

Economic Cost of Violence against Women and Girls *Findings on Lesotho*

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On behalf of the Commonwealth Team
Maseru, 29th January 2020



The Commonwealth



Presentation Outline

- Introduction and background
- Methodology and data
- An application to Lesotho
 - Approaches
 - Findings and their implications
 - Interventions

Introduction and Background

Developed a framework to assess the economic cost of violence against women and girls (ECOVAWG) for Small nations.

Includes cost of VAWG:

- within family; at work place; and at school
- by partners; other family members; and outsiders

Based on secondary data: (i) administrative data; (ii) surveys; (iii) survivors recall; (iv) expert judgment; and (v) population data.

It is first applied to *Seychelles*. Second country is *Lesotho*

Methodology and Data

Four Building blocks

3 types of cost

Unit cost
Proportional operational
Total operational

3 cost categories

Cost of services
Personal cost
Income loss

Costs at 2 levels

Typical case
Full coverage case)

Economy-wide cost

Sectoral: Agriculture;
Industry; Services

Direct cost

Indirect cost

Costs at Two Levels

Full Coverage Case

Based on a simulation model (victim = 195,149)

Using the violence prevalence rates

Population data

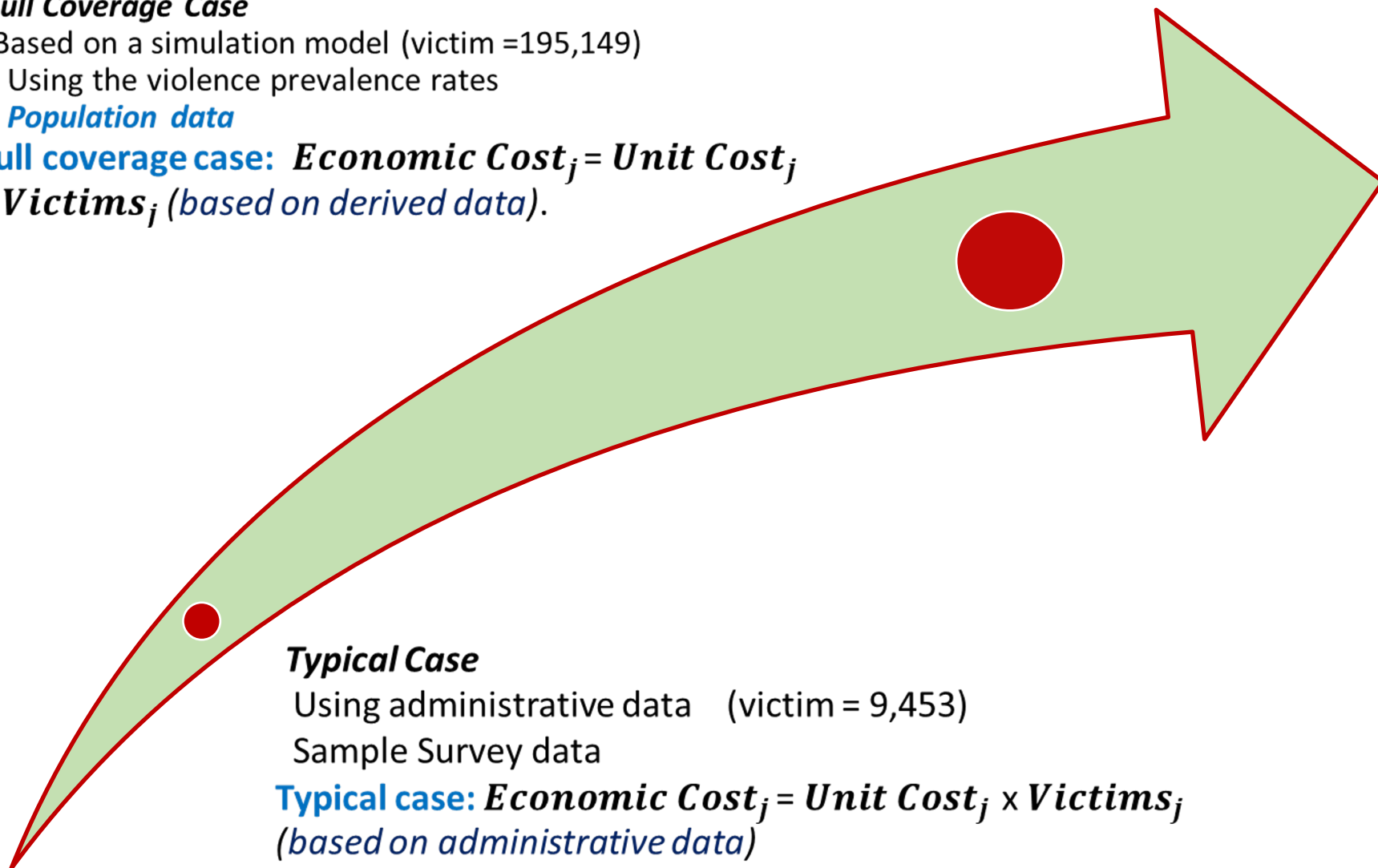
Full coverage case: $Economic Cost_j = Unit Cost_j \times Victims_j$ (based on derived data).

