

Creating Fiscal Space to Secure Funding for Feminist Policies: Guidelines for Promoting Fiscal Reform in Latin America

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Illustrated by Mariana Lorenzo



Advocacy Summary

■ Background and research question

The current context presents democratic, climate, economic and financial challenges. It is marked by a polycrisis that more intensely affects countries in the majority world. As a region deeply affected by colonialism, poverty and inequality, people from the most socially marginalised groups in Latin America pay the highest price for these crises. The women and LGBTQI+ people who are the lifeblood of the community are spending an increasing share of their time on care as the state flees from key spaces in society. This study, therefore, asks how governments can create fiscal space to fund genuinely transformative feminist public policies that are aligned with grassroots fiscal justice, gender and feminist agendas.

■ Literature review

This literature review is based on studies in gender, feminist economics and public policy to establish a conceptual framework for care, fiscal policy and the role of civil society organisations. It mainly highlights the direct relationship between

austerity and gender inequality. This link can be explained by the unequal social organisation of care, which falls primarily to families and to women and LGBTQI+ people in particular. Cuts in public spending negatively affect women's lives because they reduce the provision of care services. The analysis acknowledges care as a dual entity, encompassing labor and a fundamental entitlement, and underscores its instrumental role in the optimal operation of economic systems. Furthermore, it posits that the social structuring of care, distributed across familial, governmental, market, and organisational domains, constitutes a pivotal determinant in income distribution and serves as a conduit for perpetuating gender and socioeconomic disparities.

The social organisation of care influences how much free time people have and how they can save and accumulate wealth. This paper, therefore, reconsiders the state's role in providing public services. Within this framework, fiscal policy is understood as a technical and political discussion about the distribution of resources. It should take a gender-sensitive approach to assess whether the measures implemented reduce or exacerbate inequalities.

■ Key findings

Mexico and Argentina are experiencing periods of austerity that affect gender inequality through the regressive redistribution of income and tax systems that continue to perpetuate structural inequalities, especially gender and socioeconomic inequalities. The tax burden falls disproportionately on lower-income populations, where women are overrepresented. If budgets reflect governments' real priorities, this work shows that women and LGBTQI+ people have never been a priority, nor are they allowed to participate effectively in decisions about where public money is spent. Debt, spending cuts and regressive taxation are widening the gender gap in access to rights and resources. This is because, among other things, they increase the burden of care on women and the time that local organisations must spend looking for resources to continue their activities. Grassroots actors are not calling for solutions based on financialisation or philanthropy, but for the premise of individual responsibility to be replaced by one of collective responsibility, in which the state plays a leading role.

■ Key recommendations

- **Shift the tax burden from those who have the least to those most able to contribute:** Strengthen direct taxation by increasing capital gains tax and penalising income from non-productive sources and sources harmful to the environment.
- **Drive forward global taxes on wealth and corporate revenue,** expanding the tax base and increasing the minimum tax rate to at least 25% to cover more multinational companies.
- **Lessen the regressive effects of indirect taxes** by redesigning the tax structure to protect the populations with the lowest incomes, in which women are overrepresented.
- **Redirect public spending to feminist objectives:** Reform fiscal policy to protect people with lower incomes and earmark resources for gender-responsive public policies, recognising and valuing care work.
- **Deepen international cooperation:** Strengthen transparency and accountability mechanisms to tackle tax avoidance and evasion, and democratise forums where taxation is discussed to ensure all countries and civil society can participate.

Authors and Acknowledgements

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Authors' position statement

The analysis acknowledges care as a dual entity, encompassing labor and a fundamental entitlement, and underscores its instrumental role in the optimal operation of economic systems. Furthermore, it posits that the social structuring of care, distributed across familial, governmental, market, and organisational domains, constitutes a pivotal determinant in income distribution and serves as a conduit for perpetuating gender and socioeconomic disparities.

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their trust and for allowing them to research feminist fiscal policy in Latin America, recognising the value of their expertise in this area.

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Acronym List

DNElyG	National Directorate of Economy, Equality and Gender of the Ministry of Economy of Argentina
ECLAC	Economic Commission for Latin America and the Caribbean
GDP	Gross domestic product
IMF	International Monetary Fund
MMGyD	Ministry of Women, Genders and Diversity of Argentina
NGO	Non-governmental organisation
ODA	Official development assistance

OECD	Organisation for Economic Co-operation and Development
SBG	Sustainability Bond Guidelines
SDGs	Sustainable Development Goals
UN	United Nations
UNDP	United Nations Development Programme
VAT	Value added tax

Introduction

The current global polycrisis has many facets: the climate crisis, geopolitical tensions, the fragility of Western democracies, and the debt and care crises. Paying the highest price of this crisis are the most socially marginalised, including women and LGBTQI+ people, especially in the majority world.

With only six years left to achieve the Sustainable Development Goals (SDGs), more than 80 countries have yet to achieve even one target under Goal 5 on gender equality. Faced with this reality, global debates about how to fund development are intensifying. One such debate will take place at the Fourth International Conference on Financing for Development (FfD4), to be held in Seville, Spain, in June 2025. The discussions centre around how to reform international financial institutions to make them more inclusive and efficient; the sustainability of external debt; official development assistance (ODA) commitments; and – the main inspiration for this work – how to make international taxation fairer.

Achieving gender equality in key areas of the SDGs will require USD 6.4 trillion per year across 48 countries in the Majority World and an additional USD 360 billion per year (UN Women, 2023). However, gender is still not a priority in global financing discussions. In this context, this research explores how to promote progressive feminist fiscal models that tackle the inequalities between the majority and minority world, creating fiscal space for governments to sustainably fund feminist public policies.

Methodology

This work supports efforts to join fiscal justice agendas with gender justice and feminist agendas. To this end, it demonstrates how progressive tax reforms can create fiscal space to fund public policies to reduce inequality.

This overarching objective breaks down into three specific objectives:

1. Develop a conceptual framework that integrates the contributions to this work and allows us to establish, from a feminist perspective, how governments could create fiscal space for feminist futures.
2. Map how taxes are collected and spent in two Latin American states, Argentina and Mexico, to propose new models that ensure equitable spending and sufficient resources to guarantee human rights.
3. Strengthen calls for progressive and fair fiscal systems by building relationships with people who form part of the feminist collective. To this end, we explore perceptions of fiscal justice from a gender perspective and synergies that could be developed between governments and the feminist movement.

Mindful of these objectives, we adopt a comprehensive methodological approach inspired by the multidisciplinary tradition of feminist economics. It, therefore, combines theoretical approaches with a holistic and systematic examination of the economy. This approach is based on a conceptual and theoretical framework that questions i) the relationship between the social organisation of care and income distribution and ii) the overuse of technical arguments in discussions about fiscal policy (hypertechnification) to depoliticise and distance it from real people's lives. Such arguments are instrumental to implementing conventional fiscal policies whose regressive effects are particularly acute for people from socially marginalised groups. In contrast to technification, this paper seeks to define key concepts in the area of fiscal policy didactically and to document the main contributions of feminism to debates about fiscal policy and its impact on social justice. This approach challenges the "strategic silence" of economic policies regarding gender relations (Bakker, 1994). The study employs a dual methodological approach, incorporating quantitative and qualitative analyses.

