

# Gender Economics

## Sessions 1 & 2

Kenza Elass

Sciences Po Menton



Università  
Bocconi

CARLO F. DONDENA CENTRE  
AXA Research Lab  
on Gender Equality

# About me

## Postdoctoral Researcher in Economics at Bocconi University - Axa Gender Lab

- **Previously:**
  - ▶ PhD Candidate at the Labour Chair of the Paris School of Economics
  - ▶ and at the Aix-Marseille School of Economics
- **Research Fields:** Gender, Labour, Urban and Digital Economics

To contact me if you have questions or want to talk:  
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Which topics would you like to see covered in this course?

## How to participate?



- 1 Go to [wooclap.com](http://wooclap.com)
  - 2 Enter the event code in the top banner

Event code  
**KUBKQC**

## Syllabus

12 Sessions

- ① Introduction to Gender Economics
  - ② Labour Economics
  - ③ Household Economics
  - ④ Policy evaluation
  - ⑤ Urban Economics
  - ⑥ International and development economics
  - ⑦ Political Economy
  - ⑧ Economic History
  - ⑨ Economics of Education
  - ⑩ Experimental and behavioural economics
  - ⑪ Intersectionality
  - ⑫ Emerging challenges

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# Disclaimer

## Geographical Bias:

This course focuses mainly on gender economics in **OECD countries** and less on developing countries.

## Gender

- Most of the studies cited in this course conceptualize gender as a **binary category**, typically distinguishing between men and women.
- This reflects the dominant approach in existing datasets and methodologies rather than an inherent limitation of gender itself.
- Though, it is important to acknowledge that **gender is a spectrum**.

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# Course objectives

- Provides an overview of recent and seminal research in gender economics, with an emphasis on **empirical evidence**.
- It examines persistent gender gaps in labour markets, analyzing their historical evolution, current trends, and underlying explanations.
- Investigate the role of families, schools, firms, and governments in addressing gender disparities
- Several dimensions are addressed
- Through a review of empirical studies, an understanding of gender-based economic disparities and the policy interventions designed to address them.

# Evaluation

- **Group oral presentations**

- ① A presentation of an academic paper in economics among a list - (Max 2 per paper)
    - ★ With a critical point of view
  - ② On a topic of their choice related to the session's theme
    - ★ Choose a research question on the session's theme
    - ★ Address this question with academic references
    - ★ Relates it to public debate
    - ★ Innovative criteria
- ▶ 15% of the final grade
  - ▶ Using slide presentation (15%)
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- **Final exam:** an essay based on a provided set of documents, among several possible themes (60%).

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# Course Materials

**The slides will be available after each of the class.**

**All Readings are available on a dropbox folder that I will send by email**

# Questions?

Any questions or comments about the organization of the course?

# Question

How to participate?



# Who is she?



# Introduction

The American economist **Claudia Goldin** was awarded the Nobel Prize in Economics in 2023 for her work on the **place of women in the labour market with her analyses of wage inequality.**

- Before her, analyses of labour economics generally excluded women (more affected by career breaks and part-time work)
- Even though women make up half of the population
- Before Goldin's work, we knew little about 50% of the population
- In 1990, she became the first woman to join the economics department at Harvard University (where she still is today)
- Claudia Goldin was one of the first researchers to take a specific interest in the female patterns in the labour market

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# Gender Economics

**Gender Economics has traditionally focused on gender gaps in the labour market and family economics.**

However, over the past two decades, the **availability of new data** (and growing interest) have expanded research in:

- **Education:** Gender differences in major choices and career paths.
- **Behavioral Economics:** Gender-biased preferences in competition, risk-taking, and decision-making.
- **Economic History:** The long-term evolution of gender disparities, and women's rights.
- **Political Economy:** The role of gender in policy-making.
- **Domestic Violence and Sexual Harassment:** Economic consequences and policy responses.

# Basic Conceptual Framework

## How does gender operate as an economic variable?

- Shapes both market and non-market outcomes
- Influences macroeconomic outcomes (Growth, GDP, etc)
- Interacts with other economic and social variables

## Human Capital Investment

- Educational choices
- Career planning
- Expected returns to investment

## Labour Market Participation

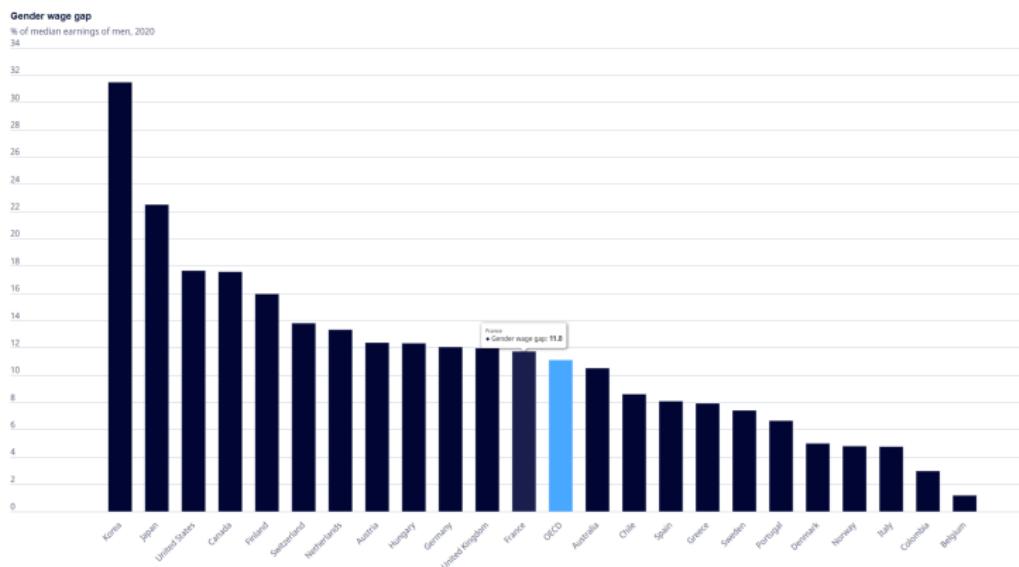
- Work-life balance decisions
- Opportunity cost of labour market participation (Extensive Margin)
- Occupational choice
- Part-time vs. full-time work (Intensive Margin)

# Question

How to participate?



