

Gender Inequalities May Hinder Development: Evidence from Cross-Country Regression

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Abstract

Using cross-section analysis and instrumental variables, this paper shows that gender inequalities may hinder economic development. Indeed, in ruling out half of population by discrimination, some countries limit their ability to accumulate physical and human capital and to innovate. Then, gender inequalities can be considered as a "deeper determinant" of economic growth like institution, trade openness and geography. For the most unequal region, South Asia, gender inequalities is funding reducing economic growth by 1.6 %. To measure gender inequalities, this paper proposes a new composite index: the gender inequalities index (GII). GII takes into account most dimensions in which gender inequalities appear in developing countries. Its aggregate strategy overcome multicollinearity problem and determines endogenously the weight of each dimension.

JEL classification: J16, O11, O57, C43

Keywords: Growth, Gender inequality, development economics.

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