

A Study of Various Consequences of Gender Inequality and Economic Growth

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Abstract – Gender is an important aspect of social and economic stratification. Regardless of one's socioeconomic class, there are systematic gender differences in material well-being, although the degree of inequality varies across countries and over time. The importance of gender equality, women's empowerment and the realization of women's rights in achieving development has been increasingly recognized in recent decades and it has also been realized in India. Women play an important role in every section of the society. A woman equally contributes to development of a nation as a man does. Thus, linking gender inequality and development is important for several reasons and this paper tries to highlight some of its reasons. This paper is an attempt to analyze the role of gender inequality in India, with specific focus on issues that might be expected to be the most critical for overall development of the country.

This study using access to education and health as the indicators of gender inequality examines gender inequality and state level openness in the different states of India. Further, the study's findings show that at the sub-national level in India higher per capita income is accompanied with lower gender inequality. However, in some high income states gender inequality is also very high.

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INTRODUCTION

The role of women in economic development has been a popular topic in academic and policy debates. The last half century has witnessed a drastic increase in labor participation of women in most developed and developing countries. During this period, the labor participation rate of women has been converging to that of men in most countries, and the gender gap in wages has narrowed down. In many developing countries, inequality in access to quality education between girls and boys adversely impacts girls' ability to build human and social capital, lowering their job opportunities and wage in labor markets.

Significant barriers remain to women's participation in labor markets (Elborgh-Woytek et al. 2013). Supply-side constraints, especially those related to fertility, marriage, and child-rearing, influence the determination of females' labor market participation. There are also demand-side barriers in society that restrict women's equitable access to jobs, skills development, and fair earnings. A key source of inequality between women's and men's participation in the labor force stems from the way women allocate their time. At all levels of incomes, women tend to do the majority of housework, and correspondingly, they spend less time on market work. Women in developing countries are likely to be involved more in housework than in market work

(Berniell and Sánchez-Páramo 2011, World Bank 2012).

In recent years, there has been increased interest in the effect of shifts in income distribution on economic growth. Furthering that effort, economists who incorporate feminist perspectives in their work are beginning to build a body of work that extends analysis to consider the ways in which the distribution of income by gender can influence short- and long-term macroeconomic outcomes.

The relevance of gender as a macroeconomic variable has not yet been widely embraced by the economics profession, however. As a result, research emanating from the recently renewed academic interest in the determinants of economic growth is virtually devoid of a gendered perspective. Nor, on the empirical side, does the spate of cross-sectional growth accounting studies that followed on the heels of new growth theory consider gender a significant explanatory variable. The research presented here is an effort to fill the latter lacuna. In particular, this study investigates empirically the impact of gender inequality on economic growth.

Promoting gender equality and empowering women is one of Millennium Development Goals (MDGs) set by United Nations and it is on public policy agenda of almost every country of the world

because inequality on the basis of gender cannot be justified on any ethical or philosophical basis. In spite of this, gender inequality can be observed in almost all developing countries and even in the developed world. In his influential work Sen, has pointed out the phenomenon of missing women which confirms the existence of gender inequalities across the globe. Reduction in existing gender inequalities is a matter of concern for social scientists and economists not only due to its well-being related dimensions but also because it has certain economic implications. Apart from intrinsic problems of gender inequality, it may undermine a number of development goals. Gender inequality in education may prevent reduction in fertility rate, infant mortality rate and can also have negative effects on children's education and health. It may also affect economic growth through a number of channels.

Gender inequality in employment and wages is also argued to be having economic growth effects through different channels. For instance, gender gap in employment can reduce the average ability of work force by reducing the pool of talent from which employers can draw. This reduction in average ability of work force can impede economic growth. Similarly gender wage gap can also have effect on economic growth and degree of development of a country. Growth effects of gender wage differentials can be summarized as: lower wages for female work force in export oriented industry increases the competitiveness of the country by decreasing the per unit production cost which is helpful in export expansion and stimulates investment through increasing the profitability of producers. This increase in investment and exports leads towards increase in economic growth. However opposing view regarding the economic growth effects of gender wage differentials can also be perceived.

Gender Inequality, to a great extent, reflects the extent of socio-economic development. In recent years, we have seen that many developed countries have laid a lot of emphasis on the concept of Gender inequality. However, in order to have policy relevance, bringing out an indicator of gender inequality in India may help to draw government's attention to gender inequality and the policies needed to reduce it. We can also expect it to bring an answer to the question that whether greater gender equality would enhance growth and development. Over a period of time we have seen that achievements in India's developmental process have been significant. But still a lot of things are yet to achieve and one of the main things is Gender equality.

