

REPRODUCTIVE CHOICES TO LIFE CHANCES

New and Existing Evidence on the Impact of Contraception on Women's Economic Empowerment

Researchers from many academic institutions and think tanks have studied the relationship between contraception and women's economic empowerment. In both the developing and developed world, the evidence suggests that access to contraception is not only correlated with but can even **cause** women's economic empowerment and drive economic growth.

RESEARCH FINDINGS



Before and after girls become sexually active, access to contraception allows them to plan for better futures by investing in education.



Contraception helps women get into the workforce—and excel in professional fields.



By opening opportunities for women, contraception has the power to transform entire economies.

EVIDENCE OVERVIEW



Contraception allows girls to plan for better futures.

- In Indonesia, local access to family planning helped girls stay in school for **a full extra year**. Family planning was found to be **three times as powerful** as school quality for keeping girls in school.¹
- In Malaysia, young girls living in areas with family planning clinics stayed in school on average **half a year longer**—and the most vulnerable girls saw the largest gains.²
- In the US, young women with unrestricted access to contraception during late adolescence were **17% more likely to be enrolled** in university at age 21.³



Contraception helps women excel in the workforce.

- As teenagers, some Colombian girls saw family planning clinics open in their local counties. As adults, those same girls were **7% more likely to participate** in the formal labor force.⁴
- In the US, earlier legal access to contraception **increased women's formal labor force participation by 8%**⁵—and more women chose professional career tracks like law and medicine.⁶
- Among American working women, those with early legal access to contraception accumulated **650 extra hours of work experience** by age 35, helping them advance in their careers and earn higher salaries.⁷



Contraception can transform economies.

- Women's economic participation—enabled by contraceptive access and increasing education attainment—is a key **driver of economic growth**.⁸
- Contraception accounted for about **a third of female wage growth** in the 1990s,⁹ helping to close the gender wage gap. But the average US woman still earns 18% less than the average American man.¹⁰
- According to one study, achieving gender parity in economic participation could **add \$28 trillion (25%) to the global economy** by 2025.¹¹

1) Angeles, Gustavo, David K. Guilkey, and Thomas A. Mroz. "The Effects of Education and Family Planning Programs on Fertility in Indonesia." *Economic Development and Cultural Change* 54.1 (2005): 165-201. • 2) Babiarz, Kimberly Singer, Jiwon Lee, Grant Miller, Tey Nai Peng, and Christine Valente. "Family Planning and Women's Empowerment: Incentive Effects and Direct Effects Among Malaysian Women" (2017). • 3) Hock, Heinrich. "The Pill and the College Attainment of American Women and Men." Available at SSRN 1023042 (2007). • 4) Miller, Grant. "Contraception as Development? New Evidence from Family Planning in Colombia." *The Economic Journal* 120.545 (2010): 709-736. • 5) Bailey, Martha J. "More Power to the Pill: The Impact of Contraceptive Freedom on Women's Life Cycle Labor Supply." *The Quarterly Journal of Economics* 121.1 (2006): 289-320. • 6) Goldin, Claudia, and Lawrence F. Katz. "The Power of the Pill: Oral Contraceptives and Women's Career and Marriage Decisions." *Journal of Political Economy* 110.4 (2002): 730-770. • 7) Bailey, Martha J., Brad Hershbein, and Amalia R. Miller. "The Opt-In Revolution? Contraception and the Gender Gap in Wages." *American Economic Journal: Applied Economics* 4.3 (2012): 225-254. • 8) Hsieh, Chang-Tai, Erik Hurst, Charles I. Jones, and Peter J. Klenow. "The Allocation of Talent and U.S. Economic Growth." *National Bureau of Economic Research Working Paper* (2016). • 9) Bailey, Martha J., Brad Hershbein, and Amalia R. Miller. "The Opt-In Revolution? Contraception and the Gender Gap in Wages." *American Economic Journal: Applied Economics* 4.3 (2012): 225-254. • 10) U.S. Bureau of Labor Statistics. "Highlights of Women's Earnings in 2016." *BLS Reports* (2017), accessed November 29, 2017, <https://www.bls.gov/opub/reports/womens-earnings/2016/pdf/home.pdf>. • 11) Woetzel, Jonathan, Anu Madgavkar, James Manyika, Kweilin Ellingrud, Vivian Hunt, and Mekala Krishnan. "Realizing Gender Equality's \$12 Trillion Economic Opportunity." *McKinsey Global Institute Report* (2016), accessed November 29, 2017, <https://www.mckinsey.com/global-themes/employment-and-growth/realizing-gender-equalitys-12-trillion-economic-opportunity>.