# Gender wage gaps



**Definition:** Gender wage gap is the difference between the median earnings of men and women relative to the median earnings of men. Refer to unadjusted gross earnings of full-time wage and salary workers. **Source:** OECD Gender Data Portal, 2020.

In France, women earn on average approximately 15% less than men.

# Gender gap in labour market participation

Wage is not the only aspect that matters

- "Unequal Pay or Unequal Employment? A Cross-Country Analysis of Gender Gaps" by Olivetti and Petrongolo (2008)
  - Two Dimensions of Gender Gaps:
    - ▶ Wage inequality & Employment inequality
  - The Role of Labour Market Institutions:
    - ▶ Countries with **strong labour protections** (e.g., Nordic countries) have **smaller wage gaps but larger employment gaps**.
    - ▶ Countries with **less labour regulation** (e.g., U.S.) exhibit **higher wage gaps but higher female employment rates**.
- ⇒ Negative correlation between employment and wage gap

# GG in Labour Market Participation - Extensive Margin

Labour force participation rate among 15-64-years-olds, by gender

In %, 2022 or latest available year

● Women   ◆ Men

95

90

85

80

75

70

65

60

55

50

45

40

35



Source: OECD Gender Data Portal, 2020.

# Question

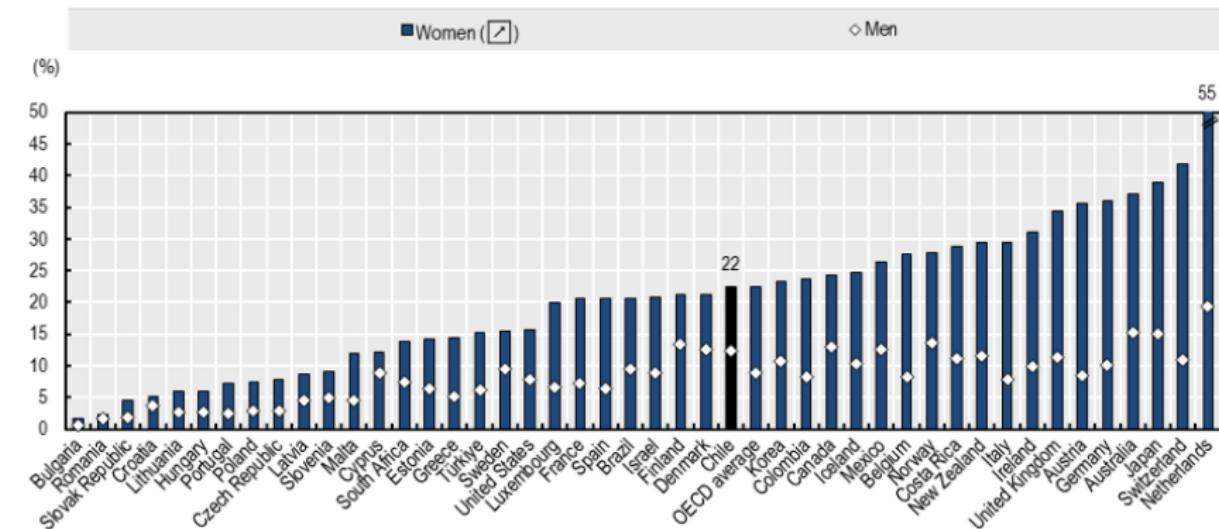
How to participate?



# GG in paid and unpaid time work - Intensive Margin

## Women are more likely to work part time

Part-time employment as a proportion of total employment, by sex, 2021



Notes: Part-time employment as a proportion of total employment. 'Part-time' refers to people who usually work less than 30 hours per week in their main job. For the United States, data reflect part-time employees among dependent employees only. For Japan and Korea, data refer to actual weekly working hours in all jobs. Data refer to 2018 for Australia and to 2020 for the United Kingdom.

Source: [OECD Employment Database](#).

# Question

How to participate?



# Gender Gap in paid and unpaid time work

Women dedicate more time to unpaid housework and care

Gender gap in unpaid care and housework

In minutes per day, 2021 or latest available year

● Women ● Men

350

325

300

275

250

225

200

175

150

125

100

75

50

25



Source: OECD Gender Data Portal, 2021.

# Understanding Gender Gaps

## Multiple Dimensions:

- Wage differences
- Labour force participation
- Occupational segregation
- Leadership positions
- Working hours
- Career interruptions

Source: [Goldin \(2014\)](#), "A Grand Gender Convergence"

# Historical Trends

**Gender Gaps on the labour market persist** but we have seen a huge gender convergence over time during the last century

**In terms of:**

- Participation
- Employment
- Work
- Hours
- Wages
- Educational attainment
- Occupational choice

