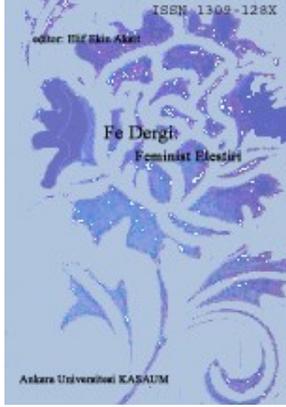


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Gender Equality and Economic Growth

Elissa Braunstein*

One of the most compelling policy arguments proffered by development professionals these days is that gender inequality is bad for economic growth – the efficiency argument for gender equality. The economic logic for this argument is straightforward: excluding women from education, employment and other economic opportunities limits the pool of potential workers and innovators and robs economies of a key productive asset. Discrimination against women and gender inequality also tend to raise fertility, lower investments in the next generation of human capital, and restrict household productivity growth, all of which have been linked with lower rates of per capita income growth. In this article we critically explore how gender equality contributes to economic growth, beginning with a brief overview of how most economists think about economic growth, and the role of gender in these models. We then detail the hypothesized pathways from gender equality to economic growth, covering both macroeconomic and microeconomic studies of the direct effects that gender equality has on economic growth and productivity, as well as research on the indirect mechanisms of fertility decline, investments in children, and less political corruption. We conclude with a discussion of recent research which argues that, under certain circumstances, gender inequality may actually contribute to economic growth.

Keywords: Gender, Growth, Inequality, Efficiency, Discrimination

Toplumsal Cinsiyet Eşitliği Ve Ekonomik Büyüme

Bugünlerde kalkınma çalışan profesyonellerinin öne sürdüğü politika tavsiyelerinden biri, toplumsal cinsiyet eşitsizliğinin iktisadi büyüme için olumsuz etkisini dikkate alır: etkinlik amacıyla toplumsal cinsiyet eşitliği savı. Bu savın ardındaki iktisadi mantık çok açıktır: kadınların eğitim, istihdam ve diğer iktisadi olanaklardan dışlanması potansiyel işgücü ve girişimci havuzunu kısıtlar ve ekonomileri önemli bir iktisadi değerden mahrum bırakır. Kadına karşı ayrımcılık ve toplumsal cinsiyet eşitsizliği ayrıca doğurganlığı artırma eğilimindedir. Bunun yanı sıra bir sonraki dönemde beşeri sermayenin oluşturulması için mevcut dönemde yapılan yatırımları düşürür ve hane üretkenliğinin büyümesini kısıtlar ki bütün bunlar kişi başına düşen gelir düzeyinin büyüme oranının düşük kalmasıyla ilişkilendirilmiştir. Bu makalede, öncelikle, birçok iktisatçının iktisadi büyümeyi nasıl ele aldığını ve oluşturulan modellerde toplumsal cinsiyetin rolünü kısaca özetleyerek, toplumsal cinsiyet eşitliğinin büyümeye nasıl bir katkı sağladığını eleştirel bir biçimde inceliyoruz. Daha sonra, toplumsal cinsiyet eşitliğinin iktisadi büyüme ve verimlilik üzerindeki doğrudan etkilerine dair yapılmış makro ve mikroekonomik çalışmaları tarayarak toplumsal cinsiyet eşitliğinden iktisadi büyümeye götürdüğü varsayılan patikaları ayrıntısıyla inceliyoruz. Bu bağlamda, doğurganlığın azalması, çocuklara yapılan yatırımlar ve siyasi yolsuzlukların daha az olması gibi dolaylı mekanizmalara dair yapılmış araştırmaları da değerlendiriyoruz. Çalışmayı, yakın zamanda yapılmış, belli bazı koşullar altında toplumsal cinsiyet eşitsizliğinin aslında iktisadi büyümeye katkıda bulunduğunu savunan araştırmalara değinerek sonlandırıyoruz.