Based on statistical data, the quantitative analysis examines the economic characteristics and direction of fiscal policy in Argentina and Mexico since the COVID-19 pandemic. It focuses on the socioeconomic characteristics of the social organisation of care and paid work; the tax structure of both countries, analysing the levels of tax collected compared to the region and Organisation for Economic Co-operation and Development (OECD) countries; and how the

functional structure of public spending changed before and after the pandemic. Our main objective is to characterise fiscal policy – spending and taxes – in Latin America, focusing on Argentina and Mexico. The data for this analysis was gathered from various secondary sources, including government databases, international organisations such as the International Labour Organisation (ILO) and the Economic Commission for Latin America and the Caribbean (ECLAC), and national time-use surveys conducted in the region.

The qualitative analysis is based on in-depth interviews with representatives of civil society organisations, politicians, activists, contact persons and former officials from Argentina and Mexico. Through these interviews, the researchers sought to elucidate contributors' perceptions of fiscal policy decisions and their tangible ramifications on the quotidian existence of individuals. The interviewees explicitly aligned with feminist agendas or, if they did not formally identify as feminist, promoted actions aligned with gender justice. The study also explored how stakeholders perceive and manage the tensions between fiscal policies designed in institutional spaces far removed from local realities and the needs of the most socially marginalised sectors of society and local feminist agendas. Incorporating these voices allows us to increase the visibility of structural inequalities perpetuated by fiscal decisions. This methodological approach augments the analysis of the impact of public policies on community spaces and feminist movements. The researchers structured the interviews around seven distinct dimensions. This framework facilitated the customisation of interview questions to align with the specific profile of each interviewee, as detailed in Annex 1. The study involved eleven interviews, encompassing seventeen women with affiliations to social organisations, political spheres, activist groups, intellectual leadership, or former governmental positions.

Literature Review

Care as work, a need and a right: The organisation of social care, income distribution and fiscal policy

Unpaid care work carried out in the home enormously contributes to the economy, even when it is not linked to monetary compensation. As shown by the time-use surveys conducted in different Latin American countries (Serafini Geoghegan and Fois, 2021; Vaca Trigo and Baron, 2022), these tasks are unequally and unfairly distributed between men and women. Conversely, work is paid in areas such as education, health and domestic labour (Esquivel, 2011), as well as the support services needed to provide long-term care to people with higher support needs, such as young children, people with disabilities and older adults. This work is crucial for human development and facilitates people's participation in productive activities. However, despite its importance for social reproduction, care work continues to be devalued, and receives lower recognition and pay than other economic activities.

Care is not just work; it is a need and a right (Pautassi, 2023). Throughout their lives, all people care for others and depend on the care of others to survive. The right to receive care and provide care entails doing so in line with one's own needs and desires, on equal terms and in decent working conditions (Pérez Orozco, 2009; 2014). The interrelated way that families, the state, the market and community organisations produce and distribute care – called the “social organisation of care” – reproduces and exacerbates inequalities. Care falls to families and is feminised and socioeconomically stratified (Rodríguez Enríquez, 2015). The commercialisation of care and the lack of universal public provision of care services compound this reality, which is particularly stark in regions like Latin America. The injustices inherent in the production and distribution of care must be rectified as a matter of urgency. This is necessary to mitigate the adverse effects experienced by women from socially marginalised groups.

The production and distribution of care not only affect people's incomes,¹ but also influence the distribution of wealth. The organisation of care within families directly affects people's labour market access (Esquivel, 2011) and, therefore, their capacity to save and accumulate wealth. The government plays a leading role, both as a provider of public services that lighten the load of care for households and as a regulator of labour markets and social protection, shaping the responsibilities of families, the community and the market in the provision of care.

1. As mentioned above, this is due to the subsidiary contribution to the market of unpaid care work by households.

Drawing upon the research of Esquivel (2011), Rodríguez Enríquez (2015), and Elson (2012), it is argued that the social organisation of care represents the inverse of income distribution. Its influence on primary and secondary income distribution² is key to understanding the state's and fiscal policy's role from a feminist perspective. When the state does not guarantee the provision of high-quality universal public education, health and long-term care services, responsibility for these needs is redistributed to other actors:

- I. The market occupies the gap in state provision and makes a profit by meeting the demand for care for those who can pay. This is especially detrimental to women, who are overrepresented in the lowest income deciles, and to single-mother households, which are usually the poorest.³
- II. Households and communities – and within them, mainly women – cover care needs without pay. However, their capacity to do this depends on a finite resource: time. Elson (2012) recognised that, they (women) cannot be considered a bottomless well from which others can drink without consequences. Human capacity deteriorates without sufficient public and private provision, especially in low-income communities that cannot close the gap left by the lack of state provision or sustain private profit. Even progressive income redistribution policies, such as reducing taxes on consumption or subsidising the demand of those with the lowest incomes, can have regressive effects on the distribution of care. Without free public provision, families have to pay for care or provide it unpaid, both options that perpetuate gender inequalities.

Concepts to Intersect Fiscal Policy and Feminist Contributions

Fiscal policy concerns the decisions and actions taken by governments to manage their revenue and spending, deliver essential services (such as education and social security), and provide subsidies and tax breaks. Far from being a simple accounting exercise, fiscal policy is a technical and political debate about managing and distributing a society's resources. Its design directly impacts access to basic rights and the effectiveness of public policies. One of its most significant dimensions lies in its capacity to foster equality, thereby diminishing social inequalities.

2. Primary income distribution occurs through the process of production, and determines how added value is divided between employees and capital (owners/investors), while secondary income distribution is the redistribution of the income available through fiscal policy. Secondary distribution centres around the payment of taxes, transfers from the government to families and redistribution through public services.

3. The commercialisation of care can be a deliberate strategy by governments, particularly those with a neoliberal slant, which favour the idea of a minimal state.

A progressive system redistributes resources to those who need them most and requires those with the most to contribute more. Conversely, a regressive system disproportionately taxes those sectors of society with the fewest resources or mainly benefits the most well-off. It is, therefore, crucial to observe the impact of fiscal policy from a gender perspective by questioning whether a specific measure can transform it somehow (Rodríguez Enríquez, 2008). A gender perspective facilitates a more comprehensive understanding of the actual ramifications of fiscal policy by prompting an inquiry into whether it mitigates, exacerbates, or leaves existing gender inequalities unchanged.

Finally, the relationship between government revenue and spending gives what is known as the fiscal balance, which can be in surplus or deficit. When revenue exceeds spending, there is a surplus. Conversely, a deficit occurs when tax revenues are too low to cover spending. A deficit obliges the government to borrow to finance its commitments, which leads to a **debt burden**. In this context, fiscal space – defined by Roy, Heuty and Letouzé (2007) as financing made available by concrete policies to mobilise resources and create an enabling institutional and economic environment – becomes a critical tool for implementing equity and gender-responsive development policies.

