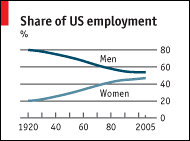
**The importance of sex**

**Forget China, India and the internet: economic growth is driven by women**



EVEN today in the modern, developed world, surveys show that parents still prefer to have a boy rather than a girl. One longstanding reason why boys have been seen as a greater blessing has been that they are expected to become better economic providers for their parents' old age. Yet it is time for parents to think again. Girls may now be a better investment.

Girls get better grades at school than boys, and in most developed countries more women than men go to university. Women will thus be better equipped for the new jobs of the 21st century, in which brains count a lot more than brawn. In Britain far more women than men are now training to become doctors. And women are more likely to provide sound advice on investing their parents' nest egg: surveys show that women consistently achieve higher financial returns than men do.

Furthermore, the increase in female employment in the rich world has been the main driving force of growth in the past couple of decades. Those women have contributed more to global GDP growth than have either new technology or the new giants, China and India (see [article](http://www.economist.com/node/6802551)). Add the value of housework and child-rearing, and women probably account for just over half of world output. It is true that women still get paid less and few make it to the top of companies, but, as prejudice fades over coming years, women will have great scope to boost their productivity—and incomes.

Governments, too, should embrace the potential of women. Women complain (rightly) of centuries of exploitation. Yet, to an economist, women are not exploited enough: they are the world's most under-utilised resource; getting more of them into work is part of the solution to many economic woes, including shrinking populations and poverty.

Some people fret that if more women work rather than mind their children, this will boost GDP but create negative social externalities, such as a lower birth rate. Yet developed countries where more women work, such as Sweden and America, actually have higher birth rates than Japan and Italy, where women stay at home. Others fear that women's move into the paid labour force can come at the expense of children. Yet the evidence for this is mixed. For instance, a study by Suzanne Bianchi at Maryland University finds that mothers spent the same time, on average, on childcare in 2003 as in 1965. The increase in work outside the home was offset by less housework—and less spare time and less sleep.

**A woman's world**

What is clear is that in countries such as Japan, Germany and Italy, which are all troubled by the demographics of shrinking populations, far fewer women work than in America, let alone Sweden. If female labour-force participation in these countries rose to American levels, it would give a helpful boost to these countries' growth rates. Likewise, in developing countries where girls are less likely to go to school than boys, investing in education would deliver huge economic and social returns. Not only will educated women be more productive, but they will also bring up better educated and healthier children. More women in government could also boost economic growth: studies show that women are more likely to spend money on improving health, education, infrastructure and poverty and less likely to waste it on tanks and bombs.

It used to be said that women must do twice as well as men to be thought half as good. Luckily that is not so difficult.