

# Discussion on Gender: Nobel Symposium in Economic Science

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- These structures create constraints that can keep women from achieving their potential
- Overcoming these constraints has implications for both equity and efficiency

# Gender Equity and Market Efficiency

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- Greater female labour force participation (for example)
  - impacts human capital of children, helping overcome sub-optimal inter-generational investment in education (Heath et al (2024))
  - leads to a better allocation of talent and more economic growth (Hsieh et al 2019, Ashraf et al 2022, Bandiera et al 2022)

# Who decides who works outside the home? The household meets the market

- Unitary Household (common preferences or benevolent dictator)
- But differences in preferences inside the household well-documented

# Who decides who works outside the home? The household meets the market

- Ex: she wants to work; he doesn't want her to.
- What will they decide? Repeated interaction, full commitment

# Efficiency in the Household

- Maximize joint utility (weighted sum of individual utilities) s.t. budget constraint
- Differences in preferences should do not impede household efficiency, which is predicted (cooperative models) or assumed (collective models).



# Efficiency in the Household

- Differences in preferences inside the household well-documented
- In theory, these differences should do not impede household efficiency, which is predicted (cooperative models) or assumed (collective models).
  - note: outcomes may differ from policymakers' preferences or societally efficient outcomes and say nothing about equity

# Enter the Policy Maker

- Women's preferences closer to policy objectives: empower!

# Enter the Policy Maker

- Women's preferences seem closer to policy objectives: Empower!
- Bargaining weight of woman goes up; household should still make efficient choices with a different distribution

# Inefficiency in the Household

Evidence on efficiency losses:

- in productive output (Udry 1996), insurance, (Dercon and Krishnan 2000; Robinson 2012)

# Inefficiency in the Household

Evidence on efficiency losses:

- in productive output (Udry 1996), insurance, (Dercon and Krishnan 2000; Robinson 2012), savings (Schaner 2015)
- from hiding of income (Ashraf 2009; Hoel 2015; Jakiela and Ozier 2016; Mani 2020; Castilla 2019)

# Conflicting objectives

- Women's empowerment may be coupled with worsened family dynamics (see for example, Lowes (2020); Bobonis et al 2013)

Societal efficiency at cost of household efficiency (and well-being)?

# Conflicting objectives

- Ashraf, Field and Lee (2014): Field experiment that provides access to contraceptives to partners together (“Couple”) versus women alone (“Individual”) alone
  - “Individual” treatment: 20 percent more likely to visit family planning nurse, and 27 percent reduction in births
  - But: significant reduction in subjective well-being compared to “Couples” group



# Gendered Spheres of Learning

(Ashraf, Field, Voena & Ziparo (2022))

- Information asymmetries on maternal risk can drive differential demand for children
  - Provide salient, precise information to husband or wife on maternal risk
  - Both treatments see reduction in pregnancy, but through different mechanisms
  - When given to husbands, information spreads and the decline in fertility accompanied with improvement in marital satisfaction

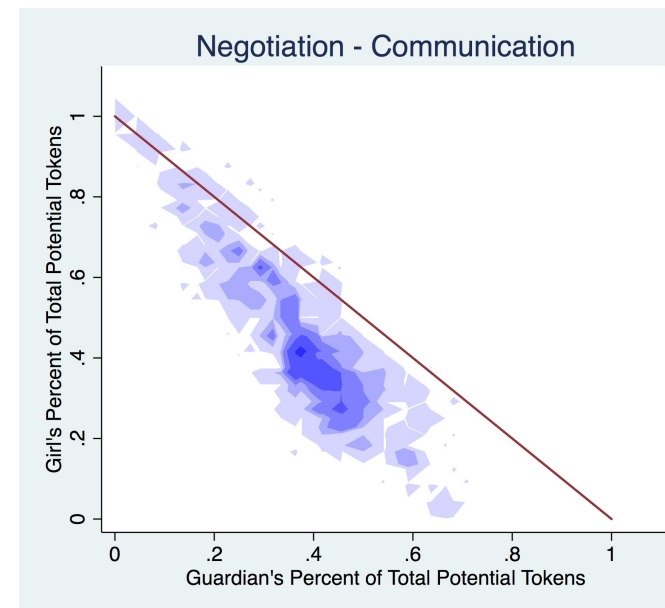
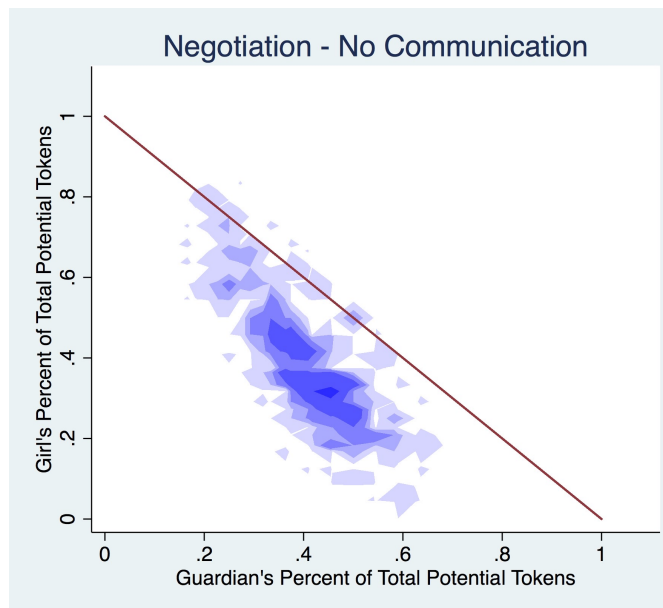
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- interpersonal negotiations skills training compare to girls empowerment (safe space) → greater educational investment by parents

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- interpersonal negotiations skills training compare to girls empowerment (safe space) moves closer to production frontier
  - and a move towards girls' gains



# Conclusion

- Relationships, especially in the family, create constraints and also great surplus
- valuing surplus value of marriage and family unity, while reaching socially desirable development outcomes, closely aligned with preferences of both genders