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The Role of Women's Participation in Development: Empirical Evidence from Indonesia

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Abstract: Improving the quality of human resources cannot be separated from the involvement of women. It is because increasing the capacity of women can encourage productive socio-economic activities as well as their capabilities and abilities in community institutions. This study then aims to determine how much women's involvement in government, employment, and household influences the Human Development Index in Indonesia. This study uses panel data analysis of 34 provinces in Indonesia from 2015 to 2020 with a fixed-effect model. The finding of this study is that there is no relationship between the involvement of women in parliament and the human development index. However, there is a positive and significant relationship between women's involvement as professionals and the human development index. The participation of women in the household has the most vital relationship with the human development index, where every 1% increase in the income contribution of women in the home is associated with an increase in the human development index of 1.64 points. Another finding from this study is that women who act as heads of families are associated with decreased human development index. It shows that women will play a more significant role in development as long as their part is not as the head of the family but as a supporter of the family economy.

Keywords: Women's Participation; Development; Indonesia

JEL Classification: O15; J16; J82

Introduction

I Gender inequality in Indonesia remains an issue nowadays. Women in Indonesia still experience inequality in various aspects, such as education, life expectancy, and living standards. These three aspects are measured through the Gender Empowerment Index (GEI) indicator, placing Indonesia in a lower position. Gender equality in Indonesia is still far behind other countries, especially in ASEAN, where Indonesia's GEI is still below Singapore, Brunei Darussalam, Malaysia, Thailand, the Philippines, and Vietnam.¹ One of the factors that cause Indonesia's GEI to lag behind other countries is the low contribution of women to the economy as one of the indicators that measure the standard of living aspect in calculating the GEI, the Gross National Income (GNI) generated by women in Indonesia is still behind Singapore, Brunei Darussalam, Malaysia, Thailand,

¹The United Nations Development Program (UNDP), 2018.

and even Vietnam. Compared with the nearest neighboring country, female GNI in Indonesia is only a third of female GNI in Malaysia.² In addition to the low contribution of women to the economy, women's participation in politics in Indonesia is still relatively low. The representation of women in parliament is expected to encourage the welfare of women's groups and influence policies that are more just and gender-responsive. In government administration positions, for example, the role of women has not been very effective. In small government areas such as villages, there are still relatively few women who become village heads. According to Risnawati (2017), female village heads have an essential role in empowering the women they lead because they share what other women feel.

Several previous studies reviewed the role of women's involvement in society in developing the quality of human life. Several developed countries in the development process show that women's participation is vital to economic development. The presence of women in government and leadership can provide aspirations for other women to improve their educational attainment (Beaman et al., 2012). According to Abdurrahman and Tusianti (2021), women need higher education to increase their capabilities. The higher the education, the higher the chances of women to occupy a position, and the more capable they are of opening up business opportunities in the surrounding environment. Women in legislative seats can produce comprehensive laws and regulations to defend their people (Asiedu et al., 2016). In the executive realm, female heads of state tend to improve their residents' quality of life compared to male heads of state (Choudhary, 2010).

As an indicator to measure the success of the development of the quality of human life, the Human Development Index (HDI) shows the extent to which the community can obtain development results in the form of increased income, health, and education. HDI is formed by three fundamental dimensions: a long and healthy life, knowledge, and a decent standard of living. Longevity and healthy life are measured by life expectancy at birth. Knowledge is measured by indicators of the average length of the school and the expected length of schooling. Meanwhile, a decent standard of living is calculated based on per capita expenditure adjusted for people's purchasing power. In Indonesia, the HDI continued to increase from 2015 to 2019 and experienced a slowdown in 2020 due to the Covid-19 pandemic.³ The increase in HDI shows the improvement in the community's quality of life. However, the rise in HDI figures in Indonesia is not accompanied by Indonesia's ranking in the ASEAN region and the world. Indonesia is ranked 6th in ASEAN and 111th in the world out of 189 countries.⁴ Indonesia's low HDI ranking is in line with the low ranking of the Gender Gap Index, which is ranked 85 out of 153 countries with a score of 0.70.⁵

Improving the quality of human resources, of course, cannot be separated from the involvement of women. The government has carried out various policies to improve

²Ibid

³Central Bureau of Statistics (BPS), 2020.