Spending

The public budget is the instrument through which the government establishes how it will spend its resources in a given financial year. By establishing how much, how, and when the government will spend money on each activity, the budget determines whether it will achieve its different public policy objectives and targets (Izcurdia, Monza, and Ryan, 2020). The government regards the budget as gender neutral, but it usually ignores the differences in roles and responsibilities between men and women (Jubeto, 2008).

Elson (2002) asserts that cutting the deficit by cutting services is generally achieved at the cost of increasing women's working time because their labour is used "to make up for lost public services". Spending cuts have non-monetary and time-use-related hidden costs. What appears to be an exercise in efficiency, in reality shifts costs from the public sector budget (where they are quantifiable and visible) to the budgets and time of women in families and communities, where they are generally invisible. Determining the impact of such fiscal reductions on diverse social groups necessitates both time-use data and precise information regarding the scope of said reductions.

Resources

To provide public services and implement public policies, the government mobilises resources in different ways: taxation, government borrowing, ODA⁴ and partnerships with the private sector or community organisations. None of these financing strategies are neutral when it comes to gender. The subsequent subsections provide foundational definitions for the primary concepts and delineate the key contributions of feminist economics.

Taxation

Taxation is a crucial tool because it is the most stable source of revenue for financing public goods and services. There are three main ways that taxes are collected from individuals: income, consumption and assets (Benítez, 2018). A tax is progressive if its level increases with a taxpayer's capacity to pay and regressive if it decreases. While each country arranges its tax system differently, three revenue sources are common to most tax systems worldwide: i) direct taxes, ii) indirect taxes and iii) social security contributions. Two other revenue sources depend on the country's productive structure: iv) taxes on foreign trade and v) natural resource concessions. Each revenue source mobilises different amounts of resources and affects equity differently. This work focuses on direct and indirect taxes, which usually contribute the majority of taxes collected, and on the main discussions about them internationally.

Indirect taxes apply to producing, selling, and consuming goods and services. The tax burden of indirect taxes is usually built into the final cost of the product, such that the end consumer bears it. Given that people with lower incomes spend a much higher share of their income on consumption than those with higher incomes, indirect taxes are generally regressive (Grown and Valodia, 2010). For example, value-added tax (VAT) is indirect and regressive because it taxes people at the same rate whether they are rich or poor. This means that people on low incomes contribute more as a proportion of their total income than those on high incomes (Izcurdia and Vivanco, 2020). However, because indirect taxes are easy to collect and broaden the tax base, governments often rely on this tax form. When indirect taxes are the primary source of government tax revenue, this disproportionately affects the poorest households, in which women are the majority (Joshi, Kangave and van den Boogaard, 2024).

4. Middle- and high-income countries like Mexico and Argentina do not have access to ODA, so it is not included in this work. For an in-depth analysis of ODA financing, we recommend looking at the other work carried out as part of the Walking the Talk project.

The higher the relative share of indirect taxes in the tax structure, the more regressive the tax system will – in principle – be. Feminist approaches assert that public treasuries should avoid depending too heavily on VAT as their main source of revenue (Elson, 2005). Based on this theory, they propose reducing VAT rates on products on which poor households spend a large share of their incomes or “correcting” regressive taxes by focusing spending on these households (Grown and Mascagni, 2024). Given that VAT rates, applicability, and the technical capacity of tax collection agencies differ greatly, no single solution can be implemented in all countries to mitigate its regressive effects (Larios Campos and Méndez Santolaria, 2024). When seeking solutions aligned to each context, several factors should be considered: the loss of tax revenue, existing guarantees that a reduction in the VAT rate will lead to a drop in prices and mechanisms for the most disadvantaged sectors, which are often centred around informal supply chains.

In contrast, direct taxes improve equity by applying to specific people – rather than anonymous acts like consumption – and tax people’s income⁵ and wealth,⁶ representing their capacity to contribute. They are, however, more prone to tax avoidance and evasion because they are based on voluntary declarations. From a feminist justice perspective, taxing wealth is essential to reduce inequality and redistribute resources to benefit women’s human rights and economic autonomy (Larios Campos and Méndez Santolaria, 2024). Many proposals have been suggested to: i) improve direct taxation, based on the principle of solidarity, ii) to increase the tax rates applied to the profits of large corporations (ICRICT, 2020), iii) apply a minimum global tax to high-wealth individuals (Zucman, 2024) and iv) more rigorously share information on assets and their owners (Lorenzo et al., 2023).

The researchers raise a query regarding the adequacy of these measures, considering the disproportionate distribution of global wealth and income. Specifically, they highlight that the wealthiest 10% of the population possesses 76% of global wealth and receives 52% of global income. In comparison, the poorest 50% holds only 2% of global wealth and receives 8.5% of global income.⁷ Much more ambitious measures could be needed to redistribute wealth effectively. Otherwise, we risk doing “too little, too late” (Guzmán, Ocampo and Stiglitz, 2016).

5. This includes income from labour, profits, state transfers (such as subsidies), private transfers (such as remittances), and rental income (such as rent payments).

6. This refers to the ownership of physical assets, such as property and cars, and financial assets such as money, shares and bonds. Recent studies show that wealth inequality and the concentration of wealth are higher than income inequality (ECLAC, 2019).

7. Credit Swiss World Inequality Report (Chancel et al., 2022)

In contrast, income taxes contribute more resources to tax systems but also have some biases. They unfairly favour people who obtain their income from capital and more heavily tax income from work (Piketty, Saez and Zucman, 2023). Feminist analyses propose increasing capital gains taxes to the same level as taxes on income from labour (Coelho et al., 2022) and applying higher rates when income originates from non-productive financial transactions or activities that jeopardise the sustainability of life on this planet, such as mining and fossil fuel industries (Larios Campos and Méndez Santolaria, 2024).

Tax breaks, also called tax expenditures, can reduce the tax burden,. Tax incentives usually encourage investment, economic growth, foreign exchange and job creation. Rodríguez Enríquez and Itriago (2019) show, based on case studies in three Central American countries, that these incentives tend to be taken up by large companies, with very modest results in terms of decent job creation, and that they, therefore, make the tax system more regressive. Feminist approaches maintain that avoiding tax breaks would be more effective and instead using the resources collected to provide public social and care services (Rodríguez Enríquez and Méndez Santolaria, 2021).

Public debt

“Public debt”, “sovereign debt”, and “national debt” are terms used for the amount of money a country has borrowed. Although debt can inject large volumes of money, it also commits future resources to the repayment of capital and interest, which reduces fiscal space for investment in essential areas such as health, education and infrastructure. The currency of both public and private debt and the applicable legislation are increasingly significant factors for assessing the risks of taking on and managing more debt. External debt⁸ usually has the most significant effect on countries and puts them at greatest risk because it must be paid in a foreign currency and is typically subject to foreign legislation.

