



Empowering Women through Tourism and Financial Development: Empirical Evidence from Upper Middle-Income Economies

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Abstract

The concept of women's empowerment in this study focuses on international tourism, economic growth, financial development and financial inclusion among others as integral aspects that would help achieve the Sustainable Development Goals. Using panel data from 15 Upper Middle-Income Countries between 1995 and 2017, the study employs cutting edge approaches such as fixed-effect models, random effect models, GMM and robust LS regressions to identify major impacts. The results show a strong relationship between these factors regarding women's empowerment with clear impacts on self-employment among the women and increased participation in serviceability and industrial areas. In particular, these factors play a very important role in total employment of women. The analysis reinforces the ability of international tourism, economic growth, financial development and financial inclusion to facilitate women's empowerment in Upper Middle-Income Countries. This study illuminates the complex realities that guide how a woman participates in power structures, which partly exposes broad aspiration of sustainable development.

Keywords: Women Empowerment, Financial Development, Financial Inclusion, Tourism, Economic Growth



Introduction

In the present world, women are not only participating in the household duties but are also working for the development of the countries. This has increased the importance of women empowerment for the developed and developing economies as well. The women empowerment is a diversified and broad concept. It is the combination of different concepts which includes decision making power, control over family resources, financial access, awareness, and freedom of choice. Moreover, economic access in the form of education and employment opportunities is also an important aspect of women empowerment (Malhotra et al., 2002). In various studies, researchers have used different indicators of women empowerment. Gender parity index, female employment (vulnerable), female wage and salaried employment, women share in agriculture and non-agriculture sectors are good indicators of women empowerment (Nassani et al, 2019). In case of survey studies, women empowerment index can be a good indicator of women empowerment. Economic, social and cultural dimensions of empowerment are addressed through the women empowerment index (Swain and Wallentin, 2017; Al-Mamun et al., 2014).

The formal and informal employment is a driving factor for women empowerment. The income and job contribution of women is also helping them to improve their empowerment status (Kantor, 2003). According to Street (2019), women empowerment is not only improved by the participation of women in very large businesses, but it is also improved by small businesses and jobs like handicraft making and stitching at home. The employment opportunities for women are improving their well-being and decision-making power which is an important aspect of empowerment (Riaz and Pervaiz, 2018; Habib et al, 2019).

Linkage Between Women Empowerment and International Tourism

The women empowerment is linked to the tourism sector through employment. In European, Asian and African countries, the tourism sector is growing rapidly. As according to the World Bank (2020), the contribution of the tourism sector in GDP is growing in the UMIC like Albania, Belarus, Botswana, Bulgaria, China, Fiji, Maldives, Malaysia, Romania, Russian Federation, South Africa, Sri Lanka, Thailand, Turkey, and Namibia. In China, Romania and Turkey the contribution of tourism sector in GDP has increased to more than 10 percent in 2017. Whereas this contribution has increased to more than 3 percent in Albania, Belarus, Botswana, Bulgaria, Maldives, Russian Federation, Sri Lanka, Thailand and Namibia in 2018. Maldives tourism contribution has increased to 6.85 percent from 2016-17 as there are



many hotels, resorts, and tourism sights in this country. In Malaysia, tourism contribution in GDP is at second number which means that this country highly earns from tourism sector (Hamzah, 2004).

International tourism is the key element that improves the women empowerment (Nassani et al., 2019). International tourism creates earning opportunities for many women which includes sale of handicrafts, hotel management, catering, hotel kitchen management and cleaning, leadership, technical & managerial jobs and other formal and informal jobs. These career and earning opportunities are making the women financially, socially and economically strong. In this way, these opportunities created through the tourism sector is improving the women empowerment (Baum, 2013; Chugh, 2001).

Linkage Between Women Empowerment and Financial Development

Financial development is another indicator that can improve women empowerment. Financial development is a broad and multidimensional phenomena. It includes the development of financial markets and financial institutions. It has three main dimensions of access, depth and the efficiency of the financial markets and institutions (Svirydzenka, 2016).

The importance of financial sector development in women empowerment can be found by analyzing the role of micro finance, financial access (inclusion), financial intermediaries in women empowerment. Financial development index can also be a good measure to check the role of financial sector in women empowerment. Easy access to micro finance, financial markets, financial intermediaries can help the women to improve their earnings through formal and informal large and small business and jobs (Al-Shami et al, 2017; Svirydzenka, 2016; Nassani et al, 2019).