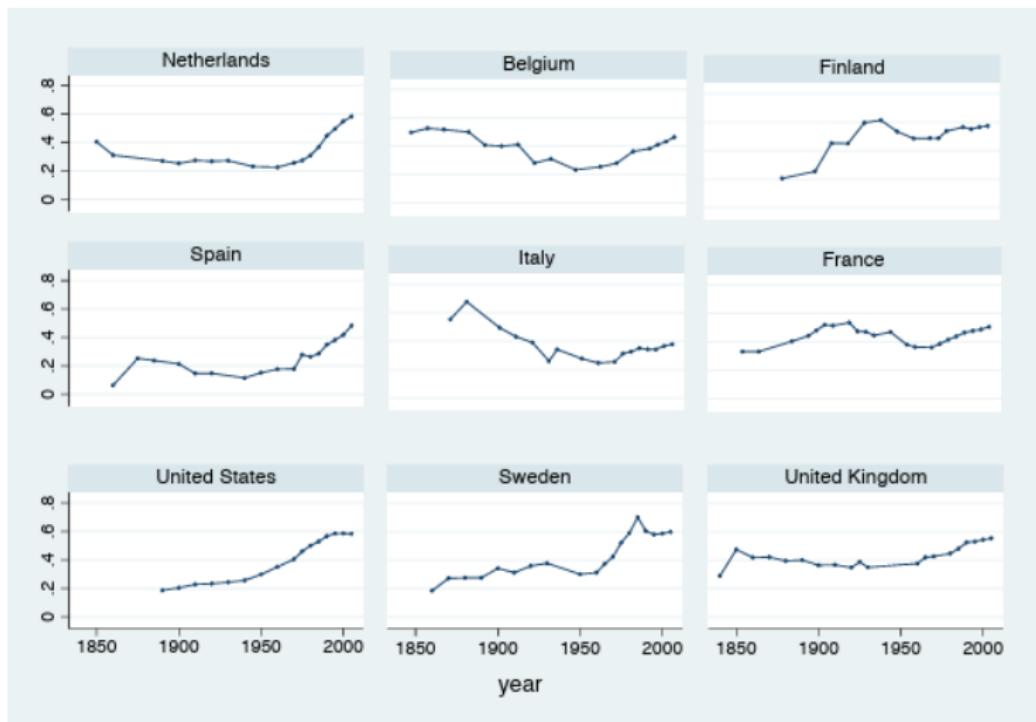
**But to which extent?**

# Question

How to participate?



# Female employment rates: 1850-2005



(Olivetti and Petrongolo, 2016)

# The Evolution of Gender Gaps (1850–2005)

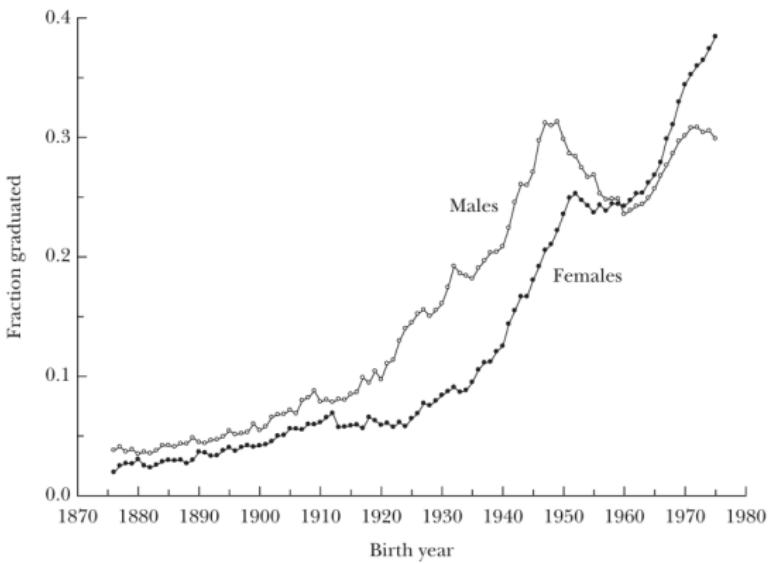
**Olivetti, C. and Petrongolo, B. (2016). The Evolution of Gender Gaps in Industrialized Countries. *Annual Review of Economics*, 8:405–434**

## Cross-Country Variations

- **Nordic countries:** Strong welfare policies, parental leave, and childcare support helped close gender gaps.
- **Southern Europe & Japan:** Progress was slower due to **traditional gender roles** and weaker institutional support.

# At the same time ...

**College Graduation Rates (by 35 years) for Men and Women: Cohorts Born from 1876 to 1975**

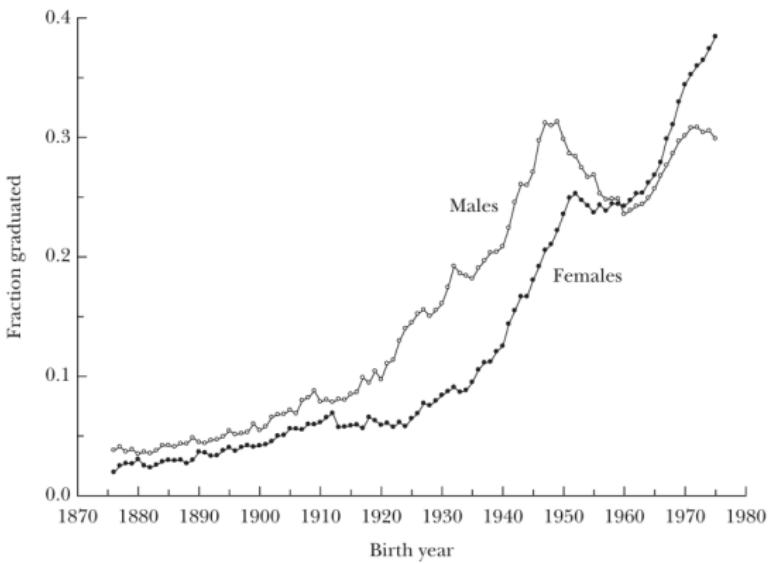


Sources: 1940 to 2000 Census of Population Integrated Public Use Micro-data Samples (IPUMS).

