

Female Entrepreneurship And Innovation: Exploring The Role Of Gender Equality

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Introduction

- Gender equality is regarded to be an inevitable component of any development agenda (UNDP, 2016)
- Gained attention in the field of economics as well (Agenor & Canuto, 2015; Wodon and Briere, 2018)
- Objective 1) To examine whether gender equality leads to an increase in women participation in entrepreneurship
- Objective 2) To examine whether female-owned firms in countries with relatively low gender gap tend to be more innovative than their counterparts

Gender Gap vs Entrepreneurship and Innovation

- Gender discrimination in credit market as depicted by Muravyev et al. (2009) and Presbitero et al. (2014) can be reduced.
- Equal opportunities for both men and women increase the number of entrepreneurs in the economy and bring innovation through *competition* (Nuruzzaman et al., 2018), *collaboration* (Lee et at., 2001) and *knowledge sharing* (Zhou and Li, 2012)
- Women have better access to higher levels of education to acquire both technical and non-technical knowledge or skills (Strohmeyer et al., 2017).

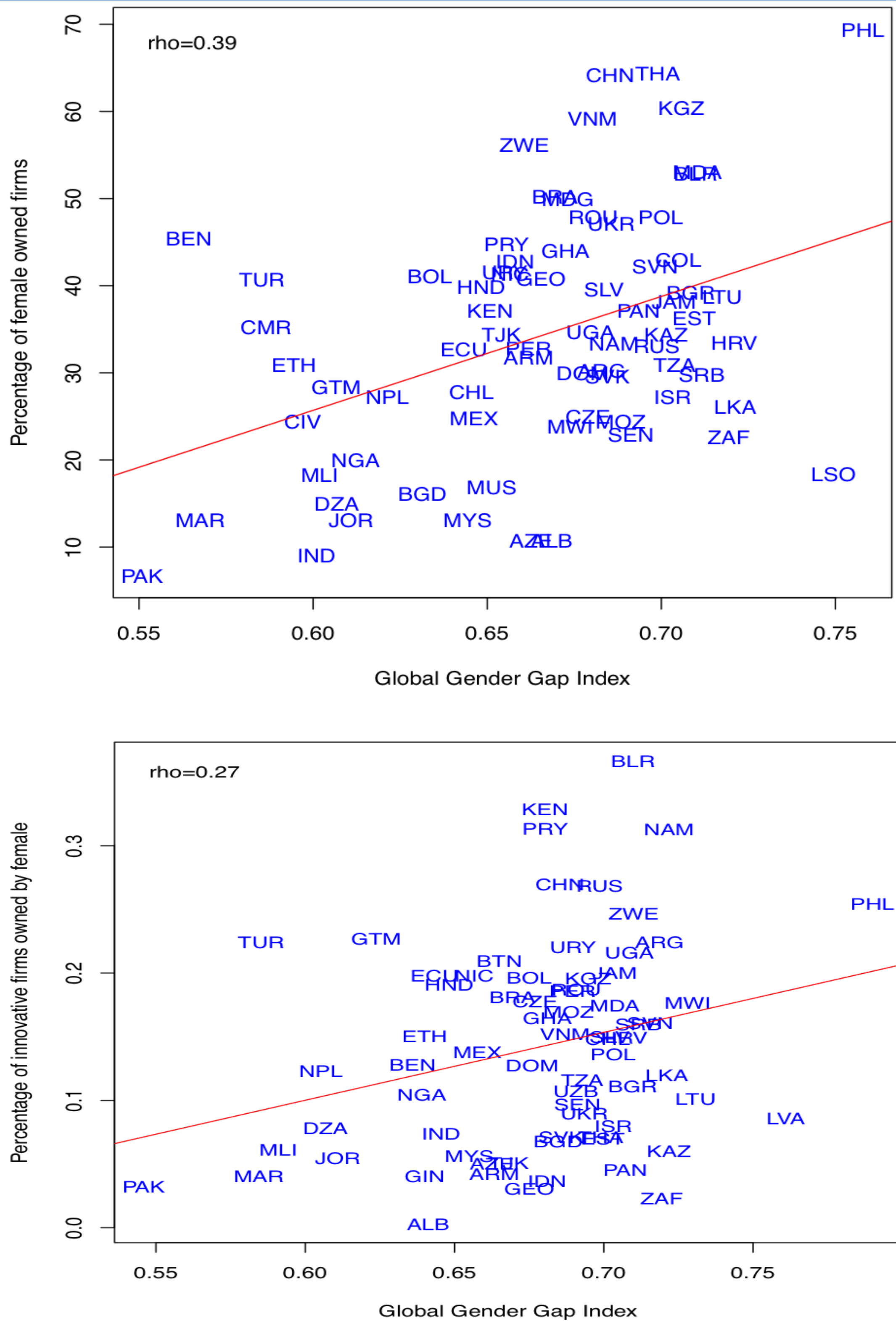
Data and Methodology

- Data Source: World Bank Enterprise Survey, World Economic Forum
- Time period : 2006-2016
- 54320 observations from 72 countries
- Graphical illustrations and logit estimation
- $Female_{i,j,t} = \alpha + \beta GenderGap_{j,t} + Z + e_{i,j,t}$
- $Innovation_{i,j,t} = \alpha + \beta GenderGap_{j,t} + \gamma Female_{i,j,t} + \delta GenderGap_{i,j,t} * Female_{i,j,t} + Z + e_{i,j,t}$

Key findings

- We show that gender equality leads to greater female participation in entrepreneurship.
- Gender equality leads to firm innovation, especially for female-owned firms

Results: Graphical Illustration



Results: Logit Estimation

	Entrepreneurship	Innovation
GenderGap	1.236***	0.690**
	(1.568)	(1.546)
Female		-0.234*
		(0.631)
GenderGap*Female		0.416**
		(0.936)
Firm-Level Controls	Yes	Yes
Country-Level Controls	Yes	Yes
Time Dummies	Yes	Yes
Industry Dummies	Yes	Yes
Region Dummies	Yes	Yes
Observations	54,320	54,318