Many low- and middle-income countries are in a vicious cycle of excessive dependence on external debt – particularly relying on overseas lenders. In contexts of economic crisis, it is common for countries to have insufficient resources and have to renegotiate loans or suspend payments. In both cases, states lose access to the private debt market, and the International Monetary Fund (IMF) acts as a lender of last resort (CESR, 2022). Far from correcting models favouring financial activities, the IMF applies strict and prescriptive contractionary fiscal policy

8. Based on trends observed in upper-middle income countries, in this work we distinguish between external and internal debt according to the currency in which the debt is issued and the applicable legislation without distinguishing whether the creditors are local or foreign economic agents. External and internal debt are, however, defined differently in different countries. For more information, see Berdeja and Bejarano (2024).

conditions to guarantee the repayment of the debts they issue and countries' "reentry" into – private – international debt markets ([Shadlen, 2003](#)).

Austerity measures are then adopted, and debts are often serviced at the expense of social investment: the rights of international creditors come into conflict with the human rights of the people who live in indebted countries ([Bohoslavsky and Rulli, 2023](#)). When creditors' rights prevail, public assets are privatised, social protection programmes are cut, essential public services are disinvested, and other labour, social security and tax reforms are implemented. In this vein, Gago and Cavallero ([2020](#)) link the increase in sovereign debt to the rise in household debt, which shifts the social problem of indebtedness to individuals. As the state withdraws social services to pay the debt, many families are forced to borrow to maintain their standard of living.

Neither the agreement nor the design or repayment of these loans is contingent upon – or jointly responsible for – achieving countries' development goals. The Sustainability Bond Guidelines (SBG), which restrict fund allocation to environmentally or socially oriented projects, including those with gender-responsive components, are deemed insufficient as a comprehensive solution. Far from ensuring that objectives are achieved or making creditors jointly responsible if targets are not met, they make the situation worse by encouraging a system of fines that only increases returns for lenders (Bohoslavsky and Lavinás, 2023). Incorporating a Human Development perspective into discussions about debt is crucial. Such an approach would make it possible to question both the legitimacy of a loan, i.e. whether it was agreed in the public interest, and the sustainability of the debt, including, for example, an analysis of whether the payments mean the government is unable to invest in the fulfilment of people's rights (CESR, 2022).⁹

In this vein, Diane Elson and Corina Rodríguez Enríquez ([2021](#)) assert that, although the IMF has begun to adopt a gender-sensitive narrative, this continues to be limited and instrumental and fails in practice to do anything to genuinely advance women's human rights. On the contrary, they highlight the persistent contradiction between the measures needed to reduce gender inequalities, the tight public policy margins imposed by IMF agreements, and the harmful social and economic effects of the austerity measures the IMF demands.

9. To do this, international financial institutions, including intergovernmental bodies that form part of the United Nations system, need to accept that international human rights law applies to them and that the Universal Declaration of Human Rights should govern their operations, something that the IMF has explicitly rejected (Bohoslavsky and Rulli, 2023).

Partnerships with private entities and community organisations¹

Finally, the government can mobilise resources to provide public services by partnering with private entities and community organisations. When partnerships are for profit, private entities usually contribute resources from their capital and, in particular cases, provide know-how, i.e. the technology needed to carry out the project. The most common co-financing models are public-private partnerships. International financial institutions encourage using these financing mechanisms to secure funding when there is little fiscal space. However, governments should approach these options cautiously when increasing resources affects gender equality.

Rodríguez Enríquez and Llaveneras Blanco (2023) note that governments usually use these mechanisms to carry out major infrastructure and public service projects. While public-private partnerships are typically presented as solutions to a tight fiscal situation, feminist critiques of these instruments maintain that they are a means of corporate capture of the state. They also identify several risks associated with corporate capture: i) weakening of fiscal constraints; ii) worsening working conditions; iii) restrictions on access to social services due to the growing costs of public-private partnerships; iv) lack of transparency and public participation; v) loss of access to land, water and other shared resources; and vi) higher risk of violence, including sexual violence, when women resist or demand justice in the face of public-private partnership projects.¹⁰

When a partnership with community or civil society organisations is not for profit, the partners' contribution is usually in-kind. This might be in the form of time through volunteer work or the provision of community spaces where services are delivered to meet the community's needs. While these partnerships present no conflicts of interest related to profiting from the provision of public goods and services, this does not mean that there are no risks involved nor that these partnerships are free from tensions. These strategies can, for example, be problematic when the government outsources its responsibility to guarantee basic rights to the community. Likewise, when funding activities is improper, partners may be unable to ensure decent working conditions for the people involved in the partnership. These points will be examined in more detail in the qualitative analysis.

10. There is abundant evidence of the risks of public-private partnerships. In addition to the case studies presented in the study on public-private partnerships cited, see EURODAD (2022a; 2022b).

Findings

Quantitative Perspective: Socioeconomic Context and Fiscal Policy in Argentina and Mexico

Mexico and Argentina are two of the biggest economies in the region, and although they are both middle-income countries, there are substantial differences between them. At the macroeconomic level, Mexico's GDP is more than double Argentina's, while Mexico's population – 126 million people – is 2.7 times higher than Argentina's – 47 million people. However, both countries have a similar GDP per capita: USD 13,926 for Mexico and USD 13,730 for Argentina. They are both above the regional average – USD 10,681 – although far below the average for OECD countries USD 46,280.

In both countries, unpaid work is estimated to be among the highest contributors to the economy. Data from 2022 show that unpaid work accounts for 16.8% of the GDP in Argentina, while in Mexico, it accounts for over a quarter (25%) of the GDP. Women are the primary contributors of unpaid work: their work accounts for 11.8% of GDP in Argentina and 18.2% in Mexico.

A more granular disaggregation by income level reveals further inequalities. While women spend more time than men on unpaid work in all income quintiles in both countries, the difference varies by income strata: women in Mexico and Argentina in the lowest income quintile spend 1.7 hours per week more on unpaid work than those in the highest income quintile. Because women do more unpaid care and domestic work in the home, they spend less time working in the labour market: employed women account for only 42.11% of total employment in Argentina and 38.89% in Mexico (ILOSTAT, 2022).¹¹

