

U.S. DEPARTMENT OF THE TREASURY

Press Center



Brainard Op-ed: Unleashing the Economic Potential of Women

7/31/2013

WASHINGTON – In an op-ed published by *The Guardian*, Treasury Under Secretary for International Affairs Lael Brainard outlines how the economic empowerment of women is essential to every country's growth potential. Additionally, Brainard advocates for a new initiative to assess and measure how well nations around the world promote equal access to economic opportunities for women.

To read the piece visit [link](#). The full text of the piece follows.

Political leaders often overlook the key to economic growth: women

It's time for a global race to the top on equality. Without the full contribution of women, no economy will reach its potential

By Lael Brainard

Political leaders around the globe are intensely seeking solutions to boost domestic economic growth. Yet one solution that is proven and involves half the population is often overlooked. By unlocking the full economic potential of women, countries can strengthen productivity, stimulate demand, and boost growth.

Here at home, President Obama early on made the connection between growth and economic opportunity for women. In the depths of our crisis in 2009, one of the first laws the President signed was the Lilly Ledbetter Fair Pay Act. He established an Equal Pay Task Force led by Valerie Jarrett to help women get paid what they earn. Until women are paid fairly—and not just 77 cents for every dollar men make—our economy will never be fully competitive. This earnings gap can amount to hundreds and thousands of dollars of lost income over the course of women's career.

In Asia, policies that bring more women into the workforce could counteract the coming labor shortage from aging populations. In Europe, improving women's employment could bolster domestic demand. In Africa, giving female farmers equal access to agriculture supplies and services would increase yields and incomes, improving the health and education of the next generation. In Arab transition countries, addressing female youth unemployment, among the highest in the world, is vital for building more inclusive economies.

Progress is within our reach. Today, girls attend primary schools at the same rate as boys almost everywhere, and we are seeing more women enter secondary and higher education in a growing number of countries. Women now make up 40% of the global labor force.

Yet despite these achievements, the gap between men's and women's earnings and productivity is still large. Even in countries where women are graduating from college at the same or greater rates than men, the pay gap persists. More women than men are trapped in low-productivity jobs. Around the globe, women are over-represented in the informal economy, where wages tend to be below-market and job mobility is limited. Across businesses, women are underrepresented in leadership positions and in boardrooms. And from one country to the next, enterprises led by men too often out-earn those led by women.

Women with minimal access to resources and no access to child care have limited choices that too often mean low-wage and part-time labor. In rural communities in the developing world, when women farmers have unequal access to fertilizers or training, their farm productivity lags behind men. When rules and laws inhibit women's ownership of collateral, economies lose out on the wasted talents of female entrepreneurs.

So what more can we do to unleash the economic potential of women? It is time for a global race to the top on equality of opportunity for men and women. President Obama has called for economic and political empowerment of women globally. The Equal Futures Partnership promotes removal of policy, legal, and regulatory barriers that hold women back at local, state and national levels.

As part of a global competitiveness agenda, let's start by measuring progress of reforms in every country. Let's help countries assess how well their laws and institutions perform on promoting women's full contribution—whether through equal pay or equal rights to inheritance and land titling. Just like the World Bank's Doing Business report has unleashed more vibrant business sectors, benchmarking countries against best practices on gender opportunities could unlock the full productive potential of women and spur growth. And let's make these assessments accessible so businesses can invest where women are fully engaged—as entrepreneurs, innovators, farmers, consumers,

and investors.

When women were excluded from New Deal programs, Eleanor Roosevelt fought to include them. Roosevelt was among a handful of leaders who realized the US economy would not escape the depths of recession without the full contributions of women.

This remains true today. Without the full contribution of women, no economy will reach its full potential.

###