The Hidden Costs of Exclusion: Gender Inequality in ASEAN Policymaking and Its Economic Implications

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FOREWORD

Gender equality has long been recognised as an important component of sustainable and inclusive growth. Across ASEAN, women have made significant contributions to economic and social development, yet many challenges continue to persist. It is therefore timely that this report sheds light on the economic implications of gender inequality in policymaking and leadership.

The findings presented here provide useful insights into how the region can better harness the potential of women in driving progress. While there have been improvements in recent years, more can still be done to ensure that opportunities are accessible to all, regardless of gender. Addressing these disparities is not only a matter of fairness, but also a strategic investment in the region's future.

We hope this publication will contribute to ongoing discussions among policymakers, private sector leaders, and civil society actors on how ASEAN can move towards a more equitable and prosperous future for everyone.

We would also like to express our sincere gratitude and appreciation to the authors for their diligent work and valuable contributions to this study.

Natalie Russmann
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EXECUTIVE SUMMARY

ASEAN is one of the world's fastest-growing regions, yet persistent gender inequality continues to limit its economic potential. Women play a vital role in powering ASEAN's economies, but they remain systematically underrepresented in leadership, policymaking, and high-value sectors. This report demonstrates that gender inequality is not only a matter of fairness but also a profound economic inefficiency, costing the region trillions in lost GDP and undermining sustainable development.

The exclusion of women from decision-making roles has direct and measurable economic consequences. When women are absent from policymaking, critical issues such as childcare, healthcare, and equitable labour practices receive less attention, resulting in weaker policy outcomes. Similarly, the lack of women in corporate leadership reduces the likelihood of family-friendly workplace policies and perpetuates gender pay gaps, both of which limit productivity and talent retention. Current data shows that women hold only about 20 percent of parliamentary seats and 12 percent of ministerial posts in ASEAN, far below global averages, while in corporate boardrooms, women occupy just 19.9 percent of seats with very few chair positions. This imbalance translates into missed opportunities for innovation, inclusive policymaking, and long-term economic growth.

The report's economic modelling illustrates the scale of these losses. Under a business-as-usual scenario, gender gaps in labour force participation, employment, and productivity persist, leading to mounting opportunity costs for all ASEAN economies. By contrast, a best-in-region scenario, where countries adopt the strongest gender-inclusive practices already demonstrated within ASEAN, projects significantly higher GDP growth across every nation, with cumulative gains worth hundreds of billions of dollars annually by 2029. These projections highlight that closing gender gaps is not merely aspirational but achievable, provided that deliberate interventions are made.

Structural and cultural barriers remain central to the persistence of inequality. Patriarchal norms, entrenched gender roles, and the disproportionate burden of unpaid care work on women continue to suppress female labour force participation. On average, women in ASEAN spend up to four times more time on unpaid care than men, limiting their ability to pursue paid work and career advancement. In entrepreneurship, women lead more than 60 million enterprises, yet face systemic barriers, including a financing gap as high as six billion dollars in some countries. This restricts their ability to scale businesses, adopt new technologies, and contribute more fully to regional growth.

To unlock ASEAN's full economic potential, the report identifies a series of urgent policy imperatives. These include strengthening gender-responsive budgeting to ensure that public resources target gender gaps effectively; investing in childcare and the wider care economy to reduce the unpaid care burden; and promoting women's leadership and entrepreneurship through quotas, mentorship, financing mechanisms, and digital skills development. Equally important are stronger legal protections in the workplace, more family-friendly policies such as flexible work arrangements and paid parental leave, as well as large-scale skills development initiatives that align women with emerging high-growth sectors such as digital and green industries.

Ultimately, the report concludes that closing gender gaps is not only a moral obligation but also an economic necessity. Inclusive governance and gender-responsive economic policies will be decisive in determining ASEAN's ability to sustain growth, strengthen resilience, and build a more equitable future. Without deliberate reforms, the region risks leaving trillions in potential economic gains unrealised.

INTRODUCTION

In recent decades, there has been a growing recognition in both academic and policy circles that gender equality is not only a matter of social justice but a fundamental driver of economic growth (Organisation for Economic Co-operation and Development [OECD], 2012, 2020). Since the 2008–09 financial crisis, global labour productivity growth has experienced a significant decline, averaging only 1.5% annually from 2011 to 2019, down from 2.3% during 2000–2008. This prolonged stagnation has led policymakers to seek alternative drivers of sustainable productivity growth, with increasing attention to strategies such as promoting gender equality, accelerating digital transformation, and implementing just transition policies (International Labour Organization [ILO], 2023; ILO, 2017). Therefore, one of the most overlooked levers for enhancing productivity is gender inclusion. Despite widespread progress in education and labour market participation, women remain significantly underrepresented in decision-making and leadership positions worldwide (OECD, 2022). According to data from the World Bank, the gender parity index for literacy rates in countries across ASEAN is around 1.0, which indicates equal education attainment between males and females (World Bank, n.d.). This aligns with the objectives of Sustainable Development Goal 5 (SDG 5), which aims to achieve gender equality and empower all women and girls (United Nations, n.d.). SDG 5 calls for the elimination of all forms of discrimination and violence, and the full and effective participation of women in leadership and decision-making. Advancing gender equality is not only a moral imperative but also a strategic economic investment that supports resilient and inclusive development.

Building on the argument that advancing gender equality is both a moral imperative and an economic strategy, the presence of women in leadership roles can have a transformative effect on female labour force participation, creating a cycle of empowerment, representation, and economic growth. At a macro level, countries with substantial female representation in leadership positions are more inclined to introduce measures that encourage women's engagement in the labour market, including subsidised early childhood education and comprehensive family leave provisions. Iceland illustrates this pattern well: with women holding nearly half of parliamentary seats (48%), the nation offers equal paid parental leave to both mothers and fathers, a policy that has supported higher female employment and a fairer sharing of caregiving duties. By contrast, in the United States, where only 28% of congressional seats are occupied by women, the absence of a nationwide paid family leave program is linked to higher rates of women leaving the workforce (World Economic Forum, 2025). OECD (2022) further reports that female political leadership can be associated with increased childcare subsidies, which, in cases like Germany's *Kindergeld* scheme[1], have been linked to maternal employment gains of up to 12 percentage points. Evidence also points to the fact that gender-based reservation can also have an impact on a country's infrastructural development. For example, using village-level data from India, Chattopadhyay and Duflo (2004) examined reserved and unreserved village councils in India and found that the gender of the leader influenced the types of public goods provided, with female leaders investing more heavily in infrastructure aligned with women's needs, such as access to clean water, sanitation, and health services. These types of investments can have direct and indirect effects on female labour force participation by reducing time burdens associated with domestic chores, improving health outcomes, and creating a more enabling environment for women to enter and remain in the workforce.

At firm level, a recent empirical study by Allemand, Tran, and Tran (2025) provides robust evidence that higher proportions of female directors on corporate boards significantly increase the share of female employees within firms. Women in these leadership roles often implement female-friendly policies, which in turn support the representation and advancement of other women internally. A gender-positive culture is more likely to thrive in the presence of a female lead. Similarly, an empirical analysis of 7,128 organisations in Australia examined the relationship between organisational gender composition and the enhancement of women's representation at both lower and higher levels (Ali et al., 2020). The study found that women are perceived as more suitable for leadership roles when their subordinates are predominantly female, consistent with gender-role congruity theory. Furthermore, it concluded that increasing the number of female supervisors and middle managers is an effective strategy for bringing more women into male-tilted industries, those with less than 39% female representation, thereby promoting greater female labour force participation nationally. IMF (2020) also finds that companies with more gender-balanced boards are about one-fifth more likely to implement policies such as paid parental leave, which can help retain female employees, while Goldman Sachs (2021) observes that firms led by women at senior levels tend to have gender pay gaps roughly 10% smaller, improving their appeal to female talent.

Table 1: Women in Corporate Leadership and Management in ASEAN Countries

Country	Women in Corporate Board Seats (%)	Women in Senior Management (%) (Year)
Brunei Darussalam	–	38.4 (2023)
Cambodia	–	29.2 (2019)
Indonesia	9.7	–
Lao PDR	–	25.68 (2022)
Malaysia	28.5	–
Myanmar	–	40.9 (2020)
Philippines	21.7	–
Singapore	23	40.7 (2024)
Thailand	19	–
Vietnam	–	21.26 (2024)

Source: *Deloitte's 2025 Board Diversity Index; Women's Leadership in The Asean Region from the UN Women Data Hub.*

In corporate boardrooms, women's representation in Southeast Asia reached 19.9% in 2023 (Singapore Institute of Directors, 2025). While Malaysia leads the region with 28.5% of board seats held by women in 2023, other key economies lag: the Philippines (21.7%), Singapore (23% in SGX–listed firms), Thailand (19.0%), and Indonesia (9.7%) (Singapore Institute of Directors, 2025). The scarcity of female board chairs is even more pronounced, with Singapore and the Philippines tying at just 8.3%, Thailand at 7.2%, Indonesia at 6.9%, and Malaysia at 6.2% (Singapore Institute of Directors, 2025).

The literature linking economic cost and women's participation in the economy has been explored using both cause and effect. For example, on one hand, Sangaji et al. (2018) examine the relationship between macroeconomic factors and gender inequality across eight ASEAN nations: Cambodia, Indonesia, Lao PDR, Malaysia, Myanmar, Singapore, Thailand, and Vietnam. Utilising dynamic panel data from 2010 to 2015, the research identifies that increases in gross domestic product (GDP) per capita, trade, and foreign direct investment are significantly and negatively correlated with the Gender Inequality Index. This suggests that economic growth and integration into global markets can contribute to reducing

gender disparities in these countries. On the other hand, the empirical literature also explores the impact of gender disparities on economic growth. Evidence shows that the economic costs of gender inequality are substantial. Bertay et al. (2020) demonstrate that greater gender equality promotes economic growth by enabling more productive allocation of female labour. Using within-country, industry-level data, they find that industries with higher female employment shares grow faster in countries with lower gender inequality. This effect is evident not only in value-added growth but also in labour productivity, highlighting that gender inequality places tangible constraints on economic performance. Similarly, Bandara (2015) estimates that in Africa, a 1% increase in the gender gap in effective labour reduces output per worker by between 0.43% and 0.49%. In Sub-Saharan Africa, the reduction ranges from 0.29% to 0.50%,while across a wider set of countries in Africa and Asia, the impact is between 0.26% and 0.32%. The World Bank report by Wodon and De La Brière (2018) further highlights the magnitude of the loss: human capital[2] accounts for about two-thirds of global wealth, yet women contribute only 38% compared to men's 62%. This disparity stems from lower earnings, fewer paid working hours, and overrepresentation in lower-paying sectors, driven by discrimination, societal norms, and unequal access to opportunities. The report estimates that gender inequality in earnings costs the global economy $160.2 trillion across 141 countries, which is approximately twice the world's GDP. This translates to an equivalent of $23,620 in lost wealth per person. Achieving gender parity in earnings could raise human capital wealth by 21.7% and total wealth by 14%, with OECD countries experiencing the largest absolute gains due to their higher wealth levels.

Although substantial evidence demonstrates a strong positive link between women's leadership, female labour force participation, and broader socio-economic gains, occupational data continue to reveal pronounced vertical segregation. Women remain disproportionately absent from senior and executive positions in academia, corporate governance, and public administration (ILO, 2020). This persistent "glass ceiling" is reinforced by the lack of gender-responsive career advancement frameworks and insufficient support for work–life balance. The underrepresentation is especially stark and economically significant in the political sphere. Globally, women occupy just 27% of parliamentary seats[3], while in ASEAN, the average falls to about 20.3%. The gap widens further at the ministerial level[4], where women hold an average of 22.87% of such posts worldwide but only 12.47% across ASEAN (World Bank, 2024).