⇒ Women are now more educated than men Goldin et al. (2006)

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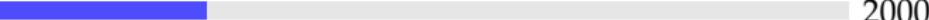
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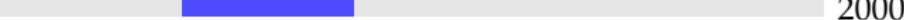
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# Phase I (1880–1920)

1880  2000

- Young and unmarried female workers
- Poorly educated, from low-income households
- Social stigma against wives working outside the home
- Manufacturing, domestic work, laundresses
- Small minority were professionals (teachers, clerical workers)

## Phase II (1930–1950)

1880  2000

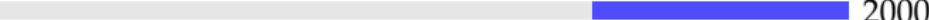
- Demand for office workers (new information technologies)
- Growth in high school graduation
- “Respectable” jobs for young women
- Household technologies (washing machines) lowered reservation wages (minimum wages at which individuals are willing to work for) as it decreased the opportunity cost of labour market participation
- WWII showed women were profitable to employ - Missing men effects

## Phase III (1950–1979)

1880  2000

- Large increase in married women's labour force participation
- Availability of part-time work
- Growth in human capital (education, formal training)
- Secretarial, nursing, librarian roles expanded
- College often seen as a place to meet a spouse

## Phase IV (1980–2000) – “The Quiet Revolution”

1880  2000

- Women's college graduation rates soared, closing gaps with men
- Median marriage age rose (pill diffusion)
- Longer working period expectation and increased job experience
- Shift from “jobs” to “careers,” with higher human capital investment
- Women's earnings rose, occupations diversified

# Gaps Persist

Since the mid-1990s, progress has stalled:

- **Stagnant Participation - "Plateauing":** In many countries—most notably in the U.S.—female labour force participation has plateaued.
- **Persistent Wage Gap:** Even among full-time workers, a significant gender earnings gap remains: U.S. women earn roughly 18% less, while in France the gap is about 12% (In 2020).
- **Under-representation in High-Status Jobs:** Women continue to be vastly under-represented in high-status and high-income occupations.
- **Household labour Divide:** There are also large disparities in the division of household labour.

# Why?

**Why are gender gaps on the labour market persisting?**

# Ideas?

How to participate?



# Gender Gaps explanations

## Two Main Perspectives: Supply Side vs. Demand Side

- Supply side: Arise from workers' side
- Demand side: Arise from employers' and firms' side

# Supply Side Explanation

**Supply Side:** (Blau and Kahn, 2017) Individual Choices and Constraints

- **Human Capital Investment** - Not relevant anymore, women are nowadays more educated
  - ▶ Educational, major choices, professional training & experience
  - ▶ Traditional approach in economics was based on 'human capital' accumulation
  - ▶ Efficient allocation of time within the household since women had less education and less work experience
- **Work-Life Preferences**
  - ▶ Career interruptions
  - ▶ Part-time work choices
  - ▶ Flexibility requirements
- **Occupational Choices**
  - ▶ Self-selection into certain sectors
  - ▶ Job search strategies
  - ▶ Geographic mobility

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# Supply Side: Social and Cultural Factors

These gender-biased choices are determined by:

- **Social Norms**

- ▶ Gender roles expectations
- ▶ Family responsibilities
- ▶ Cultural constraints
- ▶ Psychological Factors
  - ★ Risk aversion, competition, negotiation

- **Household Dynamics**

- ▶ Division of domestic labour and household production: unpaid housework
- ▶ Childcare responsibilities
- ▶ Elder care duties

# Demand Side Explanations

## Employer and Market Factors:

- **Discrimination**

- ▶ Hiring discrimination
- ▶ Promotion barriers
- ▶ Wage discrimination

- **Organizational Practices**

- ▶ Job evaluation methods
- ▶ Working time requirements
- ▶ Toxic and non-inclusive Workplace culture

- **Market Structure**

- ▶ Industry segregation
- ▶ Job segregation
- ▶ Glass ceiling/walls

# Demand Side: Institutional Factors

## Structural Elements:

- **labour Market Institutions**

- ▶ Collective bargaining
- ▶ Minimum wage laws
- ▶ Equal pay legislation

- **Organizational Structures**

- ▶ Career ladder design
- ▶ Performance evaluation
- ▶ Networking opportunities

- **Workplace Policies**

- ▶ Parental leave
- ▶ Flexible working
- ▶ Childcare support

# Interaction Effects

## Supply and Demand Interactions:

Supply and Demand sides are highly connected: The occupational segregation is both driven by gender-biased preferences and market structure

- **Feedback Effects**

- ▶ Discrimination → Educational choices
- ▶ Social norms → Organizational practices
- ▶ Market structure → Career decisions

- **Cumulative Effects**

- ▶ Career progression
- ▶ Wage trajectories
- ▶ Occupational segregation

# Discrimination

*Discrimination is the valuation in the market place of personal characteristics of the worker that are unrelated to productivity.*

— K. Arrow, 1973

## Types of Economic Discrimination:

- Taste-based discrimination
- Statistical discrimination

# Discrimination: Taste-based

**Taste-based discrimination:** (Becker, 1957) *The Economics of Discrimination*

- Personal preferences even if it induces a cost (lower profits to avoid a group or higher wages for preferred groups)
- Personal bias rather than information - *Disutility* (dissatisfaction that can be translated into monetary terms) from employing minority workers
- Ex: Customer discrimination

Two types:

- Employer discrimination
  - ▶ workers care about their coworkers
  - ▶ this may explain promotion gaps and “glass ceilings”
- Customer discrimination
  - ▶ Customers care about who “serves” them
  - ▶ Difficult to distinguish between discrimination and productivity differences

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# Statistical Discrimination

**Statistical discrimination:** (Phelps, 1972; Arrow, 1973)

- **Theory:** discrimination can result from imperfect information without the need for any 'dislike' of minority individuals
- It is plausible that employers cannot perfectly assess the productivity of workers at the time of hiring and make 'educated guesses'
- Arises when employers lack perfect **information** about an individual's productivity
- Decision based on group-based assumptions & statistics
- Self-fulfilling prophecies
- Ex: Even with a productive woman, an employer might still offer lower wages or be less likely to hire her if they believe that women have more interrupted work histories or may be on maternity leave soon

# Taste-based vs statistical discrimination

Different explanations for the same phenomenon, but

- Taste discrimination has no economic rationale and leads to lower profits
- While statistical discrimination is individually rational and economically efficient
- Policy leads to two conflicting approaches: **Non-discrimination versus affirmative action**
- Some countries have laws against statistical discrimination, but it is very hard to prove