⁴The United Nations Development Program (UNDP), 2020.

⁵The Global Gender Gap Index, 2020.

gender equality. One of them is to accommodate the role of women in government through changes to Law no. 2/2008 on Political Parties that at least 30% of women are nominated in the list of parliamentarians. This amendment seems to have increased women's involvement in parliament, although it has not yet reached 30% in the 2014-2019 period, as shown in Figure 1.4. The role of women in political participation is expected to have a significant role in controlling resources, access to jobs, and education. Increasing women's resources is a means for women to become more empowered. Sumodiningrat (1999) said that the purpose of empowering women is to increase family income so that it can reduce the number of people who are below the poverty level. Increasing the capacity of women can encourage productive socio-economic activities as well as their capabilities and abilities in community institutions, both acting as government officials and the community.

Based on the above background, this study aims to determine how much the involvement of women in the household in the government, managerial and professional areas affects the Human Development Index by taking case studies of 34 provinces in Indonesia from 2015 to 2020. This study will also find out the critical role of women's marriage at an early age and location factors in influencing the quality of human resources in Indonesia.

Several previous studies have linked the role of women in economic development. In the context of Indonesia, research by Abdurrahman and Tusianti (2021) examines the gender empowerment index (GEI), which is still experiencing inequality because women's HDI is still far behind men's. This study identifies women's empowerment in the economic and political fields in 514 districts/cities throughout Indonesia. The results of this study indicate that the participation of women in parliament in the area of professional work and women as entrepreneurs contribute significantly to the increase in the gender empowerment index in Indonesia. Alfana and Giyarsih (2015) conducted a study to see the development success by comparing the achievement level between men and women as measured by the Human Development Index indicator. The results of their research during the period 1996-2010 concluded that there had been gender-based development in Indonesia. It can be seen through the increase in several indicators forming the Human Development Index (HDI), such as life expectancy, education level of women, and the number of women sitting in parliamentary seats, so that gender-based human development in Indonesia is still relatively good.

In a global context, Hornset and Soysa (2021) find that women's political empowerment has a positive effect on human capital when viewed from several indicators such as the length of time women complete education and the infant mortality rate of under five years. This research, conducted in the Middle East and North Africa Region, shows that women's political empowerment is driven by the structural conditions underlie strong democracy and economic development. According to Razmi and Bazazan (2012), developed countries have an experience that the development process always involves the participation of women. Their research examines the effect of the number of women's parliamentary seats on the Human Development Index in member countries of the Organization of Islamic Cooperation (OIC) during 1999-2008. There is a positive and significant relationship between women in parliament seats and these countries' Human

Development Index (HDI). Geddes and Miklowitz (2013) examine the impact of expanding women's economic rights on human capital investment. Between 1850 and 1920, most states in the United States enacted laws extending the rights of married women to work and earn their income. The expansion of women's economic rights also increases girls' attendance in school, with the most significant effect in the 15-19 year age group.

Research Method

This study uses panel data to analyze the data. Panel data is a combination of cross-sectional and time-series data. In other words, panel data is obtained from cross-sectional data observed repeatedly on the same object and at different times. Meanwhile, the panel data regression model in this study is as follows:

$$Y_{it} = \alpha + b_1X_{1it} + b_2X_{2it} + b_3X_{3it} + b_4X_{4it} + b_5X_{5it} + b_6X_{6it} + b_7X_{7it} + e_{it} \quad (1)$$

Information: Y = Human Development Index; α = Constant; b = Regression Coefficient; X_1 = Percentage of Women in Parliamentary Seats; X_2 = Proportion of Women in Managerial Positions; X_3 = Proportion of Women as Professional Workers; X_4 = Contribution of Women in the Household; X_5 = Percentage of Women as Head of Family; X_6 = Proportion of Women Married at an Early Age; X_7 = Java dummy variable; e = *Error term*; t = Year; l = Province

The estimation model with panel data is then processed using a fixed effect approach. This model assumes that the intercept of each individual is different. Each parameter is an unknown parameter in this technique and will be estimated using a dummy variable technique called Least Square Dummy Variable (LSDV). LSDV can accommodate coherent and systematic time effects. It can be done by adding a dummy time variable model to the model.

