



McKinsey Global Institute

Realizing gender equality's \$12 trillion economic opportunity

May 16, 2016 | Report

By [Jonathan Woetzel](#), [Anu Madgavkar](#), [James Manyika](#), [Kweilin Ellingrud](#), [Vivian Hunt](#), and [Mekala Krishnan](#)

Investing in access to essential services and reducing the gap in labor-force participation rates could significantly expand the global economy by 2025.

DOWNLOADS

[↓ Full Report \(PDF-4MB\)](#)

In 2015, the McKinsey Global Institute published [The power of parity: How advancing women's equality can add \\$12 trillion to global growth](#). This report, which focused on the enormous potential associated with narrowing the gender gap, found that if every

C
P
T

Sign up for our Monthly Highlights newsletter



Don't miss this roundup of our newest and most distinctive insights

Subscribe



So what will it actually take to turn this potential into reality? Our new discussion paper, [*Delivering the power of parity: Toward a more gender-equal society*](#), provides an agenda for action and investment, quantifying the progress needed on 15 gender-inequality indicators. It finds that while much of the \$12 trillion opportunity comes from advancing gender equality in the world of work, progress there is closely tied to tackling gender gaps in society more broadly. In particular, improved access to services in six areas could unlock economic opportunities for women: education, family planning, maternal health, financial inclusion, digital inclusion, and assistance with unpaid care.

Addressing these areas would require incremental annual expenditures of \$1.5 trillion to \$2 trillion in 2025—20 to 30 percent more than would ordinarily be spent given the current trajectories of rising population and GDP (exhibit). But the results would empower millions of women and men alike, delivering economic benefits that are six to eight times higher than the social spending estimated.

Sign up for our Monthly Highlights newsletter



Don't miss this roundup of our newest and most distinctive insights

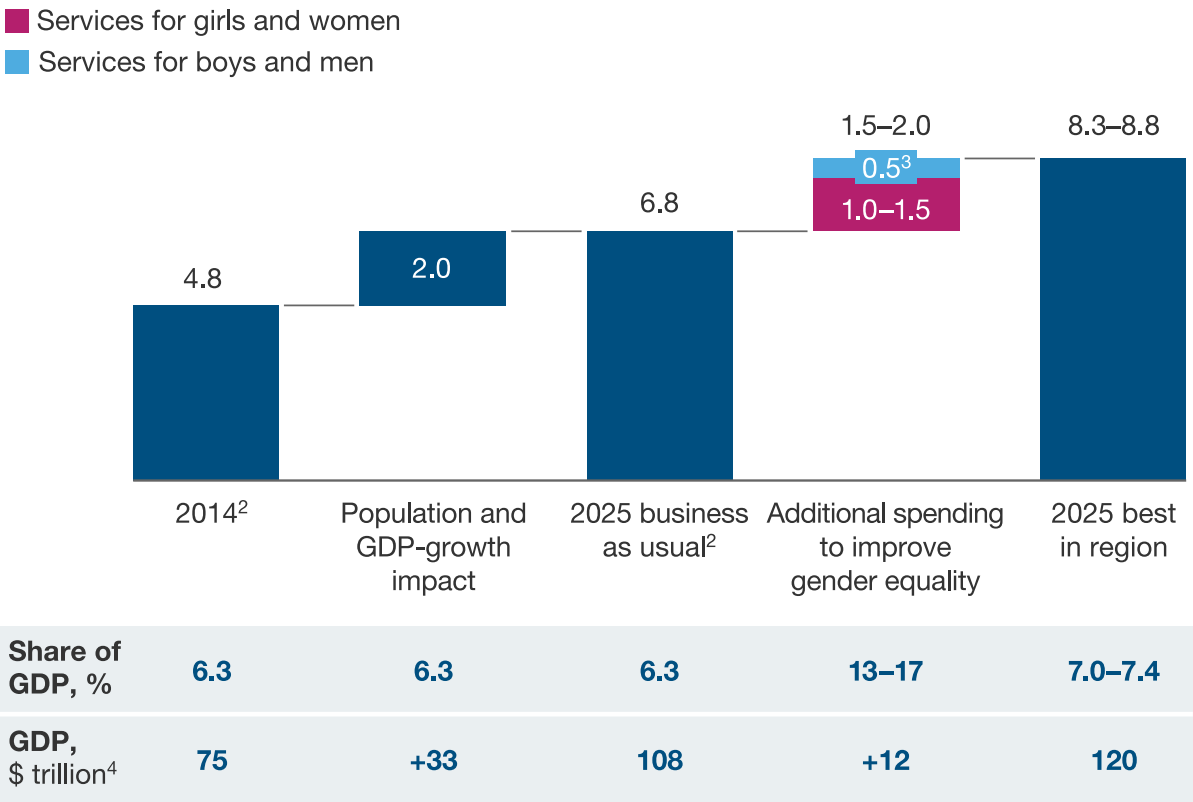
Subscribe



Exhibit

An additional \$1.5 trillion to \$2.0 trillion of annual spending on essential services is required in 2025 to realize the economic potential of women.

Breakdown of spending need, \$ trillion¹



¹Financial inclusion not included. Includes public and private or household spending, as well as both revenues and capital expenditures; broad estimates based on country-level data.

²Baseline excludes spending on digital inclusion.

³Includes spending on primary, secondary, and tertiary education, as well as paternity leave.

⁴In 2014 dollars.

Note: Numbers are rounded.

McKinsey&Company | Source: McKinsey Global Institute analysis

—

TC

Sign up for our Monthly Highlights newsletter

×

Don't miss this roundup of our newest and most distinctive insights

Email address

Subscribe →

ABOUT THE AUTHOR(S)

Jonathan Woetzel and **James Manyika** are directors of the McKinsey Global Institute, where **Anu Madgavkar** is a principal; **Kweilin Ellingrud** is a principal in McKinsey's Minneapolis office; **Vivian Hunt** is a director in the London office; and **Mekala Krishnan** is a consultant in the Stamford office.

[Talk to us](#)

Sign up for our Monthly Highlights newsletter



Don't miss this roundup of our newest and most distinctive insights

Email address

Subscribe

