



Increasing Role of Women in Promoting Economic Development

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Abstract

This paper reviews the evidence on both sides of the empowerment–development relationship. It first shows that poverty and lack of opportunity breed inequality between men and women, so that when economic development reduces poverty, the condition of women improves on two counts: first, when poverty is reduced, the condition of everyone, including women, improves, and second, gender inequality declines as poverty declines, so the condition of women improves more than that of men with development, however, is not enough to bring about complete equality between men and women. We aim to influence the mindset of even a fraction of the people by supporting our research with empirical evidence so women are given more opportunities everywhere around the world; with the end goal of increasing development.

I. INTRODUCTION

“Empowerment of women is essential as their thoughts and their value systems lead to the development of a good family, good society and ultimately a good nation.”

~ Dr. A.P.J. Abdul Kalam

The societies all over the world have realised the potential of women as contributors to economic growth and development. Be it micro or small or medium scale operation, women have come forward to establish themselves as owners and managers of these operations.

Worldwide experience shows clearly that supporting a stronger role for women contributes to not only economic growth, it also improves child survival and overall family health, reduces fertility, thus helping to slow population growth rates.

Using descriptive tools and regression analysis on indicators like literacy rate, labor force participation rate, GDP, Population growth, HDI etc., we aim to

derive a relationship between women empowerment and economic growth.

II. OBJECTIVES OF WRITING THIS PAPER

Women are key agents for development. They play a catalytic role towards achievement of transformational economic, environmental and social changes required for sustainable development. But limited access to credit, health care and education are among the many challenges they face. These are further aggravated by the global food and economic crises and climate change. Empowering them is essential, not only for the well-being of individuals, families and rural communities, but also for overall economic productivity.

More emphasis on the importance of their role in promoting economic development has been seen during recent times; and rightly so. Women constitute about 49.6 percent (as per 2017) of the total population. This is almost half of our population and their contribution to GDP and ultimately economic development could be much greater than our current estimates ranging from 17 percent in India to 40 percent in China.

There is a need for people to recognise their potential, and through this paper; we wanted to do our part as women; and citizens of this world in accelerating women’s role in boosting growth as well as development.

Women empowerment and economic development are closely related. Our aim is to study the impact of increasing role of women in the economy on development i.e. the relationship between women empowerment and economic development.

III. LITERATURE REVIEW

Ms. Syamala Devi Bhogandum, Mrs. Hema Malini and Dr. Dasaraju Srinivasa Rao; talk about the correlation between economic development and



women's empowerment in their research paper titled, "Women's Empowerment and Economic Development" (2014).

For a major part of history, the world believed that the foremost 'job' of a woman is to take care of their families and households. It was only when the men went out for war, were the women were asked to go out into the world and fend for themselves; only to take the backseat again when the men returned. It has been observed in history as well as the present that pre-existing notions which are engrained in our minds are very difficult to change. This is why women's role in promoting development has been ignored for so long.

This paper reviews the evidence on both sides of the empowerment–development relationship. It first shows that poverty and lack of opportunity breed inequality between men and women, so that when economic development reduces poverty, the condition of women improves on two counts: first, when poverty is reduced, the condition of everyone, including women, improves, and second, gender inequality declines as poverty declines, so the condition of women improves more than that of men with development, however, is not enough to bring about complete equality between men and women.

During their research, it was found that in the 21st century, most of the women are involved in the agricultural sector or in household activities. However, it was also found that no matter which sector they were involved in, they always showed positive results. It was proved that female participation in counsels, groups and businesses leads to efficiency in operations.

For example, an exercise by Fortune 500 companies tells us that more women on the board of directors of a company resulted in significantly higher financial returns, including 53 percent higher returns on equity, 24 percent on sales and 67 percent on the invested capital (OECD,2008). This shows that increasing women's role in a company increases its overall economic benefits. Thus, increasing their role in our economy would lead to promotion of economic development; thereby promoting economic growth.

"If you educate a man, an individual is educated; if you educate a woman, the entire family is educated."

Education is the most important means of empowering women with the knowledge, skills and

self-confidence to participate fully in the development process. It is necessary for everyone because it is an entry point to other opportunities. Investments in secondary level education yield especially more and higher dividends. At present in the 21st century there was no difference made in the matters of education between boys and girls. Girls who have been educated can recognise the importance of health care and their children's needs. Women's literacy rates are lower when compared to men in developing countries like India. If women are educated then their status will be improved in the economy. Thereby they can grab more number of opportunities and become stronger and powerful than earlier.

