

## **ABSTRACT**

The nexus between Women Empowerment and Development is well discussed in literature which accepts that development can bring down the gender inequality and on the other hand women empowerment can bring in development. Acknowledging this reverse causality, the current study intends to investigate the relationship between Gender Inequality and growth for both developed and developing countries using a Dynamic Panel data Model. The current study thus uses Economic participation and opportunity Index provided by World Economic Forum as an endogenous regressor which captures participation gaps (the difference between men and women in labour force participation rates), remuneration gaps (ratio of female to male earnings), and advancement gaps (number of women to men among legislators, senior officials and managers, and the number of women to men among technical and professional workers). Separate analysis of Developed and Developing countries show that there is no significant impact of economic participation and opportunity index on growth process of developing countries (65 countries in the sample) but a significant and positive impact on the growth process of the developed countries (39 countries in the sample) for a period of 2006-2020. That implies that gender equality fosters economic growth in developed countries. We incorporate two interaction terms of industrial value added and fertility with the index respectively. Results suggest that both industrial value added and fertility dampen the impact of gender equality on growth for developed countries with industrial value added not having any significant impact on developing countries.

Keywords: Economics of Gender, growth, dynamic panel data, wage gap