

# *Gender Equality and Economic Development: A Cross-country Comparative Study*

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**Abstract:** This article aims to explore the relationship between gender equality and economic development. Through a comparative analysis of data from different countries, the article reveals the positive impact of gender equality on economic growth, employment rates, education levels, and health indicators. The study finds that gender equality is not only a fundamental human right but also a key driver of economic development. Gender equality can contribute to the diversification of the labor market and increase the proportion of women participating in economic activities, thereby increasing overall economic output. In addition, gender equality is associated with investment in education and improved health, which together work to increase a country's human capital and productivity. The article concludes with policy recommendations highlighting the role that governments and international organizations should play in promoting gender equality and how legislative, educational, and sociocultural reforms can be used to achieve gender equality and, in turn, promote economic development.

**Keywords:** Gender equality, Economic development, labour market, Investment in education

## **1. Introduction**

The extent to which gender equality, an important goal of social justice and sustainable economic development, is achieved varies widely across the globe and is influenced by a number of factors, including the level of economic development, cultural traditions, and the policy environment [1]. Many studies show that the realisation of gender equality is a complex process involving multiple dimensions such as economy, culture, policy, and education. Through these studies, we can gain a deeper understanding of the multidimensional influences on gender equality and provide scientific basis and policy recommendations for the promotion of gender equality.

The relationship between economic development and gender equality is indeed bidirectional, and this relationship shows complexity in different countries and regions. The following are some foreign examples and research findings that demonstrate the multidimensionality and complexity of this relationship, for example, according to one study, Bulgaria ranks high in terms of equality of opportunities in education, due to the legacy of the universal education policy of the state socialist period. However, despite the historical commitment of the state to guarantee employment for both sexes, these countries do not show the same level of satisfaction in terms of gender equality in economic and political outcomes. Another study assessed the role of gender equality on economic growth in Africa, using Rwanda as an example. The study found a strong relationship between gender

equality and economic growth. Gender equality contributes to economic growth by increasing the labour force, reducing maternal health problems, increasing national income, and promoting human rights. For example, conducted a policy experiment in Benin, a low-income country, which examined the impact of different dimensions of gender inequality (declining childcare costs, declining gender pay discrimination, declining preference for sons in the allocation of mothers' time, and increasing female bargaining power) on economic growth [2]. These examples and research findings suggest that the relationship between economic development and gender equality is mutually reinforcing, but that achieving gender equality requires policy guidance and support, as well as societal acceptance and practice of gender equality values.

This paper provides an overview of the relationship between gender equality and economic development, analyses national experiences in the areas of labour, education, politics, and health through cross-country comparisons, summarises the mechanisms of their impact, and explores the policy paths and challenges to achieving coordinated development between the two.

## **2. Two-way relationship between gender equality and economic development**

### **2.1. Gender equality for economic development**

Gender equality contributes to wider female participation in the labour market. Studies have shown that an increase in female labour force participation significantly boosts economic growth. The McKinsey Global Institute report states that promoting gender equality in the workplace could contribute up to \$28 trillion to global GDP growth. If China can achieve the highest level of gender equality in the Asia-Pacific region, it will generate a GDP increase of about \$3 trillion, equivalent to the projected GDP of France in 2030. The report highlights the enormous potential of gender equality for economic growth [3]. The Another McKinsey Global Institute study, "The Power of Equality: How Gender Equality Creates \$12 Trillion in Growth for the Global Economy," further highlights the importance of gender equality for global economic growth. The study found that under the "full potential" scenario, in which women play the same role as men in the labor market, GDP would increase by 26%, or \$28 trillion, in 2025, and global GDP would be substantially higher if the gender labor gap was closed [4].

The study, "Gender Inequality and Economic Growth," explores how gender equality can boost economic growth by better distributing the valuable resource of female labor. This study found that in countries with higher levels of gender equality, those industries that typically employ more women grew faster relative to other industries [5]. This suggests that gender equality can boost economic growth by allocating female Labour to more productive uses. Analysing Gender (In)Equality and China's Economic Transition, the article mentions that gender equality and women's empowerment are not only human rights issues, but also economic imperatives that are critical to the development agenda [6]. Gender-equality education policies not only increase the level of female education, but also enhance the quality of human capital in the labour market, thus contributing to economic efficiency and productivity. In Twenty years of gender equality research: a scoping review based on a new semantic indicator, progress in gender equality research over the past two decades is synthesised, with particular emphasis on the important role of education in gender equality. The research shows that education is critical to improving women's human capital and is an investment in women's future. Education helps to break down gender stereotypes and improves women's social and economic opportunities, thereby contributing to economic growth [7]. Gender-equitable education policies not only raise women's educational attainment levels but also enhance the quality of human capital in the labour market, thereby contributing to increased economic efficiency and productivity. This study provides theoretical support for the shift in corporate strategic thinking that is necessary due to the increased representation of women in senior positions, as well as empirical evidence for

the growth of environmentally friendly innovation [8]. So at the enterprise level, gender-diverse management teams are more likely to drive innovation and the quality of decision-making, thereby improving economic competitiveness.