The data indicate that across most ASEAN countries, women hold a smaller share of ministerial positions than parliamentary seats, suggesting that women are represented even less in the executive branch, where policy direction and high-level decision-making occur. Ministerial roles often carry greater influence over national priorities, budget allocation, and legislative implementation compared to parliamentary positions, meaning that this underrepresentation can limit women's direct impact on shaping policy agendas. The gap is particularly stark in countries like Myanmar and Vietnam, where a relatively high parliamentary presence is not matched by ministerial inclusion, implying potential barriers to women's progression from legislative to executive leadership. In contrast, the OECD average shows near parity between women in parliament and ministerial positions, highlighting that ASEAN still faces significant structural and cultural challenges in promoting women into the most influential political roles.

Figure 1: Relationship between women in parliament and women LFPR
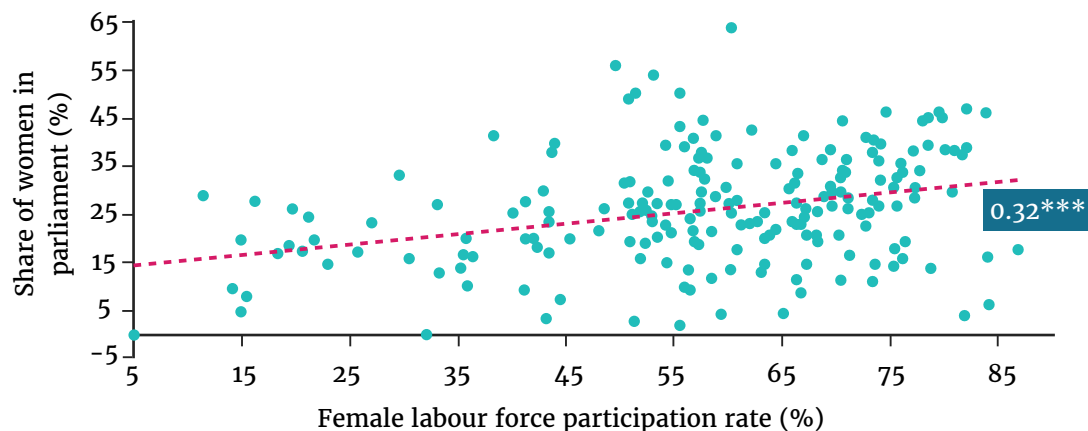
Source: *World Bank 2024*
Note: *** indicates significance at 1% for the correlation between the two variables*

Figure 1 shows that countries with higher female labour force participation rates generally also have a greater share of women in parliament, based on data from over 180 countries (World Bank). This positive and statistically significant relationship (r = 0.32***) suggests that when more women are actively participating in the workforce, they are also more likely to be represented in political leadership. Increased representation of women in parliament is widely recognised as a positive development: it often leads to more inclusive lawmaking, attention to a broader set of societal needs, and better outcomes in areas such as health, education, and gender equality. Thus, the trend in the data highlights not only a correlation but also points to the societal benefits of fostering women's participation, both in the economy and in governance.

Historically, gender roles in Southeast Asia have been shaped by a complex interplay of traditional practices and sociopolitical factors, which have established a patriarchal framework that restricts women's economic and political participation. While some progress has been made, including increased educational attainment among women, disparities in labour force participation and representation in decision-making bodies persist.

The paper contributes to the growing body of evidence on the economic costs of gender inequality in leadership by quantifying the impact of women's underrepresentation in policymaking across ASEAN economies. While the exclusion of women from decision-making is often framed as a social justice issue, this study demonstrates that it is also a critical economic inefficiency, resulting in substantial GDP losses, misallocation of resources, and weaker policy outcomes.

The paper's objectives are centred on systematically analysing the economic consequences of women's underrepresentation in leadership and policymaking across ASEAN economies. First, it seeks to argue that gender inequality in ASEAN policymaking and leadership constitutes a significant economic inefficiency, rather than merely a social justice issue. Second, it quantifies the economic costs of excluding women from these roles by analysing data from ten ASEAN countries. Third, it projects the potential economic gains of closing gender gaps over a five-year period using a supply-side GDP model. Finally, it identifies the persistent barriers that hinder women's progress in leadership and economic participation in the region.

By bridging the gap between gender equity and economic analysis, this study provides policymakers with a data-driven case for institutional reforms. It argues that without deliberate interventions, such as gender quotas, leadership training, and gender-responsive budgeting, ASEAN will continue to miss out on trillions in potential economic growth. The findings emphasise that inclusive governance is not just a moral imperative but an economic necessity, offering a roadmap for how ASEAN can harness women's leadership to drive sustainable and resilient economic development.

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[1] A monthly benefit paid out to all parents in Germany, regardless of their income.
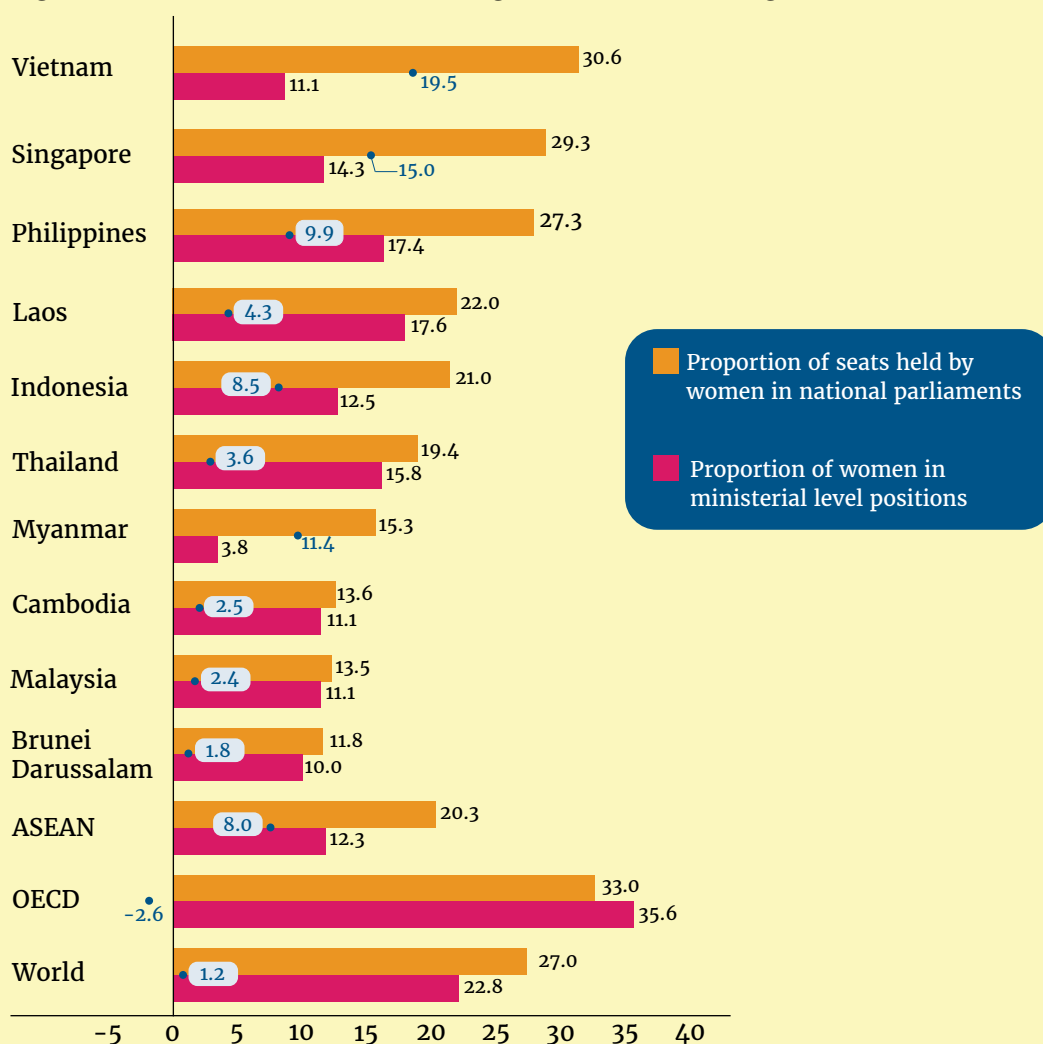[2] Measured as the present value of future labour earnings.
[3] Proportion of seats held by women in national parliaments (%)
[4] Proportion of women in ministerial-level positions (%)

GENDER BASED LAWS AND POLICIES

The impact of women's leadership on economic growth and productivity is intricately connected to the legal and policy frameworks that women help shape and implement. Women in leadership roles can play a transformative role in promoting inclusive and sustainable development. Their influence often translates into laws and policies that address longstanding gender disparities, improve social infrastructure, and enhance labour force participation, all of which are essential drivers of economic growth. A data comparison of women's representation in government for ASEAN countries provides insight into the significant role women play in policymaking. Figure 2[5] shows a country-wise comparison (for ASEAN) of women in national parliaments and those holding ministerial positions.

Figure 2: Women representation in the government (percentage share)

Vietnam — 30.6 / 11.1 / 19.5
Singapore — 29.3 / 14.3 / 15.0
Philippines — 27.3 / 9.9 / 17.4
Laos — 22.0 / 4.3 / 17.6
Indonesia — 21.0 / 8.5 / 12.5
Thailand — 19.4 / 3.6 / 15.8
Myanmar — 15.3 / 3.8 / 11.4
Cambodia — 13.6 / 2.5 / 11.1
Malaysia — 13.5 / 2.4 / 11.1
Brunei Darussalam — 11.8 / 1.8 / 10.0
ASEAN — 20.3 / 8.0 / 12.3
OECD — 33.0 / −2.6 / 35.6
World — 27.0 / 1.2 / 22.8

Legend:
- Proportion of seats held by women in national parliaments
- Proportion of women in ministerial level positions

Source: *World Bank 2024*

The data indicate that across most ASEAN countries, women hold a smaller share of ministerial positions than parliamentary seats, suggesting that women are represented even less in the executive branch, where policy direction and high-level decision-making occur. Ministerial roles often carry greater influence over national priorities, budget allocation, and legislative implementation compared to parliamentary positions, meaning that this underrepresentation can limit women's direct impact on shaping policy agendas. The gap is particularly stark in countries like Myanmar and Vietnam, where relatively higher parliamentary presence is not matched by ministerial inclusion, implying potential barriers in women's progression from legislative to executive leadership. In contrast, the OECD average shows near parity between women in parliament and ministerial positions,

highlighting that ASEAN still faces significant structural and cultural challenges in promoting women into the most influential political roles. An investigation into the gender-based reservation in these countries reveals the following (Table 2). The low proportion of women in ministerial positions, particularly outside traditional "soft" portfolios like gender equality, family affairs, or social welfare, points to a systemic exclusion from core economic and strategic policymaking. This means that critical national development plans may inadvertently overlook gender-specific economic barriers or opportunities, leading to less effective and less inclusive outcomes. Economic policy areas such as trade, investment, and infrastructure development are typically dominated by men (ADB, 2019). When women's perspectives are absent from these crucial areas, policies may fail to account for their differential impact on women. For instance, if transport infrastructure is not designed with women's mobility needs in mind, it can directly limit their access to paid work and economic opportunities (ADB, 2020). This "gender-blindness" in core economic policymaking perpetuates existing inequalities and results in missed opportunities for more efficient and equitable resource allocation, directly contributing to the hidden costs of exclusion.

