

**The Impact of Gender Inequality in Education and Employment on Economic Growth  
in the Middle East and North Africa**

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**Abstract:**

Using cross-country and panel regressions, we investigate to what extent gender gaps in education and employment reduce economic growth. Using most recent data and investigating a long time period (1960-2000), we update the results of previous studies on education gaps on growth and extend the analysis to employment gaps using panel data. We then calculate the magnitude of the effects by comparing actual growth in the Middle East and North Africa with growth that would have taken place had they had the much smaller gender gaps in East Asia and the Pacific. Our point estimates suggest that the growth ‘costs’ of gender gaps in education, when considered alone, amount to about 0.5 percentage points per capita per year, and the combined ‘costs’ of education and employment gaps there amount to 0.6-1.2 percentage point differences in growth, based on our preferred specification. Gender gaps in employment appear to have a larger effect than gender gaps in education, although this finding should be treated as preliminary.