Typical Case

Using administrative data (victim = 9,453)

Sample Survey data

Typical case: $Economic Cost_j = Unit Cost_j \times Victims_j$ (based on administrative data)



Data Collection Process

Large investment on data collection

- *Detail data templates developed with probable sources* and send to govt for collection
- *Four missions* carried out
- *Thorough review* conducted with literature and statistics
- More than *70 stakeholders met*
- *One exclusive expert group consultation* involving 40 experts arranged
- *A primary survey with 800* women and girls were also conducted

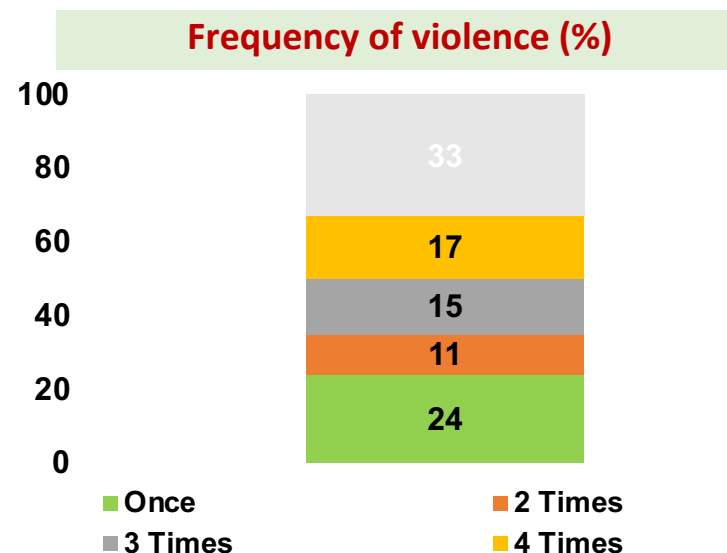
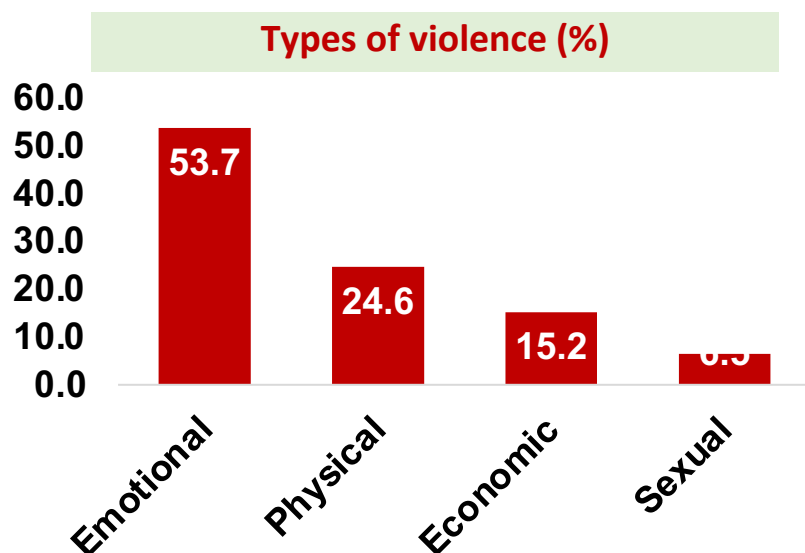
Data: Key Observations

