

INTEGRATING LGBTQI+ COMMUNITIES INTO ECONOMIC GROWTH PROGRAMMING

BENEFITS OF LGBTQI+ ECONOMIC INCLUSION



Foreign Investment

Inclusive societies attract foreign investment and innovation, enhancing their appeal to tourists and investors.¹



Human Capital

Inclusion ensures LGBTQI+ individuals access quality education, healthcare, and jobs, maximizing their economic productivity.¹



Economic Growth

Countries that are more accepting of LGBTQI+ people and their rights are more likely to have higher levels of GDP per capita.²



Economic Resilience

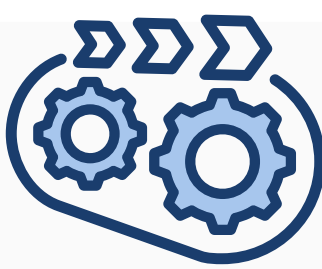
Tolerant societies are economically resilient, with businesses thriving and avoiding the high costs of exclusion.³

USAID'S ROLE IN ADVANCING ECONOMIC INCLUSION



Strengthening Economic Stability and Growth

By prioritizing LGBTQI+ economic inclusion, USAID can help partner countries unlock untapped economic potential. Evidence shows that inclusive economies are stronger and more resilient, which directly supports USAID's economic growth and private sector engagement objectives.



Driving Systematic Change and Upholding Global Commitments

USAID's leadership can help uphold international principles like the Yogyakarta Principles and advance the Sustainable Development Goals (SDGs), such as Decent Work and Economic Growth (Goal 8) and Reduced Inequalities (Goal 10). By addressing systemic barriers to economic participation, USAID ensures no one is left behind.



Catalyzing Locally-Led Solutions

USAID's commitment to locally led development ensures that economic inclusion efforts are contextually appropriate, sustainable, and aligned with the needs of LGBTQI+ communities. Empowering local actors to engage in policy and decision-making processes amplifies impact and promotes long-term progress.

KEY FACTORS FOR SUCCESSFUL LGBTQI+ ECONOMIC INCLUSION PROGRAMS

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Key informants from 16 countries across 5 regions engaged in LGBTQI+ economic inclusion activities, including USAID staff, implementing partners, and donors. These stakeholders found multiple aspects played a role in crafting programs that strive to benefit all. Below are key factors:

Sustained Investment

Programs with sustained investment operated over longer time periods, supporting participants at multiple stages of the employment cycle while also building the capacity of community organizations to provide services.

Cross-Cutting Barriers

Programs addressing cross-cutting barriers to economic inclusion, such as housing, healthcare, and transportation, often led to more stable employment opportunities. By addressing participants' immediate and urgent needs, these programs enabled greater focus on economic inclusion activities.

LGBTQI+-Specific Initiatives

General economic inclusion programs that incorporated LGBTQI+-specific initiatives or partnered with LGBTQI+ community-based organizations (CBOs) effectively leveraged existing resources and expertise to better promote LGBTQI+ inclusion.

Collaboration With Governments

Community-based interventions that collaborated with local or regional governments demonstrated greater effectiveness and higher participant satisfaction compared to those partnering with national governments.

NOTABLE RECOMMENDATIONS FOR LGBTQI+ ECONOMIC INCLUSION

1 Increase and broaden funding for LGBTQI+ economic development programming, emphasizing cross-cutting, holistic approaches that support participants throughout longer employment cycles.

2 Support smaller, local CSOs that may not be as visible within USAID programming or that of other development agencies, especially in rural or remote regions.

3 Conduct inclusive development analyses at the activity design level to understand the current integration of LGBTQI+ issues into economic growth programming, including intersectional analysis to address multiple layers of vulnerability.

For more details, please refer to the *Sectoral Guidance on Integrating LGBTQI+ Communities into Economic Growth Programming* developed through the IDAMS Activity.

¹ World Bank, Equality of Opportunity for Sexual and Gender Minorities 2024 (World Bank, 2024). See also M.V. Lee Badgett et al., The Relationship between LGBT Inclusion and Economic Development: Macro-Level Evidence (World Development, 2019); OECD, Over the Rainbow? The Road to LGBTQI Inclusion (OECD, 2020).
² M.V. Lee Badgett et al., The Relationship between LGBT Inclusion and Economic Development (World Development, 2019).
³ M.V. Lee Badgett, The Economic Cost of Stigma and the Exclusion of LGBT People: A Case Study of India (World Bank, October 2014). See also Andrew Flores et al., The Economic Cost of Exclusion Based on Sexual Orientation, Gender Identity and Expression, and Sex Characteristics in the Labor Market in the Republic of North Macedonia (World Bank, September 2023); Andrew Flores et al., The Economic Cost of Exclusion Based on Sexual Orientation, Gender Identity and Expression, and Sex Characteristics in the Labor Market in the Republic of North Macedonia (World Bank, September 2023).