# Measure Discrimination

## How can we detect and measure discrimination? Audit and Correspondence Studies

- Audit studies are a well-known tool for measuring discrimination.
  - ▶ 'Matched' testers (who are, in effect, actors) of different genders or races with substantively identical resumes are sent sequentially to employers advertising job vacancies.
  - ▶ These studies evaluate whether the minority members of these pairs fare systematically worse, as measured by callbacks and job offers.
- Correspondence study - close in spirit to audit studies but eliminates effects by which experimenters could influence the results
  - ▶ Instead of sending actors to job interviews, they mail near identical resumes to advertised job positions
  - ▶ Compare callback rates for blacks and whites

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# Experimental Evidence on Discrimination

- **Moss-Racusin et al. (2012)**: Science faculty were asked to rate (fake) student CVs for a lab position.
  - ▶ Identical male student CVs were rated more highly and offered higher wages.
- **Reuben et al. (2014)**: In a lab experiment, “employers” discriminated against female “workers” in an arithmetic task, despite equal performance.
  - ▶ This may indicate negative stereotyping of women in math-related areas.
- See **Bertrand and Duflo (2017)** for a review.

However, evidence on discrimination against women is weak (**Azmat and Petrongolo, 2014**)

- Much stronger when focusing on other characteristics – eg ethnicity (See lecture 11)

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# Problems with correspondence studies?

How to participate?



# Problems with Correspondence Studies

- Two disadvantages are **small sample sizes** and maybe a **non-random selection of employers**.
- Given these limitations, it is easy to dismiss audit studies out of hand.
- This is somewhat harder to do, however, if one considers the considerable evidence that some of these studies provide.
- An open question is whether higher callback rates eventually translate to a higher hiring probability.
- Only entry-level jobs.
- Ethical concerns.

# Alternative way to measure discrimination

## Detecting discrimination: **Natural experiments**

- An alternative approach is to use natural experiments
- Find situations in which there is a large change that allows us to compare two groups
- Not that frequent

# Natural Experiment: (Goldin and Rouse, 2000)

4 decades of audition data from 8 major US symphony orchestras.

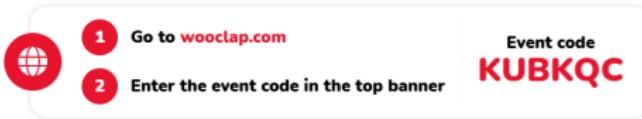
- Historical context: Orchestras were all-male; gradual increase in female musicians postwar.
- In the 1970s, many orchestras **introduced screens** to hide gender during auditions.
- **Key finding:** Blind auditions increased the likelihood that women advanced from the preliminary round by 50%.
- **Implications:**
  - ▶ Evidence of discrimination in the selection process.
  - ▶ Blind auditions reduced discrimination, & ↗ female representation.
- **Limitations:**
  - ▶ Unable to distinguish between taste-based and statistical discrimination.
  - ▶ Unclear if screens affected overall performance.

# Are you discriminating?

Check your own discriminatory bias here:  
<https://implicit.harvard.edu/implicit/>

# Occupational Segregation

How to participate?



Two types of occupational segregation: Horizontal & Vertical

# Occupational Segregation

How to participate?



**Two types of occupational segregation:** Horizontal & Vertical

# Occupational Segregation

The **occupational segregation** examines whether the distribution of workers across and within occupations is determined by demographic characteristics

- **Horizontal Segregation:** Refers to differences **across** occupations
  - ▶ Nurses and teachers are predominantly women, whereas engineers and lawyers are predominantly men
- **Vertical Segregation:** Refers to differences **within** occupational hierarchies
  - ▶ men are over-represented in the highest status positions even in fields that are otherwise female-dominated

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  - ▶ men are over-represented in the highest status positions even in fields that are otherwise female-dominated

# Horizontal Segregation

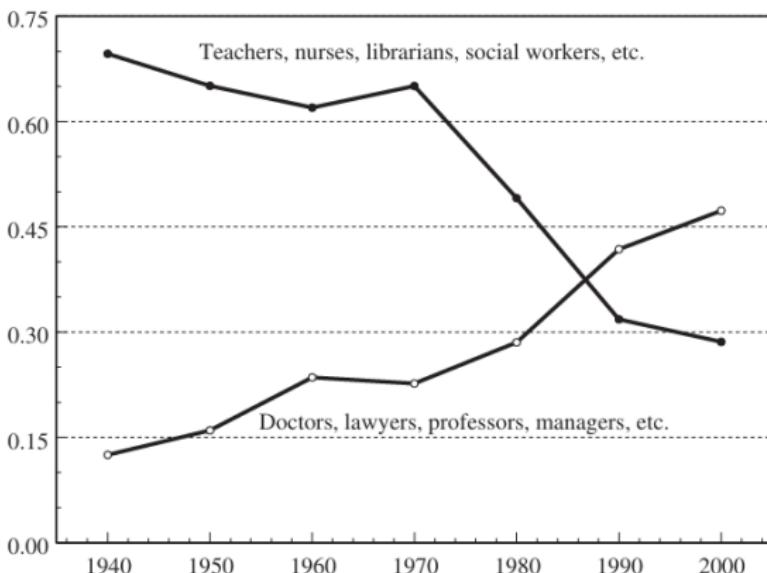


FIGURE 8. OCCUPATIONS OF COLLEGE GRADUATE WOMEN,  
30 TO 34 YEARS OLD: 1940 TO 2000

Sources: Integrated Public Use Micro-data Sample of the U.S. Federal Population Census, 1940 to 1960; March Current Population Survey 1970 to 2000.