India is increasingly portrayed as „high globalizer“ and a „poster state“ of globalization (Rato, 2007). The extensive trade reforms and other reforms were carried out by the Indian government in 1991 with the objective of reducing controls and easing policies to achieve greater integration with the world economy

and to stimulate economic growth. Often referred to as „globalization“, the impact of integration in a large economy could differ for different groups of people like rich, poor, women, disabled, marginalized groups such as, those belonging to low caste, regions, and rural and urban areas. In recent years, globalization and its implications for gender have been much discussed and commented upon in the wider literature. In the Indian context, a large literature has examined regional disparities in the country and has suggested that the disparities have increased since the reforms. Yet in this discourse the issue of gender inequality at the sub-national level and its impact on economic growth and development has remained unexplored. Some studies have explored this in the context of globalization, but only in a localized context and their geographical scope does not extend to all the states of India.

This paper examines gender inequality and economic development in the different states of India. Specifically, it examines whether gender inequality differs across the Indian states and whether it is lower in more open and „globalised“ states. The question is significant as in a large economy social and economic characteristics at the sub-national level could vary sharply from that at the national level. Even localized field level studies focused on a single state or selected parts of state may not be able to present a macro state level perspective. The question is also significant as it unfolds whether in a fast growing and global integrating economy to what extent its population, differentiated by gender, is able to partake in its integration and growth.

Gender inequality, that is, disparities between individuals due to gender has been defined differently by different studies. Sen (2001) defined gender inequality as „not one homogeneous phenomenon, but a collection of disparate and interlinked problems.“ According to him, these could be mortality inequality; natality inequality; basic facility inequality for instance, unequal access to schooling to girls; special opportunity inequality such as, unequal access to higher education, professional trainings etc.; professional inequality in certain occupations; inequality in ownership of assets; and inequality within household in the division of labour. Gender inequalities also exist in the workforce for example, wage gap between men and women and unequal treatment meted out to women in higher promotions, postings etc. In our study, gender inequality is defined as inequality in women's access to education and health.

GENDER INEQUALITY IN INDIA

Role and Position of Women in Present India:

Women, one half of the nation, are still under social bondage and have suffered greatly in Indian

history. They have suffered from lack of social liberty. They have faced social evils like child marriages, polygamy, and enforced widowhood. Women still are much less educated than their male counterparts. As mothers, women represent the unfathomable depths of human sentiments. It is really impossible to describe individually the various roles women play to make the world better. The whole family revolves around the efforts of the women, so also the whole society and the nation. The position of women in society is not exactly what it should be. In the social and cultural fields, they have lost their position. In the economic sphere of activity, though they play a major role, their contribution is not recognized, and as a class they continue to occupy a secondary position. Unfortunately, their helplessness in different walks of life has led to their exploitation at almost every step. Lots of women in the society are subjected to cruelty and exploitation. What is most degrading for women is that they are not only being neglected in the social milieu but are subjected to harsh cruelties and atrocities as a class. These atrocities are of many types ranging from mental torture to psychological assaults, which often result in murder or suicide. Deprived of all education, confined within four walls of the house, seeing little of the world and knowing little of it, our women are not better than slaves.

Gender Inequality and Development:

Development- a nice word to hear involves various factors. Development of a nation in a complete sense means the overall upliftment of the entire population as a whole. It means each sector of the country has to develop equally. In the past years everyone is saying that India has developed a lot. But is it true? How can we say that only based on some values such as GDP and GNP? Yes it is true we as a nation have achieved a lot in the past years but at the same time we cannot ignore the fact that half of the population of the country specially the women are deprived of many things. And the entire country can achieve the pace of development only when these section of the society i.e. the women begins to equally contribute to the nation. For this it is very important that all possible steps must be taken to eradicate gender inequality. There is growing evidence of the synergies between gender equality, on the one hand, and economic, social and environmental sustainability, on the other. For example, when women have greater voice and participation in public administration, public resources are more likely to be allocated towards investments. Yet this is also a time of opportunity. There are many examples around the world of alternative development pathways that move towards sustainability with gender equality. Gender equality and development can reinforce each other in powerful ways. Achieving gender equality and realizing the human rights, dignity and capabilities of diverse groups of women is a central requirement of a just and sustainable world. Increasingly, women's full participation is recognized as central to policymaking. For example, their decisive

involvement in community forest management bodies yields positive outcomes for both forest sustainability and gender equality (Agarwal, 2010). Further, certain aspects of gender equality, such as female education and women's share of employment, can have a positive impact on economic growth, although this impact is dependent on the nature of growth strategies, the structure of the economy, the sectoral composition of women's employment and labour market segregation, among other factors (Kabeer and Natali, 2013).