Result and Discussion

Table 1 shows the results of panel data estimation with a fixed effect approach. The regression results in this study indicate that women in parliamentary seats are not statistically related to HDI. Hadiyono (2015) said that although a 30% quota has been applied for women to sit in parliamentary seats, their achievements in parliament are not matched by the optimal performance, considering that female candidates promoted by political parties do not prioritize the quality and professionalism of women, but only from artists and their relatives. On this basis, the increase in women in parliament is not related to the HDI.

Table 1 Panel Data Estimation Results

Dependent variable: HDI	Fixed Effect
The proportion of women in parliament	-0.006 (0.045)
The proportion of female professionals	0.085*** (0.032)
The proportion of female managerial staff	0.027** (0.013)
The proportion of female household heads	-0.091** (0.035)
Contribution of women to household income	1,636*** (0.151)
The proportion of young married women	-0.060 (0.059)
Java	-1,862** (0.781)
constant	11.43* (5,793)
Observations	204
R-squared	0.938
Number of prov	34

Description : *** $p < 0.01$, ** $p < 0.05$, * $p < 0.1$

Meanwhile, the proportion of women as professional workers is positively related to HDI at a significance level of 1%. It is in line with research by Abdurahman and Tusianti (2021). A professional workforce is an important position or position within the framework of decent work (decent work). This type of position generally has an important role in making a decision. This study shows that women in this position can influence the level of women's quality of life. Most women who fill these positions have a good educational background and spatial money skills. Women in this position usually have higher incomes than those below them. Thus, women who have professional jobs indicate high-quality women. It is what drives the increase in HDI.

The estimation results show that it has a positive relationship with HDI at a significance level of 5%. It shows that the role of women in filling managerial positions must continue to be pursued. This role becomes stronger when women have the skills and formal education they are qualified for. Therefore, women's rights to continue higher education can be pursued through policies that favor women. Women must be fully supported in obtaining higher education and given policies to support it to increase their capabilities.

In the household sector, the regression results in Table 1 show that women as heads of households have a negative relationship with HDI at a significance level of 5%. As heads of households, women have roles and responsibilities as breadwinners, household managers, guardians of the continuity of family life, and decision-makers in the family. The essence of women as heads of households occupies a central and strategic position in the context of upholding family life. According to Ernawati (2013), the increasing number of female heads of households is due to migration and her husband's death.

However, the contribution of women's income in the household has a positive and significant relationship with HDI at a significance level of 1%. Women's involvement in household income has the strongest relationship with the human development index. Every 1% increase in the contribution of women's revenue in the household is associated with an increase in the human development index of 1.64 points. This finding shows that women will play a more role in development if they are not the head of the family but a supporter of the family economy.

Meanwhile, as a control variable, the number of women who marry at an early age is not statistically related to HDI. On the other hand, location plays an important role in HDI, where the HDI outside Java is statistically lower than Java Island by 1,862 points. It shows that human resource development is still concentrated in Java.

Conclusion

The findings of this study indicate that not all aspects of women's involvement affect improving the quality of human resources as measured by the Human Development Index (HDI). The participation of women in parliament, for example, is not associated with an increase in the HDI. It may be due to the proportion of women in parliament, which is still relatively low and stagnant yearly, less than the minimum quota of 30%. In addition, most women in parliament are public figures, such as artists or relatives of officials, so their contribution to parliament is less than optimal. The involvement of women is important in the economic sphere, considering the increasing proportion of women as professional and managerial workers is associated with an increase in HDI. Likewise, the involvement of women in the household economy where the more significant their contribution to family income, the higher the HDI produced. As long as women do not act as heads of families who have double burdens in the household, the quality of human development as measured in the HDI can be maintained and even improved.

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