To find out the linkages of women empowerment with tourism, finance and economic growth, empirical research is conducted in the present study. The present study focuses on the women empowerment in case of employment indicators through the involvement of financial sector and international tourism, specifically for the 15 selected upper middle-income countries of Asia, Africa and Europe for the time span of 1995-2017, thus this study is significant in this way. Along with fixed effect model and random effect model, robust least square regression, this study also uses GMM which is an efficient econometric technique for panel data analysis.



This research is unique because unlike other studies it analyzes the role of finance through specific financial indicators like financial development index and access to financial institution index. This study is important because instead of using political, social and psychological dimensions of women empowerment, it considers the different aspects of women empowerment through women self-employment, salaried and wage female workers, female employment in service and industrial sector, and contribution of female employment in family. The objective of the study is to examine the relationship between the women empowerment and international tourism in UMIC. This study aims to explore the effect of finance on women empowerment in UMIC. This study also investigates the impact of economic growth on women empowerment in UMIC.

Literature Review

There are numerous studies in which researchers have drawn the attention towards the important topic of empowering women through different determinants including micro finance, cottage industry, financial development, and international tourism etc.

Women Empowerment and Finance

Micro-Finance Access

Microfinance has become an important factor to improve the lives of many women by contributing to their empowerment. The study by Al-Mamun et al. (2014) provides evidence for this by investigating the effect of small productive loans on different dimensions of women empowerment. The cross-sectional data of 242 females (low-income earners) was analyzed in the urban areas of Peninsular by reliability analysis and descriptive statistics. The results found that there was significant effect of these loans on women empowerment through improvement in legal, economic and family decision making. The mean score of the empowerment index was closer to one representing improved empowerment due to loans. Similarly, Al-Shami et al. (2017) also conducted a survey based research to find the impact of micro credit on the women empowerment by collecting cross sectional data from 495 female borrowers in Malaysia. The results of logit model showed that the women empowerment was significantly affected by the micro credit provided by the AIM (Amana Ikhtiar Malaysia) as this credit has improved the females' income and their decision making related to businesses. In another study, Swain and Wallentin (2017) examined the role of micro-financing through self-help group in empowering women in India through survey data which provides a comprehensive information related to the female respondents who take micro finance. The



structural equation model that measured the latent variable i-e women empowerment index showed that in India economic factors had contributed to improve women empowerment through micro-financing.

In contrast, some studies also explained the relationship between micro credit and women empowerment by conducting a panel data analysis. As Chowdhury and Chowdhury (2011) used panel data analysis to examine the impact of micro credit in reducing women dis-empowerment in Bangladesh. For this purpose the fixed effect model was used to eliminate the problem of endogeneity biasness. The empowerment indicators used in this study are supply of labor, accumulation of assets and household decisions. It was found in the study that there is a strong positive affect of micro credit on household decisions, accumulation of assets and overall empowerment of women.

Financial Inclusion and Other Finance Indicators

Siddik (2017) investigated that either financial inclusion in Bangladesh is crucial for women empowerment or not. For this purpose a survey was conducted for 500 women in rural areas who have access to the program related to financial inclusion. The results of chi square test and descriptive statistics concluded that the financial access in the form of financial inclusion had improved the living standard, health, and income of more than 90 percent of those women. In another research, Haque and Zulfqar (2016) provided an empirical study related to the linkage of economic empowerment of females with the financial indicators i-e financial education, well-being and attitude in Pakistan through primary data research of 300 employed women. The results of logistic regression provided an evidence that there was significant and positive relationship between economic empowerment of women and selected financial indicators.

Whereas, empowerment has also impacted the financial inclusion as Ghosh and Vinod (2017) also found that the empowered women who were the household heads were easily accessing the informal financial resources than the formal financial resources due to some social and economic hurdles. The probit model was used to analyze the impact of women empowerment on financial access through the formal and informal sources like government, societies, banks, landlords, moneylenders and NGO in India through cross sectional data.



Women Empowerment and Employment

Different qualitative and quantitative studies have been conducted on the important relationship of formal and informal female employment and women empowerment. As Kantor (2003) explored the role of informal businesses in empowering the females through a survey of 871 male and female cloth sellers who were running small businesses at home in India. The results of logit model revealed that instead of increased income of women, their control over income through these businesses had improved their empowerment. While, Street (2019) made a qualitative research by collecting the primary data from Assam, India. The main focus was on the cultural, economic and social dimensions of empowerment of women who were making handicrafts and were doing stitching at home. This study found that the small businesses activities were improving the livelihoods and empowerment of women.