The limited representation of women in political and public life also has tangible impacts on policy responsiveness and inclusive governance. Research consistently indicates that women political leaders are more likely to champion inclusive policies, including those related to education, social welfare, childcare, public health, and broader gender equality initiatives (Sinpeng & Savirani, 2022). Conversely, their underrepresentation can lead to the formulation of "gender-blind" budgets that fail to adequately address the specific needs and priorities of women and girls, thereby perpetuating existing inequalities (Oxfam, 2016).

Table 2: Political Quotas for Women in ASEAN Member States

Country	Mandatory Quota	Quota Type	Legal Framework	Quota %	Current Women Representation (%)	Implementation Status
Brunei Darussalam	No	–	No legal provisions	–	11.4	No quota system
Cambodia	No	Voluntary party targets	Informal party goals	20% (target)	13.6	Voluntary implementation
Indonesia	Yes	Candidate quota	Bill No. 8/2012 on Legislative Election Regulation from the General Election Commission No. 7/2013	30% minimum	21.9	Implemented but weakened by 2023 regulations
Laos	No	–	No formal quota system	–	22	No quota framework
Malaysia	No	Voluntary party quotas	Party internal policies	For e.g.: Parti Keadilan Rakyat	13.5	Limited voluntary adoption
Myanmar	No (currently suspended parliament)	Constitutional provision	Post-coup People's Assembly decision	30% (proposed)	15.3	Decided but not implemented
Philippines	No	Voluntary politicalparty quotas	Party-list system facilitates representation	–	28.3	No quota; alternative mechanisms
Singapore	No	Voluntary party targets	Informal PAP targets	~30% (informal)	32.3	Voluntary party practice
Thailand	Partial	Legal framework for voluntary quotas	Section 48 of the Organic Act of Political Parties	Varies by party	19.6	Legal permission for voluntary quotas
Vietnam	Yes	Candidate quota	Law No.85/2015/QH13 on the Election of National Assembly Deputies	35% minimum	31.4	Fully implemented

Source: *https://www.idea.int/data-tools/data/gender-quotas-database/quotas and Inter-Parliamentary Union (2025)*

The comparative analysis of mandatory political quotas across ASEAN member states reveals a complex relationship between formal quota systems and actual women's parliamentary representation. While only two countries, Indonesia and Vietnam, have implemented mandatory candidate quotas requiring a minimum of 30% and 35% women candidates, respectively, the effectiveness of these measures varies considerably. Vietnam, with its 35% quota supported by comprehensive legal frameworks, including the Gender Equality Law, achieves the second highest regional representation at 31.4%. However, Indonesia's 30% quota set under Bill No. 8/2012 and Regulation No. 7/2013 of the General Election Commission, yields only 21.9% representation, reflecting implementation challenges, including recent regulatory changes that allow "rounding down" of quota requirements. Notably, countries without mandatory quotas demonstrate that alternative mechanisms can be equally effective: Singapore achieves 32.3%% representation through strong voluntary party commitments, ranking second regionally, while the Philippines reaches 28.3% through its party–list electoral system. Even Laos, with no formal quota framework, attains 22.0% representation, surpassing Indonesia despite the latter's mandatory requirements. This data suggests that while mandatory quotas can be effective tools for enhancing women's political participation, their success depends heavily on robust implementation mechanisms and political will. Furthermore, the achievements of Singapore and the Philippines demonstrate that voluntary commitments and alternative electoral structures can produce comparable results, challenging assumptions about the necessity of mandatory quotas for achieving meaningful women's political representation in the region.

The translation of economic benefits from women's participation is significantly influenced by the legal status of various indicators defining women's well-being. This section draws on the World Bank's general repository and the Women, Business, and the Law (WBL) dataset, a comprehensive tool that assesses how legal frameworks across 190 countries support or hinder women's economic inclusion. Specifically, it examines the legal and policy themes that mediate the relationship between women's leadership and national economic performance. For example, laws mandating equal pay for equal work, prohibiting discrimination in hiring, and providing paid maternity and paternity leave directly impact women's labour force participation and retention. Similarly, legal reforms ensuring equal inheritance rights, property ownership, and access to credit empower women as economic agents, entrepreneurs, and investors. The WBL data is organised into thematic areas to offer a broad understanding of the pathways through which women's leadership can drive economic growth. The ten ASEAN countries are compared using the International Labour Organisation (ILO) estimated ratio of total weekly hours worked by women to the population of women aged 15–64[6] and the scores under each theme. This measure goes beyond simply counting the number of women employed; it captures the intensity and extent of their participation in the workforce. It offers a comprehensive picture of women's actual labour input relative to their potential, helping to design targeted policies that promote gender equality, improve women's employment quality, and boost overall economic productivity. The themes considered are as follows:

1. **Violence & Safety:**
    Heightened violence and safety issues could cause a strong negative impact on women's labour force participation, hence productivity. For example, Duvvury et. al. (2013) show that intimate partner violence (IPV) causes significant output loss, such as 1.6% of GDP in Vietnam, mainly through absenteeism. Despite economic structural changes, IPV-related productivity losses remain substantial, highlighting the importance of addressing violence against women as part of enhancing economic development.

Table 3: Women's Legal Protection Frameworks in ASEAN Member States (Safety)

Economy	Ratio of total weekly hours worked to female population aged 15–64	Income Group	Safety	Does the law address child marriage?	Does the law address sexual harassment?	Does the law address domestic violence?	Does the law address femicide?
Brunei Darussalam	24.2	High income	0	No	No	No	No
Cambodia	37.5	Lower middle income	0	No	No	No	No
Indonesia	19.9	Upper middle income	75	Yes	Yes	Yes	No
Lao PDR	26.9	Lower middle income	50	Yes	No	Yes	No
Malaysia	24.1	Upper middle income	0	No	No	No	No
Myanmar	17.6	Lower middle income	0	No	No	No	No
Philippines	21.5	Lower middle income	75	Yes	Yes	Yes	No
Singapore	30.8	High income	50	Yes	Yes	No	No
Thailand	30.1	Upper middle income	0	No	No	No	No
Vietnam	32.2	Lower middle income	75	Yes	Yes	Yes	No

Source: *Women, Business and the Law (WBL) dataset*

The comparative analysis of women's legal protections across ASEAN member states reveals a surprisingly weak correlation between economic development and comprehensive legal frameworks addressing gender-based violence and discrimination. While conventional expectations might assume that higher-income countries would demonstrate stronger legal protections for women, the data present a more complex reality. High-income countries like Brunei Darussalam and Singapore show significant gaps in their legal frameworks, with Brunei offering no legal protections against child marriage, sexual harassment, domestic violence, or femicide despite its high-income status. Similarly, Singapore, while addressing child marriage and sexual harassment, lacks specific legislation on domestic violence and femicide. Conversely, several lower and upper middle-income countries demonstrate more comprehensive legal approaches: Indonesia, Philippines, and Vietnam (spanning lower middle to upper middle income) each maintain safety scores of 75, with robust legal frameworks addressing child marriage, sexual harassment, and domestic violence. The disconnect between economic prosperity and women's legal protection is further illustrated by Malaysia and Thailand, both upper-middle-income countries, which show no legal protections in any of the four categories examined, achieving safety scores of zero. This pattern suggests that political will, cultural factors, and historical advocacy efforts may be more significant determinants of women's legal protection than economic development alone, challenging the assumption that women's rights progress automatically alongside economic advancement in the region.

2. **Mobility:**
Mobility is a fundamental enabler of economic opportunity, yet women's legal rights to travel are often restricted in many contexts. Fruttero, Gomes, and Sharma (2023) provide compelling evidence that granting women equal rights to obtain a passport, to travel outside the home, and to choose their place of residence is among the most powerful legal reforms for boosting female labour force participation. Their granular analysis of 35 gendered laws across 190 countries shows that these travel-related rights alone yield significant increases in women's employment rates, without any corresponding decline in men's participation, highlighting mobility as a critical policy lever for closing gender gaps in the workforce.

Table 4: Women's Legal Protection Frameworks in ASEAN Member States (Mobility)

Economy	Ratio of total weekly hours worked to female population aged 15–64	Income Group	Mobility	Can a woman choose where to live in the same way as a man?	Can a woman travel internationally in the same way as a man?	Can a woman travel outside her home in the same way as a man?	Do a woman and a man have equal rights to confer citizenship on their spouses and their children?
Brunei Darussalam	24.2	High income	25	No	Yes	No	No
Cambodia	37.5	Lower middle income	100	Yes	Yes	Yes	Yes
Indonesia	19.9	Upper middle income	100	Yes	Yes	Yes	Yes
Lao PDR	26.9	Lower middle income	100	Yes	Yes	Yes	Yes
Malaysia	24.1	Upper middle income	25	No	Yes	No	No
Myanmar	17.6	Lower middle income	100	Yes	Yes	Yes	Yes
Philippines	21.5	Lower middle income	50	Yes	No	Yes	No
Singapore	30.8	High income	75	Yes	Yes	Yes	No
Thailand	30.1	Upper middle income	75	Yes	Yes	Yes	No
Vietnam	32.2	Lower middle income	100	Yes	Yes	Yes	Yes

Source: *Women, Business and the Law (WBL) dataset*

Although lower middle-income countries like Cambodia, Indonesia, Lao PDR, Myanmar, and Vietnam achieve full scores (100) on a composite mobility index, indicating that women can choose where to live, travel domestically and internationally, and confer citizenship on spouses and children on equal terms with men, women's average weekly work participation is not uniformly high across these states. Conversely, upper-middle-income Malaysia (25) and high-income Brunei Darussalam (25) exhibit restrictive mobility rights in choosing residence and leaving the home, coupled with moderate work ratios (24.1 and 24.2, respectively). This decoupling suggests that while mobility rights may facilitate women's access to employment opportunities, they are not the sole determinant of labour participation.