Gender inequality index of India:

- The United Nations Development Programmer's GII measures the human development costs of gender inequality.
- A higher GII value — 0.563 in the case of India — indicates a greater disparity between men` and women.
- India ranks 130 of 155 countries on GII.
- It is a composite index of the reproductive health for women (Maternal mortality rate +Adolescent birth rate), their empowerment (based on the share of parliamentary seats held by them + the per cent of 25 year plus population with secondary education) and their economic status (labour force participation).India ranks 130 of 155 countries on GII.
- India's record is particularly distressing when it comes to of women in Parliament and their labour force participation.

RELATIONSHIP BETWEEN GENDER INEQUALITY, AND ECONOMIC GROWTH

Women's contribution to economic growth can be through accumulated capital- both physical and human capital; their participation in the paid workforce and through increased savings. In the theoretical endogenous growth literature, human capital is recognized as an important source of economic growth. Human capital, defined as "direct expenditure on education, training, health and internal migration" was first recognized as a source of economic growth by Shultz (1961, p.1). Becker in 1964 (third ed. 1993) even titled his book „Human Capital" and described the forms of human capital as schooling, on-the-job-training, medical care and migration to improve income prospects. Women's role in endogenous growth literature is linked to the changed fertility pattern, a consequence of increase in capital per worker and higher wages leading to reduction in fertility and economic growth (Galor & Weil, 1996).

Women's role in development is reflected in reduced maternal mortality and improved maternal

care, better education and nutrition of children, reduced fertility, and increase in the average age at first marriage (Shen & Williamson, 1999). Besides, the improved status of women in general, and better education of the mother in particular influences overall attitudes, including preferences of women towards the girl child. Often, it is this discrimination against the girl child from the moment she is born, or even before her birth, which culminates eventually in the low status of women, and leads to many other poor economic and social outcomes.

While a large number of studies have found that gender equality and economic growth are positively related, and that higher per capita income is associated with lower gender inequality, the impact of globalization on gender inequality has not been much researched. The increased trade opportunities through increased employment and output are expected to benefit all population groups including men and women.

In the Indian context in a country level analysis, Pande (2007) urged researchers to incorporate gender perspective in the globalization debate and argued that women in the informal sector with poor access to land, credit, education and health facilities remain marginalized despite globalization. They are often exploited by working long hours and paid low wages and also lack voice and participation. In this context, the author pointed out that the emergence of self help groups which provide finance to women to start entrepreneurial ventures is a welcome initiative. Some other studies (Fontana et al., 1998; Fontana & Wood, 2000; Cağatay, 2001) also found that in the agricultural based economies trade actually leads to increase in gender inequality.

METHODOLOGY

Data Collection-

For proper understanding of a place or about an aspect some methods are essential. There are several methods to study about the earth's surface. Due to shortage of time and manpower, the method applied for the paper is Secondary Data Collection method. For the present work, data for the study have been collected from the Statistical Abstract of India and other related documents published by Census of India, and from other world reports on India. The comparative analysis has been done for the years to understand the demographic changes and gender inequality for India. In the context of demographic changes for India the main focus of our study has been to understand gender inequality from the available data on education, health and employment and to correlate it with development.

Data Processing and Analysis-

The data after collection has to be processed and analyzed in accordance with the outline laid down for

the purpose at the time of developing the search plan. In the present study, the secondary data collected were processed by using cartographic and statistical technique. With the help of bar graph, pie diagram, line graph etc. The variable was found out in the form of information. With the computation of data, interpretation and analysis is been made, compared between the decadal years in respect of change in literacy, population growth etc.

Study Area

India is a land of diversities located at an extension of 8°4'N to 37°6'N latitude and 68°7'E to 97°25'E longitude. It is land to the second highest population of the world with a female population of 48.5% within the country according to 2011 Census report, India. India is a country of varied cultures, religion, tribes, communities etc. In such diverse society, the study of status of women is very much complicated. In a developing nation like India, women's lower status is reflected not only in their work being underpaid, un-recognized, but also in their limited access to productive resources and support services such as health and education. The focus of this paper is on issues concerning gender disparities in the context of India so as to examine the nature of prevalent discrimination and biases against women.

CONCLUSIONS

In recent years gender has become a significant part of the mainstream discourse on economic growth and development. Gender perspective has been adopted by the international organizations such as, World Bank, WTO and IMF in the formulation of Millennium Development Goals, trade policies and macroeconomic structural programmes. A large number of studies based on cross-country results have also highlighted the role of gender in economic growth and development. Education is the most important way to erase gender inequality. So, steps must be taken in order to promote education among women. Women should be given free education upto post-graduate level. Every girl must get the opportunity to go to school. Sufficient number of seats must be reserved for the eligible women candidates for services in all autonomous institutions, semi-government and government institutions.

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