



## Ipek Ilkkaracan: Purple Gain

It was late afternoon sometime in 2009—she can't recall exactly, but it was in a conference room in her native Istanbul, brimming with travel-weary international economists itching to get to the bar after a long day of lectures on the green economy, hers being the last. But as she walked up to the podium, she could see them slowly dispersing, having heard all they wanted to hear. Desperate to pull them back, it just came to her. She leaned into the microphone and said it: "For a truly sustainable economic order, the green economy is not enough. We also need a purple economy." Ears perked up, drink orders were put on hold, and thus the term "purple economy" was born.

Ipek Ilkkaracan's idea to use the word "purple" came from its association with the women's movement in Türkiye, but she soon learned that the color also symbolized feminist movements in several other countries. So while the green economy aims to increase sustainability through environmental policy, Ilkkaracan's purple economy has come to symbolize the fight to make economies more sustainable through increased gender equality and investment in the social care infrastructure.

Ilkkaracan is a professor of economics at the

**"When a male colleague asks, Where are the new jobs going to come from? To me, it's obvious."**

Istanbul Technical University Faculty of Management, and her research focuses on labor, development, and feminist economics. "I always identified as a feminist in my college years. But my commitment to feminist economics grew stronger as I became a mother myself and started engaging in intensive unpaid caregiving, while simultaneously trying to move ahead in my career."

Feeling betrayed by her own discipline's blind spot in this area of production so vital to the well-being of people, Ilkkaracan began digging into the economic benefits of caregiving work. The research was quickly recognized by UN Women, the International Labour Organization, and governments worldwide looking to increase employment opportunities and growth, because caregiving services, Ilkkaracan says, offer more job creation potential than those in any other sector.

"In the Turkish context, we compared the potential of government spending for employment creation when public funds are spent on the care services sector—early childhood care, for example, versus the construction sector. And we find that the number of jobs created through spending on early childhood care services and preschool education can create three times more jobs than the same magnitude of public funds being allocated to the construction sector."

And when asked about the potential job losses to technology, Ilkkaracan says the answer to that labor issue also lies within the purple economy.

"There are sixteen and a half billion hours of unpaid work performed every day around the globe, within the domestic sphere, doing care activities, household production. If we were to shift only half of that to the paid sphere, it would amount to hundreds of millions of new jobs. So when a male colleague asks, Where are the new jobs going to come from? I just want to laugh, because to me, it's obvious."



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**Rose Ngugi:**

## Getting an Edge from Data

Life is a sequence of events. Sometimes the smallest things, those seemingly inconsequential moments in our lives, have a lasting impact. “In those days, we didn’t have anything called economics in schools. But then somebody came to our school to talk about some new subjects. I didn’t know anything about it, but I was like, okay, let’s venture into this thing called economics.”

Rose Ngugi emerged from that Kenyan high school hungry to learn more—because, “You may think when you see people in the market buying and selling, that’s all it is, but then you realize it’s an ecosystem within which we all operate. So by understanding the what and the why, it helps you to see where the interventions are needed to make your society better.”

Now Dr. Ngugi, she went on to study economics at the University of Nairobi and at Birmingham University in the UK. She also did a six-year stint at the IMF before returning to Kenya to help the national government with its development agenda under the devolution process, which gives county

governments more autonomy. In her role as executive director of the Kenya Institute for Public Policy Research and Analysis (KIPPRA), Ngugi and her team provide sectoral data to these counties, in the form of indices that are used to gauge the impact and effectiveness of the policies they implement.

“The indices are working magic,” Ngugi says. “They help the counties focus their attention on the areas that we can see are not performing very well.” Good data is a rare commodity in many parts of Africa, but what makes Ngugi’s indices even more valuable is that they are Kenya-centric, measuring real-life activities that are relevant to local communities, like the informal sector, which employs 80 percent of the population.

“If we want to talk about growth in this country, you cannot achieve growth without knowing where the key sources of growth are,” she says. “We have a lot of youth going into these informal micro and small enterprises. And then you ask yourself, Are they productive enough? Are they creating decent jobs? So you need to look at micro and small enterprises as the bedrock, and then support it. You can only do that by going to the counties, understanding the environment within which they are operating, and that way, you’re able to focus your policy directly on the issues, the nitty-gritty of the issues at the county level.”

Ngugi says the indices are helping 47 counties countrywide build stronger local economies, which supports the national government’s bottom-up approach to Kenya’s economic transformation.



**Sectoral indices that gauge the impact of government policy are working magic, Ngugi says.**



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## Marcela Eslava:

### Rethinking Social Protection

“I think where you grew up, definitely provides you with insights that other people may not have. My daily life feeds me with questions because I see the problems all around me.”

