

TECHNICAL SESSION-4: HUMAN CAPITAL INVESTMENT AND WORKERS' EFFICIENCY

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Paper Title: Analysing the Productive Mechanism of Human Capital for TFP in Pakistan: New Insights from Women's Empowerment
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Presenter: Bushra Mushtaq

Abstract: This study examines the role of women empowerment (WE) on the promotion of human capital development (HCD) and total factor productivity (TFP) in Pakistan over the period of 1990 to 2022 by employing co-integration analysis based on Autoregressive Distributed Lag (ARDL) model. None of the previous studies have analysed the impact of women's empowerment on TFP as a productive resource to develop human capital. This research examines two hypotheses: the moderating effect of WE on TFP and the mediating impact of HCD on TFP. The results of the empirical analysis show that WE and HCD positively and significantly impact TFP in the short run and the long run. Furthermore, the results demonstrate that WE has a significant moderating impact on TFP. While HCD has a significant mediating impact on TFP in both the short and long run. The Granger Causality Test demonstrates a unidirectional causality flowing from WE to TFP and from HCD to TFP, underlining the crucial role of WE and HCD in fostering economic productivity. This study suggests that Pakistan can aspire to develop its human capital by tapping into the potential of its female population. Empowering women is a productive channel of human capital. Women's empowerment (WE) moderates the impact of Human capital on growth and development to promote sustainability.

Discussant: Prof. Muhammad Omer Chaudhry, School of Economics, BZU, Multan