Anahtar Kelimeler: Toplumsal cinsiyet, Büyüme, Eşitsizlik, Etkinlik, Ayrımcılık

Introduction

One of the most compelling policy arguments proffered by development professionals these days is that gender inequality is bad for economic growth – the efficiency argument for gender equality. The World Bank's Gender Action Plan's assertion that "Gender equality is smart economics" is a good example of this perspective.¹ The economic logic for this argument is straightforward: excluding women from education, employment and

*Associate Professor, Department of Economics, Colorado State University

other economic opportunities limits the pool of potential workers and innovators and robs economies of a key productive asset. Discrimination against women and gender inequality also tend to raise fertility, lower investments in the next generation of human capital, and restrict household productivity growth, all of which have been linked with lower rates of per capita income growth.

A number of empirical studies have tried to estimate just how much gender discrimination costs in terms of sacrificed growth. Estimating the growth costs of employment and education discrimination is the most common empirical methodology, primarily because of the wide availability of macro-level data on gendered employment and education gaps. The resulting estimates of sacrificed growth are substantial. For instance, Blackden and Bhanu, in a study comparing Sub-Saharan Africa with East Asia, find that gender inequality in education and employment cost Sub-Saharan Africa 0.8 percentage points a year in per capita growth between 1960 and 1992; these inequalities account for up to 20 percent of the difference in growth rates between East Asia and Sub-Saharan Africa during the same period.² A more recent study of the 1960-2000 period also estimated the combined growth costs of these education and employment gaps, finding that relative to East Asia, annual average growth rates in the Middle East and North Africa were 0.9 to 1.7 percentage points lower, and in South Asia 0.1 to 1.6 percentage points lower due to gender gaps in education and employment. In a simulation exercise of the economic costs of male-female gaps among a number of Asian countries, it was estimated that gender gaps in labor force participation cost the region between \$42 billion to \$47 billion per year, and gender gaps in education cost \$16 billion to \$30 billion per year.³

Empirical studies of the household aim to capture how gender discrimination limits household productivity and, by extension, macroeconomic growth. In a review of this literature for Sub-Saharan Africa, Blackden and Bhanu report on a number of these studies for the World Bank, and the results are compelling.⁴ For instance, in Kenya it was found that giving the same amount of agricultural inputs and education to women as that received by men would increase women's agricultural yields by more than 20 percent; if women in Zambia enjoyed the same level of capital investment in agricultural inputs (including land) as men, output could increase by up to 15 percent; and in Tanzania reducing the time burdens of women in smallholder coffee and banana grower households would increase the household's cash income by 10 percent, labor productivity by 15 percent, and capital productivity by 44 percent.⁵

In this article we critically explore how gender equality contributes to economic growth, beginning with a brief overview of how most economists think about economic growth, and the role of gender in these models.⁶ We then detail the hypothesized pathways from gender equality to economic growth, covering both macroeconomic and microeconomic studies of the direct effects that gender equality has on economic growth and productivity, as well as research on the indirect mechanisms of fertility decline, investments in children, and less political corruption. We conclude with a discussion of recent research which argues that, under certain circumstances, gender inequality may actually contribute to economic growth.

Gender and Growth Theory

Open up a textbook on economic growth and you are immediately ushered into the standard core of neoclassical growth models, Robert Solow's model of long-run growth.⁷ As the basis of modern neoclassical growth models, Solow's is still a pretty good representation of how most economists think about economic growth, although human capital has since been added to Solow's original model, which only included physical capital and labor supply. Solow's model is illustrated by panel A of figure 1. Panel A represents the standard neoclassical model, where income levels and growth are outcomes of two factors: (1) factor endowments and their accumulation, including physical (K) and human (H) capital, and population growth or labor supply (L); and (2) productivity. Productivity is both the main driver of long-run growth rates and exogenous to the system. Note that this growth story is confined to the supply side of the economy; there is never deficient aggregate demand, involuntary unemployment or underemployment.

[FIGURE 1 ABOUT HERE.]

Women have a unique place in these supply-side models, as women have long been acknowledged as a potential untapped labor supply for market growth, with little thought given to the implications of this transfer of labor for nonmarket production. This is illustrated by Arthur Lewis' treatment of the issue in his classic article on development with unlimited supplies of labor.