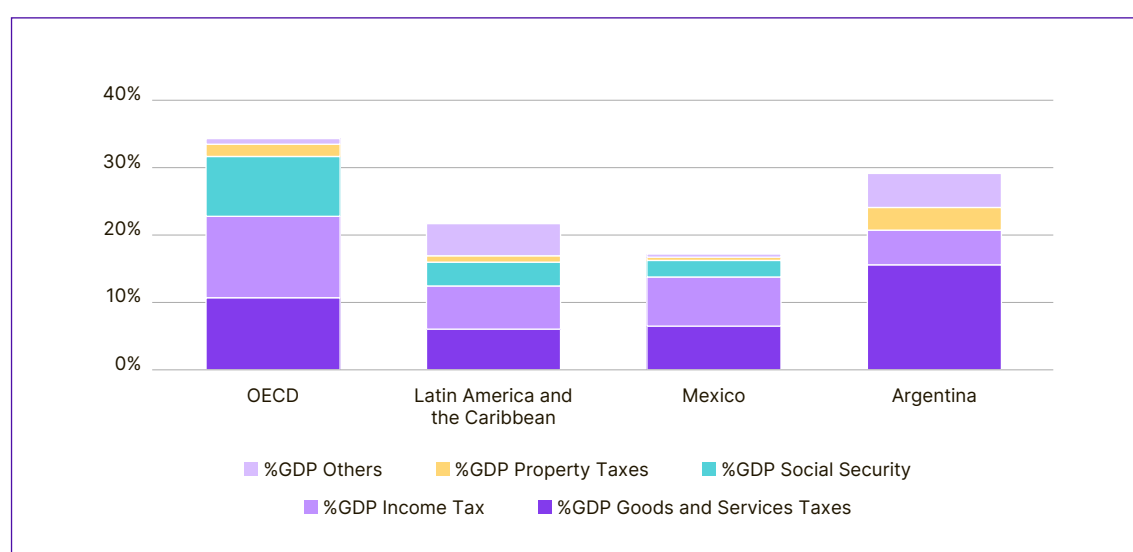
The landscape described above shows how inequalities are self-reinforcing. Indeed, the Latin America and the Caribbean region is characterised by a highly unequal income distribution: the richest 10% of the population receive 58% of the income. Mexico has higher than average inequality at the national level, with the richest 10% of people receiving 64.6% of the income. Argentina, meanwhile, is more equitable, with the richest 10% receiving 43.9% of the income. Tax structures can play a strategic role in reducing high levels of inequality to the

11. Information from the International Labour Organization (ILO) Statistics Database, available at <https://ilostat ilo org/es/data/>

extent that the burden falls more on those who have the most and generate high tax revenue.

According to OECD (2024) data, tax revenues in Latin America and the Caribbean account for an average of 21.5% of the GDP. This level is far below the average for OECD countries: 34%. Comparing the regional average reveals a significant difference between Argentina and Mexico. Argentina ranks among the top three countries for tax revenues as a percentage of GDP (29.6%), while Mexico has the sixth lowest (16.9%).

Figure 1: Tax revenue by revenue source as a percentage of GDP (2024)



Source: Prepared by the authors based on OECD et al. (2024)

As regards the source of tax revenues, studies on taxation in Latin America have noted the regressive nature of the region's tax systems (Pereira Viecei [pending publication]). Likewise, the collection of taxes has done very little to reduce inequality compared to other regions worldwide.

As shown in Figure 1, the tax structure in Latin America and the Caribbean is regressive on average, given that most of the tax revenue comes from indirect taxes (OECD, 2024). In Argentina, taxes on goods and services are the primary source of tax revenues, meaning the country's tax structure has a large regressive component. Mexico is an anomaly in comparison with other tax systems in the region given that income taxes – on both individuals and legal entities – contribute the highest share of the country's tax revenue, exceeding revenue from indirect taxes. However, the persistent use of income tax breaks undermines the progressiveness of this direct tax.

On the flip side of tax revenues, how public resources are budgeted and spent reveals the governments' public policy priorities. Another relevant dimension of public budget analysis measures how much money is spent on gender equality, generally called gender-responsive budgeting or "gender-tagged" budgeting (*presupuestos etiquetados* in Spanish) (Budlender and Sharp, 1998). These tools were introduced in both countries due to strong public demand, particularly from feminist movements. Despite this, the share of resources tagged as advancing substantive equality accounts for scarcely 4–5% of programmable expenditure in Mexico, while in Argentina, gender-responsive budgets are set to disappear during Javier Milei's presidential term.

Two key periods provide insight into the evolution of public spending: in 2019, before the outbreak of COVID-19, and in 2020, once budgets had been adjusted in response to the economic shock.

Before the pandemic, although Argentina was dealing with a fragile economy due to high external debt and high inflation, the government prioritised social protection policies to reduce inequality. To this end, the government created two gender-responsive agencies: the Directorate of Economy, Equality and Gender (DNEIYG) and the Ministry for Women, Genders and Diversity (MMGyD). The creation of these bodies aimed to ensure that the effects of the crisis did not worsen existing gender gaps. Mexico, for its part, sought to implement what it called "republican austerity".¹² This approach aims to increase public resources by tackling corruption and reducing "unnecessary" public spending to strengthen the budget for social policies.

The two countries responded very differently to the outbreak of COVID-19. While Argentina increased direct taxation and allocated more resources to social protection, maintaining formal employment and health care provision in response to the pandemic, it did not prevent a significant drop in incomes and an increase in poverty. This led to socioeconomic instability, which has continued to intensify. In contrast, Mexico's response was pretty moderate, in line with the government's decision not to increase public spending or debt. The government focused on reallocating its budget rather than increasing overall spending or debt. While it redirected resources to health and social protection, these changes were insufficient. Failing to implement more social programmes or countercyclical fiscal measures led to a significant increase in multidimensional and in-work poverty.

12. Federal Law on Republican Austerity, published in the Official Gazette of the Federation on 19 November 2019. Available at: <https://www.diputados.gob.mx/LeyesBiblio/pdf/LFAR.pdf>

Both countries are still dealing with the pandemic's social, economic and political effects. For instance, the prolonged crisis of loss of purchasing power due to inflation in Argentina paved the way for the emergence of new right-wing political movements, like that headed by Javier Milei. On becoming president, he popularised anti-feminist and anti-social policy discourses, seeking to undo the progress made under previous governments. Despite a slow post-pandemic recovery in Mexico, poverty levels dropped significantly, even in comparison with pre-pandemic levels. The government continued strengthening its political movement, backed by high presidential approval levels. As a result, Mexico marked a historic moment when it elected its first female president in 2024.

Qualitative perspective: interview findings

The collected evidence furnishes crucial information, enabling an examination of the interrelationships between tax policy and its democratic dimensions, as well as an analysis of fiscal policy's impact on feminist organisations and the daily experiences of women and LGBTQI+ individuals.

The conversations shone a light on different dimensions of these relationships:

3. The lack of funding for feminist organisations, especially when fiscal austerity policies are being implemented.
4. The lack of fiscal space and budget cuts increase the burden of unpaid work, mainly among women. The interviews highlighted the lack of funding and the absence of a gender perspective in the few care-related policies.
5. The Argentinian people are discontent with the tax structure, given that public financing needs are met through the overrepresentation of regressive taxes in tax revenues.
6. There is strong recognition of civic engagement as a key means of influencing decisions on fiscal policy. A pattern was noted in the demand for training on how to advocate for resources and democratise access to information about the political and technical aspects of fiscal policy.
7. Strong criticism of neoliberal policies that have driven the commercialisation of care and strengthened austerity policies has a significant impact on women's bodies. For example, public debt limits public investment and affects human rights enjoyment.
8. In Mexico, concerns were raised about the role of public-private partnerships.
9. Fiscal policy must be designed and implemented taking into account a gender perspective and advancing development strategies centred on care.

For this research, it is worth highlighting three critical facets that underpin grassroots feminist strategies to transform reality:

- A. The role of feminisms in advocacy on resource allocation and public spending priorities.
- B. The transformative contribution of civil society organisations, the feminist movement, and their influence on fiscal policy.
- C. The state and the community: does fiscal policy meet women's needs?