In contrast, Riaz and Pervaiz (2018) focused on the formal employment effects on women empowerment by collecting the secondary data from Pakistan Demographic and health Survey. The logistic regression was used to measure the binary variable of women empowerment which was represented by their decision making power. Their findings showed crucial effect of women employment in their empowerment through their improved involvement in decision making. In the similar manner, Habib et al (2019) also based their research on women empowerment through the formal employment and education opportunities through multiple regression analysis in Pakistan. The data for survey was collected from 320 qualified and employed females of Quetta. The results indicated that there empowerment of women was positively associated with the formal employment and education.

Women Empowerment and Tourism

Tourism industry is also acting as a driving factor to improve women employment, women education and women empowerment. As Chugh (2001) in his study explored the effect of employment opportunities created through tourism on the empowerment of females. Women were involved in the activities like running small shops and selling handicrafts etc. in Kullu, India. The descriptive statistics of the research showed that 59 percent respondent agreed on the fact that tourism had contributed in the women social status. And 57 percent of women become financially strong due to tourism. In the same manner, Nassani et al (2019) also examined the association of finance and tourism on women empowerment through cross



country data analysis of 24 European countries from 1990 to 2015. The results of panel regression model i-e GMM, random effect and fixed effect models showed that financial and tourism development has improved the women empowerment. And the empowerment indicators were female education and female employment in agriculture and the non-agriculture sectors.

Women Empowerment and Economic Growth

Saqib et al (2016) studied the association between economic growth and empowerment of females in Saudi Arabia by collecting the data for the time span 1999 to 2014 through multiple regression model. For this study GDP per capita was used as dependent variable and rate of female employment and female fertility was used as independent variables. The results gave evidence about the long term relationship between economic growth and women empowerment.

There can be a causal relationship between women empowerment and economic growth. Nassani et al (2019) used a Granger causality test and examined causality between women empowerment and economic growth in 24 European countries. The results advocated that there was a bidirectional causality between economic growth and women empowerment.

In the literature, different researchers have conducted their research on the challenging topic of women empowerment through numerous survey based data and time series data but there are few studies of women empowerment through the cross country data. The present study fills the research gap by conducting the research on effect of tourism, economic growth and finance on women empowerment through the panel data of 15 upper middle income countries. This panel contains the countries that have a growing tourism industry. Many studies addressed empowerment through the index of women empowerment by primary data as in survey based study, index is a mostly used as women empowerment indicator which is explained in the previous literature. But the present study uses the employment indicators to address empowerment, as this is a panel data based study not the cross sectional analysis. This study also fills the literature gap by the empirical analysis through the use of financial development index and index of access to the financial institution to address financial inclusion and financial development.



Research Methodology

Data Collection

For the present research the data is collected from the secondary sources. To analyze the effect of different variables on women empowerment, the panel data is collected from the two main sources i.e World Bank: World Development Indicators (WDI) and International Monetary Fund (IMF). To explore the effect of tourism, economic growth, and finance on Women Empowerment, the data for time period 1995 to 2017 of 15 Upper Middle Income Countries (UMIC) is collected. This panel of 15 African, Asian and European Economies are selected as they have a growing tourism sector and the data of tourism, finance and women empowerment is available for these countries. According to the world bank grouping, UMIC are the countries that earn the per capita GNI that ranges from 3,996 dollars to 12,375 dollars. The panel used for this study is strongly balanced and long panel. The countries included in this research are given in the appendix A.

Econometric Modeling of the Study

For this study panel regression models i.e. the random effect regression model, the fixed effect regression model and GMM are used to examine the association between women empowerment and the factors like finance development and inclusion, tourism expenditures and economic growth.

This Hausman test is used to decide about the correct specification of the model. It is used to choose between the two famous panel regression models i.e fixed effect model and random effect model (Baltagi, 2003). The problem of endogeneity in the panel data can affect the results and due to this issue sometimes we get the incorrect signs of the coefficients of variables. This problem of endogeneity is solved through the use of GMM estimation which internally transforms the data and give more efficient results (Akhtar et. al., 2018). The MM estimation through robust least square regression is also estimated to encounter outliers issue in the dependent and independent variables to get efficient results (Susanti, 2014, Nassani et. al., 2019).