The transfer of women's work from the household to commercial employment is one of the most notable features of economic development. It is not by any means all gain, but the gain is substantial because most of the

things which women otherwise do in the household can in fact be done much better or more cheaply outside, thanks to the large scale economies of specialization, and also to the use of capital (grinding grain, fetching water from the river, making cloth, making clothes, cooking the midday meal, teaching children, nursing the sick, etc.). One of the surest ways of increasing the national income is therefore to create new sources of employment for women outside the home.⁸

Lewis did acknowledge that the transfer of women's work from the household to the market would entail some costs, but this point would eventually lose its (albeit lesser) prominence in most other treatments of female labor supply as a source of factor accumulation.

A good example of this shift is the oft-cited work of Alwyn Young, whose contribution to an ongoing debate about the relative importance of factor accumulation versus total factor productivity growth in the East Asian miracle comes down squarely on the side of accumulation – and women are a significant source of it.⁹ Using a growth accounting framework to decompose the sources of growth, Young finds that for the period 1966-1990 rising labor force participation rates contributed 1.0 percent per year to per capita growth in Hong Kong, 2.6 percent in Singapore, 1.2 percent in South Korea, and 1.3 percent in Taiwan.¹⁰ Changing gender roles also factor into the East Asian accumulation story via the rapid postwar decline in fertility rates in the region, which in turn lowered dependency ratios and increased savings and investment. It is estimated that this “demographic gift” contributed between 1.4 and 1.9 percentage points to East Asian per capita GDP growth between 1965 and 1990, about one-third of growth over the period.¹¹ Like changes in productivity though, rising female labor force participation and the demographic gift are largely treated as exogenous shocks, existing outside and independent of economic processes. For instance, in the case of declining fertility, which is so centrally linked to female education and employment, the causal mechanism is still presented as exogenous – a combination of declining infant mortality and the increased availability of family planning services, the results of imported health technologies and government policy.

The fact that Solow's model lacked an explanation of its main driver – productivity growth – spurred what came to be known as “new growth theory,” which models the innovation process as endogenous to the economic system. Referring back to figure 1, new growth theorists see growth as a combination of panels A, B, and C, where factor endowments and productivity are themselves products of socioeconomic and natural structures and processes. Institutions and global integration garner most of the attention in these treatments. The only truly exogenous factor is geography, which may directly affect growth via natural resource endowments such as land productivity or public health (as in the case of the prevalence of malaria in tropical climates). Geography also affects growth indirectly via its effects on global integration, as when a country is land-locked or endowed with significant shipping lanes, and via its effects on institutional development when the latter for instance bears the traces of colonial occupiers or the corruption often linked with an abundance of natural resources.¹²

As indicated by the arrows in figure 1, global integration and institutions shape one another in addition to the proximate processes of factor accumulation and productivity. One can see how developmentalist states shaped global integration in the case of the so-called East Asian miracle, a type of integration that in turn partly determined the pace and structure of technical progress and factor accumulation in these countries. Of course, the seemingly spare square that represents institutions is actually a large and complicated amalgam of factors. However, most new growth theorists simplify this complexity in empirical work by measuring institutional quality as the rule of law and property rights.¹³

Income inequality is a significant aspect of this research, as lower inequality is associated with institutional quality and consequent growth.¹⁴ The (mainstream) political economy explanation of the causal mechanisms from equality to growth is embedded in the neoclassical reasoning of markets and incentives. Perhaps the most familiar line of logic employs the median voter model to argue that higher levels of inequality result in the median voter being poor relative to a country's average income, leading to political pressure for redistributive policies and consequent reductions in incentives to accumulate physical and human capital.¹⁵ Alternatively, imperfect capital and insurance markets inhibit the poor from making investments in physical and human capital. In such cases, redistribution from the rich to the poor can have positive net effects on output and growth.¹⁶ In all of these cases, income inequality is inefficient because it lessens incentives to invest and innovate. Is the same also true of gender inequality?