- Information collection and generation process is not digitalized.
- Data are not compiled adequately to identify the cases related to GBV.
- Cost of various services extended by government is not always readily available.
- Proportion of agency wise manpower and resource devoted to addressing GBV is not readily available.
- Addressing the GBV at workplace does not yet constitute an activity by the relevant agencies (Ministry of Labour and Employment).
- Under reporting of actual events (Baseline Survey).
- *Parameter of learning time loss at primary and secondary schools is borrowed.*
- *Social services data for FY 2017 still not available.*
- *Femicide data not available (used Africa prevalence rate).*
- *Cost of divorce has been included.*

Key Facts: Primary Survey

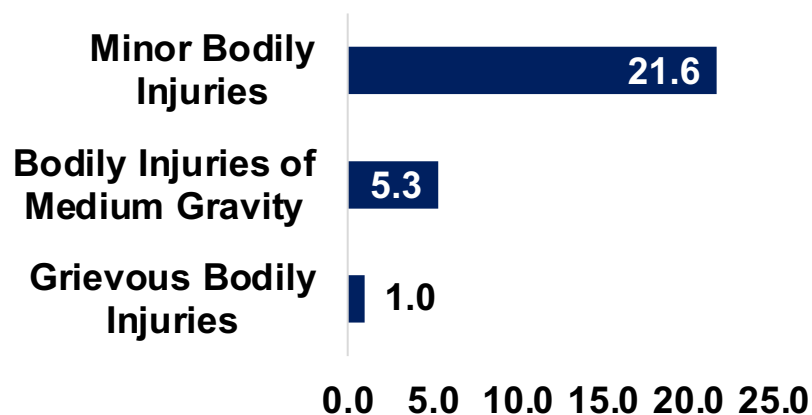
Key characteristics of the respondents

- Age - mean: 35.3; median: 32; minimum: 19; maximum: 63
- Employment - employed: 7.1%; self-employed: 7.8%; student: 11; unemployed: 33%; and housewife: 43%
- Education: No education: 2.6%; primary: 42.7%; secondary: 42.2%; tertiary & other: 7.5%
- Have children below age 16 - No: 37%; Yes: 63%
- Percentage of survivors sought help - 62.4%

