in social overhead capital. Thus, it is a method to calculate returns on social overhead capital investment or social account matrix (SAM) to measure performance of policies to enhance gender equality. We plan to project the economic benefits of gender budgeting next year using SAM.

### 3) Expertise vs. Democracy

Budget is not an easy subject for the public to understand as it is expressed in numbers and technical terms. To make matters worse, gender budgeting means applying gender sensitive perspectives to the entire budget processes of allocation, execution and settlement, and the tools to analyze gender budgeting become more and more technical. Recently, the analysis of cost-benefit by gender is used. This makes it hard not only to secure researchers, but also to induce participation by the general public and civic organizations.

Sylvia Walby (2008) addressed the debate on expertise versus democracy in gender mainstreaming governance. The research on gender budgeting is situated right in the middle of such debates. It was women's organizations that first tried to analyze budgets from a gender sensitive perspective. And for gender budgeting to take root, participation of civic organizations is of great significance, not only as advocates for gender budgeting but also as concerned parties in regions that examine local budgets and propose alternatives. However, the association of women's organizations with gender budgeting has become weakened as gender budgeting is focused on gender budget statements and the gender sensitive budget analysis becomes technical, while women's organizations work to protect women who suffer from gender inequalities. Under the circumstances, gender budgeting can be reduced to a technical process conducted by policy makers with a specialized toolkit. In nature, government officials tend to stick to the status quo, not introducing new agenda. In this sense, gender budgeting in practice should draw both expertise and democratic participation to serve its original goal of providing new agenda and achieving policy improvement.

Thus, gender budgeting should involve both expertise and democracy, rather than separating them. Gender budgeting needs democracy, although expertise seems more important. Gender budgeting requires a specialized toolkit including gender disaggregated statistics, equality indicators and gender impact assessment. It requires a technical knowledge of economics to analyze data. Nonetheless, they are not enough. They are presented as efficient and neutral application of techniques to an already agreed set of policy goals. However, gender budgeting is far more complex than this. First, it can include explicit statements about the importance of improving women's lives. Thus, it is possible that it is politically not neutral. Second, intervention based on expertise may itself be a political strategy. For example, the UK Women's Budget Group intervened based on expertise by conducting researches with newly brought-in experts and holding meetings with elected politicians (Ministerial and backbench MPs), government officials and the civil society, to create change. There is a duality of expertise and participatory democratic working in gender budgeting that is complementary rather than in contradiction. Woodward (2004) argued for the importance of all of these in the "velvet triangle" linking feminist bureaucrats, trusted academics and organized voices in the women's movement for the development of gender mainstreaming in the EU. Thus, the concepts of epistemic communities or advocacy network produced from the deliberative democratic theory that actively uses expertise in pushing forward political projects (in a democratic way) should be applied (Sylvia Walby, 2008).

Gender budgeting should not be reduced to the reports by government ministries on their policy



execution. When it is not, gender budgeting will become a new governance that realizes future-oriented values with expertise and democracy entwined. Gender budgeting is an area which requires both expertise in finance and budget as well as gendering democracy that takes heed of women's voice.

In Korea, gender budgeting started to be debated through the budget movement by women's organizations. Since 1998, the Korean Women's Association United (KWAU) has annually calculated the proportion of women-related budget in the total budget and submitted an alternative budget to the National Assembly. Since 2001, the Korean Womenlink has analyzed the women's budget of local governments from a gender sensitive perspective. In 2002, the KWAU submitted "A petition for the preparation of gender budget policies" to the National Assembly. Taking this opportunity, the Gender Equality and Family Committee of the National Assembly adopted "A resolution on the requirements for gender budget allocation and submission of documents related to women," which was passed during the plenary session of the National Assembly in November of the same year.