The short answer is yes. Gender inequality and discrimination are inefficient because they do not maximize productive capacity. Neoclassical faith in the market mechanism anchors the theoretical basis of these

approaches. Inefficiencies exist either because institutions are ‘sticky’ in the sense of failing to change in response to changing economic incentives, as when bankers refuse to lend to female business owners even when there are profits to be made, or because of market failures, as when the land rights system inhibits the use of land by its most productive user.¹⁷ The inefficiency of gender inequality in these models is not drawn in terms of power or coercion, however. Even where gender norms are resistant to change in the face of changing prices or incomes, their persistence is never really dealt with as internal to the economic system, much in the same way that early growth theory treated productivity as exogenous. As such, we are pretty much left with only the language of market imperfections to explain and alleviate gender inequality. Still, this is an interesting and important literature, a central component of the increasingly common economic argument that institutions matter for growth.

Direct Effects

Macroeconomic Studies Macroeconomic analyses of the direct effects of gender inequality on growth focus on educational equality and the misallocation of labor. In terms of the former, the logic is that if male and female students have equal aptitudes, then educating more boys than girls will lower the overall quality of educated individuals via selection distortion effects.¹⁸ Alternatively, with decreasing marginal returns to education, educating more girls (who start out with lower education than boys due to gender inequality) will give higher marginal returns than educating more boys.¹⁹ A number of studies have shown strong positive correlations between women’s education and growth.²⁰ Similar selection-distortion effects apply to labor markets. When workers are kept out of certain occupations or industries based solely on sex, the best worker will not be matched with the most appropriate job.²¹ Alternatively, when women are kept out of the paid labor force completely, average labor force quality will be lower than otherwise, as more productive female workers are kept from working in favor of less productive male workers.²²

Microeconomic Studies Microeconomic studies emphasize the inefficiencies of gender inequality as well, but the underlying theoretical models also admit the exercise of power via intra-household bargaining. These models reject the Beckerian notion that the family behaves as if it were an altruistic unit.²³ Instead, bargaining models portray individuals as living in households where one’s input into production and consumption decisions depends on one’s alternatives to joint production – either divorce or noncooperation in marriage. Individual prices and incomes, as well as what McElroy terms “extra household environmental parameters” (institutions such as property rights and family law) determine this “fallback position,” so there are obvious implications of gender inequities in markets and institutional rules for a woman’s influence over family decisions.²⁴ These models can be “cooperative” in the sense that family members have the information and wherewithal to make enforceable contracts, or “noncooperative” in the sense that women, for instance, must make choices given what their partners are likely to do.

Despite the admission of hierarchy and bargaining at the household level, the structure of neoclassical analysis finally limits the ability of these models to provide insight into gender. The models presume that bargaining between men and women is symmetrical; that is both have the same ability to translate a particular fallback position into bargaining power.²⁵ Objective functions that differ systematically by sex are taken as exogenous rather than focused on as a dynamic product of social and economic interactions. The same applies to the gendered nature of institutional structures – how things like property rights and divorce law are also themselves the result of social and economic processes. To the extent that there are inefficiencies that result from gender inequality, when they are theorized (and not just taken as a given) they are the result of market imperfections, not the result of the exercise of power itself.

Let us consider this literature to see what we mean. Limiting ourselves to work that is germane to the question of gender equality and growth, we get a variety of microeconomic approaches to the implications of imperfect property rights and capital, credit and insurance markets. Weak or nonexistent property rights for women, especially in Africa, are identified as creating production inefficiencies.²⁶ For instance, in Burkino-Faso, more fertilizer is typically used on a husband’s plot than on his wife’s because he can afford more fertilizer. Concentrating fertilizer on the husband’s plot occurs despite decreasing marginal returns to fertilizer use. Even though a more equal distribution of fertilizer between the husband’s and wife’s plots would raise household production, this never happens because each worker prefers a “bigger slice of a smaller pie” – the bargaining problem. Duflo argues that weak property rights prevent women from renting land to their husbands (in which case he would use more fertilizer on it and maximize production), because if the husband works the land long

enough, the wife may lose her property rights. The emphasis in this story is not on self-interest or the possibilities for coercion, but about property rights and their role in the persistence of inefficiencies.

