

# **Reading Note:** Children and Gender Inequality: Evidence from Denmark

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## **Introduction**

Early literature about labor market gender inequality attach importance to human capital and discrimination. However, due to the fact that gender inequality becomes smaller but persists in all countries, the paper use 'child penalties' to explain the reminding gender gap. The paper based on the panel data from Danish, estimating child penalties in different environment and highlighting that the unequal pay is due to children.

## **Data and empirical strategy**

The paper use full population in Denmark from 1980 to 2013, focus on data about family members, generations and workers.

First, the paper use event study to dig the influence of first childbirths on the parents in a 15-year window by estimating child penalties in working variables, such as earnings, labor force participation, hours worked and wage rates. The author finds that at the moment of first child arriving, the working variables of women drop. And in a longer time window, the earnings impact is almost same.

To get deeper understanding of the impact of children on women, this paper tend to answer three concerns. Firstly, to consider the impact of all children not only the first child, the paper redo the event study condition on the total number of children. Secondly, the paper reproduces the event study based on January birth to exclude the influence of calendar-year measure. Thirdly, quantile regressions based on 1/7 subsample shows that the median impact are similar to the mean impact, therefore the test based on level-specification may not be a problem.

Second, the paper take a standard Oaxaca-Blinder decomposition approach in the labor market outcome gaps to determine the effect of child penalty. Their approach proves that the gender inequality that remains is all about children, which can be strengthened by missing the potential pre-effects of anticipated fertility. This means there may have been a shift from pre-effect of children to post-effect. When including the educational controls, it has small impact on child-related gender inequality. When the child-related gender gap is growing up, the education-related gender is shrinking

immediately which is consistent with the shift of importance on post-effect of children and pre-effect of children.

Third, the paper focus on the link of three generations, and demonstrate that a woman's preferences for family and career is greatly influenced by her childhood memory. The author uses event study method to find the transmission of child penalties.

## **Concluding**

This paper show that most of gender inequality reminding now are due to child penalties, and they provide three aspects of research to highlights the impact of children. The author proves that the impact of children on women is large and decomposed the gender inequality. Some other findings may take children effects as environmental factors, but the paper holds that the intergenerational transmission is the key for this problem. When a young girl's mother make a decision about career, the decision may greatly influence her after she growing up.