



Gender Perspective on Public Debt and Macroeconomic Policy

—A Brief Presented by the NGOCC Executive Director, Ms. Anne Mbewe-Anamela, at Economic Association of Zambia (EAZ) National Economic Summit 2025—

1. General Outlook

- **Policy Changes for Improved Access to Services:** The most impactful debt-related policy change would be to **ring-fence or protect social sector spending** in the national budget. A policy that mandates a minimum percentage of the budget for essential services like healthcare, education, and social protection before debt servicing payments are made would be a critical first step. This ensures that even during periods of fiscal strain, vulnerable populations, particularly women and children who disproportionately rely on these services, are not left behind.
- **Prioritizing Debt Relief/Restructuring:** Debt relief or restructuring should be explicitly linked to an **increase in social spending**. An ideal approach would be to negotiate a "social spending haircut" where a portion of the saved debt service funds is contractually committed to specific, measurable social protection programs. For example, restructuring agreements could include clauses that require increased funding for the Social Cash Transfer scheme, the Keeping Girls in School program, or public health infrastructure in rural areas. This ensures the savings directly benefit the people most harmed by austerity measures.
- **Alternative Financing:** To reduce the burden of debt on social sectors, Zambia can explore alternative financing models. **Taxation of natural resources** is a prime example. By implementing a more progressive and robust tax regime on mining and other extractive industries, the government can generate significant revenue that could be channeled into social programs. Additionally, **public-private partnerships (PPPs)** can be used for infrastructure projects, but with strict social and gender-responsive clauses to ensure they benefit local communities and do not place undue burden on them.

2. Governance and Participation

- **Giving Communities a Louder Voice:** Communities most affected by debt decisions can have a louder voice through **decentralized and participatory budgeting processes**. The government should allocate funds directly to local councils and wards, with a clear mandate for community-level consultations. This would allow citizens, especially women and youth, to directly influence how funds—whether from grants, taxes, or debt—are spent on local priorities like clinics, boreholes, and schools.
- **Role of Key Institutions:**
 - **Parliament** should not just approve debt; it must exercise its **oversight function** to monitor how borrowed funds are utilized and whether they are achieving their intended social outcomes. The National Assembly must have an independent and well-resourced budget office to analyze debt sustainability and its social impact.
 - **Supreme Audit Institutions (SAIs)**, like the Auditor General's office, are crucial for **tracking debt-financed projects**. Their audits should include a gender and social lens to determine if funds are reaching the intended beneficiaries, preventing misuse and corruption.
 - **Decentralized Authorities** are key to **monitoring project implementation** at the local level and ensuring that debt-financed projects, like new healthcare facilities, are accessible and responsive to the needs of women and girls.
- **Building Stronger Coalitions:** Stronger multi-stakeholder coalitions can be built by establishing **formal platforms for dialogue and collaboration** between civil society organizations (CSOs), labor unions, women's groups, and faith-based organizations. These platforms should share information, coordinate advocacy strategies, and develop unified positions on debt governance. A key step is to co-create a "Debt Justice Agenda" that is led by grassroots organizations and is regularly presented to policymakers.

3. Gender and Social Development

- **Public Debt's Differential Impact:** Public debt has a disproportionate effect on women and girls. When debt service payments consume a large portion of the national budget, the government cuts spending on public services. This leads to:
 - **Reduced Access to Healthcare and Education:** Clinics may lack essential medicine and staff, and schools may become under-resourced, forcing families to make difficult choices. Girls are often the first to be withdrawn from school to manage household chores or due to a lack of sanitary supplies.
 - **Increased Unpaid Care Work:** As public services decline, the burden of care for the sick, elderly, and children falls heavily on women. This unpaid care work prevents them from participating in the formal labor market and pursuing their own economic empowerment.
- **Designing Gender-Responsive Investments:** Debt-financed investments must be designed with **gender-responsive budgeting** from the outset. This means:
 - **Funding Childcare Infrastructure:** Investing in public childcare centers and early childhood development programs can free up women's time, enabling them to pursue employment or entrepreneurial activities.
 - **Supporting Women-Led Enterprises:** Allocating funds for microfinance and business development services specifically for women, with simplified application processes and fair interest rates.

- **Women-Focused Health Services:** Directing debt-financed resources towards improving maternal healthcare facilities, providing access to sexual and reproductive health services, and training more female healthcare workers.
- **Accountability Mechanisms:** To ensure debt-financed programs deliver on their targets, robust accountability mechanisms are essential:
 - **Data Disaggregation:** The government must collect and publicly report on data disaggregated by gender, age, and location to show who is benefiting from these programs. This allows for real-time monitoring and adjustments.
 - **Gender Budgeting:** Implementing a legal framework that requires all government ministries to analyze the gender impact of their budgets and report on how they are addressing disparities.
 - **Participatory Monitoring:** Creating mechanisms where women's groups and CSOs can directly participate in the monitoring and evaluation of projects. This could include community scorecards or joint government-civil society committees to ensure projects are meeting the needs of the people they are meant to serve.

Here are answers to the panel questions on gender and social development from a feminist perspective, tailored for a Zambian context.