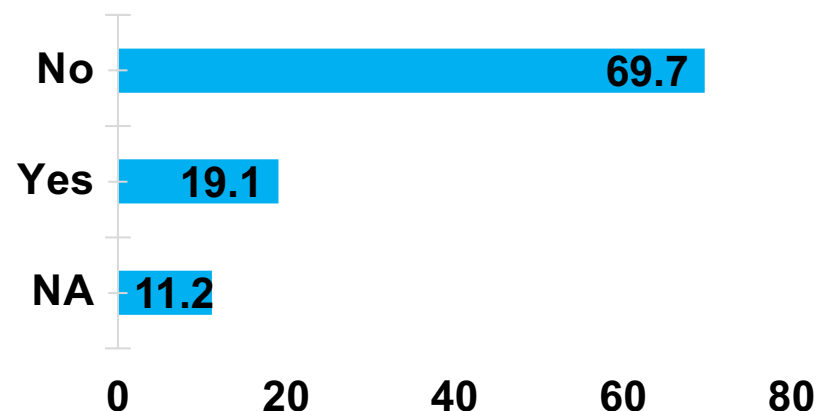


Key Facts: Primary Survey

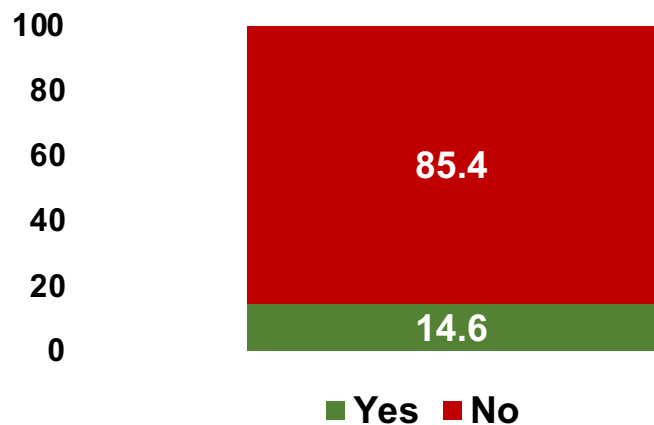
Gravity of injury (%)



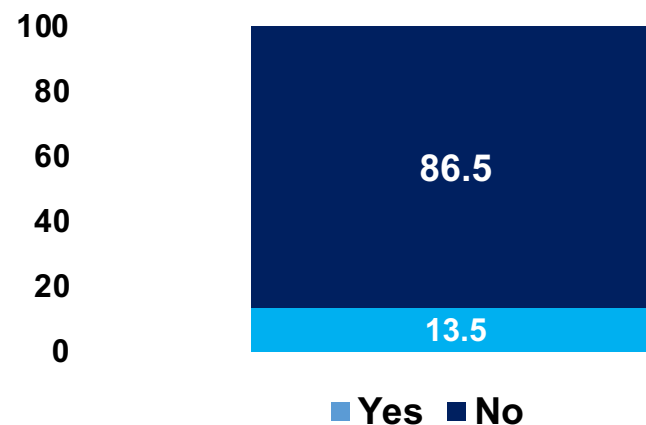
Unable to attend work (%)



Bedridden: hospital (%)

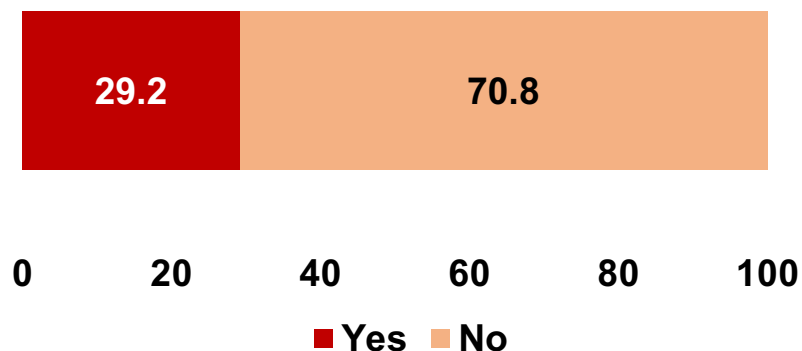


Bedridden: home (%)

