

The Significance of Gender Equality in Economic Growth

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Abstract

This article aims to conceptually describe the relationship between the importance of gender equality in economy. By using theoretical foundations in Production Function: Theory Development, the results showed that good economic activities must promote gender equality through various means, such as economic development, expanding job opportunities, increasing worker productivity, and urging a new job market. This growth can eliminate economic inefficiencies and increase women's and men's economic involvement. As income increases, the gender gap in health, learning, and nutrition tends to decrease.

Keywords

gender equality, economic growth, health, education, production function.

1. Introduction

Mosse (2018) states that gender is a comparison of biological sex. This biological sex is a gift, where humans are born as male or female. Eisend (2019) explains that gender refers to the comparison of the status, position, attitude, and use of women and men because of socio-cultural construction. The concept of gender is inseparable from the concept of justice and gender equality because the realization of something gender equality and justice will be marked by the disappearance of acts of discrimination between women and men in terms of access, opportunity to participate, and control over development obtain equal and fair benefits in development.

Gender equality is indicated by the absence of discrimination between men and women. In the era of globalization, gender equality in Indonesia continues to increase, but gender

discrimination still cannot be eliminated. Gender discrimination is often directed at women who are considered human beings with a lower position than men. Discrimination against women has been a long process where all forms of action display unequal conditions between men and women. Gender discrimination against women exists in the form of marginalization, stereotypes, subordination, and violence against women (Shannon et al., 2019). According to Schlick et al. (2021), gender discrimination often takes the form of the stereotype is a label that is usually negative and refers to injustice and subordination. Subordination is the assumption that one sex is lower than the other sex. Marginalization is the process of marginalizing one gender from one's current job. For example, technological developments that were originally manual work by women were taken over by machines that men carried. Lastly, double burden is an injustice to the sexes in which one sex works far more than the other sex. This article aims to conceptually describe the relationship between the importance of gender equality in economy.

2. Theoretical Foundations

Reducing gender inequality will have a positive and significant impact on economic development, so that a region's economic development is driven not only by the expertise of the male population but also by the role of women, which cannot be ruled out. This result is in line with research conducted (Momsen, 2009) which reaffirms that gender inequality wants to hinder the economic growth of a region. It means that when there is an increase in gender inequality, it will encourage the formation of a decline in economic development. In this study, gender equality can be seen from various aspects, including in health level and economic growth.

Increasing gender equality in the health sector will have a significant positive impact in the long term. On the other hand, in the short term, it is not significant. These results are strengthened and encouraged by the reasons put forward by Harahap (2014) in his research which reports that life expectancy has a positive and significant effect on economic development in Central Java Province. The life expectancy (AHH/*Angka Harapan Hidup*) ratio has a positive and significant impact on economic development, proving that an increase in the AHH ratio (indicating a decrease in inequality in the health sector) will encourage the assurance of a better economy (Rahmawati & Hidayah, 2020)

A good level of health encourages an increase in one's productivity. With increased productivity, there will be higher incomes than before. However, there are still gaps in the research results, namely the existence of other studies that prove different results. Where in the research attempted by Handayani et al. (2016) reports that AHH does not affect a region's economy. It can happen if the increase in life expectancy is not accompanied by the government's ability to provide development facilities so that it will make the population a burden in regional development (Rahmawati & Hidayah, 2020).

Furthermore, economic development is carried out to realize welfare carried out. In this case, economic theory has several indicators that are used to assess the level of welfare of a country, one of which is by looking at the value of economic growth (Loh & Dahesihsari, 2013). Economic growth is a long-term problem related to the quality of human resources, natural resources, and production processes, which are expected to be a source of income and encourage the improvement of people's welfare (Saleh et al., 2020; Prasetyo, 2020). Economic growth shows the development of output from time to time, which can be seen in the Gross Regional Domestic

Product (GRDP) value. GRDP is the amount of added value of a product or service from all business units in a certain time and area.

The relationship can be formulated in Production Function: Theory Development (Frankel, 1962). The production function shows a mathematical relationship that shows the result of a combination of factors of production. Benefits of the production function (Adika & Rahmawati, 2021):

1. Able to describe the relationship between factors of production and production itself directly and easily understood.
2. Able to see the relationship between the variables described with explanatory variables and also the relationship between explanatory variables.

Production Function

Output = f (input)..... (1)

Q = f (X1, X2, X3, ..., Xi) (2)

Q = output

Xi = production input, i: 1,2,3,4,5,...., n)

Inputs in the production process include capital, labor, and others. The production function developed by Cobb Douglas explains that output will be determined by the amount of capital and labor used. Cobb Douglas production function:

Q = f (K, L) (3)

In this function, the input used will eventually form an output, so it can be said that this function describes the correlation of the use of production inputs with the output produced in a certain period (Adika & Rahmawati, 2021). In this model, the correlation of input and output is arranged in the form:

Q = f (K, L, R, ...) (4)

Q is output, K represents capital, L is labor input, and R represents Resources. The form of the notation "..." indicates that other inputs have not been included in this research equation but have the possibility of influencing the production process, such as elements of technology. (Adika & Rahmawati, 2021).

Human capital and technology as the economy's driving force are increasingly qualified and derived from the Solow model. Since 1956, Solow included human capital and technology as determinants of a country's economic growth (Solow, 1956). Solow's contribution was further refined by Romer and brought about a major change in the theory of economic growth, now known as the New Growth Theory (Romer, 1990). Adika & Rahmawati (2021) develops a model of human capital reserves and their effect on economic growth by emphasizing that a large accumulation of human resources can be formed from improving the quality of education, which in turn will improve the economy. Human capital investment is very useful for the country's development because the accumulation of physical capital will reduce the return on capital while development will provide long-term sustainability (Bucci et al., 2019). Therefore, investment in human resource development will provide technological advances which can further increase productivity (Widarni & Bawono, 2021).

