

Women in the San Antonio Economy

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Gross Domestic Product (GDP)

- ▶ The market value of all final goods and services produced in an economy in a year
 - ▶ Income generated by productive activities
- ▶ Created by Simon Kuznets in 1930s and adopted in 1940s
- ▶ Used as key measure of size and growth of the economy and became a post-WWII measure of general standard-of-living
- ▶ However, Simon Kuznets cautioned:
 - ▶ "The welfare of a nation can scarcely be inferred from a measure of national income."

What GDP does not include:

- ▶ Non-market activities
 - ▶ Goods and services provided by households or businesses that are not part of a market transaction
 - ▶ Preparing meals at home
 - ▶ Yard work done by household members
 - ▶ House-cleaning done by household members
 - ▶ Preparation of meals at home
 - ▶ Child care provided by parents
 - ▶ Adult care provided by family members
- ▶ Impact of gender wage gap and Pink Tax
- ▶ Externalities (e.g., costs of pollution)

GDP Measures and Adjustments

- ▶ Ways to estimate GDP
 - ▶ Expenditures commonly taught as $Y = C + I + G + (X-M)$
 - ▶ Value-added by industry
 - ▶ Income earned by resources
- ▶ Generally speaking, (market) GDP = (market) Income
- ▶ 2013 UK study valued unpaid housework at £1 trillion, 56% of measured 2014 GDP of £ 1.8 trillion (Office for National Statistics, 2016, 3)
- ▶ Finland estimates unpaid housework as contributing some 40% to total economic activity (Pilling, 2018, 57)
- ▶ Latest Non-market estimates for U.S. GDP by U.S. Bureau of Economic Analysis suggest 23.0% in 2014 (Bridgman, 2016)

Focus of our study

- ▶ GDP by metropolitan area is the city-based counterpart of the nation's
- ▶ What adjustments can we make to San Antonio's GDP to include non-market household production and impact of equalization of wages?
 - ▶ Measure Household production
 - ▶ Wage gap between men and women
- ▶ Understanding what GDP would be with these adjustments is important for understanding the economy and formulating appropriate policy

Our considerations

- ▶ Most recent Census Data show that:
 - ▶ The wage gap between men and women in the U.S. is 82%
 - ▶ But in San Antonio it is 84%
- ▶ Research on Household production:
 - ▶ Women spend twice as much time on household chores
 - ▶ Up to four times as much time on home care
- ▶ Female Labor Force Participation rate:
 - ▶ U.S. is 56.7%
 - ▶ For San Antonio, 58.5% but 54% are employed
 - ▶ Women tend to use more of their earned income to support their children than men

Our Results

Value of GDP in the San Antonio MSA Adjusted for Household Production and Equal Pay in 2016

Measured GDP	\$109,348,000,000
Value of Household Production	\$20,762,798,086
Value of Equal Pay	\$19,026,552,000
Total Adjusted GDP	\$149,137,350,086

Other aspects - Women in the Economy

- San Antonio ranks #2 in economic clout of its Women-owned business (AmEx 2017 report)
- Ranks #1 in employment and vitality of its Women-owned business (AmEx 2017 report)
- But the majority remain small and lack access to resources

Other Aspects

- ▶ Overall women make 85% the spending decisions
 - ▶ 93% of food purchases
 - ▶ 89 % of bank account decisions
 - ▶ 80 % of healthcare decisions
 - ▶ 91% new home purchases
 - ▶ 92% vacation decisions

- ▶ Overall women make up to \$5 trillion in spending decisions

Women in the San Antonio Economy

- ▶ Number of opportunities to grow the overall MSA economy
 - ▶ The more women participate the more growth (UNWOMEN)
 - ▶ Educate women and we growth the economy (OECD)
- ▶ Specific issues important to women such as childcare, wages, entrepreneurial resources can help women join in the economy
- ▶ We are a leader in women-owned businesses
- ▶ Still have room for improvement

Other aspects - Women in the Economy

- Most undervalued asset in the economy (S&P Global 2017)
- Equalizing pay would improve San Antonio GDP by 19%
- Adding in Household production would add about the same
- Pink Taxes - Bureau of Labor Statistics price indices show that women and girls pay more than men and boys for certain items.
- Income tax policies place higher burden on women earners in 2 income households

Policy Questions Arising

- ▶ How to value women in economic terms?
- ▶ What local policies might accomplish?
 - ▶ PreK for SA
 - ▶ Urban transit plans that facilitate movement for women (security, ease)
 - ▶ Urban healthcare initiatives
 - ▶ Entrepreneurial assistance
 - ▶ Tax ordinances
 - ▶ Price strategies
 - ▶ Minimum Income/Services strategies
 - ▶ International trade issues

Thank you.