Similar issues come up in markets for capital, credit and insurance. Women have systematically weaker access to credit markets than men, partly because they command fewer resources to begin with and hence have little to offer in the way of collateral, and partly because there is direct discrimination against women in credit markets. Particularly in agrarian or petty trader contexts, these types of credit market imperfections bar women from making production- or profit-maximizing choices. Many of the studies that deal with these issues, particularly in Sub-Saharan Africa, look at the resulting deficiencies in women's access to inputs and conclude that there are significant sacrifices in productivity that occur as a result of asymmetrical access to factors of production.²⁷

All of these studies soundly reject the notion that households are always harmonious and unitary sites of production. The result is that gender inequality is a significant and direct factor in the determination of productivity and output. But it is the market that is most centrally featured as both the source of inequality's persistence (imperfect/incomplete markets), and its preferred solution (realigning market incentives), a point that is central to the literature on externalities as well.

Externalities

The term externality refers to something akin to indirect effects, but with a precise relationship to the market mechanism. An externality occurs when the private costs (or benefits) of an activity are not the same as the social costs (or benefits). Even if the prices or incentives produced by markets are well-functioning for individuals, the added social value or social cost of individual activities are not. Hence activities that generate positive externalities will tend to be undersupplied by markets because the social benefit of the activity is greater than the benefit that accrues to the individual engaged in the activity, and activities that generate negative externalities will tend to be oversupplied from a social perspective for the opposite reason. Gender equality is argued to have a number of positive externalities for economic growth.

Fertility The oldest and most well-known aspect of the gendered externalities and growth literature, one that dates back to early theories of population growth and income, is the linkage between fertility decline and higher growth. Even with constant income lower rates of population growth will lead to higher per capita incomes. But the observed mechanism is much more complex, as briefly explained in the discussion of the demographic gift. Improvements in infant and child mortality turn into a young adult glut, spurring a savings boom and an increase in investment demand.²⁸ Fertility declines as parents turn from child quantity to quality, creating higher capital-to-labor ratios and consequent growth.²⁹ The corollary to this is that fertility is positively correlated with educational inequality by sex.³⁰ Educating women is also documented as an important way of lowering child mortality and under-nutrition, and increasing children's education, aspects of increased child quality and contributors to long-term growth.³¹ Lower fertility is also correlated with higher female labor force participation and gender-based wage equality.^{32,33} The familiar logic is that as the opportunity cost (the value of forgone opportunities) of women's time increase, parents opt for more child quality over quantity. With women doing most of the childcare, it is essential that the opportunity costs of women's time increase relative to men's, as increases in male incomes will only raise the demand for children and increase fertility.

Good Mothers This point about child quality and the association between women's education and incomes and child well-being is an important aspect of the intra-household bargaining literature as well. The argument is that women are "good mothers" in the sense that income under women's control is more likely to be spent on child well-being than income under men's control,³⁴ a sound rejection of unitary models of household behavior. Female influence over household consumption is of course directly linked to women's bargaining power, proxied in empirical studies by various measures such as education, assets at marriage, spheres of decision-making, divorce law, and relative status within the household and society.³⁵ A number of studies show positive correlations between women's bargaining power and children's education and health.³⁶ That women invest a greater proportion of their resources in the household is perhaps not surprising, as women's spheres of influence do not often extend beyond the household.³⁷ This brings up the possibility that mothers are not always altruistic, but a little self-interested like everyone else. This perspective is reflected in Duflo's critiques of the good mother literature,³⁸ though hers are largely econometric criticisms and do not challenge underlying theories of gendered preferences.

Corruption The prospect of altruistic mothers touches on the positive externalities of social norms – if girls are conditioned to act benevolently towards their future children, fulfilling the role of good mother will raise investments in children and long-term growth. The positive externalities of gender norms also come up in studies of corruption and growth. Behavioral studies show that women tend to be more trustworthy and public-spirited than men, with one of the results being that higher proportions of women in government or the labor force are negatively correlated with corruption.³⁹ Here the logic is more about how prevailing social norms may be efficient in some ways, a process that is almost certainly at work in creating the positive externalities of good mothers as well.