4. The Differential Impact of Public Debt

Public debt is not gender-neutral; it affects women and girls differently and more severely than men, particularly in Zambia.

- **Labor Markets:** When a country faces a debt crisis, the government often implements austerity measures, which can lead to job cuts, especially in the public sector where many women are employed as teachers, nurses, and civil servants. Women in the informal sector, who make up a significant portion of the Zambian workforce, also suffer as high inflation and a weak economy reduce consumer spending, hitting their small businesses and trade activities the hardest.
- **Unpaid Care Work:** As debt servicing drains the national budget, social services like healthcare and education are often underfunded. This places a heavier burden on women and girls, who are traditionally responsible for unpaid care work. When clinics lack essential medicines or clean water, women spend more time and energy caring for sick family members. Similarly, with a shortage of teachers and resources in schools, mothers must step in to provide additional support for their children's education.
- **Access to Healthcare and Education:** Cuts to health budgets lead to a lack of medical supplies, long queues at clinics, and fewer trained healthcare workers, disproportionately affecting women and girls who need reproductive health and maternal care. In education, budget cuts result in overcrowded classrooms and a shortage of learning materials, which can force families to prioritize boys' education over girls', increasing girls' school dropout rates.

5. Designing Debt-Financed Investments for Women's Economic Empowerment

To ensure debt-financed investments benefit women and girls, they must be designed with an intentional **gender lens**. This means:

- **Funding the Care Economy:** Investments should focus on infrastructure that reduces women's unpaid care burden. This includes building and staffing public childcare facilities, improving access to clean water and sanitation, and investing in accessible public transport. These changes free up women's time to pursue education, jobs, and entrepreneurship.
- **Targeted Support for Women-Led Enterprises:** Debt should fund specific programs that address the barriers women face in business. Examples include establishing a special loan fund with low-interest rates and flexible collateral requirements for women entrepreneurs, as well as providing business training and mentorship.
- **Investing in Gender-Responsive Health and Education:** Debt can be used to build and equip maternal health centers, provide comprehensive sexual and reproductive health services, and ensure schools are equipped with separate sanitation facilities for girls and boys. These investments directly improve women's health and increase girls' school retention.

6. Accountability Mechanisms

Without strong accountability, gender-responsive programs can fail to achieve their targets. Key mechanisms include:

- **Gender Budgeting:** This is a powerful tool where every ministry is required to analyze how its budget will impact women and men and to report on its progress in addressing gender inequalities. This institutionalizes a focus on gender outcomes.
- **Data Disaggregation:** All data related to debt-financed projects—from who benefits from a new road to who uses a new clinic—must be broken down by sex, age, and location. This allows organizations like NGOCC to track whether the programs are reaching the intended beneficiaries and to hold the government accountable for any disparities.
- **Participatory Monitoring:** Communities, especially women's groups, must be involved in the monitoring and evaluation of projects. This can take the form of "community scorecards" where local people assess the quality of a service or infrastructure project and provide direct feedback to the implementing authority. This bottom-up approach ensures that projects are not only completed but are also meeting the real needs of the people.

7. A Feminist Perspective

Zambia's public debt crisis disproportionately impacts women and the socially excluded. The solutions and steps must therefore be gender-responsive, focusing on both short-term relief and long-term structural change.

Short-Term Solutions: Prioritizing People over Payments

- **Gender-Responsive Debt Restructuring:** Any debt relief or restructuring agreement must include a "gender clause" that guarantees a portion of the freed-up funds will be allocated to essential social services. This means explicitly earmarking money for

healthcare, education, and social protection programs that are crucial for women and girls.

- **Social Protection Floor:** The government should establish a **social protection floor** in its national budget. This policy would ensure that a minimum level of funding for social sectors is maintained, regardless of debt servicing obligations. This protects vulnerable groups from the harsh effects of austerity measures.
- **Participatory Budgeting:** Women and community-based organizations must be given a meaningful voice in the budgeting process. This can be achieved through **community-led consultations** and **public hearings** that influence how debt-financed projects are chosen and implemented.

Long Term Solutions: Structural Reform

- **Debt Transparency and Accountability:** The government needs to enhance debt transparency by publicly disclosing all loan agreements, including the terms, interest rates, and intended use of funds. This allows civil society, including women's groups, to hold officials accountable and ensure that borrowed money is used for productive, gender-equitable purposes.
- **Progressive Tax Reform:** To reduce reliance on external borrowing, Zambia should implement a more progressive tax system. This includes **increasing taxes on the mining sector** and other large corporations, while also cracking down on illicit financial flows and tax evasion. This would create fiscal space to fund social services without resorting to new debt.
- **Gender-Responsive Budgeting (GRB):** GRB should be institutionalized across all government ministries. This means analyzing how budgets affect women and men differently and then reallocating funds to address gender disparities. For instance, GRB would ensure that investments in agriculture are not only for large-scale projects but also support small-scale women farmers with access to inputs and markets.
- **Investing in the Care Economy:** The government should recognize, reduce, and redistribute **unpaid care work**. This can be done by investing in public services and infrastructure, such as childcare facilities, clean water and energy solutions, and improved health services. These investments would free up women's time, enabling them to pursue education, employment, and political participation.

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