A. The role of feminisms in advocacy on resource allocation and public spending priorities

When the care economy is taken as a “given” rather than as produced by cooperative conflicts and societal power relationships (Folbre, 2021), the status quo – i.e. the patriarchy – persists. More specifically, families, the state, the market and the community are potential care agents, even though in practice, most care work falls to families (Rodríguez Enríquez, 2015). Therefore, when the state flees the scene, the unequal burden of unpaid care work grows, especially in austerity (Elson, 2002). This explains why times of economic crisis, accompanied by fiscal policies focused on spending cuts, shape priorities and frameworks and justify decisions about where to cut spending. These processes, which are usually conservative, **jeopardise** women's rights and assume that their bodies and time can be used as adjustment variables to fill gaps in the public provision of services.

The interviewees, with their extensive feminist backgrounds, quickly identified these phenomena. One former DNElyG official warned that, when talking about the fiscal balance, it is important to consider funding priorities:

If only debt, flight and speculation are financed, obviously accumulating debt causes the economy to deteriorate and development problems to emerge. However, if the deficit is used to build infrastructure, connectivity and technology investment, the economy will flourish. That raises the question of what we mean when we talk about an economy that works. (Interview with the authors, 15 January 2025).

Heterodox approaches to boosting demand are not enough to reverse the patriarchal order of societies, especially when they do not increase the public and community supply of care. Policies must incorporate feminist perspectives that emerge from feminist movements to achieve real change. In Mexico, we

interviewed a legislator who advocated for introducing gender budget tagging and the law reform that abolished VAT on menstrual products. She explained:

We've always had the idea that fiscal policy is completely removed from people that aren't involved in economic issues. Particularly when it comes to women, we have been distanced from these topics because we are taught that money is men's concern and men are the ones who make the decisions about how it is managed. (Interview with the authors, 16 January 2025).

Similarly, in Argentina, a former MMGyD official recounted her experience in the government to provide evidence of inequalities in public institutions, a key reason underlying the masculine bias in decision-making. This former official also served in one of the most male-dominated departments – the Ministry of Economy – where part of her work involved mediating discussions between these two entities to advocate for the allocation of resources. On this point, it turns out that the MMGyD had a very tight budget: the majority (90%) was allocated to transfers to people experiencing violence, and this left virtually no room to fund other policies. She added:

Discussions between the economic office and the gender office were very unequal. It taught us to learn about the budget, but not how to advocate for resources. Social policy is very feminised and has a lot of resources, but they are not allocated with a gender perspective. On the other hand, the gender policy has no budget and cannot achieve the objectives set. (Interview with the authors, 16 January 2025).

Therefore, feminist economists' contributions to fiscal debates and participation in the government are key to the resistance and the fight for the respect of human rights.

The interviewees in Argentina recognised the path trodden by the feminist movement and the achievements of femocrats¹³ in the government. They cited examples like the DNElyG in the Ministry of the Economy and the MMGyD, which put Argentina at the top of the United Nations Development Programme (UNDP) ranking of gender-sensitive responses to COVID-19¹⁴ for its work finding alternatives to benefit women during the crisis. The creator of DNElyG noted other achievements, such as the first measure of how much care contributes to GDP in Argentina and the first gender-responsive budget.

13. Feminists who work in government institutions (Rodríguez Gustá, 2024)

14. <https://data.undp.org/insights/covid-19-global-gender-response-tracker>

Feminism says and does a lot. It has a drive that moves it forward and we shouldn't waste time on trivial things, we need to go back to its roots and delve deeper with that, why shouldn't we be utopian and go mad? With so many real-world experiences and successes. (Interview with the authors, 15 January 2025).

B. The transformative contribution of civil society organisations and their influence on fiscal policy

The participation of feminists in the state apparatus and much of the progress in gender-responsive fiscal policy has been achieved thanks to the experiences and demands of civil society (Juárez, 2023). In Latin America, feminist demands have garnered much popular support and success regarding the recognition of rights. Yet, some of these demands are undermined in practice by the lack of financial resources to implement transformative measures ([ECLAC, 2023](#)). Examples from Argentina and Mexico illustrate this dynamic, where synergies between civil society organisations and public policy – or their absence – manifest very differently.

Firstly, we consider the case of gender-responsive budgeting in both countries, where the adoption of gender budget tagging was achieved thanks to the efforts of the broad women's movement through civil society organisations and feminist leadership. In the case of Argentina, gender-sensitive budgeting was adopted at the national level in response to demands from civil society organisations for the government to allocate the resources needed to implement the National Action Plan against Gender-based Violence ([Fernández Erlauer, 2023](#); [Ryan, 2021](#)). Similarly, adopting gender budget tagging in Mexico was also the result of efforts by the broad women's movement. It was civil society organisations and the leadership of their feminist members that drove the adoption of this budget tool at the federal level. Yet, as recognised by a feminist legislator involved in the process, the existence of gender-tagged budgets is not necessarily synonymous with commitments to gender equality:

The tagged budget is a tool that enables us to identify how and on what the government is spending, to determine whether it is actually seeking to create the conditions for equality. In reality, it continues to spend very little on women or for equality. Women have never been a priority for any government, whether that's the party in power or the opposition. (Interview with the authors, 16 January 2025)

The same legislator highlighted an often forgotten aspect when analysing gender-responsive budgets: income and how taxation can widen or reduce inequalities. This is discussed in the conceptual part of this work. She made the following observation about Mexico's first experience of bringing together taxes and feminism:

We hadn't looked much at the other side of it, at revenue, at the administration of public wealth. I mean, at analysing how and who the government taxes. We were able to have public debates about how taxes also imposed a sexist burden. VAT on menstrual products was a tax only paid by women and it mainly affected women in more vulnerable situations. By continuing to have these discussions and advocate, we were ultimately able to pass the zero VAT rate for these goods. (Interview with the authors, 16 January 2025)

While feminist thought leaders have set out the redistributive power of tax reforms, these reforms have not yet been explicitly recognised by feminist movements. As the interviewee notes, the exception to this is menstrual activism. For example, the collective #MenstruaciónDignaMx (Dignified Menstruation, Mexico) and the #MenstruAcción (Menstrual Action) campaign by the Argentinian NGO Ecofeminista called for the abolition of VAT on menstrual products. At the end of 2021, the Mexican Federal Congress reformed the relevant law to reduce the tax rate on these products to 0% (Juárez, 2023).

Kornhauser (2005) suggests that tax matters are particularly intangible, making it difficult to link these topics to social demands. Along these lines, a member of the Argentinian cooperative movement highlighted the need to strengthen participatory models: *It seems to me that the local economy must steer the course.* (Interview with the authors, 16 December 2024). In parallel, one contact from a social organisation recounts:

It's not just that we actually pay taxes, which is a huge share of the poorest people's incomes, but that we are also never part of discussions about what to do with the money, which never goes where low-income neighbourhoods need it. (Interview with the authors, 14 January 2025)

Another contact from a feminist civil society organisation noted the importance of tackling the structure of tax breaks by prioritising the care sector and recognising its value. She also highlighted the need to consider how to use fiscal policy to develop a comprehensive care system and how to position it as a driver of economic growth, centred around people's real lives: *"This support concerns*

the most vulnerable sectors of society and affects our development model.” (Interview with the authors, 19 December 2024).

