

The geography of women’s opportunity: evidence from Indonesia^{*}

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Draft coming soon!

Abstract

Large and persistent differences exist in women’s labor force participation within multiple countries. In this paper, I use rich data from Indonesia to argue that the place women grow up in shapes their participation in the labor market as adults. To do so, I leverage variation coming from women moving across labor markets to estimate the effect on women’s labor force participation of spending more time in their birthplace. My strategy is similar to that of Chetty and Hendren (2018) and compares the labor supply choices of women who currently live in the same location, but who emigrated from their birthplace at different ages. My results indicate that birthplace has strong and persistent effects on adult women’s labor supply. By the time they turn sixteen, women born in a location at the 75th of female employment will be 4 to 10 p.p. more likely to work than those born in a 25th percentile location. Place is particularly important during the formative period between 9 and 16 years old. These results suggest that between 21 to 45 percent of the current spatial inequality in women’s employment is transmitted to the next generation growing up in these locations.

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