Keeping everything in mind that was said by these established authors, we are focusing on the correlation between various independent factors (literacy rate, labour participation rate of women) and economic growth (measured by GDP, HDI and GHI) to establish a connection between them and ultimately find ways to increase the inclusion of women in the world economy, thereby promoting economic development.

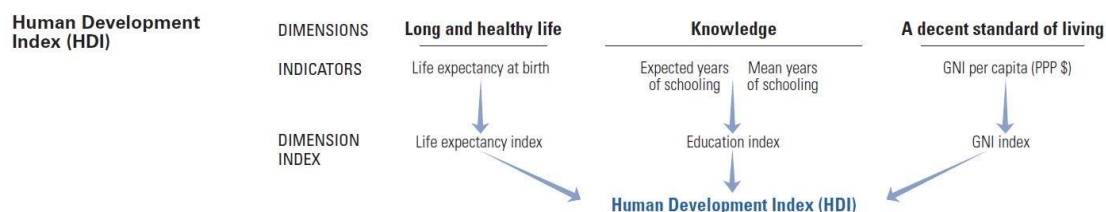
DATA

To conduct our research, we're taking a few independent variables pertinent to participation of women in various spheres of the economy; and then comparing them with dependant variables pertinent to the development of the economy. We have selected the years, 1990-2018 for conducting our research as during this time period, the women empowerment movement was gaining in strength as well as in numbers. This would allow us to review its effects. The details are mentioned below:

- **Literacy rate** is an outcome indicator to evaluate educational attainment. This data can predict the quality of future labor force and can be used in ensuring policies for life skills for men and women. It can be also used as a proxy instrument to see the effectiveness of education system; a high literacy rate suggests the capacity of an education system to provide a large population with opportunities to acquire literacy skills. The accumulated achievement of education is fundamental for further intellectual growth and social and economic development, although it doesn't necessarily ensure the quality of education. Literate women implies that they can seek and use information for the betterment of the health, nutrition and education of their household members. Literate women are also empowered to play a meaningful role.



- **Labor force participation rate** is the proportion of the population ages 15 and older that is economically active: all people who supply labor for the production of goods and services during a specified period. Estimates of women in the labor force and employment are generally lower than those of men and are not comparable internationally, reflecting that demographic, social, legal, and cultural trends and norms determine whether women's activities are regarded as economic. In many low-income countries women often work on farms or in other family enterprises without pay, and others work in or near their homes, mixing work and family activities during the day. In many high-income economies, women have been increasingly acquiring higher education that has led to better-compensated, longer-term careers rather than lower-skilled, shorter-term jobs. However, access to good-paying occupations for women remains unequal in many occupations and countries around the world. Labor force statistics by gender is important to monitor gender disparities in employment and unemployment patterns.
- **Gross Domestic Product (GDP)** at purchaser's prices is the sum of gross value added by all resident producers in the economy plus any product taxes and minus any subsidies not included



IV. METHODOLOGY

Our aim is to study the relationship between the independent and the dependent variables in detail and come up with ways to increase the role of women in the economy. We have studied all the variables in the time period, 1990-2018.

For this purpose, we have calculated the weighted averages of world data with their respective years; followed by regression analysis to find the individual regression equations of all the variables, and descriptive analysis of each independent variable with the dependent variables.

This will provide us with an idea of the relationship between them, and will allow us to study their trends overtime. We will then, find the

in the value of the products. It is calculated without making deductions for depreciation of fabricated assets or for depletion and degradation of natural resources. Data are in current U.S. dollars. Dollar figures for GDP are converted from domestic currencies using single year official exchange rates. For a few countries where the official exchange rate does not reflect the rate effectively applied to actual foreign exchange transactions, an alternative conversion factor is used.

- **Population Growth (Annual %)** rate for year t is the exponential rate of growth of midyear population from year t-1 to t, expressed as a percentage. Population is based on the de facto definition of population, which counts all residents regardless of legal status or citizenship.
- **Human Development Index (HDI)** is a statistic composite index of life expectancy, education (Literacy rate, Gross Enrolment Ratio at different levels and Net Attendance Ratio), and per capita income indicators, which are used to rank countries into four tiers of human development. A country scores a higher HDI when the lifespan is higher, the education level is higher, and the gross national income GNI (PPP) per capita is higher.

correlation between the independent and dependent variables. This will enable us to study the major variables in which improvement is required to attain our final goal of promoting role of women in contributing to economic development.