## **2.2. Economic development promotes gender equality**

Economic development provides more resources for the government and society to improve women's health, education, and employment opportunities, thus promoting gender equality. With economic development, the traditional concept of gender roles has gradually weakened, more women have entered the public sphere, and the social environment for gender equality has improved [9]. According to the experience of the society, economic development promotes gender equality, but the increase in economic level is not the only guarantee. This study shows the impact of economic development on gender equality by introducing the Nordic and developing countries, as well as the East Asian countries, and through the case studies we will find out what other factors affect gender equality besides economic factors.

### **2.2.1. Successful experiences of the Nordic countries**

The Nordic countries, such as Sweden, Norway, and Finland, have long invested heavily in gender equality policies, including high rates of female participation in the labour market, comprehensive childcare support policies, and equal pay distribution. Studies have shown that these policies have contributed significantly to economic growth [10]. Sweden is well known for its family policies, which are designed to encourage women to work while at the same time providing accompanying measures to support 'caring responsibilities'. Swedish family policy is based on two pillars: a generous parental leave scheme and a well-established public childcare system, in the form of cash support, parental leave policies, and a public childcare system. Specific contents include parental benefits (maternity leave, paternity leave, parental leave, flexible working hours), pregnancy benefits, parental leave (care leave), etc. These measures have a positive effect on the reconciliation of work and family and effectively promote gender equality and women's development. In addition, according to an OECD report, family-friendly, female-employment-increasing policies pursued by the Nordic countries over the past 50 years have boosted GDP per capita by 10-20 percent [11]. This shows that gender equality policies have not only increased women's wealth but also had a positive impact on economic growth and development. Taken together, the case of Sweden shows that gender equality policies have made a significant contribution to economic growth through increased female labour market participation, comprehensive childcare support policies, and the distribution of equal pay for work of equal value.

### **2.2.2. Challenges for developing countries**

Developing countries are often constrained by cultural traditions, lack of resources, and entrenched social structures in achieving gender equality and economic development. For example, in Sub-Saharan Africa, women's economic rights and access to resources remain limited despite their significant contribution to the agricultural economy. The Women, Doing Business and the Law Index varies widely, from 89.4 in Mauritius to 29.4 in the Sudan [12]. In South Asia, women have only two thirds of the legal rights of men. Pakistan has lifted restrictions on women's night work, but overall, progress on gender equality in the region has been slow. Moreover, there is a significant gap between legal rights and actual implementation, with the World Bank Group's report Women, Business and the Law showing that globally women enjoy only two thirds of the legal rights enjoyed by men, and that there is a huge gap between legal reforms and actual outcomes. For example, while 98 economies have enacted equal pay laws, only 35 have adopted pay transparency measures or equal pay

enforcement mechanisms [13]. Global progress on gender equality has been slow, and Progress on the Sustainable Development Goals: A Gender Snapshot 2023, published by UN Women and the United Nations Department of Economic and Social Affairs, shows that despite global efforts, gender equality remains elusive. The report reveals worrying realities, including the number of women and girls in extreme poverty, the problem of girls out of school, and the dramatic increase in the number of women and girls in conflict-affected areas [14]. According to a literature review published by Seema Jayachandran in 2015, lack of economic development is a cause of gender inequality. Men dominate in physically dependent sectors such as agriculture and industry, whereas with economic growth, the share of services increases and with it the productivity of female labour. This shows that the level of economic development has a direct impact on gender equality [15]. These cases illustrate the challenges to gender equality faced by developing countries, including the level of economic development, the slow pace of global progress, the gap between legal rights and actual implementation, and gender inequality in specific regions. These difficulties not only affect women's rights and opportunities, but also constitute obstacles to economic development and social progress in these countries.

### 2.2.3. The dilemma of East Asian countries

East Asian countries (e.g., Japan and the Republic of Korea) continue to face bottlenecks in gender equality in the midst of rapid economic growth, particularly in the form of the 'glass ceiling' in the labour market and the limitations on women's career advancement due to traditional gender perceptions. Sweden, as a Nordic country, has long invested significant resources in gender equality, with policies that include increased female labour market participation, comprehensive childcare support policies, and equal pay allocations. Sweden spends 3.5 percent of its national GDP on family benefits and has a high fertility rate of around 1.85. Women make up about half of the members of the Swedish parliament, and a larger proportion of women than men receive undergraduate and postgraduate education. These policies and cultural contexts have given women in Sweden more choices in childbearing and career development and a relatively high status for women. In contrast, some developed countries in East Asia, such as China, Japan, and South Korea, face a number of challenges in terms of gender equality. According to the Global Gender Gap Report 2023, progress on gender equality in East Asia and the Pacific has stagnated for more than a decade, with the region regressing by 1.6 percentage points compared to when the previous edition of the report was released. In addition, East Asia will add 58 more years to the 131 years needed to achieve gender equality than the global average [16].