3. Workplace:

The link between women's workplace legal protections and female labour force participation has been explored quite well in the literature. One relevant literature by Hyland et al. (2020) offers a global perspective using the World Bank's WBL database to document persistent legal inequalities in areas such as pay, parenthood, and workplace treatment. The authors specifically find positive correlations between improvements in gender-equal workplace laws and higher rates of female labour force participation, as well as a reduction in the wage gap between men and women. The paper provides robust evidence that legal reforms promoting women's workplace rights have measurable impacts on labour market outcomes for women, emphasising the importance of legal equality for driving economic participation by women. An ASEAN level analysis using the same dataset has been done below:

Table 5: Women's Legal Protection Frameworks in ASEAN Member States (Workplace)

Economy	Ratio of total weekly hours worked to female population aged 15–64	Income Group	Workplace	Can a woman get a job in the same way as a man?	Does the law explicitly prohibit discrimination in recruitment based on marital status, parental status, and age?	Does the law prohibit discrimination in employment based on gender?	Does the law allow employees to request flexible work?
Brunei Darussalam	24.2	High income	25	Yes	No	No	No
Cambodia	37.5	Lower middle income	50	Yes	No	Yes	No
Indonesia	19.9	Upper middle income	50	Yes	No	Yes	No
Lao PDR	26.9	Lower middle income	75	Yes	No	Yes	Yes
Malaysia	24.1	Upper middle income	50	Yes	No	No	Yes
Myanmar	17.6	Lower middle income	25	Yes	No	No	No
Philippines	21.5	Lower middle income	75	Yes	No	Yes	Yes
Singapore	30.8	High income	25	Yes	No	No	No
Thailand	30.1	Upper middle income	75	Yes	No	Yes	Yes
Vietnam	32.2	Lower middle income	100	Yes	Yes	Yes	Yes

Source: *Women, Business and the Law (WBL) dataset*

The results reveal stark disparities: only Vietnam provides all four protections, giving it the highest workplace score (100), while several countries, such as Brunei, Malaysia, Myanmar, and Singapore, score low, lacking most or all of these legal safeguards. Notably, issues like legal prohibitions against workplace gender discrimination and sexual harassment remain inadequately addressed in most states, regardless of their income level. This demonstrates that across ASEAN, comprehensive legal protection for women in the workplace remains the exception rather than the rule, highlighting the need for significant reforms to achieve safer and more equitable employment environments for women.
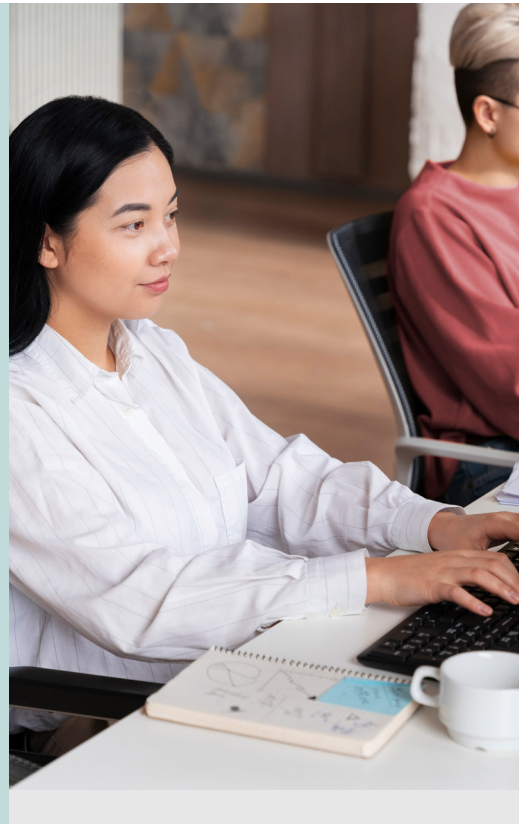
4. Pay:
The relationship between payment-based laws and women's employment has been explored in studies such as Alam et. al (2023). They utilise the 2018 revision of Portugal's pay equity law, targeted at large firms with gender wage gaps over 5%, imposing fines for non-compliance. Analysis using employee–employer data shows mixed effects, the authors show that in high-gap firms, the gap fell by 13%, mainly from slower male wage growth; in low-gap firms, the gap widened by over 25% due to sharper female wage declines therefore suggesting that the impact of wage based law could have adverse effects also on the pay gap depending on the type of firms.

Table 6: Women's Legal Protection Frameworks in ASEAN Member States (Pay)

Economy	Ratio of total weekly hours worked to female population aged 15–64	Income Group	Pay	Does the law mandate equal remuneration for work of equal value?	Can a woman work at night in the same way as a man?	Can a woman work in a job deemed dangerous in the same way as a man?	Can a woman work in an industrial job in the same way as a man?
Brunei Darussalam	24.2	High income	75	No	Yes	Yes	Yes
Cambodia	37.5	Lower middle income	75	No	Yes	Yes	Yes
Indonesia	19.9	Upper middle income	75	No	Yes	Yes	Yes
Lao PDR	26.9	Lower middle income	75	No	Yes	Yes	Yes
Malaysia	24.1	Upper middle income	75	No	Yes	Yes	Yes
Myanmar	17.6	Lower middle income	50	No	Yes	Yes	No
Philippines	21.5	Lower middle income	100	Yes	Yes	Yes	Yes
Singapore	30.8	High income	75	No	Yes	Yes	Yes
Thailand	30.1	Upper middle income	75	Yes	Yes	Yes	No
Vietnam	32.2	Lower middle income	100	Yes	Yes	Yes	Yes

Source: *Women, Business and the Law (WBL) dataset*

The data reveal that Vietnam is the only country offering all four key protections, earning a perfect score (100), while other countries provide a mixed picture; many, including Brunei, Malaysia, Myanmar, and Singapore, lack most of these safeguards. Even some higher-income countries fall short in guaranteeing women's equality and safety in the workplace. Overall, the table highlights significant gaps and inconsistencies in legal workplace protections across ASEAN, indicating that comprehensive measures to ensure fair and safe employment for women are still lacking in much of the region.

5. Parenthood:

In a study of 159 countries, Dey et al. (2021) found that parental leave of up to about 30 weeks increases women's participation in the workforce by making it easier for mothers to balance work and childcare. However, when leave is longer than this, participation tends to decline because extended leave can lead to lower wages or fewer job opportunities. The study also shows that social norms strongly influence women's decisions to work across countries. Using the WBL dataset, this study found the following.

Table 7: Women's Legal Protection Frameworks in ASEAN Member States (Parenthood)

Economy	Ratio of total weekly hours worked to female population aged 15–64	Income Group	Parenthood	Is paid leave of at least 14 weeks available to mothers?	Are leave benefits for mothers paid solely by the government?	Is paid leave available to fathers?	Is dismissal of pregnant workers prohibited?
Brunei Darussalam	24.2	High income	0	No	No	No	No
Cambodia	37.5	Lower middle income	25	No	No	No	Yes
Indonesia	19.9	Upper middle income	50	No	No	Yes	Yes
Lao PDR	26.9	Lower middle income	75	Yes	No	Yes	Yes
Malaysi	24.1	Upper middle income	75	Yes	No	Yes	Yes
Myanmar	17.6	Lower middle income	75	Yes	Yes	Yes	No
Philippines	21.5	Lower middle income	75	Yes	No	Yes	Yes
Singapore	30.8	High income	50	Yes	No	Yes	No
Thailand	30.1	Upper middle income	25	No	No	No	Yes
Vietnam	32.2	Lower middle income	100	Yes	Yes	Yes	Yes

Source: *Women, Business and the Law (WBL) dataset*

Vietnam stands out with a perfect score (100), guaranteeing at least 14 weeks of paid maternity leave, government-paid benefits for mothers, paid paternity leave, and protection against dismissal during pregnancy. By contrast, Brunei offers none of these protections, scoring 0, while countries like Cambodia and Thailand also provide limited support. Several middle performers, such as Lao PDR, Malaysia, Myanmar, and the Philippines, offer strong maternity leave and dismissal protections but lack either government-funded benefits or paid paternity leave. High-income Singapore provides most protections except government-funded maternity benefits and dismissal protection, while Indonesia offers only partial coverage. Overall, the data reveal a clear link between stronger parenthood protections and greater gender equality in the workplace, with most ASEAN countries still falling short of comprehensive legal support for working mothers and fathers.

6. Overall analysis:

The table below compares the ASEAN countries across five Women, Business and the Law (WBL) indicators: Safety, Mobility, Workplace, Pay, and Parenthood, alongside female work participation (measured as the ratio of total weekly hours worked to the female population aged 15–64) and income group. The data show that Vietnam is the top performer, scoring 100 in all five legal domains, and has one of the highest female work ratios (32.2), suggesting a strong alignment between comprehensive legal protections and higher women's labour participation. Cambodia, Indonesia, Lao PDR, Malaysia, and the Philippines display mixed strengths, excelling in some areas like Mobility or Pay, but with gaps in Safety or Parenthood protections. Notably, Brunei Darussalam (high income) has low scores in most categories except Pay, and one of the lowest Parenthood scores (0), despite its wealth, highlighting that high income does not guarantee strong gender-equal legal frameworks. Myanmar shows very low Safety and Workplace protection despite a relatively high Parenthood score, while Singapore, although high income, lags in Workplace and Parenthood protections. Overall, the pattern suggests that countries with more balanced and comprehensive protections across all legal domains, especially in Workplace, Pay, and Parenthood, tend to have higher female labour force engagement, though exceptions exist due to cultural, policy enforcement, and economic structure differences.

Table 8: Women's Legal Protection Frameworks in ASEAN Member States (Overall)

Economy	Ratio of total weekly hours worked to female population aged 15–64	Income	Safety	Mobility	Workplace	Pay	Parenthood
Brunei Darussalam	24.2	High income	0	25	25	75	0
Cambodia	37.5	Lower middle income	0	100	50	75	25
Indonesia	19.9	Upper middle income	75	100	50	75	50
Lao PDR	26.9	Lower middle income	50	100	75	75	75
Malaysia	24.1	Upper middle income	0	25	50	75	75
Myanmar	17.6	Lower middle income	0	100	25	50	75
Philippines	21.5	Lower middle income	75	50	75	100	75
Singapore	30.8	High income	50	75	25	75	50
Thailand	30.1	Upper middle income	0	75	75	75	25
Vietnam	32.2	Lower middle income	75	100	100	100	100

Source: *Women, Business and the Law (WBL) dataset*

Figure 3: Correlation with work ration for 178 countries
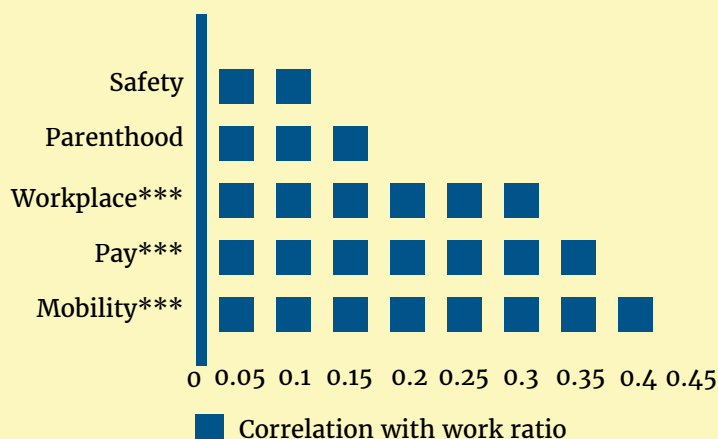
Source: *Women, Business and the Law (WBL) dataset*
Note: *** indicates significance at 5% and *** indicates significance at 1%*

Work ratio is the ratio of total weekly hours worked by women to the population of women aged 15-64 years

A combined analysis (graph above) of the 178 matched countries (between World Bank data base and WBL) indicate that a correlation analysis shows that Mobility (such as freedom of movement) has the strongest positive correlation with women's work participation, followed closely by Pay and Workplace equality, suggesting that when women are free to move, earn equally, and work in equitable environments, they are far more likely to participate in the workforce. Parental Leave and Safety, while still positively correlated with the work ratio, show a weaker association, indicating these factors, although important, have less direct impact globally on women's employment levels than the others. These findings highlight that policies strengthening women's legal and economic autonomy, especially around movement, pay, and workplace rights, are most effective in boosting women's labour force participation.

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[5] The data for Myanmar is taken for year 2019 (ministerial positions) and year 2021 (women in national parliament). The Parliament of Myanmar, the Pyidaungsu Hluttaw (Assembly of the Union), comprising the Pyithu Hluttaw (House of Representatives) and the Amyotha Hluttaw (House of Nationalities), had its most recent elections in November 2020. The military staged a coup on 1 February 2021, and there is currently no functioning parliament in Myanmar.

[6] Defined as the total weekly hours worked by employed women in their main job divided by the female working-age population.