The implementation of national care systems has faced institutional barriers, alongside barriers related to poor uptake of the call for such systems within the feminist movement. The bill on this topic in Argentina did not get through the required parliamentary commissions. In Mexico, the bill has still not been subject to a vote in the Pleno, and the inequitable distribution of care is still poorly understood, which leads to partial and exclusionary solutions. A Mexican legislator working on these issues indicated that there is a misconception about what is meant by care. She explained that this leads to policies that fail to address the structural causes of its inequitable distribution:

Instead what they are doing is tagging existing programmes as part of the system, when in reality they aren’t. These programmes are funded by tripartite contributions (worker, employer and government), that means they can only be accessed by women in formal work, which entrenches gender roles and excludes women in informal work. (Interview with the authors, 16 January 2025).

Moreover, funding mechanisms tend to be overlooked, meaning that policies purportedly intended to address care have not – to date – been implemented effectively. In Mexico, for example, the national legislator cited above described the situation of 12 early years education and care centres announced in Ciudad Juárez – where many women work in the city’s factories – as part of the new care system:

They are going to set up 12 daycare centres, only 12. Of these, five will be run by the Mexican Social Security Institute (IMSS), so users will have to have formal employment, and five will be private, meaning they will be in workplaces. The last two are the only ones that will take children whose mothers do not have social security because they will be under the DIF-IMSS scheme. So we can see that, in reality, nothing has changed. (Interview with the authors, 16 January 2025)

It is worth noting that in Argentina, some local experiences use the theoretical framework of feminist economics to recognise unpaid care work, promote its demands and influence care systems. For example, Argentinian community organisations have called for the women who work in community kitchens (*comedores* and *merenderos*) to be paid in recognition of their work providing community-based food and care services in low-income neighbourhoods. A

bill to this effect was put forward thanks to the joint efforts of various social organisations. It garnered some attention on the political agenda but did not make it to debate in parliament. The researchers now present a quotation from a national contact person representing the social organisation that proposed the legislative bill.

She believes that this political awakening and greater engagement with economic issues inspired them to ask a series of questions and take stock:

Something that made me think a lot about the question of where this money came from was the law on the kitchen workers. As neighbours, members of kitchens and dining halls, we thought about this policy. Not only did we have to think about the law and its scope, whether a registry should be set up, what percentage the cooks should get, how they should be paid and so on, but we especially had to think about where the money would come from to pay for this. How much would it affect the country's GDP? How much money were we "taking" from the state? Because it was seen as though we were taking it from someone's pocket. So we started to learn more about this. (Interview with the authors, 14 January 2025)

She also explained that these questions helped them recognise the contribution that low-income sectors of society make to the public purse through VAT and the tax breaks that people with high levels of wealth enjoy:

We felt very bad that community work isn't recognised. We are called "benefit scroungers" [planero/planera in Spanish] and "people who live off the state", as if we just take from the pockets of those who have more, because they always pay. "You're living off my money", they tell you. Where does the government get the money to survive? What is this fiscal policy? If taxes are collected, who from? Who pays taxes? And from there, we started to dismantle what they put in our heads. (Interview with the authors, 14 January 2025)

Finally, the third set of feminist fiscal policy demands relates to campaigns based on academic arguments. However, policymakers often fail to take a holistic approach to their implementation through public policy. The Ni Una Menos collective, for instance, is one of the key organisations of the social feminist boom that took place in Argentina in 2015. Since 2018, when the country took out its biggest-ever loan with the IMF, the collective has begun discussing the link between the debt and women's lives. The slogan "We want to be alive, free and unindebted!" (¡Vivas, libres y desendeudadas nos queremos!) aims to

shape the debate on the debt, which has led to fewer resources to guarantee fundamental human rights, constrained women's autonomy and exposed them to more misogynist violence. These are substantial urgent demands, but they are rarely featured among public policy priorities.

Often, fiscal rules lead to a loss of resources to tackle gender-based violence, reproductive health and access to care services in the countries affected. The abolition of VAT on menstrual products shows how taxation can function as a redistributive tool. On this point, the director of a feminist NGO explains:

(These policies) have a regulatory and redistributive capacity, which is what gives meaning to the state. Basically it has to balance differences and inequalities, to apply positive action policies and implement more systematic distributive models that are better at reaching the whole of the population. (Interview with the authors, 16 January 2025)

To ensure these demands reach beyond national borders, it is necessary to highlight the global dimension of discussions about fiscal policy. A contact from a civil society organisation working on human rights emphasised that, when it comes to the debate on international taxation, Latin America has a role to play in raising the question of inequality:

We have a great opportunity to raise the issue of the impact of inequality between people in Latin American countries. Without cooperation on taxation, there are people who get rich through tax avoidance and evasion, and these levels of wealth are obscene. Obviously, this agenda has a lot in common with the gender agenda. How many women billionaires are there? These men are all in the same club, and I think there's a clear connection there. (Interview with the authors, 19 December 2024)

C. The state and the community: does fiscal policy meet women's needs?

The interviews revealed a consistent perception among participants that fiscal policy is a powerful instrument for securing human rights, notably economic, social, and cultural rights. They viewed it as essential for poverty reduction, including the eradication of extreme poverty, the lessening of socioeconomic disparities, encompassing gender inequalities, and the establishment of an inclusive, equitable, and sustainable economic development framework. However, although feminist demands have garnered much popular support and success in the region regarding the recognition of rights, some of these demands are undermined in practice by the lack of financial resources to implement transformative measures.

The community contact from Argentina quoted above highlighted some of the weaknesses of public policy in this area. She suggested that partnerships could be established between the government and community or non-profit civil society organisations:

People need to understand that the government should find ways to fund the places where rights are being guaranteed. If we are in a place supporting older adults, helping people to report gender-based violence, feeding many children, teens, women and older adults at a cultural centre that operates as a community kitchen, we are fulfilling a huge range of rights and on top of that we have to have to work out how to pay the rent on this place because we don't have a public premises? (Interview with the authors, 14 January 2025)

According to the head of a local organisation, income transfer policies are insufficient in Mexico, like in Argentina. She added that if resources are allocated, but measures are withdrawn, it is feminist organisations that replace them to provide support:

Even though they say they have increased spending on social programmes, we don't see it in the community. I think that for the grassroots organisations that we closely support in the community, we see that the budget cuts to health spending are restricting access to abortion: there are only 11 clinics that provide this service in a state with 570 municipalities. (Interview with the authors, 19 December 2024)

She added that cultural aspects are not considered, which also has harmful effects: “That’s what’s missing: having a fiscal policy that responds to the specificities of the context and that sees the diversity of the people who live in this country.” She went on to explain that, due to the disconnect between people’s real needs and the public policies implemented by the government:

There are no translators in health centres and here people speak lots of indigenous languages. That’s why we say that the government has a debt to pay Indigenous women and Afro-Mexican women. And what this homogeneous fiscal policy is doing is widening these inequalities by not addressing either the causes or the consequences of the exclusion we experience [...] fiscal policy needs to offer a genuine response to these specific needs and seek to include these voices. (Interview with the authors, 19 December 2024)

In Mexico, public policies to provide care to people who have experienced violence are poorly aligned with the needs of women and communities. As a

consequence, local feminist organisations have stepped in to provide these services in the absence of public provision. According to the director of a group of organisations that provide care to women who have experienced violence: The Mexican State is undermining the defence of human rights. *Faced with this reality, we are doing the work, and we are the first line of response, unlike the government. But everything we are doing gets ignored.*

Austerity and the ongoing lack of links between the national government and local feminist organisations harms both. The director of a feminist organisation, which has dedicated over three decades to raising awareness of gender inequality, was interviewed.. She explains:

We are heavily dependent on external funding from international organisations, and the private sector, but not national funding, more so regional or transnational. Think about the social movements that seek concrete solutions for social reproduction in low-income communities. They used to get compensatory policies like the Universal Child Benefit or the almost universal pension that has just come in, as well as from the distribution of resources, personal subsidies, subsidies for organisations, food distribution, etc. But now these cuts are huge and have a big impact, but there's no solidarity movement to compensate. Quite the reverse, the massive cuts the government is making to this type of organisation are normalised and applauded. (Interview with the authors, 15 January 2025).

The interviews also highlighted the impact of fiscal policies on the funding of feminist and social organisations. It is clear that the tools available to feminist organisations to raise the profile of their demands and realise a lack of funding undermines them. The director of a feminist digital media outlet explained that she faces bureaucratic barriers and a lack of public financing, which require her to raise funds from other private and international sources:

The reality is that since Javier Milei took office, all the information campaigns (revenue from advertising space for campaigns) have been cut, even in the province and the municipalities. While we're still getting by on municipal revenue, the reality is that even that from the province of Buenos Aires, where there is a government that is perhaps more in favour of the rights of minorities, other places get priority. (Interview with the authors, 17 January 2025)

Despite the buzz inspired by the first woman-led government in Mexico, interviewees from the country warned that it was unwise to get too excited or lower their guard. One interviewee explained: *“Even now we have a woman as*

president for the first time, spending on women hasn't even gone up in line with inflation. Nor are equality programmes substantial; instead, they are more like clientelist programmes. (Interview with the authors, 19 December 2024)

Moreover, in Mexico, the interviewees agreed that funding for their organisations is a constant challenge and that the lack of funding limits their capacity to reach their objectives. They also agreed on the need to have more flexible multi-year funding that adapts to the changing needs of their organisations:

This is a fundamental reality in our country, that between short-term political ambitions and long-term government projects, people overlook the need for multi-year funding that doesn't stop when the government or party in power changes. But we don't have that, so our work is really heavily affected. (Interview with the authors, 19 December 2024)

While they celebrate the improvement in women's status, they know that the situation will not necessarily improve enough to give them the support they need.

Finally, we found that in both countries analysed, there is a disconnect between people's real needs and high-level public policy decisions. This disconnect is the result of a predominantly top-down approach that ignores gender inequalities. It limits the effectiveness of public policies by failing to adapt them to the specificities of the context and the populations they seek to support. To reverse this trend, it will be crucial to strengthen communication between feminist movements and the government. Without adequate and sustainable funding, social organisations are forced to seek alternative funding from the private sector or international donors, which not only jeopardises their work but risks stalling the feminist agenda. It is necessary to secure funding and establish genuine bottom-up alternatives that are better able to meet the needs of people and put forward a genuinely democratic fiscal policy agenda, with the guarantee of human rights at its heart.

Conclusions and Recommendations

Three central themes were identified based on the literature review, the quantitative analysis, and the participant interviews.

1. If their budgets reflect governments' true priorities, women and LGBTQI+ people do not feature among those priorities. Moreover, approaches based on privatisation (public-private partnerships), financialisation – for example, through gender bonds – and philanthropic mechanisms – which ignore organisations' long-term needs – do not respond to grassroots demands and may not be effective. Beyond tagging spending on gender equality, it is crucial for policies to i) consider their effects on the redistribution of care, ii) take an intersectional and intercultural approach tailored to the specific realities of women and LGBTQI+ people, and iii) have sufficient and sustainable funding.
2. The tax policies observed in Argentina and Mexico are far from lessening inequality; they are deepening it. Governments must prioritise the collection of direct taxes and wealth taxes over indirect taxes. They must tackle tax avoidance and evasion to protect human rights and gender equality through stronger international cooperation. These measures should be ambitious and seek to transform the distribution of wealth rather than merely cushion its effects.
3. Countries' debt burden directly and indirectly affects social investment, prioritising debt repayment over the fulfilment of human rights. We should push back against this prioritisation of resources and advocate for it to be inverted.

In translating this into specific demands for the incorporation of an intersectional feminist perspective into fiscal systems, which acknowledges the unique characteristics and specific needs of Latin American populations, a call is made to governments to:

→ Strengthen direct taxation:

- Increase capital gains taxes and apply higher tax rates to income from non-productive activities – such as speculative finance – or activities that jeopardise the sustainability of life on this planet – such as fossil fuel extraction.
- Take a more ambitious approach to global proposals on wealth taxes by seeking to expand the tax base and increase tax rates.
- Promote more aggressive global corporation tax schemes: i) expand the tax base to cover more multinational companies, and ii) increase the minimum tax rates proposed to at least 25% globally.

→ **Deepen international cooperation:**

- Strengthen global transparency, accountability mechanisms, and tools to effectively tackle tax avoidance, tax evasion, and illicit financial flows.
- Democratise discussions on international cooperation and taxation under the United Nations Platform for Collaboration on Tax. This means guaranteeing that representatives of all countries have a voice and vote and that civil society can participate in discussions.

→ Lessen the regressive effects of indirect taxes on the lives of people with low incomes and care workers through measures tailored to each context.

→ **Improve public spending and ensure that fiscal policy serves women and LGBTQI+ people**

- Recognise the role of care at the heart of primary and secondary income distribution and design fiscal and development models that are fairer regarding the social organisation of care.
- Allocate specific tax resources to policies that promote women's rights, such as policies on the public provision of:
 1. High-quality universal care services
 2. Gender-responsive cash transfers
 3. Gender-based violence prevention and support
 4. Access to sexual and reproductive rights
- **Strengthen public-community partnerships** that enable local feminist organisations to access sufficient, flexible, long-term funding when needed. This funding should be commensurate with their work in the community and guarantee that they can offer their workers decent working conditions.
- Reject initiatives that seek to financialise public policies for gender equality, such as gender bonds, public-private partnerships, and debt swaps.

→ Advance debt relief to guarantee rights:

- Cancel sovereign debt for low and middle-income countries and reform international financial institutions to ensure human rights principles guide their activities. This includes setting up new institutional frameworks where all countries can have a voice and a democratic vote.
- Increase indirect taxation, make tax systems more regressive, or cut government spending on social policies to prevent countries from repaying international debt.

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