When Inequality Contributes to Growth

From the perspective of the early Solow-type growth models, neoclassical institutionalists have made some headway towards making the theoretical and empirical argument that gender relations matter for growth and that there is a positive link between gender equality and economic efficiency. Market imperfections and ‘sticky’ institutions can lead to gender inequality, which in turn may have direct effects on growth via selection distortion-type effects in education and labor markets, and create growth-inhibiting incentives in investments in human and physical capital. Fertility decline, investments in children and decreased corruption are consequences of gender equality with positive externalities for growth. Thus gender equality bears instrumental relevance and international institutions and development agencies have a sound empirical basis for promoting gender-aware approaches to growth and development – the efficiency argument. However, markets and other economic institutions are themselves products of the prevailing social order, including the gender order, and can be used in ways that benefit some over others. Institutions are slow to change because individuals and societies often resist that change, at least partly because it is to their economic benefit to do so.

For instance, consider the work of economist Stephanie Seguino, who argues that gender-based wage gaps have actually contributed to growth among semi-industrialized economies (SIEs).⁴⁰ Seguino posits that the development of many economies is limited by the small size of their domestic markets (they are demand-constrained), and by a lack of foreign exchange to purchase technology-enhancing imports (balance of payments constraints). Where women are segregated into export sectors, as is common among SIEs with labor-intensive export-oriented manufacturing sectors, lower female wages enhance competitiveness and profitability, raising investment and growth. In addition, there is a “feminization of exchange earnings” effect, where lower export sector wages and consequent competitiveness increase a country’s foreign exchange earnings. This affords greater access to global markets in capital and technology, which also enhances growth.

In a later refinement of the short-run theoretical model, Seguino differentiates between gender wage inequality effects in SIEs and low-income agriculturally dependent economies (LIAEs).⁴¹ In LIAEs men specialize in cash crops and nontradables, while women are the main producers of food for domestic consumption or petty traders. Redistributing income towards women will stimulate aggregate demand and output in the short-run because women can increase their purchases of productivity-enhancing inputs and, via increased bargaining power, spend more time on domestically-oriented production and consumption. Because women’s employment does not drive trade and globally mobile investment (in contrast to the SIE case), economic growth increases along with female wages.

The long-run version of this model looks more like a standard neoclassical supply-side model in that the only drivers of long-run growth are labor supply and productivity growth. For both SIEs and LIAEs, labor supply growth is positively correlated with increases in female incomes as gender equality is correlated with increased female labor force participation.⁴² Innovation or productivity growth depends on the growth rate of the capital stock and increases in the efficiency of human capital, as in endogenous or new growth theory. While increases in female wages are argued to have a positive effect on human capital in both types of economies, the effect on the growth rate of the capital stock differs by economic structure. In SIEs, investment is more sensitive to income redistribution towards women workers, and so declines in the rate of growth of the capital stock have the potential to dominate increases in labor supply and human capital efficiency. The opposite is true for LIAEs, where increases in female wages have smaller negative effects on the growth rate of the capital stock. So in the long-run as in the short-run, gender wage inequality is likely to be positively correlated with growth in SIEs, and negatively correlated with growth in LIAEs.