Strictly speaking, however, the budget movement by women's organizations is the request for an expansion of budget for women or gender equality, rather than a gender sensitive budget. The expansion of budget for women or gender equality is also an important task of Korean society and is part of gender budgeting. Nonetheless, the link between women's organizations and gender budgeting has become weakened, as gender budgeting becomes technical and women's organizations focuses on unresolved women's issues. Gender budgeting should draw upon democratic

practice not to be reduced to just a policy document and to accomplish its original goal of transforming existing policies. This year, we made an attempt to reinforce the linkage between women's organizations and gender budgeting. Together with women's organizations in six regions, we analyzed local budgets from a gender sensitive perspective (under the theme of "Local government budgets from the perspective of women's organizations") to increase the capacity of gender sensitive budget analysis of women's organizations and to restore their participation in gender budgeting movement.

#### 4) Resistance to and Misunderstandings for Gender Budgeting

##### ① Requests for the Best Practices in Gender Budgeting

Ever since the Gender Budgeting Center was launched, we have faced a challenge to explain why and how gender budgeting should be implemented using specific cases. Gender budgeting is expected to: contribute to equitable and balanced allocation of resources through appropriating the budget based upon the effects of policies according to the different roles and responsibilities of women and men (equitability); provide effective services through budget allocation based upon different needs of men and women (efficiency); make the public budget more visible by considering policy effectiveness throughout the budgetary process (transparency); and actualize political will for gender equality (accountability). However, people asked for more detailed and concrete explanations than these expected results.

Responses of government officials who will write gender budget statements are two-pronged, with little difference: First, why gender budgeting should be implemented.

They say that budget is politically neutral, and ask for cases if it is not. However, unintended discrimination or the issue of criteria are not immediately visible but can be found only after in-depth research. Some make counter argument that if gender budgeting is needed, budgeting for the disabled and the elderly are also needed. After they hear the need for gender budgeting, they show another reaction: although gender budgeting might be meaningful, administrative costs are too high. This bears little difference from the first response that they see no need to introduce gender budgeting.

Bombarded with requests for explanation about what gender budgeting is for and what its results are, we had to concentrate on identifying cases that show benefits of gender budgeting and gathering convincing evidences to persuade skeptics, stopping research on gender budgeting. In response to the demands, we found projects whose benefits used to be unequal for different genders but satisfaction on the policies and policy quality increased after budget amount and execution ways were changed in a way to meet policy beneficiaries' demands. For example, sex crimes increase in some areas when their budgets for streetlights, public rest rooms, hand straps of subway trains and buses, and a medical service policy at military bases were cut.

Although the best practices of gender budgeting can be identified with a close gender sensitive analysis of government projects and a benefit analysis between women and men, people do not have patience to wait for the benefits to be realized. Another issue is that as people's expectations are very high, they are not persuaded with mediocre cases and expect more dramatic ones.

How can the economic and financial ministries

which prioritize economic growth over gender equality be convinced of the need to adopt gender budgeting? It is a tall order to make them understand the implications of gender for a budget. To institutionalize gender budgeting, economic growth and gender equality had to be reconciled. To this end, Sylvia Walby (2008) said that the most effective strategy to put priority on gender equality policies in a neo-liberal era is to demonstrate how gender equality promotes economic growth. This is a kind of compromise and an asymmetrical integration of economic growth and gender equality agendas. But it is clearly a framework within which progressive policies can be advanced.

In arguing that gender equality assists economic growth, Walby used the concepts of "productivity" and "well-functioning markets" as a strategy to mainstream the gender equality agenda into that of economic growth. First, productivity improvement was considered by the Treasury to be central to the economic growth agenda. The Treasury made the assumption that a more productive workforce is a more highly skilled workforce and wages are proportional to the productivity of the worker.

Based on this assumption, a gender pay gap equals a gender productivity gap. Since there is a gender skills gap, narrowing of the gender skills gap would improve the productivity of the British economy. In Britain, the largest pool of low-productivity workers consists of women who are working part-time after returning to employment after childcare. Providing resources to improve those women's skill would make a serious impact on the gender skills gap, thereby increasing the productivity of the British economy. Thus, policies to reduce gender inequality in skills would improve the productivity and growth of the British economy.

