GLOBAL 05.02.2018 | Erna Solberg & Christine Lagarde

Equal pay? Happy days

The #MeToo movement has put women's empowerment back in the spotlight. That's good, because greater equality will boost the global financial recovery

In public debates around the world, women's empowerment is increasingly being recognised as a top priority. The question of how to provide more economic opportunities for women was firmly on the agenda at the World Economic Forum's annual meeting in Davos this year. And long-time advocates for women are feeling energised, as countless others – men and women alike – have come to recognise the urgency of the task.

Affording women and girls the opportunity to succeed is not just the right thing to do; it can also transform societies and economies for the good of all. For example, bringing women's labour force participation up to the same level as that of men would boost GDP by as much as 9 per cent in Japan and 27 per cent in India.

When women are empowered to start their own businesses, they can drive innovation and help their countries prosper.

The International Monetary Fund has documented many other macroeconomic benefits associated with women's empowerment. Reducing gender gaps in employment and education has been shown to help economies diversify their exports. Appointing more women to banking-supervision boards can prevent cosy groupthink, thereby ensuring greater stability and resilience in the financial sector. And reducing gender inequalities also reduces income inequality, allowing for more sustainable growth.

Closing the gender gap may seem like a tall order, but it is essential for long-term economic development and prosperity. The challenge for every country, then, is to make the most of all of its people's talents.

Inequality enshrined in law

Realising women's potential is a universal mission. But some of the barriers holding women back are also universal. Astonishingly, almost 90 per cent of countries have one or more gender-based legal restrictions on the books. In some countries, women still have limited property rights compared to men; in others, husbands have the right to forbid their wives from working.

Beyond legal barriers, women also face social and cultural obstacles that limit their access to education, work, and finance. This is especially true in countries with fragile political systems.

Now that public awareness is growing, it is time to press ahead with concrete measures to help women remain in the workforce while raising a family.

For a glimpse of what that might look like, consider Norway, where affordable childcare and parental-leave schemes have proven successful in enabling both mothers and fathers to work. Yes, these programmes are costly. But they are well worth the investment, given employed women's enormous contribution to economic growth.

Moreover, programmes that help women keep working also change the role of fathers. In Norway and other countries with similar policies, fathers now share equally in parental leave and child-rearing. As a result, more women can pursue leadership roles in work and public life.

Educating girls improves life for everyone

Of course, countries that are not yet at Norway's level of economic development typically face other gender-related challenges, including limited access to water and education.

Unfortunately, while many countries have made progress in reducing gender gaps in primary-school enrolment, there is still much more work to be done at the secondary and tertiary levels. As long as these gaps persist, women will not be able to aspire to political and economic power on an equal footing with men. Accordingly, Norway has made girls' education a top priority in its international-development programmes.

Beyond education, ensuring that women in developing countries have access to finance is critical, because it enables them to participate fully in

the economy, including as entrepreneurs. When women are empowered to start their own businesses, they can drive innovation and help their countries prosper.

Because women's labour-force participation is so important for growth, organisations such as the IMF are committed to working with governments around the world to empower women economically. IMF-supported programmes in Egypt and Jordan, for example, include measures to boost investment in public nurseries and safe public transportation.

In addition to specific policies, today's conversation has increasingly focused on the need for wider social change. And now that movements such as #Equalpay and #MeToo have gained so much momentum, it looks like that change could be coming. It has been inspiring to see so many women, girls, and – yes – men speaking out against retrograde attitudes toward women, which have been holding all of us back.

With the global economy recovering, governments must now lay the foundation for long-term growth, by creating the conditions for women everywhere to realise their full potential. Discrimination and abuse against women can no longer stand. It is time for women to thrive.

© *Project Syndicate*



Erna Solberg
Oslo

Erna Solberg is Prime Minister of Norway.



Christine Lagarde

Washington, D.C.

Christine Lagarde is Managing Director of the International Monetary Fund. She previously served as France's finance minister from 2007-2011, and in 2009 was named by the *Financial Times* as the best finance minister in the eurozone.