Our research will be supported with empirical evidence from various data sources and is descriptive in nature. Our end goal is to come up with a hypothesis that provides data on how to increase the role women as well as study their current contributions.

How can women promote India's economic development?

India has been developing fast, but not always equitably or inclusively. Our development model is very much a work in progress and deep-



rooted challenges remain. The biggest issue we face is the empowerment of women. Across the world, educating and empowering women has proven time and again to be the catalyst for rapid socio-economic growth. Conversely, societies where women are repressed are among the most backward. India seems to be somewhere in-between.

Women in India make up 7.5 percent of the world's total population. While certain development indicators show their quality of life is improving – maternal mortality rates declining; literacy rates increasing; more women gaining access to healthcare and education – the pace of change is heartbreakingly slow.

India ranks 113 out of 135 on the World Economic Forum's Gender Gap Index. According to India's 2011 census, the sex ratio for children under six was 914 females to 1,000 males, a disturbing decline from 927 in 2001. The ranking of Indian women in economic empowerment is 0.3, where 1.0 means equality.

This is a dangerous state of affairs for any society. Denying women opportunities to realise their potential is a waste of human capital and bar to economic progress. Women are undoubtedly the foundation of the basic unit of society – the family. Even in traditional roles they demonstrate great innovation, skill, intelligence, hard work and commitment.

If we can harness these attributes effectively, India's growth can be more inclusive and equitable. The education of women is therefore key.

But in a country where nearly 70 percent of the population lives in rural areas, access to educational opportunities is limited. Moreover, poverty puts the girl child at a greater disadvantage. Add to this the social attitudes towards women, and it is obvious that we need a multi-pronged approach if we are to achieve education for women worldwide.

This is where technology – or e-education – can help. E-infrastructure can deliver relevant education to both sexes in an efficient and equitable manner, enabling our youth to leapfrog into the internet age.

When we educate and empower one woman, we set off a chain reaction that transforms the life of her family and the community she lives in. An exemplary model is the network of trained Accredited Social Health Activists ("ASHA"), created under the National Rural Health Mission, who have played a crucial role in improving the health of women and children across India.

Vocational training is equally important to women's economic independence. The inspirational efforts of the Self-Employed Women's Association, founded by Ela Bhatt, and other successful self-help groups, have sowed the spirit of entrepreneurship in hundreds of women.

Sewa's women members are trailblazers, redefining themselves as they add value to their families and the nation. This kind of female empowerment can transform India.

Societal perceptions of females and their role are often the biggest barriers to change, because they shape women's perception of themselves. Across all strata of Indian society, people still believe that women are capable of performing only certain types of jobs and that marriage must take precedence over career.

This mind-set, common to both men and women, must change. We must focus on the girl child and help her escape the traditional stereotypes that stifle her potential.

Take women in science as an example. The prejudice is that women are less capable of understanding science, despite all the evidence to the contrary.

Women in India's Economic Growth

An impressive 133 million Indians rose out of poverty between 1994 and 2012, an achievement that India and the world can be proud of. While worthy of celebration, the success could have been even more dramatic if a greater number of women could contribute to the work force.

In 2012, only 27 percent of adult Indian women had a job, or were actively looking for one, compared to 79 percent of men. In fact, almost 20 million women had dropped out of the workforce between 2005 and 2012. This is equivalent to the entire population of Sri Lanka.

Worryingly, India's rapid urbanisation has not yet encouraged more women to join the labor force. Rural jobs have been decreasing and not enough rural women have been able to make the transition to working in urban areas. This makes the need for greater public safety and safe transport more significant. By any measure, the gap is particularly large and has been widening.

India ranks 120 among 131 countries in female labor force participation rates and rates of gender-based violence remain unacceptably high. It's hard to develop in an inclusive and sustainable way when half of the population is not fully participating in the economy. At 17 percent of GDP, the economic contribution of Indian women is less than half the global average, and compares



unfavourably to the 40 percent in China, for instance. India could boost its growth by 1.5 percentage points to 9 percent per year if around 50 percent of women could join the work force.