The second concept is that of "well-functioning, free and competitive markets." Such markets are considered not distorted. As discrimination means that people do not

receive wages matching their market values and productivity, this is a distortion of markets. Thus, legislation and policies to remove discrimination against women in employment would remove market distortions and facilitate market functions, thereby contributing to economic growth. In relation to the re-interpretation of the first concept, if wages are equal to productivity, a gender pay gap is equivalent to a gender productivity gap, which has to be addressed through skills training policies. If, however, wages are not equal to productivity, this is due to discrimination. Thus, policies to remove discrimination are good for economic growth.

## ② Gender Budgeting is Not Just for Women!

We are in a dilemma. With to the purpose of crushing resistance to gender budgeting, we are emphasizing policies as the best practices of gender budgeting that show that unintended effects of budgets are not just about women but also about men. Examples are the recognition of special need for men's diabetes examination, the modification to the National Pension Act about survivors' pension, and the modification to the Single Parent Support Act.

## 5) The Issue of the Modification of the National Finance Act

Although the National Finance Act established the legal grounds for gender budgeting, it provides only the principles in an abstract manner. So does the Enforcement Ordinance. The fact that the Act and the Enforcement Ordinance lack the entries of gender budget statements and balance sheets in detail may be due to the lack of accumulated research at the time when the Act was prepared. However, neither of them defines the mechanisms of gender budget statements or balance sheets.

There is a tendency that some laws are compromised when they are enacted. This is especially the case for women-related laws (Kim, Kyunghye & Yun, Jeongsuk, 2006). It may be in the same context that provisions on gender budgeting do not provide legal grounds to establish infrastructure or supplement workforce to make actual differences.

Besides, while the Act defines gender budgeting as analyzing the impact of budgets on women and men in advance, the Act requires gender budget statements to include the amount of gender sensitive budget, and gender budget balance sheets to include the results of gender sensitive budget execution, which can make gender budgeting misunderstood or understood as a narrower concept than it actually is. Hence the need for the Act to be modified was raised so that it includes the entries of gender budget statements and balance sheets in detail, specifies gender budgeting mechanisms and get rid of confusion on the concept of gender budgeting.

In addition, I would like to suggest changing the way gender budgeting is spelled in Korean. Earlier, I mentioned that we have opened and operated a website to support our research. The name of the website is the Gender Budget Net, which, when interpreted in Korean, sounds the same as "adult magazine." As a result, some portal sites indicated the website as an adult website or 19+ accessible, thereby denying access to the website, and the website was even intruded by the Internet users who wrongly perceived the website as a porno site.

## 4. Conclusions

Gender budgeting refers to all methods, procedures and instruments that are required to achieve gender equality in the budget process.

Thus, the range that should be analyzed based on a gender sensitive perspective is very broad and gender budgeting should be viewed as a long-term strategy given the budget cycle and the mid-term fiscal plan. In addition, as a gender sensitive budget analysis and gender budget statements are interconnected, development in each area should lead development of the whole, in which case gender budgeting activities can be a process of continuous learning. To take gender budget statements as an example, their developments will follow as the level of understanding of them is improved. Thus, it is impossible for gender budget statements to become perfect at one try. Gender budgeting cannot be institutionalized in the short term. Still, government ministries and agencies that are to adopt gender budgeting want immediate results. However, any new system takes time and money before it is developed, adopted by the government ministries and coordinated. If gender budgeting is necessary for the future-oriented value of gender equality and the costs to adopt the system are not excessive compared to other systems, government ministries should introduce gender budgeting and cooperate to achieve its policy goals.

Gender budgeting, an integration of gender equality and budget agendas (mainline agenda), has the potential to reform existing policies and practices. And the potential can be realized with institutionalization of the system, which advances through interaction of theoretical analysis and policy practices. Korea has just taken its first step to institutionalize gender budgeting. There are still various challenges to overcome, to prevent the system from meaning only that a gender sensitive perspective is incorporated into the budget process but not that it brings about practical changes. The challenges have significantly been met for the past

two years and are expected to be so in the future.

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