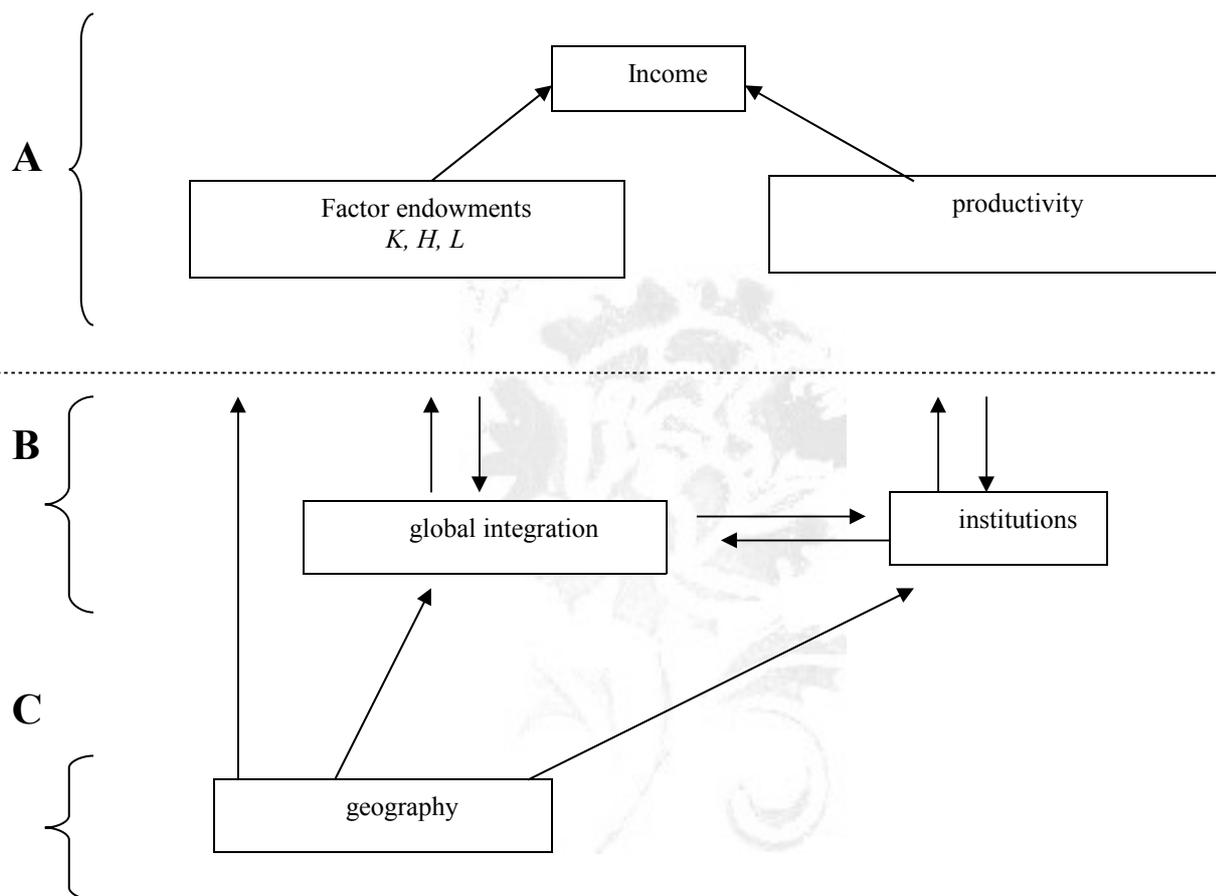
Seguino’s findings contradict the neoclassical literature’s take on gender equality and growth, at least for SIEs. But closer consideration indicates that perhaps it is the *type* of inequality is what matters for growth.

When gender discrimination is manifested in ways that do not compromise the overall quality of the labor force but merely lower the cost of labor for employers, systematically discriminating against women can have positive effects on growth. Gender differences in education *will* lower growth because they lower the productivity of labor. East Asian governments in newly industrializing economies helped ensure wide access to basic education and health during the export-led boom years, as well as implemented and maintained policies to ensure high levels of household income equality.⁴³ These are the key factors linking equality and growth within the neoclassical intuitionist paradigm. However, gendered hierarchies were also maintained via the incorporation of women into the paid labor market in ways that did not unduly challenge traditional gender norms.

In the case of Taiwan, strong patriarchal traditions and inter-generational obligations created high degrees of intra-family stratification based on gender and age, with unmarried daughters the lowest class in the family hierarchy. The early years of Taiwan's export-led boom were fueled by the entry of these women into export factories. Rather than threaten traditional family structures, paid work actually increased sexual stratification because it enabled parents to extract more from filial daughters.⁴⁴ In the 1970s when Taiwan faced labor shortages, the state-sponsored satellite factory system made industrial work more consistent with traditional female roles, enabling increases in the labor supply of wives and mothers.⁴⁵ Similarly, South Korea was able to maintain a competitive labor-intensive sector along with a highly paid male labor aristocracy by keeping wages in female-dominated export industries low.⁴⁶