EMPIRICAL APPROACH: QUANTIFYING THE COST OF GENDER EXCLUSION

This study aims to quantify the potential economic impact of advancing women's equality in ten ASEAN countries over the period 2015–2024. The core of our analysis is the supply-side GDP model, which estimates the economic impact of closing gender gaps in labour markets. The model calculates Gross Domestic Product (GDP) using five gender-disaggregated inputs:

> *GDP = Working-age population × Labour-force participation rate × Employment rate × Full-time equivalent rate × Labour productivity per full-time equivalent employed*

The model captures differences in male and female contributions to GDP based on three primary factors: labour-force participation rates, hours worked (reflected in the full-time equivalent rate), and the distribution of employment across various economic sectors. It is important to note that this supply-side analysis focuses on the potential labour supply and does not account for demand-side factors that could influence job creation to absorb additional female workers. Furthermore, the model does not include second-order impacts, such as increased consumption due to higher female participation, or broader societal benefits that may arise from advancing gender equality.

Data Sources and Variables

Data for all ten ASEAN countries are observed annually for the period 2015–2024. The variables utilised in the model, along with their definitions, are presented in Table 9.

Table 9: Variables Used in the Supply-Side GDP Model

Variable	Definition	Source
Working-age population	Female population aged 15 – 64, in thousands	International Labour Organization (ILO)
Labour force participation rate	Percentage of female or male working-age population in the labour force	International Labour Organization (ILO)
Employment-to-population ratio	Percentage of female or male working-age population employed	International Labour Organization (ILO)
Full-time equivalent (FTE) rate	Average hours worked by employed females or males, normalised to a full-time equivalent (e.g., 40 hours/week = 1 FTE)	Derived from ILO labour surveys
Labour productivity per FTE	Output (in constant 2015 US dollars) per full-time equivalent female or male worker	Derived from World Bank and ILO data

Data Preparation and Imputation

The initial phase focused on meticulously preparing the raw data, which included addressing missing values, a critical step for ensuring the robustness of subsequent analyses. We used linear interpolation with Last Observation Carried Forward (LOCF) to fill in gaps in the data. If only a single non-missing value were present in a column, all missing values were replaced with this solitary observation. In instances where an entire column was devoid of non-missing values, the missing values were imputed using the overall mean of that specific variable, e.g. Labour Force Participation Rate (LFPR).

Historical Growth Rate and CAGR Calculation

To understand past trends and inform future projections, historical growth rates for the period 2015 – 2024 were computed. For each country, the percentage of growth rate was calculated annually for the LFPR, employment-to-population ratio, FTE, and productivity by:

$$\frac{(CurrentValue - PreviousValue)}{PreviousValue} \times 100$$

For long-term growth analysis, the Compound Annual Growth Rate (CAGR) for 2015 – 2024 was calculated by:

$$CAGR = \left(\left(\frac{EndingValue}{Starting\ Value} \right)^{\frac{1}{n}} - 1 \right) \times 100$$

where n represents the number of years in the period.

To ensure the relevance and accuracy of our projections against broader economic figures, a data calibration step was performed. Recognising inconsistencies in the availability of 2024 data across all countries, data were assembled using the most recent available year for each country (e.g., Singapore and Thailand from 2024, Malaysia and Philippines from 2022). The core of the calibration involved aligning our calculated productivity figures with the approximated ASEAN GDP of $3.5 trillion in 2024.

Model Structure

The supply-side GDP model calculates total GDP as the product of labour inputs and productivity, disaggregated by gender. The model estimates the incremental GDP from increasing female labour-force participation, hours worked (via FTE rates), and productivity. The methodology consists of the following steps:

The total GDP for a given year and scenario is calculated as:

$$GDP_{total} = \sum_{gender, sector} (POP_{gender} \times LFPR_{gender} \times EPR_{gender} \times FTE_{gender} \times PROD_{gender,sector})$$

Where:	
POP_gender	Working-age population (female or male, in thousands).
LFPR_gender	Labour force participation rate (percentage).
EPR_gender	Employment-to-population ratio (percentage).
FTE_gender	Full-time equivalent rate (normalised hours worked).
PROD_gender, sector	Labour productivity per FTE in a given sector (constant 2015 US dollars).

The incremental GDP from advancing gender equality is:

$$GDP_{incremental} = GDP_{best-in-region} - GDP_{BAU}$$

Scenario Analysis and Forecasting

Two distinct scenarios were developed to project labour market indicators and GDP contributions five years beyond each country's latest available data. First, the Business-as-Usual (BAU) scenario projects future trends based on historical performance. For each country, the working-age population were projected using country-specific population growth rates. Other key labour market indicators were projected using their respective historical CAGRs. To maintain realistic bounds, these percentage-based indicators were capped at a maximum of 1 (or 100%). Finally, GDP were calculated by multiplying the projected components. Then, the Best-in-Region scenario models a more optimistic future where countries improve their female labour market outcomes by adopting the best historical gender-based convergence rates observed within the region. This involved calculating the convergence rates, which are the historical differences in growth rates between female and male counterparts for LFPR, employment-to-population ratio, full-time equivalent rate, and labour productivity. The maximum of these convergence rates across all countries was then identified. While male indicators continued to be projected using their historical CAGRs, female indicators were projected using a modified growth rate: their respective male CAGR *plus* the best convergence rate for that variable, thereby simulating an accelerated closing of the gender gap. Similar to the BAU, projected percentages were capped at 1, and GDP were subsequently calculated.

While the "Full Potential" scenario, envisioning complete convergence of female-to-male labour market indicators, offers a theoretical upper bound for GDP gains from gender parity, we have opted to exclude it from our analysis, particularly for the ASEAN region. This decision is driven by a pragmatic assessment of the significant socio-cultural, structural, and policy barriers that would need to be overcome for such a complete convergence to materialise within a realistic timeframe. In many ASEAN countries, deeply entrenched gender norms, care burdens disproportionately borne by women, and existing sectoral segregation pose considerable obstacles to achieving full parity across all labour market indicators. Focusing on the "Business-As-Usual" and "Best-in-Region" scenarios allows for a more actionable and policy-relevant analysis, providing projections based on either current trajectories or demonstrably achievable regional precedents, thereby offering more realistic targets for policymakers seeking to boost GDP through gender gap closure.

Projected GDP by Country and Scenario (2025 - 2029)

The following section delves into the projected GDP of select ASEAN countries from 2025 to 2029 under these distinct scenarios: Business-as-Usual (BAU) and Best-in-Region. The accompanying line charts illustrate the economic trajectories, highlighting the significant economic benefits achievable through gender-inclusive policymaking. White points on the graphs indicate the historical data points from which the projections begin (different for each country due to different starting points at which the data exists).

Figure 4: Projected GDP by country and scenario (2025-2029)
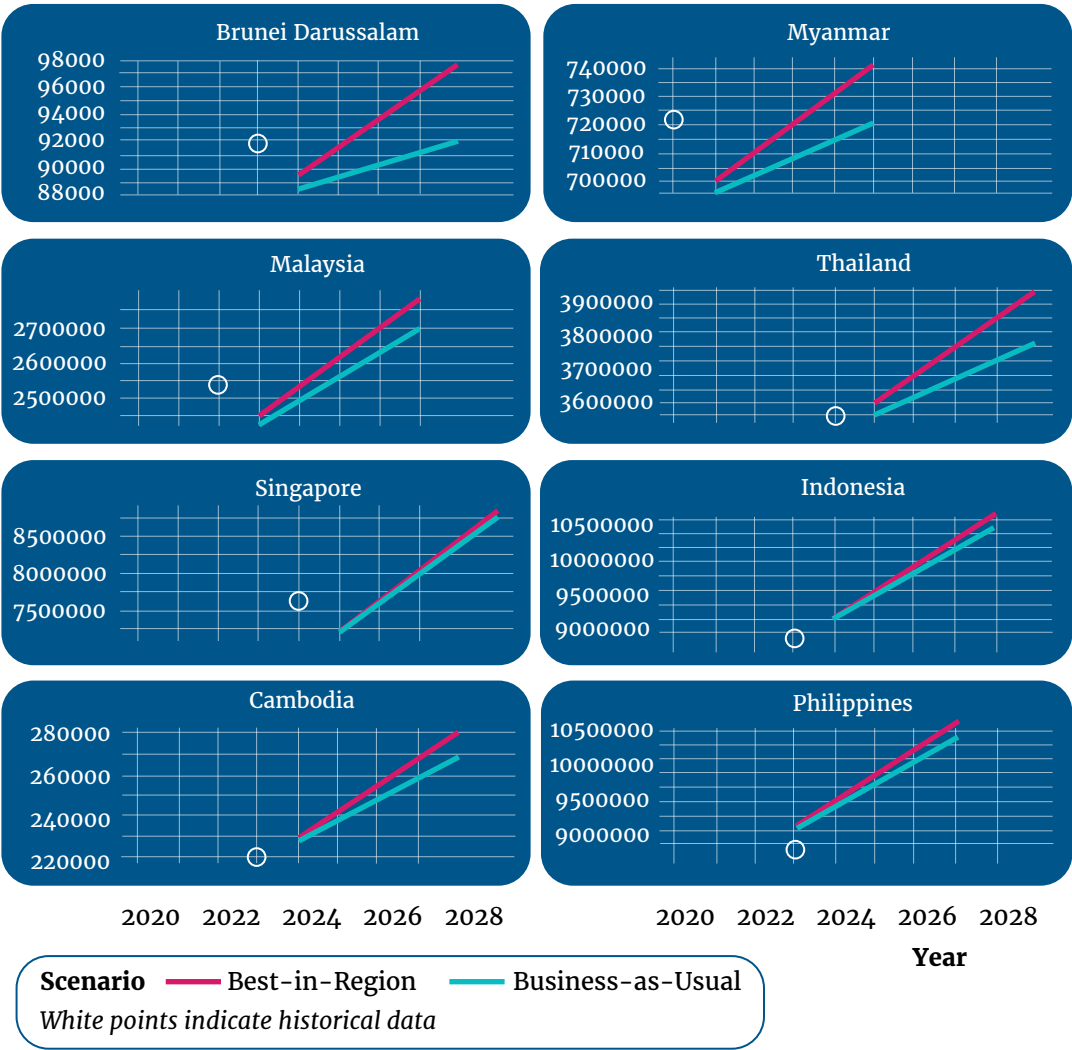
Across all visualised ASEAN economies, the "Best-in-Region" scenario, representing the potential economic impact of advancing women's equality, consistently projects a higher Gross Domestic Product (GDP) from 2025 to 2029 compared to the "Business-as-Usual" scenario. This clear and uniform pattern indicates a positive and direct relationship between closing gender gaps in labour markets and national economic growth. The divergence between the two projection lines widens over time for all countries, signifying that the economic benefits of gender parity are not static but amplify annually.

For Brunei Darussalam and Indonesia, the projected absolute economic gains are particularly substantial, with the gap between the two scenarios representing a significant portion of their total projected GDP. The projections for Malaysia, the Philippines, and Singapore also show strong, consistent growth trends, with the "Best-in-Region" scenario clearly outpacing the baseline. Myanmar and Thailand exhibit similar patterns, where greater female labour force participation and productivity are projected to contribute to a higher GDP trajectory. These findings, derived from our supply-side GDP model, highlight that the current "Business-as-Usual" approach to gender equality represents a measurable and mounting economic cost for these nations, and a strategic focus on closing these gaps presents a considerable opportunity for regional growth.

The Cost of Excluding Women from Policymaking in ASEAN Countries:

The patterns observed in these projections directly quantify the economic cost of excluding women from policymaking in ASEAN countries. This exclusion manifests in several ways, and the scenarios presented provide a clear illustration of their impact. The most apparent cost is the forgone GDP growth. The difference between the Best-in-Region and the Business-as-Usual scenarios represents billions of dollars in lost economic output annually for each country. Cumulatively over the five-year projection period, these losses become truly staggering for the entire ASEAN bloc. This foregone growth impacts national wealth, public services, investment capacity, and overall living standards.