The equations from 1 to 5 are representing the equations that are with log transformation and are not linear to make the interpretation easier and they are analyzed through the random effect, fixed effect models, GMM and Robust least square regression.



$$\ln(SEF)_{i,t} = \beta_1 + \beta_2 \ln(FDI)_{i,t} + \beta_3 \ln(FIAI)_{i,t} + \beta_4 \ln(ITEI)_{i,t} + \beta_5 \ln(ITRE)_{i,t} + \beta_6 \ln(ITE)_{i,t} + \beta_7 \ln(ITTR)_{i,t} + \beta_8 \ln(PCGDP)_{i,t} + \mu_{i,t} + e_{i,t} \dots \dots \dots (1)$$

$$\ln(CFWF)_{i,t} = \beta_1 + \beta_2 \ln(FDI)_{i,t} + \beta_3 \ln(FIAI)_{i,t} + \beta_4 \ln(ITEI)_{i,t} + \beta_5 \ln(ITRE)_{i,t} + \beta_6 \ln(ITE)_{i,t} + \beta_7 \ln(ITTR)_{i,t} + \beta_8 \ln(PCGDP)_{i,t} + \mu_{i,t} + e_{i,t} \dots \dots \dots (2)$$

$$\ln(FWSW)_{i,t} = \beta_1 + \beta_2 \ln(FDI)_{i,t} + \beta_3 \ln(FIAI)_{i,t} + \beta_4 \ln(ITEI)_{i,t} + \beta_5 \ln(ITRE)_{i,t} + \beta_6 \ln(ITE)_{i,t} + \beta_7 \ln(ITTR)_{i,t} + \beta_8 \ln(PCGDP)_{i,t} + \mu_{i,t} + e_{i,t} \dots \dots \dots (3)$$

$$\ln(FEI)_{i,t} = \beta_1 + \beta_2 \ln(FDI)_{i,t} + \beta_3 \ln(FIAI)_{i,t} + \beta_4 \ln(ITEI)_{i,t} + \beta_5 \ln(ITRE)_{i,t} + \beta_6 \ln(ITE)_{i,t} + \beta_7 \ln(ITTR)_{i,t} + \beta_8 \ln(PCGDP)_{i,t} + \mu_{i,t} + e_{i,t} \dots \dots \dots (4)$$

$$\ln(FES)_{i,t} = \beta_1 + \beta_2 \ln(FDI)_{i,t} + \beta_3 \ln(FIAI)_{i,t} + \beta_4 \ln(ITEI)_{i,t} + \beta_5 \ln(ITRE)_{i,t} + \beta_6 \ln(ITE)_{i,t} + \beta_7 \ln(ITTR)_{i,t} + \beta_8 \ln(PCGDP)_{i,t} + \mu_{i,t} + e_{i,t} \dots \dots \dots (5)$$

In the above set of equations from equation 1 to 5, i represents cross sectional units I-e 15 UMIC and t represents period i-e 1995-2017. The independent variables are FDI, FIAI, ITEI, ITRE, ITE, ITTR, and PCGDP. Whereas the dependent variable in equation 1 is SEF, in equation 2 is CFWF, in equation 3 is FWSW, in equation 4 is FEI, and in equation 5 is FES. The description of all the variables is written in table 1 shown below.

Table 1
 Variables of the Study

VARIABLES	DESCRIPTION	DATA SOURCE
SEF	It is the percentage of self-employed females representing empowerment of women and it is a dependent variable.	World Bank
CFWF	It is the contribution of the female employment in the family workers in percentage representing empowerment of women and it is a dependent variable.	World Bank
FWSW	It is the percentage of female wage and salaried workers which is a dependent variable.	World Bank
FEI	It is the percentage of female employment in industrial sector which is a dependent variable representing women empowerment.	World Bank
FES	It is the percentage of female employment in the service sector which is a dependent variable.	World Bank
FDI	Financial development index which is independent variable.	International Monetary Fund (IMF)
FIAI	Financial institution access index which is independent variable.	International Monetary Fund (IMF)



ITEI	International tourism expenditures (percentage of total imports)	World Bank
ITRE	International tourism receipts (percentage of total exports)	World Bank
ITE	International tourism expenditures (current US \$)	World Bank
ITTR	International tourism travel item receipts (current US \$)	World Bank
PCGDP	Gross domestic product per capita, on the basis of purchasing power parity (constant 2017 international \$)	World Bank

Data sources: IMF, World Bank (2020)

Results and Discussion

After analyzing the panel data of 15 countries in Eviews version 9, the results of the descriptive statistics, panel regression models and the Hausman test are shown in table 2, table 3, table 4, table 5, table 6, table 7 and table 8.