# Horizontal Segregation

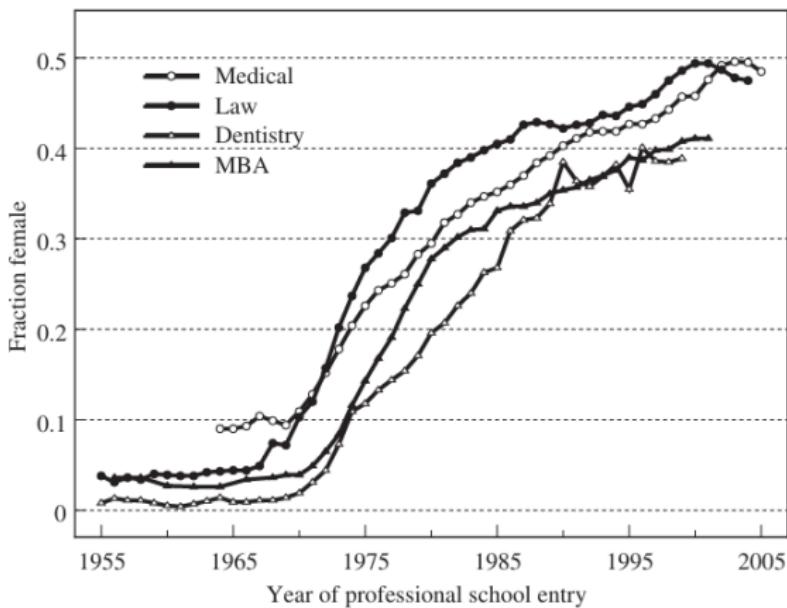


FIGURE 5. FRACTION FEMALE AMONG FIRST-YEAR STUDENTS IN PROFESSIONAL PROGRAMS: 1955 TO 2005

Goldin et al. (2006)

# Measuring Horizontal Segregation

Duncan and Duncan (1955) segregation index:

- Percentage of females (or males) who would have to change jobs for the occupational distribution of women and men to be the same.

$$\frac{1}{2} \sum_{i=1}^N \left| \frac{m_i}{M} - \frac{f_i}{F} \right|$$

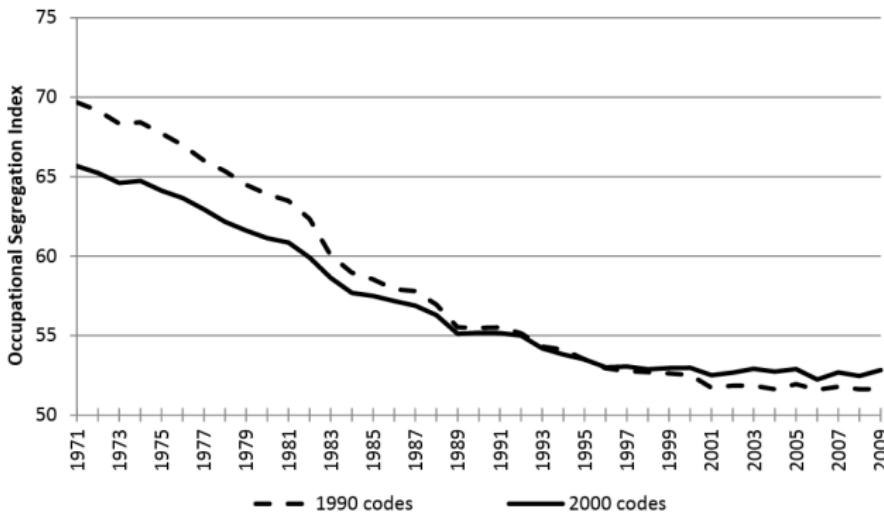
- With  $m_i$  the male population and  $f_i$  the female population in occupation  $i$
- with  $M$  and  $F$  being total male and female populations.

# Interpretation of the Segregation Index

- An index of 0 indicates perfect integration.
- An index of 1 indicates complete segregation.
- **Caveat:** The value depends on the overall female share of employment
- Thus, changes over time may reflect changes in this share.  
⇒ Many other indices have been proposed

# Trend in horizontal Occupational Segregation

**Figure 1: Trends in Occupational Segregation Using Gender-Specific CPS Crosswalk (March CPS Data)**

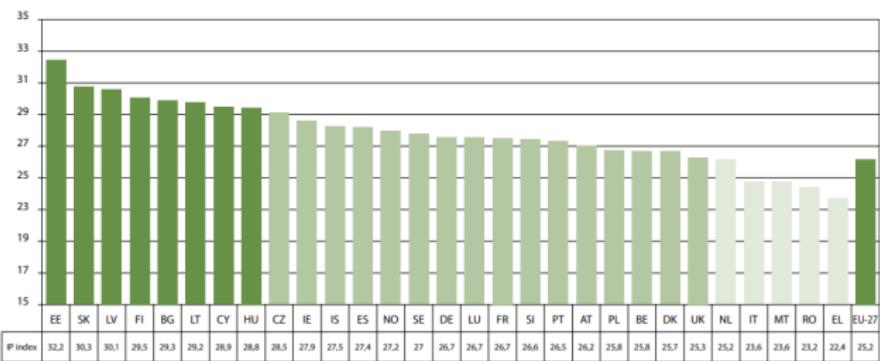


Notes: Estimates for years 2000-2002 employ actual (noncrosswalked) data from the BLS dual-coded data set.

(Blau et al., 2013)

# Comparison of horizontal Occupational Segregation

Figure 2. Gender occupational segregation in Europe, 2007



**NB:** Countries are grouped by level of the IP index into high (black bar), medium (patterned bar) and low (grey bar). High- (low-) segregation countries score above (below) the EU average + (-) the mean absolute deviation.