When women are not fully integrated into the workforce (lower labour force participation, higher unemployment/underemployment, less full-time equivalent work), or when their productivity is not fully realised, it signifies suboptimal utilisation of a critical human capital resource. Policymaking that fails to address barriers to women's economic participation (e.g., inadequate childcare, discriminatory hiring practices, lack of access to finance, unequal pay) directly contributes to this underutilisation, dragging down national productivity.

The "Best-in-Region" scenario, which relies on accelerating female growth rates to converge with male rates based on regional best practices, demonstrates that even incremental policy changes towards gender inclusivity can yield significant returns. The persistence of the BAU scenario implies that without deliberate policy interventions, existing gender gaps in labour force participation, employment, and productivity will persist or even widen, thus continuously suppressing economic potential.

ECONOMIC CONSEQUENCES OF GENDER INEQUALITY IN ASEAN: STUNTED GROWTH AND MISSED OPPORTUNITIES

Impact on Productivity and Innovation

The exclusion of women from leadership and entrepreneurial roles also carries significant costs in terms of productivity and innovation. Global research consistently demonstrates a positive correlation between gender diversity in leadership and firm performance. Companies that rank in the top quartile for gender diversity are 25% more likely to outperform their lower-ranked counterparts, leading to improved financial returns (The Glass Hammer, 2023). This suggests that the persistent underrepresentation of women in corporate boards and senior management across ASEAN directly translates into a loss of competitive edge, reduced innovation, and suboptimal financial performance for businesses in the region (Singapore Institute of Directors, 2025).

Furthermore, while women are active entrepreneurs in ASEAN, operating over 60 million small and medium enterprises (SMEs) and micro-enterprises, their potential is often stifled (Global Entrepreneurship Monitor, 2019). These women entrepreneurs face a myriad of systemic challenges, including limited access to markets, insufficient funding, inadequate skills development, and discouraging gender norms and biases. Consequently, many women-led enterprises remain concentrated in informal and less productive sectors, rendering them less resilient to economic shocks and significantly less likely to scale up and contribute to broader economic growth (Darmawan & Handayani, 2025).

A critical barrier to the growth and scaling of women-led businesses is the pervasive financing gap. This gap for women entrepreneurs can be as high as $6 billion in certain ASEAN countries (Association of Southeast Asian Nations, 2022). A study across four Southeast Asian countries revealed that a significant percentage of women-led SMEs heavily relied on informal financing sources, such as friends and family, rather than accessing formal bank loans: 48% in Cambodia, 39% in the

Philippines, 31% in Indonesia, and 25% in Vietnam (Global Entrepreneurship Monitor, 2019). This limited access to formal financing directly stifles their growth, inhibits investment in new technologies, and constrains their ability to innovate.

The sheer volume of women-led SMEs in ASEAN, coupled with the persistent barriers they face, particularly in accessing formal finance and developing digital skills, represents a significant untapped reservoir of economic dynamism. This situation amounts to a direct market failure and a substantial loss of opportunity for job creation, economic diversification, and innovation across the region. It is not merely a matter of fairness but a fundamental issue of under-optimising a key driver of economic growth. The estimated $6 billion financing gap serves as a tangible measure of this constraint (Association of Southeast Asian Nations, 2022). When businesses, especially those with high growth potential, are capital-constrained, they struggle to expand operations, invest in new technologies, or enhance productivity (World Bank, n.d.). This not only limits the individual entrepreneur's growth but also constrains overall job creation, reduces economic dynamism, and prevents the emergence of new, innovative businesses that could contribute to higher-productivity sectors. The hidden cost, therefore, is the foregone economic output and innovation that would undoubtedly result from fully funding and supporting these entrepreneurial ventures.

Macroeconomic Implications of Persistent Inequalities

The cumulative effect of various forms of gender inequality extends beyond individual and sectoral impacts, manifesting as a systemic drag on national economies. The International Monetary Fund (IMF) has highlighted this macroeconomic implication, concluding that gender inequality creates an average income loss of 17.5% in the long term for developing countries (UN Women, 2016). This significant figure highlights that gender disparities are not merely micro-level social issues but fundamental structural impediments to national prosperity and sustained economic growth.

A key contributor to this macroeconomic income loss is the persistent inequality in women's access to resources and asset ownership. Such disparities, particularly concerning land, significantly compromise women's potential gains from trade and broader economic opportunities (Association of Southeast Asian Nations, 2016). Despite legal frameworks in many ASEAN countries theoretically granting equal rights, cultural norms and practical barriers often prevent women from owning a substantial amount of agricultural land (UN Women, 2011). This lack of secure asset ownership, which often serves as collateral, coupled with limited decision-making power, severely restricts women's access to formal credit and financial services. Consequently, their ability to invest in businesses, adopt new technologies, or improve productivity is significantly hindered.

The IMF's finding of a 17.5% long-term income loss due to gender inequality clearly highlights that the hidden cost extends beyond individual economic opportunities to a systemic drag on national income and overall development trajectories. This implies that achieving gender equality is not merely beneficial but a fundamental prerequisite for sustained macroeconomic stability and robust growth. When women face limited property rights and restricted access to credit, they cannot fully participate in formal economic activities, secure the necessary loans for investment, or fully benefit from trade liberalisation policies. This directly constrains their entrepreneurial potential and their ability to transition into higher-value sectors of the economy. When a significant portion of the population is systematically denied full economic agency due to these structural barriers, it inevitably leads to a reduction in overall national productivity, limits capital formation, and dampens aggregate consumption, resulting in a measurable reduction in national income. The foregone economic dynamism and wealth creation that could have occurred if these fundamental rights were fully realised and women were empowered to contribute their full potential to the economy.

POLICY INTERVENTIONS AND THEIR ECONOMIC BENEFITS

Strengthening Gender-Responsive Budgeting (GRB)

Gender-Responsive Budgeting (GRB) has emerged as a powerful fiscal innovation that actively translates gender-related goals into concrete budgetary commitments. By applying a "gender lens" to both revenue generation and expenditure allocation, GRB promotes not only equity but also efficiency in public finance (Chakraborty, 2016). Its core purpose is to ensure that public investments are strategically directed to address existing gender gaps and accelerate progress towards gender equality (UNDP, 2024). The diverse implementation approaches and reported benefits across ASEAN countries demonstrate GRB's adaptability and significant impact.

The Philippines stands out as a pioneer in GRB implementation, with a legislative mandate requiring all government agencies to allocate at least 5% of their total budgets to gender-responsive programs (Treasury of the Philippines, n.d.). This comprehensive approach has yielded tangible benefits, including improved women's access to health and education services, increased participation in local governance, and

enhanced women's economic empowerment. Indonesia has similarly institutionalised GRB through a Presidential decree (World Bank, 2024). The economic potential of these efforts is substantial: if Indonesia increases its female labour force participation (FLFP) by 25% in the next year, it could generate an additional $62 billion in economic activity and boost its GDP by 2.9% (World Bank, 2024). GRB initiatives in Indonesia have also been strategically deployed to address critical gender challenges, such as high maternal mortality rates, by strengthening gender analysis within health budgeting processes. In Malaysia, the GRB initiative aims to boost female labour force participation, which has remained relatively stagnant at 47% for over three decades (KPWKM, 2005). If Malaysian women were to participate at rates comparable to Singapore (63%) or Thailand (71%), it could add an estimated 1 million and 1.6 million more women to the workforce, respectively, thereby reducing the country's reliance on foreign workers and harnessing domestic talent.

Thailand has implemented GRB across all sectors, integrating gender considerations into its budgeting processes since 2021 (UN Women, 2025). This approach aligns closely with Thailand's national strategies and its commitments to the Sustainable Development Goals (SDGs), particularly in promoting gender equality and reducing poverty. Vietnam's Gender Equality Law and its amended State Budget Law explicitly require that budgeting processes consider gender equality goals, providing a robust legal foundation for GRB (ADB, 2019). This legal framework promotes appropriate resource distribution to women across various spheres, including employment, political participation, and within the family (ADB, 2019).

Cambodia has also formulated policies on GRB and gender mainstreaming, with specific actions identified to increase public investment for gender equality (Chak & Sothy, 2017). Philippines highlighted the practical application of GRB, including the legal requirement for ministries to allocate a minimum of 5% of their budgets to gender initiatives (UNDP, 2024). In Laos, the 2015 Law on State Budget stipulates that public expenditure shall ensure gender equality (UNDP, 2022). Furthermore, gender-analytical research and the use of disaggregated data in monitoring and evaluation have significantly improved the understanding of gender-specific needs in economic programming (DFAT, n.d.). For Myanmar, GRB is considered crucial for reducing inequality and achieving broader development goals, particularly by recognising and accounting for unpaid care work, which could enable social transfers to women and benefit families through increased investment in children's well-being (Oxfam, 2016).

Gender-Responsive Budgeting is therefore not merely an accounting exercise but a strategic policy tool that directly links public finance to gender equality outcomes, thereby unlocking significant economic potential. The diverse implementation approaches and reported benefits across ASEAN countries demonstrate their adaptability and impact. The case of Indonesia provides a direct quantitative link between increased female labour force participation, a key target of GRB, and a measurable boost in GDP (World Bank, 2024). Similarly, Malaysia's aspirations to increase female labour force participation through GRB clearly illustrate an economic objective (KPWKM, 2005). Myanmar's focus on valuing unpaid care work through GRB directly addresses a core economic barrier to women's full participation (Oxfam, 2016). These examples collectively demonstrate that GRB, by intentionally reallocating or targeting funds, can directly stimulate economic activity, improve labour force participation, and enhance human capital, thereby converting the "hidden costs" of exclusion into tangible and measurable economic gains.

Table 10: Economic Impacts of Gender-Responsive Budgeting Initiatives in Select ASEAN Countries

Country	Key GRB Initiative/ Focus	Specific Economic Impact/Benefit (with quantitative data if available)
Philippines	Legal mandate for 5% budget allocation to gender-responsive programs	Improved women's access to health/education services, increased participation in local governance, enhanced women's economic empowerment.
Indonesia	Institutionalisation of GRB via Presidential decree; focus on FLFP and maternal health	25% FLFP increase could generate $62 billion in economic activity and boost GDP by 2.9%. Strengthened gender analysis in health budgeting to address high maternal mortality rates.
Malaysia	GRB to increase female labour force participation	FLFP matching Singapore (63%) or Thailand (71%) could add 1 million and 1.6 million more women to the workforce, respectively, reducing reliance on foreign workers.
Thailand	GRB integrated across all sectors since 2021	Aligned national strategies and SDG commitments to promote gender equality and reduce poverty.
Vietnam	Gender Equality Law and State Budget Law mandate gender equality in budgeting	Legal basis for appropriate resource distribution to women across employment, political participation, and family spheres.
Cambodia	Formulation of GRB policies and gender mainstreaming	Increased public investment for gender equality; observed legal requirement for 5% budget allocation in Philippines.
Laos	2015 Law on State Budget ensuring gender equality in expenditure	Improved understanding of gender needs in economic programming through gender-analytical research and disaggregated data.
Myanmar	GRB for reducing inequality and achieving development goals	Potential for accounting for unpaid care work and enabling social transfers to women, benefiting families through increased investment in children's well-being.