Math skills came to her naturally early on, but the problems she was drawn to had more to do with social issues, which were plentiful in Bogotá when she was in school. She couldn't believe how diverse her country was.

“Not the good kind of diversity, but the bad kind of diversity—the inequality kind of diversity that's not rooted in people just being different, but in having different opportunities. And so I think being part of that environment naturally makes you think about the combination of society, economy, politics, policies—and that was my case.”

So economics ticked all the boxes for Marcela Eslava. She went on to study at Universidad de Los Andes in Bogotá, where she now teaches, and holds a PhD from the University of Maryland. And while Eslava was initially motivated by the social inequities she witnessed growing up in Colombia, she now heads the Latin American and Caribbean Economic Association (LACEA), which facilitates the exchange of ideas among economists and policy-makers for the entire region.

Eslava's research has taken her down many paths, but there are a couple of recurring themes. Low income and high inequality together form the basis of what she calls the Latin American development problem. “I've lived in Latin America my whole life, and this is the reality we face every day, she says. “It has important implications for the people that surround you. You see poverty. You see social unrest and discontent.”

And in those conditions, people typically work in informal jobs and don't contribute to the social



“Health care should kick in when you get sick, not when you get sick and you're formally employed.”

security system. So no pension or health care. They also earn very low wages. Eslava says they are the survival entrepreneurs and account for half of Latin America's workers, who would otherwise be eligible for social security benefits under the law.

“Our social security systems are very dysfunctional in the sense that even though in the written law they provide reasonable security for people, there is a very large fraction of the population that is not being covered by those provisions.”

It's time to redesign those systems to reflect today's reality, Eslava says, to protect people based on the risks they face rather than how they make their living.

“Health care should kick in when you get sick, not when you get sick and you're formally employed. But you need to fund that, so we need to rethink the way in which we finance social protection. And that means a whole new vision on taxes and contributions that governments raise.”



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## Rumana Huque:

### Coughers and Coffers

**B**ig Tobacco might seem an anachronism to people in the West—it feels as if that battle was fought and won years ago, for the most part anyway. Not so for developing economies. “Tobacco use is really high in Bangladesh—and not only in Bangladesh, but throughout Southeast Asia. The latest round of Global Adult Tobacco Surveys, done in 2017, shows that 35.3 percent of people 15 years of age or older use tobacco products.”

Rumana Huque never liked the smell of her father’s cigarettes in their Dhaka home. But smoking is what men do in Bangladesh, and the economy depends on it. According to the National Board of Revenue, between 9 and 11 percent of all tax revenue comes from the tobacco industry.

“When I started my PhD at the University of Leeds, I started working in the field of tobacco control,” Huque says. “I found the massive negative health impacts of tobacco, but also realized the economic burden of tobacco consumption in Bangladesh and how the tobacco industry is manipulating the entire landscape of policymaking.” Huque majored in health economics at the University of Dhaka, where she now teaches.

The health implications of tobacco consumption are no secret; it kills more than 160,000 Bangladeshis every year. So while the revenues are significant, Huque did the numbers, and the taxes collected from tobacco products don’t come close to covering the costs of treating tobacco-related illness. Huque says the country’s dependence on tax revenue from tobacco is pitting government agencies against each other.

“The Ministry of Health—their priority is, of course, the public health gain. But the National Board of Revenue—we cannot deny that they rely on tobacco taxation for their tax revenue. Still, they have to find alternate sources of tax revenue, not only relying on tobacco taxation. So there is a trade-off, and they have to take the decision for the bigger interest of the population of the country, and that definitely is the public health gain.”

In a country where so many people smoke, non-

smokers face risks too. Huque and her colleagues conducted a study on 1,300 school-age children and found that 95 percent had nicotine in their saliva, indicating exposure to secondhand smoke. Other studies suggest that many of those children will end up using tobacco products themselves. So round and round it goes.

Huque’s father eventually developed a nasty cough that forced a visit to the family doctor. “He took it very seriously, and he realized how it was impacting his health and that he didn’t want his children to follow him and be smokers in the future. So he quit smoking, and later none of us smoked in my family.”

Huque says it’s time for Bangladesh to rethink its tobacco tax structure, because taxation is the most cost-effective way to discourage the use of tobacco products.



**Huque says it’s time for Bangladesh to rethink its tobacco tax structure.**



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Writing by **BRUCE EDWARDS**, who is on the staff of Finance & Development, based on reporting by **RHODA METCALFE**, a freelance journalist. Visit [www.imf.org/podcasts](http://www.imf.org/podcasts) to hear interviews with all four economists.