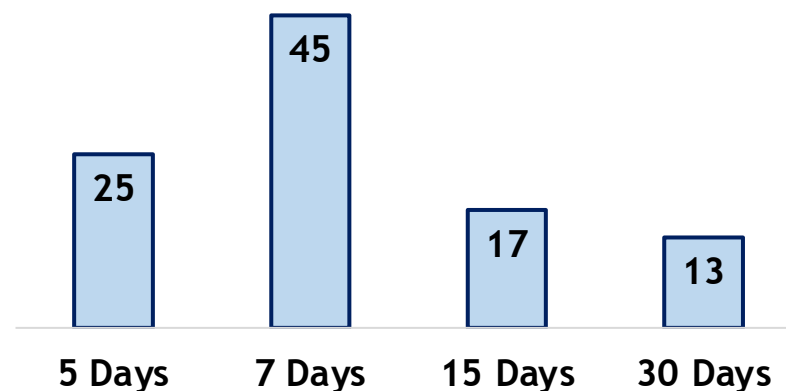


Key Facts: Primary Survey

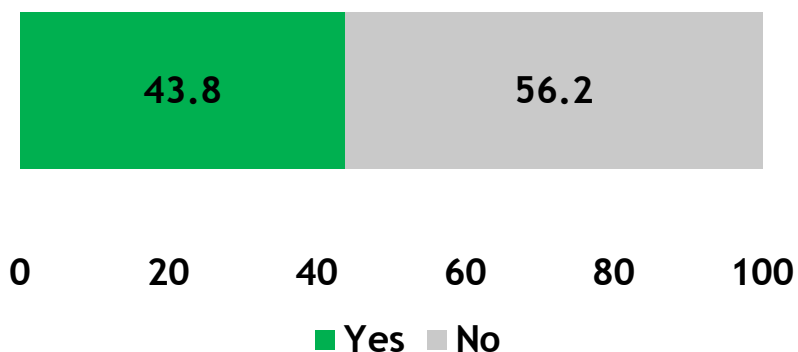
Household work disruption (%)



Extent of disruption (days)



Violence experienced at School (%)



Out of pocket expenses

Personal Expenses	% of respondents	Unit cost (Maloti)
1. Transportation	9.0	100
2. Ambulance call, test etc.	28.0	121
3. Diagnostic and medicine	25.0	138
4. In-patient services	23.0	117
5. Legal services	31.0	500
6. Cost of property damage	27.0	360
7. Personal expenses for other cost	28.0	372



Approaches and Findings

Approaches to Estimate Costs

Law enforcement: $(Data_i \times) \times Unit Cost_i$

Data	Value	Source
Number of complaints (administrative offences)	5,455	Derived from Judiciary data
Number of protection orders	4,281	Derived from Judiciary data
Number of probation orders	118	Derived from Judiciary data
Number of evictions	215	Derived from Judiciary data
Number of persons sent to prison	1,956	Derived from Judiciary data
Number of sexual offences	3,998	Derived from Judiciary data

Items	Value	Source
Hourly wage of a police inspector	73	Derived from Govt Notification
Hourly wage of a policeman	36	Same as above
Hourly wage of a judge	132	Same as above
Hourly wage of a medical staff	76	Same as above
Hourly wage of family support staff	36	Same as above
Hourly wage of prosecutor support staff	36	Same as above
Hourly wage of probation staff	58	Same as above
Daily cost of detention	135	Probation
Hourly cost of service call (patrol)	130	based on primary survey

Category	Data	Days	Unit cost (Maloti)	Cost (Maloti)
Cost of service call by police	5,455		130	709,209
Registration & administration cost of case	5,455		$192 = (1 \times 36) + (1 \times 36) + (1 \times 36) + (1 \times 58) + (0.2 \times 132)$	1,049,630
Protection	4,281		$192 = (1 \times 36) + (1 \times 36) + (1 \times 36) + (1 \times 58) + (0.2 \times 132)$	823,685
Probation cases/arrests	118	1	$327 = (1 \times 36) + (1 \times 36) + (1 \times 36) + (1 \times 58) + (0.2 \times 132) + (1 \times 135)$	38,740
Eviction	215	1	$203 = (1 \times 36) + (1 \times 36) + (1 \times 36) + (1 \times 58) + (0.2 \times 132) + (1 \times 76)$	43,655
Sexual offences	3,998		$268 = (1 \times 36) + (1 \times 36) + (1 \times 58) + (0.2 \times 132) + (1 \times 36) + (1 \times 76)$	1,073,063
Long-term detention (prison)	1,956	365	135	96,371,426
Total Costs				100,109,408

Approaches to Estimate Costs

Income loss (full coverage case):

Derived victims:

Number of female death 35 (based UNODC data).