Investing in the Care Economy and Childcare Support

The care economy, encompassing both paid and unpaid care work, is a foundational, yet often undervalued, sector with profound economic implications. Investing in and formalising the care economy, including early childhood education and care (ECEC), directly addresses the disproportionate burden of unpaid care work on women. This strategic investment not only reduces this burden but also creates new formal job opportunities, significantly increases female labour force participation, stimulates economic growth, and generates valuable tax revenue. The International Labour Organization estimates that globally, removing gender inequalities and investing in childcare and long-term care services could generate an impressive 280 million jobs by 2030 (Ramos & Goya, 2025).

Case studies from ASEAN nations provide concrete evidence of these economic benefits. In Indonesia, access to formal childcare has a notable impact on women's labour force participation. A study demonstrated that an additional public preschool per 1,000 children in a district increases the employment of women with age-eligible children by 13.3% (Johnson, 2018). Conversely, the absence of adequate childcare arrangements is directly linked to women being forced into less lucrative sectors. In Vietnam, research links women's domestic roles to their occupational choices and earnings. The phenomenon of occupational sorting, where women choose jobs with non-monetary benefits like paid leave or shorter working hours to better balance their care responsibilities, contributes significantly to the persistent gender wage gap (Johnson, 2018).

The significant economic losses stemming from the informal and undervalued care economy clearly demonstrate that this sector is not merely a social service but a critical piece of economic infrastructure. Formalising and investing in care services directly unlocks women's productive capacity, thereby demonstrating a clear return on investment in terms of increased earnings, new job creation, and overall GDP growth. The economic cost of this "hidden" work is substantial, as evidenced by the quantifiable lost earnings in Indonesia due to the lack of childcare support. By formalising the care economy and providing accessible, affordable childcare, governments can effectively "free up" women's time, enabling them to enter or re-enter the formal workforce, pursue higher-paying jobs, and increase their overall economic contribution. This not only boosts individual household incomes but also expands the national labour supply, enhances overall productivity, and creates new, formal jobs within the care sector itself, leading to broader economic growth and increased tax revenues.

Table 11: Economic Benefits of Childcare Interventions in Indonesia and Vietnam

Country	Type of Childcare Intervention/ Lack Thereof	Specific Economic Impact (e.g., increase in employment, reduction in lost earnings)	Quantitative Data
Indonesia	Additional public preschools	Increased women's employment	13.3% increase in employment for women with age-eligible children per additional public preschool per 1,000 children in a district.
Indonesia	Lack of childcare arrangements	Decreased annual earnings due to shift to less lucrative sectors	US255 decrease in urban areas, US319 decrease in rural areas.
Vietnam	Occupational sorting due to care responsibilities	Contribution to gender wage gap	Women choose jobs with non-monetary benefits (paid leave, shorter hours) to balance care, impacting earnings.

Source: *Johnson, 2018*

Promoting Women's Leadership and Entrepreneurship

ASEAN recognises women's entrepreneurship as a crucial driver for inclusive growth, with over 60 million women already operating micro, small, and medium enterprises (SMEs) across the region (Han, 2022). This substantial entrepreneurial activity highlights a significant existing economic force. International and regional initiatives are actively promoting this potential. For instance, the G20's Global Partnership for Financial Inclusion focuses on digital and innovative non-credit financial products and services specifically tailored for women and youth start-ups. These initiatives emphasise the importance of technological knowledge and business development support, recognising that success extends beyond mere monetary aid. The adoption of the Declaration on Unlocking Women Entrepreneurship in ASEAN in 2022 further signifies a high-level regional commitment to fostering women's economic empowerment (Han, 2022).

However, women entrepreneurs in ASEAN continue to face systemic challenges that hinder their growth and impact. These include limited access to markets, insufficient funding, inadequate skills development, and pervasive discouraging gender norms and biases (Darmawan & Handayani, 2025). As a result, many women-led enterprises remain concentrated in informal and less productive sectors, making them less resilient to economic shocks and significantly less likely to scale up and contribute to broader economic development. Digital skills and access to digital infrastructure, public platforms, and financial services also remain critical barriers. These are often exacerbated by cultural norms, a lack of appropriate training programs, and insufficient public investment in these areas. Consequently, women entrepreneurs are often poorly represented in technology start-ups, particularly in rural areas (Han, 2022). Addressing these multifaceted barriers is crucial for unlocking women's full productive capacity and fostering sustainable economic development across the region.

The sheer volume of women-led SMEs in ASEAN, coupled with the persistent barriers they face, particularly in accessing formal finance and developing crucial digital skills, represents a significant untapped reservoir of economic dynamism. This situation amounts to a direct market failure and a substantial loss of opportunity for job creation, economic diversification, and innovation across the region. It is not merely a matter of fairness; it is a fundamental issue of under-optimising a key driver of economic growth. The estimated $6 billion financing gap for women entrepreneurs in certain ASEAN countries serves as a tangible measure of this constraint (Association of Southeast Asian Nations, 2022). When businesses, especially those with high growth potential, are capital-constrained and rely heavily on informal financing (as seen in Cambodia, Philippines, Indonesia, and Vietnam, where 25-48% of women-led SMEs use informal sources (see Han, 2022)), they struggle to scale, invest in new technologies, or enhance productivity. This not only limits the individual entrepreneur's growth but also constrains overall job creation, reduces economic dynamism, and prevents the emergence of new, innovative businesses that could contribute to higher-productivity sectors. Policy interventions that provide targeted access to capital (e.g., through gender bonds or guarantee schemes) and comprehensive digital literacy training directly address these bottlenecks, fostering a more competitive, resilient, and diversified economy for ASEAN.

Fostering Women's Leadership and Representation in Economic and Political Spheres

Fostering women's leadership and representation in economic and political spheres is essential to ensure policies are gender-responsive and effectively implemented. Women hold only 29% of C-suite roles globally (McKinsey & Company & LeanIn.Org, 2024). Political empowerment has the largest remaining gender gap (22.9% closed globally), projected to take 162 years to close (UN Women, 2025). Societal expectations reflect notions of restrictive masculinities that favour men's leadership, limiting women's representation in managerial positions. The Philippines Department of Energy acknowledges women as competent partners in policy and decision-making, advocating for a gender-balanced work environment (DFAT, n.d.). Stronger legal frameworks and supportive frameworks (policies, programs, institutions) lead to better gender parity outcomes.

The low representation of women in political and economic leadership is not just a symptom of inequality but a *cause* of its persistence. When women are excluded from policymaking, the policies developed may fail to adequately address the specific barriers they face or may even perpetuate them. Conversely, as exemplified by the Philippines DOE-GAD, when women are acknowledged and participate in decision-making, policies become more gender-sensitive and effective. This creates a positive feedback loop: greater representation leads to better policies, which in turn facilitate greater economic participation and further representation. Beyond increasing female labour force participation, there must be deliberate, targeted efforts to increase women's representation in leadership roles across all sectors: government, private sector, and civil society. This includes quotas, mentorship programs, leadership training, and challenging the social norms that limit women's leadership aspirations. This is critical for ensuring that the identified strategic levers for change are not only adopted but also designed and implemented in a way that truly reflects and responds to women's lived realities.

Promoting Flexible Work Arrangements and Family-Friendly Policies

Promoting flexible work arrangements and family-friendly policies is essential for retaining women, especially mothers, in the formal workforce and facilitating their advancement. Flexible work tackles unpaid care, workplace bias, and career barriers. Hybrid work allows parents to manage school runs without sacrificing work hours. Many women cite remote and flexible work arrangements as essential for balancing caregiving responsibilities and paid employment, as these arrangements help address the disproportionate share of unpaid care work borne by women (UN Women, 2019). Organizations that implement flexible work policies report significant improvements in employee engagement and motivation, with over 70% of employers observing positive impacts (UN Women, n.d.). Companies like Unilever have boosted female leadership by 15% through flexible policies. Public policies should encourage employers to adopt family-friendly measures such as flexible hours, childcare support, and parental leave. Extended parental leave is a policy that helps close economic gender gaps.

Flexible work's impact extends beyond retention; it significantly lowers the barrier to re-entry into the formal workforce for women who have dropped out due to caregiving responsibilities (the "motherhood penalty"). By allowing women to manage personal commitments, flexible work enables them to pursue leadership roles and career progression, addressing the underrepresentation in high-ranking jobs. This shifts the focus from "presence" to "performance", combating workplace bias. Promoting flexible work models should be a central tenet of national labour policies and actively encouraged through employer incentives. This includes not just remote work but also compressed workweeks, job-sharing, and results-oriented performance evaluations. It requires a cultural shift within companies and management training to implement these policies effectively and equitably.

Targeted Skills Development: Reskilling and Upskilling Programs Aligned with Market Demand

To move women into higher-value, productive sectors, targeted skills development programs aligned with market demand are crucial. Women in Indonesia and across Asia and the Pacific remain underrepresented in formal employment despite rising education levels (UNDP, 2024). Women often enrol in low-paying, oversaturated fields like cooking, tailoring, or beauty that do not prepare them for high-growth jobs. Return-to-work models, such as South Korea's Sael Centers, Singapore's Her Career Initiative, and Malaysia's Career Comeback Program, combine skills development, job matching, and employer incentives, offering practical models for success (UNDP, 2024). Training significantly increased female entrepreneurship in Nepal and helped propel female garment workers into senior positions in Bangladesh. There is a need to raise the scale and relevance of training for emerging categories of workers, such as women.

The issue is not just a lack of skills, but often a mismatch between the skills women acquire and the demands of high-growth, high-productivity sectors. This creates a "skills-to-opportunity" gap, trapping women in low-wage, vulnerable employment. The success of return-to-work models that combine skills development with job matching and employer incentives demonstrates the need for a holistic approach that links training directly to market demand and addresses employer biases. This is crucial for ensuring women contribute to and benefit from evolving economic landscapes. Governments and educational institutions must collaborate closely with the private sector to identify future-proof skills (e.g., digital literacy, STEM, green economy skills) and design training programs specifically for women that are aligned with these demands. This also involves career counselling to guide women away from traditionally female-dominated, oversaturated fields towards emerging high-growth areas. Incentives for employers to invest in upskilling their female workforce are also vital.

Enhancing Social Protection and Financial Inclusion

Enhancing social protection and financial inclusion is critical to building women's resilience and empowering their economic agency. Women are less likely to have access to social protection and financial institutions. Social protection, including maternity benefits and childcare subsidies, must cover women in informal and precarious work. Protection must extend to gig and contract workers through portable benefits, digital literacy, and requiring platforms to register workers and contribute to social security.

The lack of social protection acts as a disincentive for women to enter formal employment or pursue entrepreneurial ventures, as it removes a crucial safety net. Extending social protection to informal and gig workers is not just about welfare; it is a strategic move to formalise a significant portion of the female workforce, providing them with security and encouraging greater participation and productivity. This reduces their vulnerability and allows them to take calculated risks necessary for economic advancement. Governments should prioritise universal social protection schemes that are not tied to formal employment status or at least develop portable benefits systems for informal and gig workers. This requires innovative policy design and potentially new funding mechanisms. Simultaneously, efforts to increase financial literacy and access to affordable, gender-responsive financial services (e.g., microfinance, digital banking) are crucial for empowering women's economic agency.

DEEP DIVE: ROOT CAUSES AND PERSISTENT BARRIERS TO WOMEN'S ECONOMIC EMPOWERMENT IN ASEAN

The aspiration for economic growth through women's equality in ASEAN faces significant headwinds from deeply entrenched structural and societal barriers. Understanding these root causes is critical for effective policy design.

