THE RELATIONSHIP BETWEEN LGBT INCLUSION AND ECONOMIC DEVELOPMENT

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US AID – Williams Institute Webinar on the Relationship between Global LGBT Inclusion and Economic Development

Kees Waaldijk 25 February 2015
The Relationship between LGBT Inclusion and Economic Development: An Analysis of Emerging Economies

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2014
Global Index on Legal Recognition of Homosexual Orientation (GILRHO, by Kees Waaldijk)

- All independent countries
- All years: 1961 – 2015

- 8-point scale
  - Max 2 points for decriminalization
  - Max 2 points for anti-discrimination
  - Max 4 points for partnership recognition

- More comprehensive index desirable
Global Index on Legal Recognition of Homosexual Orientation (GILRHO, by Kees Waaldijk): 8 legal aspects

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<tr>
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<th>Description</th>
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<tbody>
<tr>
<td>A</td>
<td>Legality of consensual homosexual acts between adults</td>
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<tr>
<td>B</td>
<td>Equality of age limits for consensual homosexual and heterosexual acts</td>
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<td>C</td>
<td>Explicit legislative prohibition of sexual orientation discrimination</td>
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<td>regarding employment</td>
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<td>D</td>
<td>Explicit legislative prohibition of sexual orientation discrimination</td>
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<td>regarding goods and/or services</td>
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<td>E</td>
<td>Any legal recognition of non-registered cohabitation of same-sex couples</td>
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<td>F</td>
<td>Availability of registered partnership for same-sex couples</td>
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<tr>
<td>G</td>
<td>Possibility of second-parent and/or joint adoption by same-sex partner(s)</td>
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<td>H</td>
<td>Availability of marriage for same-sex couples</td>
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GILRHO correlates to GDP pc

The following two slides (screen shots of a moving bubble chart) visualize the correlation (in 2011) between GDP pc as calculated by Penn (X-axis) and GILRHO (Y-axis).

Highlighted are most of the 39 countries (mostly emerging economies) that were included in our study *The relationship between LGBT Inclusion and Economic Development: An Analysis of Emerging Economies.*

The “tail” of the highlighted countries indicates how they have developed over the last few decades. Diameter of bubbles is population, color is continent or region.
Global Index on Legal Recognition of Homosexual Orientation (GILRHO, by Kees Waaldijk)
Global Index on Legal Recognition of Homosexual Orientation (GILRHO, by Kees Waaldijk)
Thank You!

Kees Waaldijk

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The Relationship between LGBT Inclusion and Economic Development: An Analysis of Emerging Economies

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The big questions

Are countries that are more inclusive of LGBT people more economically successful? (macro)

Flipside:

Does exclusion of LGBT people hinder economic development: the cost of homophobia/transphobia? (micro)
**Macro:** What is the effect of LGBT inclusion on economic development?

- Inclusion measured by rights:
  - Global Index on Legal Recognition of Homosexual Orientation (GILRHO)
  - Transgender Rights Index

- Economic development: GDP per capita, Human Development Index
Holding other factors constant:

One additional right  $320 GDP per cap (3%)
Is this really gender equity?

• Add women’s share of parliament seats to the regression

No change in the impact of GILRHO
Nondiscrimination laws have big impact

Nondiscrimination laws $1,763 more in GDP per cap
Trans Rights Index: 16 Measures

Legal recognition
- Legal Change of Name
- Legal Change of Gender

Legal Protection:
- Anti-discrimination legislation
- Hate crime (Trans-specific)
- Asylum (Trans-specific)
- Inclusion in constitution

Legal discrimination
- Criminalization
- Prosecution
- State-sponsored discrimination

Hormone Access:
- Medical supervision
- Without Medical supervision
- Funding

Gender-related surgery:
- Available forms
- Requirements
- Funding
- Alternatives: when no or limited GRT/GRS
Transgender rights positively correlated with GDP per capita 2011
LGBT INCLUSION

Human capital & economic potential

Post-materialist demand for human rights

ECONOMIC DEVELOPMENT
**Micro evidence related to causation:**
Evidence of barriers

- Reviewed peer-reviewed articles, book chapters, United Nations and U.S. State Department reports, and human rights reports from organizations to identify evidence of LGBT exclusion and negative freedoms
- Connect the evidence to economic outcomes
Arrests, police abuse

Violence

Health disparities

Job loss & Discrimination

Discrim & Harassment in school

Lower human capital

Lower productivity

Unemployment

Poorer health, shorter lives

Lower labor force participation

Lower economic output
Recommendations

• Incorporate links between LGBT human rights into economic development programs and policies

• More research with existing data
  – Use other outcomes: tourism, foreign direct investment, growth rates
  – Study more countries
  – Study changes in policy – how important is the economy?

• Build local LGBT research infrastructure in developing countries: data, training, etc.
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