Female homicide rate 3.1 per 100,000 & Lesotho population of 2.2 million =>35 (*considering half of population women*)

No of women between 18 and 64 group in 2017 (BS): 627,488

Prevalence rates for physical violence 24.6% & sexual violence 6.5%

No of women physical violence derived as 154,362 ($627,488 \times 0.246$) and sexual violence derived as 40,787 ($627,488 \times 0.065$).

VAWG survivors No. in 2017 in Lesotho is **195,149** (**154,362 + 40,787**)

Estimated Costs for 2017

Total Economic Cost of VAWG 2017				
Cost Categories	Typical case		Full coverage case	
	Million Maloti	% of 2017 GDP	Million Maloti	% of 2017 GDP
A. Direct cost	428.1	1.233	1,250.4	3.602
B. Economywide Indirect cost	34.7	0.100	675.6	1.946
C. Total cost (A + B)	462.8	1.333	1,926.0	5.548

The economic cost of VAWG in Lesotho is high.

The total cost under the typical case is Maloti 462.8 million. The *typical case* is 1.333 % of 2017 GDP (Maloti 34,715 million).

The total cost under the full coverage case is Maloti 1,926.0 million. In terms of GDP, total cost is 5.548 %; direct cost is 3.602 % and indirect cost is 1.946 %.

It is more the primary/secondary education (5.4% of GDP) and 86 percent of total education budget (6.4% of GDP)

Estimated Direct Costs

Direct Economic Cost of VAWG 2017				
Direct Cost Categories	Typical case		Full coverage case	
	Million Maloti	% of 2017 GDP	Million Maloti	% of 2017 GDP
Service cost	388.4	1.119	770.1	2.218
Health care	1.2	0.003	140.6	0.405
Law enforcement and judiciary	100.1	0.288	314.8	0.907
Social and specialized services	1.9	0.005	29.5	0.085
Learning time loss (Education)	285.2	0.822	285.2	0.822
Divorce cost	15.9	0.046	15.9	0.046
Personal cost	4.4	0.013	88.8	0.256
Income lost	19.4	0.056	375.6	1.082
Total Direct cost	428.1	1.233	1,250.4	3.602

The combined cost for the social sector under full coverage cost is significant at around 1.23 (i.e. 0.41 + 0.822) per cent of GDP with subsequent effects on the quality of human resources and productivity.

Divorce cost has been estimated at 15.9 million LS - 0.046 % of GDP.

Total direct cost under full coverage case is Maloti 1,250.4 million or 3.602 % of GDP.

Estimated Indirect Costs

Sector Classification	Output loss (Typical Case)	Output loss (Full Coverage Case)
Crops	1.78	34.56
Livestock	1.26	24.52
Other agriculture	1.20	23.43
Agriculture	4.24	82.52
Mining	2.64	51.42
Food and beverages	9.40	182.99
Textiles	3.69	71.94
Other manufacturing	4.64	90.41
Electricity, gas	0.43	8.44
Water distribution	0.15	2.98
Construction	0.12	2.29
Industry	21.08	410.47
Trade services	0.27	5.25
Hotels & restaurant	0.23	4.48
Transport	1.04	20.23
Communication	0.64	12.42
Financial services	0.64	12.42
Government	0.02	0.45
Insurance	0.23	4.53
Rental services	0.28	5.44
Real estate	3.90	76.02
Other business services	0.84	16.37
Education	0.45	8.82
Health and social services	0.42	8.17
Private and other services	0.24	4.58
Private households	0.18	3.43
Services	9.38	182.62
All (Million Maloti)	34.70	675.61
As percent of GDP	0.100	1.946

Estimated Indirect Costs

Output loss could be as high as 2 % of GDP (entirely for the private sector)

Private sector is not immune to the cost of VAWG. Almost all of these 23 activities or sectors are run by the private sector. Per year output loss to the private sector due to VAWG is Maloti 675.6 million or almost 2 percent of GDP. This is a large figure to any private sector group.

Given this high loss to the private sector, elimination of VAWG in Lesotho should also be a priority of the private sector.

