Short lasting Effect of Women Empowerment

Unlike the findings by Carnegie and Marinov, we find that the effect of aid on women empowerment dissipates after 3 years. We posit that this likely due to a largely entrenched gender stereotypes particularly in very cultural societies[fn: Beath, Christia, Enikolopov, 2013]

About the Data

The women’s political empowerment we employ in our analysis is a composite index, an average of women civil liberties, civil society participation and political participation and goes from 0 to 1. In line with our missingness motivation, less than 15% of the observations for this outcome are missing.

**Women political empowerment index v2x\_gender**

*Women civil liberties index v2x\_gencl*

Freedom of domestic movement for women v2cldmovew 0.444

Freedom from forced labor for women v2clslavef 0.437

Property rights for women v2clprptyw 0.4

Access to justice for women v2clacjstw 0.373

*Women civil society participation index v2x\_gencs*

Freedom of discussion for women v2cldiscw 0.662

CSO womens participation v2csgender 0.202

Percent (%) female journalists v2mefemjrn 0.579

*Women political participation index v2x\_genpp*

Power distributed by gender v2pepwrgen

Lower chamber female legislators v2lgfemleg

We provide an extension to the findings of Carnegie and Marinov in determining the impact of aid on democracy and human rights in EU colonies. Though the paper finds a strong significance of aid on democracy, we believe the strength of this treatment is dampened by the missingness in the outcome variables. Though missing data is usually a concern in health economics and randomized control trials [fn: Mukherjee et al, 2023], it poses a threat also in general economic research. The central limit theorem, a fundamental concept in statistics, informs the view that a larger number of observations reduces noise in the data; a larger sample size also increases the power to detect an effect in the model. As such we take this as a fundamental concern in determining our model.

We take two main approaches in extending Carnegie and Marinov’s research. We make use of the same estimating equation while considering two new outcomes for democracy and human rights……………………………………………………………..

The discussion surrounding aid and democracy is widely varying and full of controversies largely a consequence of endogeneity aid allocation concerns. Carnegie and Marinov (2017) make use of an as-if random instrumental variable, the presidency of the council of the EU, as a random shock in the model to address this. With this novel approach, the authors further make use of the PolityIV combined score, a composite index of a wide range of political indicators, as a measure of democracy. With such a strong instrument, we however attempt to identify subtle changes in a niche measure of democracy, women political empowerment.

Gender equality and women empowerment is one of the sustainable development goals. Specifically, target 5.5 is to “ensure women’s full and effective participation and equal opportunities for leadership at all levels of decision-making in political, economic and public life” [fn: sdgs un.org]. Gender equality has become an increasingly main priority for governments around the world. However, there is limited literature on potential drivers of women empowerment and participation in politics, particularly in developing economies. Development institutions and international organizations such as the World Bank, EU also give aid in support of these objectives [fn: WB, 2023] yet there are not many discussions around aid and women political empowerment. Most of the literature are more region specific [fn: : Baliamoune-Lutz, Mina (2013)] or country specific[Beaman and others, 2011].

We fill this gap in the literature by examining the effect of aid on women political empowerment over a 22 year period (1987 – 2007) for 101 EU colonies. We employ the VDem women political empowerment (hereon, WPE) index in our analysis, an average of women civil liberties, women civil society participation, and women political participation indices with a range of 0 to 1. We make use of WPE in keeping with our concern for the strength and missingness of the estimate particularly for such a niche effect which may be otherwise hard to identify. The indicator is compatible with our data set particularly as less than 15% of the outcome observations are missing. With a valid instrument and a number of relevant covariates, we are able to identify the effect of aid on women’s democratic participation. We also check for heterogeneity in the model, examining the effect of aid on WPE across 4 regions. In line with Carnegie & Marinov, we also average our dependent variable over 4 years, t to t + 3 as there may be a delayed effect of aid on WPE.

RESULTS

We replicate the first stage regression in the Carnegie and Marinov paper and find a strong and significant effect (at 1% significance level) of *Colony i(t-2)2* on logged ODA. We further replicate the authors’ second stage findings in table 2, columns (3-6). In comparison with the Carnegie and Marinov set of observations we observe……. *(like 22 years rather than 20 and what not. Na more countries. Overall number of observations)*

In column (1), we estimate the non-covariate adjusted effect of logged EU aid in t-1 on WPE in time t. We find a significant effect of EU aid on women political empowerment (SE = 0.000, p < 0.05) such that a 1 percentage increase in EU aid is associated with a 0.04 percentage point increase in women empowerment. This implies that a country with…………

In column 2, we adjust our results for covariates and find a 0.036 percentage point increase in WPE as a result of a 1 percent increase in EU aid (SE = 0.014, p < 0.05). We note that the inclusion of covariates does not substantively change our estimate. However, in the Carnegie and Marinov paper, the inclusion of covariates significantly reduces the Polity estimate from 2.031 to 1.337. We include the same covariates as in Carnegie and Marinov (2017) in keeping with general literature on the effect of aid on democracy: logged GDP, logged GDP per capita, logged exports, logged imports, foreign direct investment (FDI), petroleum imports (percent GDP), average education attainment (male), number of democracies in the region and religiosity. We attempt to include average years of education (female) in our analysis but found no significant index to include in our model due to a large amount of missingness across various indicators averaging over 87%[fn: WDI (women related education indicators)]. ………………………………………………………………….. Our estimates in comparison to the Carnegie and Marinov (2017) paper are relatively small. We posit that this difference is due to the niche group that women (in terms of democracy) present. In addition, the WPE index we make use of is an average of three indices while the authors make use of an index that ranges from -10 to 10. The significance of our estimate also points to the potential impact larger sizes of aid could have on women political empowerment.

We analyze the WPE effect further, turning to the year-on-year effects of EU aid on women political empowerment. Here, we make use of the pure WPE scores, unaveraged between years t and t+3. We find that the effect is significant through t to t + 2 and dissipates after year t +3. The effect peaks in t +3 and sharply declines un