Analysis of Socio-Cultural Norms and Patriarchal Structures

Deeply entrenched societal beliefs and patriarchal structures significantly impede women's economic empowerment in ASEAN. Many South-East Asian societies are predominantly patriarchal, with customary thoughts like "girls are born to be fed throughout their lives" and "boys are born to earn and support the whole family". These beliefs are reflected in discriminatory behaviours, including denying women property rights or forcing them into specific roles. An alarming finding from the OECD SIGI 2024 report for Southeast Asia highlights that social norms governing gender roles and responsibilities *worsened* between 2014 and 2022, particularly affecting women's educational and economic rights (UN Women, n.d.). Societal expectations endorse a traditional gender-based division of roles, favouring men as breadwinners and women for care and reproductive roles, which limits women's representation in managerial positions. Ultimately, deeply held attitudes and beliefs reduce women's opportunities and autonomy.

The regression in social norms, as observed between 2014 and 2022, is a critical, alarming contradiction. While economic growth has been dynamic in ASEAN, this finding suggests that economic progress alone does not automatically translate into social progress for gender equality; in fact, it can sometimes exacerbate existing inequalities if not actively managed. This regression indicates a powerful, underlying resistance to women's empowerment that can undermine even well-intentioned economic policies. It implies that there are strong, perhaps even resurgent, conservative forces or cultural anxieties that are pushing back against shifts in traditional gender roles. This necessitates a dual strategy: economic interventions must be coupled with robust, long-term social and cultural interventions aimed at shifting mindsets and challenging patriarchal norms. Without addressing these regressive social attitudes, economic policies designed to boost female participation may face significant headwinds or even be actively undermined, leading to slower convergence than projected by the "Best-in-Region" scenario. This highlights the need for public awareness campaigns, educational reforms, and engagement with community and religious leaders.

The Disproportionate Burden of Unpaid Care and Domestic Work

The disproportionate burden of unpaid care and domestic work is a pervasive barrier, directly limiting women's time and capacity for paid employment. Women spend four times more time on unpaid care work compared to men in Asia and the Pacific (World Bank, 2024). Women in the region work the longest hours globally, averaging 7.7 hours per day, where only 3.3 hours are paid and the rest is unpaid (The Glasshammer, 2023). Globally, women carry out around 2.5 times the amount of unpaid care work that men do. This unpaid care work, which includes household duties, childcare, and elder care, adversely affects women's employment, earnings, and professional mobility. The "motherhood penalty" significantly widens the labour force participation gap for women with young children (World Bank, 2024). The lack of affordable childcare is a major barrier, with women 5 to 8 times more likely than men to experience negative employment consequences related to caregiving (Chakraborty, 2023).

The sheer volume of unpaid care work performed by women represents an enormous, unrecognised economic contribution. This work, essential for the functioning of households and the reproduction of the labour force, is effectively a massive, free subsidy to the formal economy. Because it is unpaid and undervalued, it allows businesses and governments to externalise significant costs onto women, thereby limiting their economic opportunities, reinforcing their subordinate position, and preventing the formal economy from fully benefiting from their potential. This systemic devaluation of care work creates a vicious cycle. Recognising and valuing unpaid care work is not just a social justice issue; it is an economic imperative. Governments need to invest in care infrastructure and social protection, not just to support women, but to internalise a cost that is currently borne disproportionately by women, thereby unlocking their productive capacity for the formal economy. This investment is effectively a strategic economic stimulus.

Furthermore, the heavy and inflexible nature of unpaid care work directly pushes women into informal employment or out of the workforce entirely (World Bank, 2024). Informal work often offers flexibility, such as home-based work, that formal employment does not, making it compatible with care responsibilities. However, this comes at the cost of lower wages, lack of social protection (sick pay, maternity leave, pensions), and increased vulnerability to exploitation. This creates a direct causal link: the care burden limits options, forcing women into precarious work, which then perpetuates their economic insecurity. Policies aimed at formalising women's employment or improving their job quality must simultaneously address the care burden. Without adequate childcare support, flexible work arrangements, and a shift in care responsibilities, efforts to formalise women's work may fail or push women out of the labour force altogether. This highlights the need for integrated policy solutions that tackle both the supply-side (women's availability) and demand-side (job quality, flexibility) aspects of the labour market.

Prevalence of Informal Employment and Low-Productivity Sectors for Women

The concentration of women in informal employment and low-productivity sectors severely limits their earning potential and access to benefits. Women are over-represented as contributing family members in low-skilled and low-productivity sectors and in informal work arrangements, often lacking labour and social protection. Nearly 60% of women's employment globally is in the informal economy, rising to over 90% in low-income countries (World Bank, 2024). In Asia, 75% of women's work is in the informal economy, without access to benefits such as sick pay or maternity leave (World Bank, 2024). Women are disproportionately concentrated in the lowest-paid roles.

The concentration of women in low-productivity, informal sectors means that even when women participate in the labour force, their contribution to overall GDP is suboptimal. This creates a "productivity trap" where a significant portion of the workforce is underutilised in terms of its potential value-add. The "Best-in-Region" scenario's inclusion of "sector productivity" as a driver directly addresses this. If women remain stuck in low-productivity roles, the full economic gains from increased participation and hours worked will not be realised, directly impacting GDP growth potential. Policies must actively promote women's entry into and advancement within higher-productivity sectors. This involves not only skills development but also challenging occupational segregation, addressing hiring discrimination, and creating pathways for the formalisation of informal work. It is about optimising the *quality* of women's labour market engagement, not just the *quantity*.

Gaps in Social Protection and Access to Financial/Digital Resources

These vulnerabilities exacerbate economic insecurity for women. Women are less likely to have access to social protection; 73.5% of women in wage employment globally lack it, with coverage lagging behind men by 8% (World Bank, 2024). Women are also less likely than men to have access to financial institutions or bank accounts. The digital divide remains gendered, with 259 million fewer women having internet access than men (World Bank, 2024).

The lack of social protection means women are more vulnerable to economic shocks (e.g., illness, job loss, maternity) and lack the safety net that allows for risk-taking or career transitions. Limited access to financial institutions directly restricts women's ability to save, invest, or access credit for entrepreneurship, even if they have business ideas. The digital divide further isolates them from job search platforms, online training, and digital financial services, which are increasingly critical for economic participation. These gaps do not just reflect existing inequality; they actively *amplify* women's economic precarity and limit their ability to leverage new opportunities. Policies must proactively address these gaps to build women's economic resilience and empower them as entrepreneurs and formal sector workers. This includes expanding universal social protection schemes, promoting financial literacy and access to affordable financial services tailored for women, and investing in digital literacy and infrastructure to bridge the digital divide. These are essential foundational elements for sustainable economic empowerment.

STRATEGIC LEVERS FOR CHANGE: POLICY AND PROGRAMMATIC RECOMMENDATIONS FOR ASEAN COUNTRIES

Unlocking the projected economic gains requires a multifaceted and coordinated policy response across ASEAN nations.

Investing in the Care Economy: Affordable and Quality Childcare Infrastructure and Services

Investing in the care economy is paramount to freeing up women's time and enabling their participation in the formal workforce. Such investments boost women's participation, enhance child development, create jobs, generate income and taxes, and spur economic growth. The Asia-Pacific region could see a 12% increase in its annual regional GDP from empowering women through childcare investment (Grant Thornton, 2023). The International Labour Organization (ILO) estimates that removing gender inequalities and investing in childcare and long-term care services could generate globally up to 280 million jobs by 2030 (Grant Thornton, 2023). Affordable, accessible, and quality Early Childhood Education and Care (ECEC) is critical. Childcare subsidies significantly increase labour force participation and employment rates among low-income mothers. Access to childcare can increase women's employment, enable them to shift to more desirable work, or enhance productivity in their businesses.

Investment in the care economy yields a triple dividend: social (child development, well-being), economic (GDP growth, job creation), and gender equality (empowerment). It is not merely a social expenditure but a strategic economic investment with high returns. Governments should view investment in the care economy (e.g., publicly funded childcare, elder care) as critical infrastructure, similar to roads or energy grids. This requires significant public funding, potentially through progressive taxation, and a shift in mindset from viewing care as a private family burden to a public responsibility that underpins economic growth.

CONCLUSION

Why Women's Voices in Policymaking are Indispensable

The exclusion of women from policymaking is not a neutral act; it carries a significant, quantifiable economic cost and perpetuates societal inefficiencies. The analysis presented in this report unequivocally demonstrates that gender inequality in ASEAN policymaking is not just a social issue but a significant economic liability. The region is operating below its full potential, with substantial and often hidden costs that impede economic growth, stifle productivity, and suppress innovation. These costs range from the underutilisation of female labour, which is a multi-trillion-dollar opportunity for the Asia-Pacific region, to the drag on national income caused by discriminatory social institutions. The economic case for prioritising gender equality is compelling: economies that fail to harness the full potential of their female populations are, in essence, operating with a hand tied behind their back. The projected additional annual GDP gains from the "Best-in-Region" scenarios represent a clear roadmap to sustainable prosperity, far exceeding current trajectories.

Correcting this market failure requires deliberate and strategic interventions from multiple stakeholders. For governments, this means moving beyond commitments to robust enforcement of gender-equitable laws, making strategic investments in care infrastructure, and systematically integrating gender perspectives into all policymaking and budgeting processes. The private sector must play a critical role by implementing flexible work arrangements, combating workplace discrimination, and actively promoting women into leadership roles. Civil society is essential for advocating for women's rights, challenging regressive social norms, and providing grassroots support to empower women at the community level. This coordinated effort is necessary to unlock nearly one billion USD in additional annual GDP and build more resilient and prosperous societies.

A comparative analysis of ASEAN economies highlights the direct link between stronger gender representation in policymaking and better economic resilience and governance outcomes. Countries like the Philippines, with significant female representation in government, have demonstrated greater economic adaptability and more inclusive growth strategies. In contrast, countries with among the lowest levels of female political representation, such as Myanmar and Laos, experience weaker economic resilience and greater income inequality. These findings suggest that gender-inclusive leadership directly influences policy innovation, economic stability, and social equity. The experience of high-performing economies highlights the importance of institutional mechanisms, such as leadership pipelines and mentorship programs, that actively promote female leadership. ASEAN economies must learn from these best practices and take deliberate action rather than passively waiting for progress.

The policy interventions recommended, such as gender-responsive budgeting (GRB), strategic investments in the care economy, and comprehensive reforms addressing education, digital access, and property rights, are not merely social welfare measures but powerful economic investments. GRB, for example, by ensuring public finance addresses gender disparities, can unlock significant economic activity. Investing in accessible childcare frees women's time, enabling them to join or re-enter the workforce in more productive roles. Similarly, targeted support for women entrepreneurs, coupled with reforms that secure property rights, can unleash a wave of innovation. Excluding women from policymaking is a policy failure that weakens economic efficiency, depresses productivity, and constrains regional growth. The evidence is clear: gender-inclusive policymaking is not a matter of fairness; it is an economic necessity. The time for decisive action is now.

However, the "Best–in–Region" scenario, which forms the basis for the projected economic gains, assumes that accelerated growth rates can be achieved by simply adopting the "best historical gender–based convergence rates observed within the region". This approach overlooks the complex and deeply ingrained socio–cultural factors that the paper itself identifies as critical barriers. We noted that social norms governing gender roles in Southeast Asia worsened between 2014 and 2022, suggesting that economic progress does not automatically lead to social progress. By focusing on a model that assumes a simple linear acceleration of progress, the paper may be oversimplifying the challenge. A truly "best–in–region" scenario would have to account for the political will and cultural shifts necessary to overcome these regressive social attitudes, which the model does not appear to fully incorporate. The decoupling of economic prosperity from legal protections for women in some ASEAN countries further illustrates this complexity and challenges the assumption that the economic benefits are a simple function of closing labour market gaps.

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