The economic cost of VAWG affects everyone in Lesotho

Cost to Girls = 0.822 per cent of GDP

Cost of Adult female = 2.780 per cent of GDP

Cost to the Private sector = 1.946 per cent of GDP

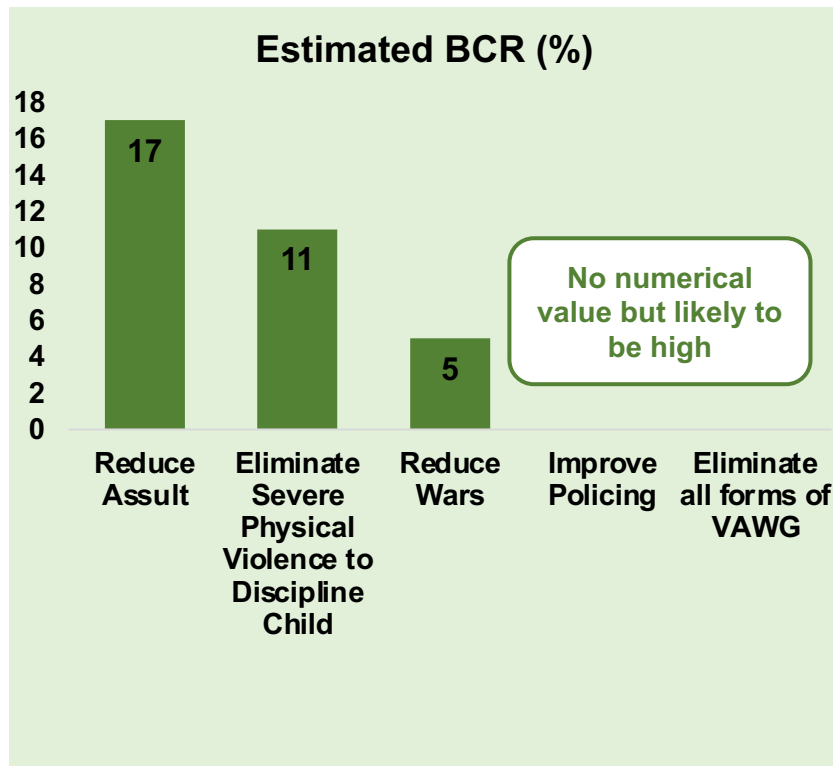
Cost to the Whole society = 5.548 per cent of GDP

Intervention

Intervention Now!

Large interventions gains (Source: Fearon & Hoeffler 2014)

Accumulated costs high



Long term cost									
2017 Short	M 1,926				M 11,863				
Term Costs	million				million				
2017: VAWG									
Experienced									
2017	<Year>								2039

A longer-term cost over the 22-year period at 2017 prices using a discount rate of 10 per cent yields an overall cost of M 11,863 million.

Intervention

- The ‘Department of Gender’ in collaboration with relevant stakeholders (other government agencies) must *formulate effective strategies* to fight VAWG.
- Government may formulate strategies in line with the ‘*whole system*’ approach. The whole system approach focuses on three important aspects such as prevention, provision and protection.



Intervention

- Interventions suggested by the **stakeholder's** :
- **Training on Methodology:** dedicated training on methodology for relevant government officials & other stakeholders to institutionalize the costing model.
- **Strengthening Capacity:** Strengthen capacity of all stakeholders dealing with GBV with dedicated training programmes, digitization of data and statistics and better coordination of work of different agencies involved in tackling GBV.
- **Multisectoral Approach:** Multi-sectoral approach should be considered for GBV. Speedy enactment of DV draft, initiation of school bill (as it has implications on GBV), also replace some section of marriage act 1974.
- **Data collection:** Efforts should be undertaken to gather data and statistics on the some of the weaker areas such as reasons behind absenteeism in schools such that learning time lost measured improved.
 - *Data collection should also include flow of GBV information among various agencies related to GBV*

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