Table 2

Descriptive Statistics

Descriptive statistics	Mean	Median	Maximum	Minimum	Std. Dev.
SEF	36.51	40.31	72.16	1.70	19.87
CFWF	17.83	17.99	55.49	0.04	15.01
FWSW	63.49	59.69	98.30	27.85	19.87
FES	54.53	55.80	84.77	18.62	17.15
FEI	19.11	19.98	40.76	5.19	7.51
FDI	0.33	0.30	0.73	0.03	0.16
FIAI	0.31	0.26	0.94	0.07	0.19
ITE	8.10E+09	1.34E+09	2.58E+11	13000000	2.88E+10
ITEI	6.77	5.10	28.07	0.69	5.21
ITRE	19.28	10.42	170.48	0.51	23.54
ITTR	6.72E+09	1.71E+09	5.24E+10	12000000	1.06E+10
PCGDP	13316.54	12521.14	27934.17	2371.56	5426.13



The above table 2 represents the descriptive statistics of the variables i-e FDI, FIAI, ITE, ITRE, ITEI, ITTR and PCGDP. The mean represents the average value of the variables. The maximum value represents the largest value of the variable in the data and the minimum value represents the smallest value of the variable in the data. The standard deviation of FDI, FIAI, ITE, ITRE, ITEI, ITTR and PCGDP shows the dispersion of the data set relative to its mean which represents that how far the data is from its mean. The small values of standard deviation are representing that the data set is close to its mean while its large value represents that data set is not very close to its mean value.

Table 3

Results of Hausman Test

Models/Equations	Chi square value	Degrees of freedom	P value	Decided model
Equation # 1 with dependent variable i-e lnSEF	11.544597	7	0.1166	Random effect model
Equation # 2 with dependent variable i-e lnCFWF	3.963832	7	0.7839	Random effect model
Equation # 3 with dependent variable i-e lnFWSW	9.611289	7	0.2117	Random effect model
Equation # 4 with dependent variable i-e lnFEI	20.466812	7	0.0046	Fixed effect model
Equation # 5 with dependent variable i-e lnFES	46.160422	7	0.0000	Fixed effect model

Level of significance: 5 %

In the above table, the chi square and p values of Hausman test shows that for equation 4 and 5 (where the dependent variables are lnFEI and lnFES), the p value is significant so the null hypothesis for the test is not accepted, which means that the fixed effect model is more appropriate for these equations. While for equations 1, 2, and 3 where the dependent variables are lnSEF, lnCFWF and lnFWSW, the p values of Hausman test are not significant. This means that the null hypothesis for the test is accepted which concludes that random effects model is more appropriate for these equations.

Table 4

Results of panel regression models with dependent variable i-e lnSEF (Self-employment of females)

Variables	RE results	Robust LS results	GMM results
	Coefficient & Std. Error	Coefficient & Std. Error	Coefficient & Std. Error
C	5.87 (0.57)***	0.96 (0.78)	5.67 (1.28)***
lnFDI	0.23 (0.06)***	-0.63 (0.07)***	0.59 (0.12)***
lnFIAI	-0.05 (0.04)	-0.56 (0.06)***	-0.45 (0.10)***
lnITEI	0.22 (0.05)***	-0.56 (0.07)***	-0.29 (0.12)**
lnITRE	-0.01 (0.05)	0.30 (0.07)***	0.62 (0.12)***
lnITE	-0.23 (0.06)***	0.07 (0.07)	0.05 (0.12)
lnITTR	-0.01 (0.05)	0.18 (0.07)***	0.05 (0.11)
lnPCGDP	0.25 (0.10)***	-0.44 (0.06)***	-0.56 (0.10)***
Significance of Model			
Adjusted R square	0.97	0.31	0.52
F statistics	577.02 (0.00)***	-----	-----
Rn square statistics	-----	635.78 (0.00)***	-----
Hausman test results			
Chi square value	11.54		
P value	0.12		

Level of significance ***, **, and * means 1%, 5 %, and 10%. RE (random effect model), LS(Robust least Square method), GMM(Generalized Method of Moments)

In the above table, the value of F statistics and its p value shows that the model is significant. The t statistics values of lnFDI, lnFIAI, lnITRE, lnITEI and lnPCGDP in GMM results shows that these independent variables are significant and have association with the dependent variable i-e lnSEF. The coefficients of lnFDI and lnITRE are 0.59 and 0.62 which shows that 1 percent increase in FDI causes 0.59 percent increase in the SEF. And 1 percent increase in ITRE causes 0.62 percent increase in SEF. In contrast, the negative value of coefficients of lnFIAI, lnITEI and lnPCGDP represent that it reduces SEF.