3. The Significance of Gender Equality in Economic Growth

Gender equality was developed concerning two international documents: The Universal Declaration of Human Rights and the Convention on the Elimination of All Forms of Discrimination against Women. These two countries lead to equal rights and positions between men and women, entitled to political, economic, civil, social, and cultural freedoms. This concept also stipulates a situation where no one can be discriminated against based on gender. Indonesia has a fairly low gender level, so often, injustices can make both men and women victims. Gender inequality is also defined as discrimination based on gender, such as a culture that encourages violations or violations of human rights in the political, social, economic, and other fields. This gender discrimination occurs due to beliefs and norms that reduce perceptions of discriminatory rights between men and women.

Gender equality can improve a person's living standard and provide better economic development prospects. The bond between gender equality and economic development goes in two directions, namely gender equality to promote economic development, and the next direction, namely economic development, to increase gender equality. In their research, Kim et al. (2016) proves that if gender inequality is eliminated, it will increase per capita income by 30.2% greater than the economic benchmark and 71.1% greater than two generations. Not only will that, the aggregate economic growth increase by 6.6% and 14% higher than the reference economy. These results indicate that by eliminating gender inequality, the annual growth rate of per capita income can increase by 1% and aggregate income by 0.2%.

3.1 Gender Equality in Health

Low economic status makes it difficult for women in low-income families to obtain good quality health for themselves and their families. The dual position of women who are not fully respected makes women face physical and mental exhaustion so that the health status and position of women in development decreases. The affordability and quality of health institutions in ensuring public health services, such as midwives stationed in the village or Posyandu need to be improved to give more attention to mothers and children. Maes et al. (2019) reports that gender comparisons are more relevant when considering alibis in considering unmet medical needs, gender inequalities in health policy zones are gender comparisons in health status and attitudes, access to health services, intimate relationships, and reproductive health, health workers, gender-sensitive training and learning for health workers.

3.2 Gender Equality in Education

Aragonés-González et al. (2020) commented that a high level of learning enables women to perform economic activities (work) better. Through increased incentives and opportunities to educate women, economic development positively impacts gender equality in learning. Apart from the learning level, fertility decline is also socialized with better gender equality and can encourage economic development. Women with great learning tend to have fewer children. In a study by Aragonés-González et al. (2020), it was found that gender inequality in learning can affect long-term economic development.

In developing countries, such as Indonesia, quality human energy sources are important to catch up with the development of other countries. Furthermore, a quality human energy source

can be realized by holding formally organized learning at the lower, middle, and higher levels (Dhamija et al., 2019). Human capital is linguistically composed of two words: human and capital (capital). Capital is intended as an input or aspect of creation to make goods or services without consumption during the creation process. Based on this definition, humans in human capital become forms of capital such as machines and technology. Where humans also have a significant position in economic activity. Kim (2018) said that human capital can be measured through learning and health. Learning and practice are the added value of a human being; continue to be great learning or continue to dig a lot of training until the human quality continues to be great. The growth of learning aspects and the quality of human energy resources can be seen from the enrollment ratio, both at school age at low, middle, and high academic levels (Dhamija et al., 2019).

3.3 Gender Equality in Work

Labor is a working-age population aged 15 years or more who carry out economic activities by working to earn income or income (Chung & Van der Lippe, 2020). The labor force consists of the labor force and not the labor force. The labor force includes people who are working and those who are looking for work. Meanwhile, it commented that labor is part of the population that participates in and creates goods and services. According to Chung & Van der Lippe (2020) the demand for labor is related to the number of workers needed by the industry, which is influenced by inflation, increases, and the level of labor wages. In developing countries (NSB), labor is still the dominant aspect of creation, and the accumulation of labor will greatly affect the increase in output. However, it is a matter of how much additional labor is needed to increase output, which depends on The Law of Diminishing Return (TLDR). Sooner or later the TLDR process is greatly influenced by the quality of human resources and technological advances in creativity. As long as there is a positive synergy between labor and technology, there will be an accumulation of the number of workers that will encourage economic development. Gun et al. (2019) states that gender discrimination in creation will decrease the workforce's ability which calculates women's participation. According to Gun et al. (2019) the triggers for the low level of women's involvement in the labor market include the perception of position between men and the size or definition of women's work as well as the informal seasonal nature of the large number of women's work. It urges the formation of gender discrimination or inequality in the labor market.

3.4 Gender Equality in Politics

The Indonesian people's active contributions, both men and women, are very much needed to develop a more advanced political world. Even today, women's representatives are only interpreted as a compliment but represent the hope of providing a new mindset that represents the public interest. However, in Indonesia's political system, there is still no justice for women, evidenced by the low level of leadership and decision-making positions that men still dominate, and the legal system is still discriminatory toward women (Ahrens et al., 2020).

The involvement of women in parliament is a form of gender equality in politics. With the participation of women in politics, problems and problems experienced by women can be voiced and resolved, including women's welfare issues which are seen as unequal to men. Law No. 7 of 2017 explains the involvement of women in parliament and the application of a minimum 30%

policy for women's representation in parliament. With the representation of women in parliament, it is hoped that it will be able to encourage women's welfare.

4. Conclusion

Gender equality can be said to equal conditions between men and women in obtaining opportunities and their rights as human beings so that they can function and participate in political, legal, economic, socio-cultural, learning, defense, and security activities and equitable distribution of the results of development. Good economic activities must promote gender equality through various means, such as economic development, expanding job opportunities, increasing worker productivity, and urging a new job market. This growth can eliminate economic inefficiencies and increase women's and men's economic involvement. As income increases, the gender gap in health, learning, and nutrition tends to decrease.

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