This indicates a significant difference in gender equality between East Asia and the Nordic countries. This is because several key factors contribute to this difference: The Nordic countries have cultural and social values that are more orientated towards gender equality, whereas some countries in East Asia may be more traditional and emphasise male dominance in the family and in society. Secondly, the Nordic countries have more comprehensive and supportive policies and legal frameworks for gender equality, including parental leave policies and childcare support, whereas East Asia has more comprehensive and supportive policies and legal frameworks for gender equality, including parental leave policies and childcare support. While some countries in East Asia may have inadequate or poorly enforced policies in this area, the Nordic countries have more comprehensive and supportive policies and legal frameworks to promote gender equality, including parental leave policies and childcare support. The Nordic countries have eliminated a larger proportion of gender gaps in economic participation and opportunities, whereas some countries in East Asia have more room for improvement in this area. The Nordic countries have a relatively high level of women's political participation, while some countries in East Asia have a relatively low level. Women in the Nordic countries participate in politics at relatively high levels, whereas women in some East Asian

countries participate in politics at relatively low levels. In summary, the case of Sweden, a Nordic country, shows positive progress in gender equality, while some developed countries in East Asia face more challenges and difficulties in advancing it. These differences reflect the differences in culture, policies, and social values in different regions.

### **3. Intrinsic mechanisms and policy recommendations**

#### **3.1. Equality of opportunity in education**

The link between education and careers: Equality of opportunity in education provides women with the possibility of entering well-paid careers. Case: A Study of Education and Gender Income Inequality in China, According to a study by the Centre for Social Research of Peking University, education is the most important and central driving force behind the concept of gender equality. The level of education is significantly correlated with the gender role division of labour perception score, with each additional year of education reducing the gender role division of labour perception score by 0.69 points for men and 0.95 points for women [17].

This suggests that equality of educational opportunities provides women with the possibility of entering higher-paying occupations, thereby reducing gender income inequality. Education not only increases women's labour force participation but also enhances women's awareness of their rights and interests, reduces child marriage, contraceptive deficiencies, and selective abortions, and improves maternal health, all of which are important factors for gender equality and economic development.

#### **3.2. Influence of social security system**

The role of the social security system: Equal social welfare policies provide security for women's participation in economic activities. Case in point: Sweden's gender equality policies. Sweden has reduced the number of women interrupting their careers due to family responsibilities by providing generous parental leave schemes and public childcare services, thereby increasing women's labour force participation and economic independence. These policies have not only provided women with opportunities to participate in the economy but have also reduced the gender income gap and contributed to economic development.

#### **3.3. Influence of cultural change**

The long-term promotion of gender equality by changes in cultural attitudes cannot be ignored. Case in point: 20 years of changing gender attitudes in China. According to research by the National History Network of the People's Republic of China, the urban-rural divide in China is a special case in which gender and urban-ruralism may interactively influence gender attitudes. Young people tend to have more egalitarian gender attitudes because they live in a more relaxed and diverse social environment, are better educated, are more likely to be exposed to modern ideas, show greater independence and autonomy, and are more likely to want to create a new life through their endeavours [18]. As cultural attitudes change, women tend to favour equal employment opportunities and are more likely to benefit from gender equality. Women's participation in the workforce, i.e., in public life, allows them to see their own social value while recognising their own family value and encourages them to change their roles from 'family bearers' to 'breadwinners', which is not to be overlooked as a long-term contribution to gender equality.

These cases demonstrate how factors such as education, social security systems, and cultural change interact to influence women's status and economic development. Gender equality and economic development can be effectively promoted through the provision of equal access to

education, the establishment of supportive social security systems, and the promotion of cultural change.

#### 4. Conclusion

There is a significant two-way relationship between gender equality and economic development: gender equality contributes to economic growth by raising labour force participation rates, education levels, and social diversity, and economic development provides resources and institutional safeguards to improve gender equality. Cross-country comparisons show that policy interventions and cultural transformations play a key role in achieving gender equality goals. While developed countries have achieved successful experiences in the synergistic development of economy and gender equality through sound social security and gender equality policies, developing countries are still facing challenges such as lack of resources and bounded concepts. The degree of development of gender equality varies among countries with different economic levels, and even in East Asia, countries with high economic levels, such as Japan and South Korea, do not keep up with the Nordic countries in terms of the level of development of gender equality. This shows that economic development is not a guarantee of gender equality. In the future, the global community needs to strengthen cooperation and help countries, especially developing countries, to narrow the gender gap through resource sharing and policy exchanges. At the same time, countries should formulate long-term strategies in the light of local realities to ensure the sustainable advancement of gender equality. Gender equality is not only a manifestation of morality and social justice but also an important pillar for achieving economic prosperity and sustainable social development.

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