This is not to say that India has not had some success. Some young women are staying in school longer, and others are choosing to leave work as circumstances change and incomes rise, but India must turn the tide to realise its development potential.

Valuing girls and women is a critical factor in making societies more prosperous. Women's economic empowerment is highly connected with poverty reduction as women also tend to invest more of their earnings in their children and communities.

For its part, the World Bank ensures that its projects are structured to foster greater economic participation by women. For example, the world bank has invested over USD 3 billion over the past 15 years to support state governments to empower poor rural women through self-help groups. These projects have supported 45 million poor women access skills, markets and business development services. Some of them have become successful entrepreneurs and inspiration for others. As a result, the evidence shows that these women experience greater food security, better access to finance, and higher incomes that benefit their families and communities.

The Skill India Mission not only provides women relevant skills sought by employers, it also ensures that training programs are sensitive to their needs through helping to provide safe transport, flexible schedules and childcare support. In Jharkhand, the World Bank is investing in adolescent girls to help them complete their secondary education and providing mentoring services for them to succeed in the job market.

However, these projects and interventions alone are insufficient. Research shows that even women that have completed skills programs and get jobs tend to drop out in response to family pressures. Changing social norms around marriage, work and household duties will have to be part of the agenda.

Let's spark the interest of young girls in subjects like science and mathematics, and convince them that they are just as capable as boys; that they too can build on careers in engineering, scientific research, IT, and fields that are in demand with prospective employers. We must also raise our sons to respect girls and women, and make it clear that there is zero-tolerance for gender-based violence.

In the home, we need families to see their girls as capable future professionals. Household

responsibilities can be equitably divided between men and women.

It is an opportune time to revisit and reform outdated legislation and policies that act as deterrents to women entering or staying in the labor market. Fostering the creation of better jobs, providing support for child and elder care, and ensuring mobility to and from work can remove significant structural barriers for women to access employment.

Employers need to walk the talk and commit to supporting diversity in the workplace by hiring women and paying them the same wages as men for similar jobs. We need safe transportation and zero tolerance of sexual harassment in the office. The private sector should take a leading role in expanding women's share of employment and firm ownership in emerging industries.

We can accelerate progress by working together. Gender-focused planning is more effective when it's incorporated into everything that we do. Today the World Bank thinks about gender based development in a range of areas and incorporates it in our project design and implementation across different areas.

There are many examples and indications that the government is acting to turn the trend around. Some promising signs are the government's program for skills development, subsidised loans for businesses led by women, and recent legislation doubling maternity leave, and requiring childcare facilities in companies that employ more than 50 people. If implemented and respected, these policies could remove some of the barriers women face and offer a significant boost to India's economy.

In the end, Indian women themselves will have to play a key role in claiming a space for themselves in India's work force.

Let's all pledge together today to increase women's participation in the work force, and realise a higher level of growth and development for India that is more inclusive and sustainable.

V. CONCLUSION

In conclusion, we will be able to establish relationships between the various indicators of women empowerment and development; and analyse how investing in women empowerment can potentially increase development. There's still a long road to go for women to have the same importance as men in the world and the economy. As said earlier, changing preconceived notions of people all around the world is a very long and hard process. When it comes to the world of work,



women still have to face many challenges. Some of these challenges have been mentioned below.

Gender differences in laws affect both developing and developed economies, and women in all regions. Women remain less likely to participate in the labor market than men around the world. Women are more likely to be unemployed than men. Globally, women are paid less than men. Women bear disproportionate responsibility for unpaid care and domestic work. Unpaid care work is essential to the functioning of the economy, but often goes uncounted and unrecognised. Women are still less likely to have access to social protection. Women are less likely than men to have access to financial institutions or have a bank account. The digital divide remains a gendered one: most of the 3.9 billion people who are offline are in rural areas, poorer, less educated and tend to be women and girls. Women are less likely to be entrepreneurs and face more disadvantages starting businesses: In 40% percent of economies, women's early stage entrepreneurial activity is half or less than half of that of men. Women are constrained from achieving the highest leadership positions: Only 5 percent of Fortune 500 CEOs are Women.

Thus, ultimately, we aim to influence the mindset of even a fraction of the people by supporting our research with empirical evidence so women are given more opportunities everywhere around the world; with the end goal of increasing development.

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