

Econ642 Development Economic

Women Participation and National Health Expenditure Research Proposal

Zhiyuan Jiang

March 9, 2022

Contents

1	Introduction and Motivation	2
2	Methodology Data and Preliminary Analysis	3
3	Expectation and Extension	3
	References	4

1 Introduction and Motivation

The central topic of this research is the relationship between women's participation in the law-making process and the well-being of the country's citizens. More specifically, this research is trying to discover the relationship between the ratio of female lawmakers in a country's legislative body and the national health care expenditure.

In 2015, United Nations (UN) presented a new framework aiming to improve the sustainable development of the world, naming it as "Sustainable Development Goals" (SDGs). This framework includes 17 bulletins, and the fifth goal is "achieve gender equality and empower all women and girls". This high priority of gender equality indicates the importance of this issue with regard to the general development of human welfare.

In fact, the relationship between economic development and the empowerment of women had been long discussed by various scholars. Duflo (2012) documented a series of papers researching the relationship between women's empowerment and economic development. In general, the research agrees on a positive relationship between women's empowerment and economic development, and the relationship goes in both ways. In the paper, Duflo admitted that although with limitations, women's empowerment can lead to improvements such as children's health and nutrition. One potential mechanism that enables such improvement is budget allocation. Women can influence the item being purchased, and therefore influence the welfare. This conclusion, from the micro-level, had been found by numerous researchers. Hoddinott and Haddad (1995) studied the data from Cote d'Ivoire and found that women tend to spend household income on family-friendly items such as nutrition rather than alcohol or cigarette. Spending on nutrition has a positive influence on children's health. Similarly, Quisumbing and Maluccio (2003) argues that in some countries the increase of female members' assets will lead to the increase of expenditure on children's education. The evidence above arguable proved that at least at the household level, females tend to be better budget makers than males when on the issues of health and education.

Not only at the household level, but the presentation of women in other fields has also been proved to have a positive influence. In governing, Dollar, Fisman, and Gatti (2001) provided evidence to show that the involvement of female officers in government can reduce the overall corruption level. But this result had been questioned by other scholars (such as Sung, 2003) since this effect can be caused by a better democratic system that encourages more women participation and dampens the corruption, rather than the other way around. Taking this measurement into account, however, later research still finds the benefits of the involvement of females.

Especially in the legislative body where lawmakers have the power of making laws and designing budgets. Jayasuriya and Burke (2013) collected data from over 100 countries and concludes that the country with a higher participation rate of women in the law-making process tends to have a higher economic growth rate in general. As a subjective indicator, York and Bell (2014) presented the result that people tend to have a higher life-satisfaction rate if their national parliament or house of deputies has a higher ratio of female members. The influence of female lawmakers also extends to other more specific fields. For example, through the budget control, Salahodjaev and Jarilkapova

(2020) showed an "S" shape relationship between a country's deforestation level and proportion of women members in the legislative body.

With all the research presented above, the relationship between women's participation in the parliament and the national health expenditure, which is closely related to the well-being of citizens, especially after the covid-19 pandemic, has rarely been discussed. Most of the studies with regard the health expenditures are focusing on the administration body of government and most of them show a positive relationship between women's participation and health-related budget. (see Mavisakalyan, 2014, and Funk & Philips, 2018). This research tries to make up the gap by discovering the relationship between the ratio of female lawmakers and the national health expenditure through a data-driven quantitative centric method. The methodology and data set will be discussed in the following sections.

2 Methodology Data and Preliminary Analysis

This research will employ a simple multi-variable Ordinary Least Square (OLS) model. The left-hand side variable of the model will be the ratio of the country's health care expenditure to its total GDP. The primary right-hand side controlled variable will be the ratio of female members of the country's legislative body. Suggested by the common practice in the field of development economic and health economic, other controlled variables that relates to the health care budget size that will be used in this research model include:

- Ratio of population aged 64 and above to total population
- GDP per capita
- Democracy Index
- Received foreign aid Amount in US dollar per capita
- Labor participation rate of female

The primary source of the data is the World Bank Open Data¹.

3 Expectation and Extension

¹visit: <https://data.worldbank.org/>

References

- Dollar, D., Fisman, R., & Gatti, R. (2001, 12). Are women really the “fairer” sex? corruption and women in government. *Journal of Economic Behavior and Organization*, 46, 423-429. doi: 10.1016/S0167-2681(01)00169-X
- Duflo, E. (2012, 12). Women empowerment and economic development. *Journal of Economic Literature*, 50, 1051-79. doi: 10.1257/JEL.50.4.1051
- Funk, K. D., & Philips, A. Q. (2018, 5). Representative budgeting: Women mayors and the composition of spending in local governments:. *Political Research Quarterly*, 72, 19-33. Retrieved from <https://journals.sagepub.com/doi/full/10.1177/1065912918775237> doi: 10.1177/1065912918775237
- Hoddinott, J., & Haddad, L. (1995, 2). Does female income share influence expenditures? evidence from côte d'ivoire. *Oxford Bulletin of Economics and Statistics*, 57, 77-96. Retrieved from <https://onlinelibrary.wiley.com/doi/full/10.1111/j.1468-0084.1995.tb00028.x> doi: 10.1111/J.1468-0084.1995.TB00028.X
- Jayasuriya, D. S., & Burke, P. J. (2013). Female parliamentarians and economic growth: Evidence from a large panel. *Applied Economics Letters*, 20, 304-307. doi: 10.1080/13504851.2012.697113
- Mavisakalyan, A. (2014). Women in cabinet and public health spending: Evidence across countries. *Economics of Governance*, 15, 281-304. doi: 10.1007/S10101-014-0141-X
- Quisumbing, A. R., & Maluccio, J. A. (2003, 7). Resources at marriage and intra-household allocation: Evidence from bangladesh, ethiopia, indonesia, and south africa*. *Oxford Bulletin of Economics and Statistics*, 65, 283-327. Retrieved from <https://onlinelibrary.wiley.com/doi/full/10.1111/1468-0084.t01-1-00052> doi: 10.1111/1468-0084.T01-1-00052
- Salahodjaev, R., & Jarilkapova, D. (2020, 6). Women in parliament and deforestation: cross-country evidence. *Journal for Nature Conservation*, 55, 125830. doi: 10.1016/J.JNC.2020.125830
- Sung, H. E. (2003). Fairer sex or fairer system? gender and corruption revisited. *Social Forces*, 82, 703-723. Retrieved from <https://www.jstor.org/stable/3598207>
- York, R., & Bell, S. E. (2014, 11). Life satisfaction across nations: The effects of women's political status and public priorities. *Social Science Research*, 48, 48-61. doi: 10.1016/J.SSRESEARCH.2014.05.004