Concluding Remarks

Thinking about systems of gender from a growth perspective alights on the pitfalls of using the efficiency argument to advocate for gender equality. When gender discrimination and exploitation benefit certain groups (e.g. male labor aristocracies) or sectors (e.g. export earnings), standard appeals to "reason" and "efficiency" in neoclassical work on gender equality will hardly prove compelling. If equality means the loss of gendered advantage or economic rents, it will be resisted regardless of how seemingly socially efficient the attendant economic prescriptions appear. To the extent that we depend on the instrumental value of gender equality to further gender-aware economic policies, we will often get discouraged and perhaps misunderstand continued resistance or failure to change. This is not to say there are no benefits to instrumental arguments. That women's rights and empowerment have gotten some attention is certainly an improvement that is partly due to these types of arguments. But given that gender equality is costly to some in terms of the loss of power or economic advantage, resistance will remain ongoing, especially in cases where gender inequality is strongest and maintains advantage for the privileged.

Figure 1: How Economists Look at Growth⁴⁷

¹ World Bank, "Gender Equality as Smart Economics: A World Bank Group Gender Action Plan (Fiscal Years 2007-10)," World Bank, siteresources.worldbank.org/INTGENDER/Resources/GAPNov2.pdf (Accessed December 7, 2009).

² Mark C. Blackden and Chitra Bhanu. Gender, Growth, and Poverty Reduction. Special Program of Assistance for Africa, 1998 Status Report on Poverty in Sub-Saharan Africa. World Bank Technical Paper No. 428 (1999).

³ United Nations Economic and Social Commission for Asia and the Pacific (UN-ESCAP). *Economic and Social Survey of Asia and the Pacific 2007: Surging Ahead in Uncertain Times*. Thailand: United Nations (2007).

⁴ Blackden and Banu.

⁵ Blackden and Banu, xii.

⁶ Note that in this section we focus on the impact of gender on growth, but there is also an extensive literature that argues that growth is good for women (Dollar and Gatti 1999; Forsythe, Korzeniewicz and Durrant 2000; Tzannatos 1999; World Bank 2001; 2005).

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⁸ Arthur W. Lewis. "Economic Development with Unlimited Supplies of Labour." *Manchester School* 22 (1954): 143.

⁹ Alwyn Young. "The Tyranny of Numbers: Confronting the Statistical Realities of the East Asian Growth Experience." *The Quarterly Journal of Economics* 110, no. 3 (1995): 641-680.

¹⁰ Young. "The Tyranny of Numbers," 644.

¹¹ David E. Bloom and Jeffrey G. Williamson. "Demographic Transitions and Economic Miracles in Emerging Asia." NBER Working Paper No. 6268, 1997.

¹² Dani Rodrik, "Introduction: What Do We Learn from Country Narratives?" In *In Search of Prosperity: Analytic Narratives on Economic Growth*, ed. Dani Rodrik (Princeton and Oxford: Princeton University Press, 2003).

¹³ Dani Rodrik, Arvind Subramanian and Francesco Trebbi, "Institutions Rule: The Primacy of Institutions over Geography and Integration in Economic Development," *Journal of Economic Growth* 9, no. 2 (2004): 131-165.

¹⁴ Alesina Alberto and Dani Rodrik, "Distributive Politics and Economic Growth," *Quarterly Journal of Economics* 109, no. 2 (1994): 465-490; Roberto Perotti, "Growth, Income Distribution, and Democracy: What the Data Say," *Journal of Economic Growth* 1, no. 2 (1996): 149-187; Torsten Persson and Guido Tabellini. 1994. "Is Inequality Harmful for Growth?" *American Economic Review* 84, no. 3(1994): 600-621.

¹⁵ Phillippe Aghion, Eve Caroli and Cecilia Garcia-Penalosa, "Inequality and Economic Growth: The Perspective of the New Growth Theories," *Journal of Economic Literature* 37, no. 4 (1999): 1615-1660.

¹⁶ Roland Bénabou, "Unequal Societies: Income Distribution and the Social Contract," *American Economic Review* 90, no. 1 (2000): 96-129.

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⁴⁷ This figure is based on figure 1.3 from Rodrik, 5.

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