**Source:** Own calculations using LFS (ISCO-88 three-digit).

Source: European Commission, 2009

# Relevance of Occupations and Industries

- Since 1970, women have **reduced** (but not eliminated) their over-representation in **administrative support and service jobs**
- And have made significant inroads into **management** and male-dominated professions.
- **Little change in gender differences in blue-collar occupations.**
- In the US, the share of the wage gap explained by occupation/industry increased **from 27% in 1980 to 49% in 2010** ([Blau and Kahn, 2017](#))

# Education and Choice of Occupation

- **The field of study is key** to determining career paths and wage gaps.
- Many higher education courses attract predominantly one gender:
  - ▶ Engineering/technical fields attract mostly men.
  - ▶ Social, paramedical, literary, and artistic courses attract mostly women.
- Girls generally achieve better academic results from primary school through higher education.
  - ▶ The gendered distribution across occupations is not due to poor performance by girls.
- **Stereotypes** matter as young people make career decisions with incomplete information.
- **Anticipated success** in various occupations is partly based on observing individuals of the same gender.

## More in Lecture 9

# Question

How to participate?



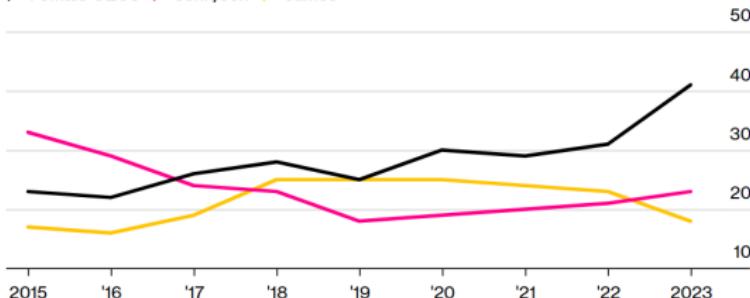
# Vertical Segregation

- Men and women are employed at different hierarchical levels within occupations.
- In Fortune 500 companies, women are nearly half of managers but:

## Record Number of S&P 500 Female CEOs

Female CEOs have widened the gap with popular male CEO names

Female CEOs John/Jon James



Source: Bloomberg

\*Data from Jan. 1 2015-2023, using S&P 500 members at that time.

# Scarcity of Women at the Top: Two Arguments

- ① **Pipeline Argument:** Women are relative newcomers; it takes time to climb the ranks
- ② **Glass Ceiling:** Invisible barriers (discrimination, work-family conflicts) inhibit women's advancement.

## Barriers to Advancement

- Women's lower representation at top levels may reflect both:
  - ▶ Discrimination or subtle barriers (glass ceiling).
  - ▶ Greater work-family conflicts reducing productivity or ambition for high-level roles.

# The Old Boys' Club: Schmoozing and the Gender Gap

Cullen and Perez-Truglia (2023)

- **Informal Networks and Schmoozing:** Highlights how socializing outside formal work settings (e.g., after-work drinks, sports clubs) can influence career advancement.
- **Gender Disparities:** Men often have easier access to these “old boys’ network”
- **Exclusion of Women:** Cultural norms or discomfort in male-dominated social activities may limit women’s participation, perpetuating existing gaps.
- Example: Cigarette breaks
  - ⇒ Leading to better promotions, higher pay, or more influential connections.

# The last chapter - Goldin (2014)

- Occupational segregation remains a persistent driver of the gender wage gap despite decades of progress.
- Subtler forms persist—especially in high-status and leadership roles with vertical segregation
- The majority of the earnings gap between genders is due to differences in earnings **within occupations** rather than **between** different occupations
- Changes in the gender mix of occupations alone will not sufficiently address the overall earnings gap
- Certain occupations impose penalties for workers who desire **flexible working hours** (leading to leave the labour force or lower wages)

# So Far

- Traditional approaches explain gender gaps through human capital accumulation:
  - ▶ Historically, women had less education and work experience.
  - ▶ Today, women are generally better educated but still lag slightly in labour market experience.
- Yet, significant differences remain in working hours and the distribution of professions and positions.

## Recent Explanations for Gender Gaps

- New factors include:
  - ▶ Social norms.
  - ▶ Psychological and socio-psychological factors.
- Raises the question: Is there a role for policy?

# Identity and Economics

## How gender identity influences economic behaviour:

- Social norms and role expectations
- Occupational segregation
- Household division of labour
- Career aspirations
- Negotiation behaviour

Source: Akerlof & Kranton (2000), "Economics and Identity"

# Social Norms

- **Gender norms:** patterns of behaviour deemed appropriate for each gender (Bittman et al. 2003).
- These norms are learned early **through socialization** and affect identities, interactions, and institutions.
- Under the “*nurture*” view, women display more risk aversion because it is expected under prevailing gender identity norms.
- Akerlof & Kranton (2000) introduce an identity framework into economic analysis.

# Implications for Labour Market Outcomes

- Effects on **labour supply** (participation and hours worked).
- **Occupational segregation:** a potential micro-foundation for taste-based discrimination and self-selection
- **Distribution of housework:** even full-time working women do a disproportionate share.

# Does Gender Identity Influence labour Market Decisions?

- Causal testing is difficult.
- Fortin (2005) using the World Values Survey (25 OECD countries) finds:
  - ▶ "Being a housewife is just as fulfilling as working for pay."
  - ▶ "When jobs are scarce, men should have more right to a job than women."
  - ▶ "A working mother can establish as warm a relationship with her child as a non-working mother."
- These findings suggest a stable social representation of women as homemakers.

## Norms and the Slowdown in Convergence

- Fortin (2009) (US, 1977–2006) shows that the evolution of gender role attitudes maps well with female labour force participation.

# Gender norms nowadays in France

How to participate?