Table 5

Results of panel regression models with dependent variable i-e lnCFWF (Contribution of female employment in family)

Variables	RE results	Robust LS results	GMM results
	Coefficient & Std. Error	Coefficient & Std. Error	Coefficient& Std. Error
C	0.70 (3.18)	-8.83 (1.61)***	1.79 (2.88)
lnFDI	0.81 (0.28)***	-1.33 (0.15)***	0.77 (0.27)***
lnFIAI	-0.94 (0.22)***	-0.86 (0.11)***	-0.88 (0.20)***
lnITEI	-1.30 (0.29)***	-1.15 (0.15)***	-1.24 (0.27)***
lnITRE	1.86 (0.28)***	0.90 (0.15)***	1.79 (0.26)***
lnITE	0.67 (0.28)**	0.77 (0.15)***	0.60 (0.26)**
lnITTR	-0.31 (0.27)	-0.17 (0.14)	-0.26 (0.25)
lnPCGDP	-0.93 (0.24)***	-0.43 (0.12)***	-1.00 (0.22)***
Significance of Model			
Adjusted R square	0.44	0.20	0.47
F statistics	10.40 (0.00)***	-----	-----
Rn square statistics	-----	289.70 (0.00)***	-----
Hausman test results			
Chi square value	3.97		
P value	0.79		

Level of significance:*, **, and *** means 1%, 5 %, and 10%. RE(random effect model), LS(Robust least Square method), GMM(Generalized Method of Moments)

Table 6

Results of panel regression model with dependent variable i-e lnFWSW (Percentage of female wage & salaried workers)

Variables	RE results	Robust LS results	GMM results
	Coefficient & Std. Error	Coefficient & Std. Error	Coefficient & Std. Error
C	3.98 (0.45)***	4.08 (0.44)***	4.06 (0.41)***
lnFDI	0.12 (0.04)***	0.13 (0.04)***	0.12 (0.04)***
lnFIAI	0.16 (0.03)***	0.15 (0.30)***	0.13 (0.03)***
lnITEI	0.19 (0.04)***	0.19 (0.04)***	0.21 (0.04)***
lnITRE	-0.25 (0.04)***	-0.25 (0.04)***	-0.27 (0.04)***
lnITE	-0.10 (0.04)**	-0.10 (0.04)***	-0.11 (0.04)***
lnITTR	-0.03 (0.04)	-0.04 (0.04)	-0.02 (0.04)
lnPCGDP	0.37 (0.03)***	0.37 (0.03)***	0.36 (0.03)***
Significance of Model			
Adjusted R square	0.58	0.52	0.59
F statistics	17.25 (0.00)***	-----	-----
Rn square statistics	-----	473.07 (0.00)***	-----
Hausman test results			
Chi square value	9.61		
P value	0.21		

Level of significance: ***, **, and * means 1%, 5 %, and 10%. RE(random effect model), LS(Robust least Square method), GMM(Generalized Method of Moments)

In the above table, the value of F statistics and its p value shows that the model is significant. The t statistics values of lnFDI, lnFIAI, lnITEI, lnITRE and lnPCGDP I the GMM estimation results shows that these independent variables are significant and have association with the dependent variable i-e Contribution of female employment in family(lnCFWF). The GMM results also represent that the coefficients of lnFDI, lnITRE and lnITE are 0.77, 1.79 and 0.60 which shows that 1 percent increase in FDI causes 0.77 percent increase in the CFWF. While, 1 percent increase in ITRE causes 1.79 percent increase in CFWF and 1 percent increase in ITE causes 0.60 percent increase in CFWF. In contrast, the coefficient of lnFIAI, lnITEI and lnPCGDP represents that they reduces CFWF.

In the above table, the value of F statistics and its p value are 17.24926 and 0.000000 which shows that the model is overall significant. The t statistics values of lnFDI, lnFIAI, lnITEI, lnITRE, lnITE and lnPCGDP in GMM results represent that these independent variables are significant and have association with the dependent variable i-e lnFWSW. The positive value of coefficients of lnFDI, lnFIAI, lnITEI and lnPCGDP shows that 1 percent increase in these variables causes increase in the FWSW. While, the coefficient of lnITRE and lnITE represents that they reduces FWSW due to improper allocation of tourism expenditures in the selected UMIC.