# Opinion on Five Gender Stereotypes

Statement	Strongly Agree	Somewhat Agree	Somewhat Disagree	Strongly Disagree
"Mothers are better at responding to the needs and expectations of children than fathers"	17%	42%	26%	15%
"Women make better nurses than men"	13%	29%	33%	25%
"Men are better team managers in a company than women"	5%	16%	37%	42%
"Ideally, women should stay at home to raise their children"	5%	15%	26%	54%
"Girls have just as much scientific aptitude as boys"	56%	34%	8%	2%

Opinion on Five Gender Stereotypes - France (DREES, 2020-2022)

# Gender norms and relative income within households

Bertrand et al. (2015) study the norm "*a man should earn more than his wife.*"

- In US couples, the distribution of the wife's income share shows a sharp drop just to the right of 0.5.
- This pattern suggests that gender identity norms deter situations where the wife out-earns the husband.
- In couples where the wife's potential earnings exceed her husband's:
  - ▶ She is less likely to participate in the labour force.
  - ▶ If employed, the gap between realized and potential earnings is larger.
- In couples where the wife earns more than the husband:
  - ▶ The wife spends more time on household chores.
  - ▶ There is a higher likelihood of divorce.

# Determinants of Gender Norms

What drives gender norms?

- Innovations in **contraception** (e.g., the Pill) may have changed women's norms in the 1960s–1970s.
- Gender role attitudes are largely formed in early childhood.
- Cultural background significantly shapes identities, attitudes, and behavior (Fernandez & Folgi 2009).
- More in Lecture 8 Economic History

# Transmission of Social Norms

- **Fernandez et al. (2004):** More men are growing up with working mothers, leading to less stereotypical gender role attitudes.
- **Morrill and Morrill (2013):** There is a link between mothers' labour force participation and daughters' participation.
- **Farré and Vella (2013):** Mother's attitudes significantly affect those of her children.
- **Olivetti et al. (2016):** A woman's work behaviour is positively influenced by her own mother's work and that of her friends' mothers.
- **La Ferrara et al. (2012):** Soap operas serve as a vehicle for shaping individual preferences toward smaller families in Brazil: Television introduces new social norms by portraying small families.

# Do Gender Norms Drive Psychological Attributes?

- Psychological evidence suggests:
    - ▶ Girls are expected to be docile
    - ▶ Boys are expected to be confident and competitive.
  - These socially constructed expectations may explain observed risk aversion in women and risk-taking in men.
  - Evidence on psychological factors that appear to systematically differ between men and women
    - ① gender differences in risk preferences,
    - ② attitudes towards competition,
    - ③ attitudes towards negotiation
- ⇒ Implications on the labour market

## More in Lecture 10

# Nature vs nurture

- Do more subtle gender differences, such as the gender differences in personality traits have biological roots (“nature” explanation)?
  - Or are they mainly the outcomes of environmental influences (“nurture” explanation)?
- ⇒ Sorting out the relative importance of nature versus nurture has important policy implications

# Nature

- Arguments from evolutionary biology and evolutionary psychology
- Evolutionary explanation: competitiveness may be a positive factor in the reproductive success of men, but a negative factor for the reproductive success of women
- Scientists have argued that differences in male and female brain structures, and in the exposure to sex hormones influence gender specific skills
- None of this evidence implies causality
- Testosterone levels could be strongly affected by environmental factors, or be an outcome, rather than a cause, of behavioural choices

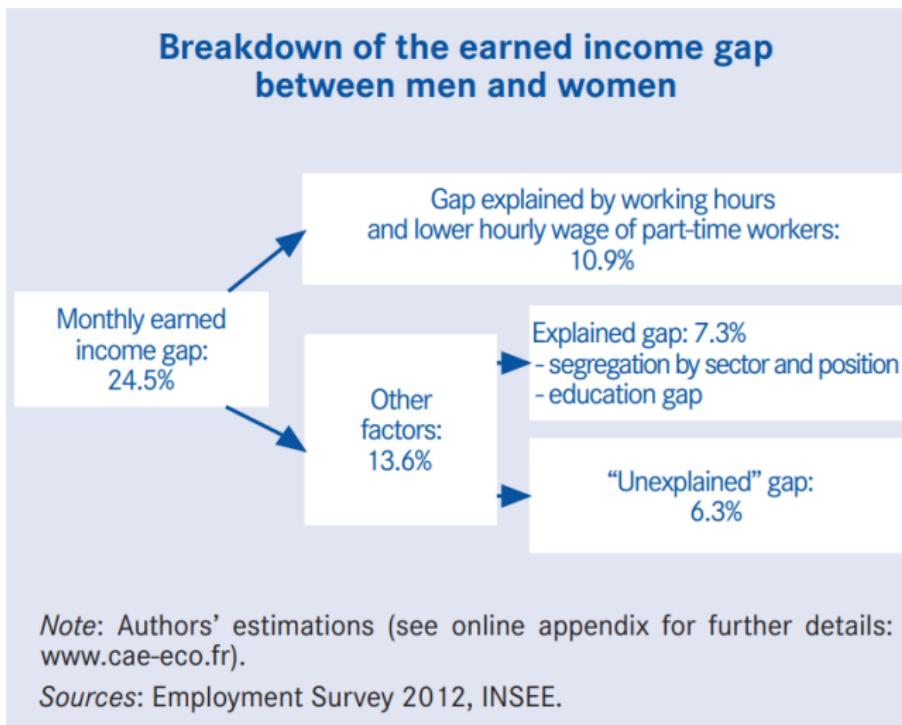
# Nurture

Parents, teachers and peers tend to treat boys and girls differently from a very young age, maybe being more tolerant of more aggressive or competitive behaviour for boys, or having higher expectations them.

## Example: Booth and Nolen (2012)

- Show that gender differences in risk attitudes in a sample of English 15-year-olds depend on whether the girls have attended a single-sex school or mixed-gender school
- Girls from single-sex schools display risk attitudes that are no different from the average boy
- Girls from mixed-gender schools are significantly more risk averse

# Gender Gap Explanation



Bozio et al. (2014)

# Next week: Household Economics

## Key Concepts:

- Time allocation between market and non-market work
- Household bargaining
- Division of household labour
- Child-rearing decisions
- Work-family conflict

# Acknowledgment

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