Table 7

Results of panel regression models with dependent variable i-e lnFEI (Percentage of female employment in industrial sector)

Variables	FE results	Robust LS results	GMM results
	Coefficient & Std. Error	Coefficient & Std. Error	Coefficient & Std. Error
C	-1.63 (0.81)**	-0.93 (0.80)	-0.57 (0.76)
lnFDI	-0.41 (0.07)***	-0.44 (0.08)***	-0.39 (0.07)***
lnFIAI	0.08 (0.06)	0.03 (0.06)	0.00 (0.05)
lnITEI	0.23 (0.07)***	0.19 (0.07)***	0.31 (0.07)***
lnITRE	-0.26 (0.07)***	-0.25 (0.07)***	-0.33 (0.07)***
lnITE	-0.11 (0.07)	-0.07 (0.07)	-0.17 (0.07)**
lnITTR	0.24 (0.07)***	0.23 (0.07)***	0.29 (0.07)***
lnPCGDP	0.16 (0.06)**	0.02 (0.06)	0.06 (0.06)
Significance of Model			
Adjusted R square	0.27	0.21	0.27
F statistics	5.41 (0.00)***	-----	-----
Rn square statistics	-----	139.88 (0.00)***	-----
Hausman test results			
Chi square value	20.47		
P value	0.00		

Level of significance: ***, **, and * means 1%, 5 %, and 10%. FE(fixed effect model), LS(Robust least Square method), GMM(Generalized Method of Moments)

In the above table, the value of F statistics and its p value shows that the model is significant. The t statistics values of lnFDI, lnITEI, lnITRE, and lnITE in GMM results shows that these independent variables are significant and have association with the dependent variable i-e lnFEI. The positive value of coefficients of lnITEI and lnITTR shows that 1 percent increase in these variables causes increase in the female employment in industrial sector. While, the coefficient of lnFDI, lnITRE and lnITE represents that they reduces FEI. The female employment in the industrial sector is not improved by such indicators in the selected UMIC duo to improper tourism expenditures allocation.

Table 8

Results of panel regression models with dependent variable i-e lnFES (Percentage of female employment in service sector)

Variables	FE results	Robust LS results	GMM results
	Coefficient & Std. Error	Coefficient & Std. Error	Coefficient & Std. Error
C	5.81 (0.53)***	3.81 (0.44)***	4.53 (0.51)***
lnFDI	0.28 (0.05)***	0.15 (0.04)***	0.28 (0.05)***
lnFIAI	0.02 (0.04)	0.11 (0.03)***	0.09 (0.04)**
lnITEI	0.51 (0.05)***	0.41 (0.04)***	0.42 (0.05)***
lnITRE	-0.49 (0.05)***	-0.45 (0.04)***	-0.35 (0.05)***
lnITE	-0.43 (0.05)***	-0.42 (0.04)***	-0.35 (0.05)***
lnITTR	0.25 (0.04)***	0.28 (0.04)***	0.18 (0.04)***
lnPCGDP	0.26 (0.04)***	0.39 (0.03)***	0.36 (0.04)***
Significance of Model			
Adjusted R square	0.49	0.44	0.45
F statistics	12.43 (0.00)***	-----	-----
Rn square statistics	-----	425.57 (0.00)***	-----
Hausman test results			
Chi square value	46.16		
P value	0.00		

Level of significance: ***, **, and * means 1%, 5 %, and 10%. FE(fixed effect model), LS(Robust least Square method), GMM(Generalized Method of Moments)



In the above table, the value of F statistics and its p value shows that the model is overall significant. In GMM results, the t statistics values of variables i-e lnFDI, lnFIAI, lnITE, lnITRE, lnITEI, lnITTR and lnPCGDP are significant and have association with the dependent variable i-e female employment in service sector (lnFES). The coefficients of lnFDI, lnFIAI, lnITEI, lnITTR and lnPCGDP are 0.28, 0.09, 0.42, 0.18 and 0.36 which shows that 1 percent increase in FDI causes 0.28 percent increase in the FES, 1 percent increase in FIAI causes 0.09 percent increase in the FES, 1 percent increase in ITEI causes 0.42 percent increase in the FES, 1 percent increase in ITTR causes 0.18 percent increase in the FES and 1 percent increase in PCGDP causes 0.36 percent increase in the FES. On the other hand ITRE and ITE does not increase the FES as the expenditures and receipts of international tourism does not improve much the female employment in the service sector in the selected UMIC.

Discussions

The results of the present study explains that the contribution of tourism, finance and economic growth are significant in empowering women in the 15 selected upper middle income countries from 1995 to 2017. The independent variables i-e financial institution access index (FIAI) represents financial inclusion, financial development index (FDI) represents overall financial development. Whereas, international tourism expenditures as percentage of imports (ITEI), international tourism receipts (ITRE), international tourism expenditures (ITE), and international tourism travel item receipts (ITTR) describes international tourism.

Five variables are used to describe the dependent variable i-e women empowerment in this study. The first variable that describes women empowerment is self-employed females (SEF). The results of GMM with the dependent variable SEF shows that financial development index and international tourism receipts have significant positive association with SEF but financial institution access index (FIAI), international tourism expenditures (ITEI) and per capita GDP have significant negative association with women empowerment. The reason behind this negative association are the improper allocation of ITEI and less financial access for women and less economic resources. As UMIC have not yet achieved the desirable high economic growth. The effect of economic growth of women empowerment is similar to the previous study of Nassani et. al. (2019) who also found a decrease in one of the women empowerment variables through increase in per capita GDP but in their study gender parity index was reduced by economic growth.



The second variable that describes women empowerment in this research is contribution of female worker in family (CFWF). The results of GMM with the dependent variable CFWF shows that FDI, ITRE and ITE have significant positive impact on CFWF as Chugh (2001) found the same results as they also found positive contribution of international tourism on women empowerment. But FIAI, ITEI and PCGDP have significant negative impact on CFWF. The reason behind such results is that the employed women who contribute in the family have lacked the access to most of the financial institutions as some of them are also involved in the informal businesses in the selected UMIC so it decreases CFWF.

In table 6, the results of GMM represent the significant positive impact of FDI, FIAI, ITEI and PCGDP on female wage and salaried workers (FWSW). This means that financial development, financial inclusion, international tourism and economic growth are improving the women empowerment just like the results of the research of Saqib et al (2016).

In table 7 and table 8, the results of GMM results showed that tourism expenditures have positive and significant impact on female employment in industrial sector (FEI) whereas, financial development index (FDI). On the other hand, lnFDI, lnFIAI, lnITEI, lnITTR and lnPCGDP have positive and significant association with the empowerment variable i-e female employment in service sector. Like the results of Nassani et. al. (2019), the results of this study represents positive impact of finance (through financial development, financial inclusion), tourism and economic growth on the women empowerment.

Conclusion and Recommendations

In this study the impact of financial development, financial inclusion, tourism and economic growth on women empowerment is explored through random effect, fixed effect, GMM and robust least square techniques. For this purpose the different indicators of women empowerment are used which includes self-employed females (SEF), contribution of the female employment in the family workers (CFWF), female wage and salaried workers (FWSW), female employment in industrial sector (FEI), and female employment in service sector (FES).

This study concludes that from 1995-2017 in the selected 15 UMIC, the women empowerment through self-employment of females (SEF) is improved by the international tourism and financial development. Moreover, the empowerment of women through their employment contribution in the family (CFWF) is improving through the development of finance, tourism expenditures and by international tourism export receipts (ITRE) that



encourages them to increase their employment contribution in family through formal and informal employment. The female wage and salaried employment (FWSW) is improved by financial development, financial inclusion and economic growth. Whereas, the women empowerment indicator i-e female employment in the industrial sector (FEI) is also effected by the international tourism. While, the women empowerment through female employment in service sector (FES) has improved by more financial development, financial inclusion, international tourism and by economic growth.

- The improvement in the level of economic growth and achievement of desirable level of economic growth is needed to improve the women self-employment and their employment contribution in the family.
- The equitable and easy financial institution access for women can further improve their empowerment.
- The proper allocation of the international tourism expenditures and their expansion by the government can lead to improve women empowerment.
- There is need to provide more employment opportunities to the females to achieve high levels of women empowerment.

Limitations of the Study

The other women empowerment indicators related to female education, female political participation and female participation in household decisions are not included in this study. As the panel data for these variables is not available for these countries. So, this study can be extended by using these indicators of women empowerment for some other tourism growing countries. For extension in the study, the Granger causality test can be used to find the causality between the variables.

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