TABLE I

PARAMETER VALUES FOR THE SIMULATED MODEL AND THE CALIBRATION TARGETS

Mean log ability	μ_a	-0.90	Women's 1940 earnings distribution
Std. log ability	σ_a	0.57	Women's 1940 earnings distribution
Mean log endowment	μ_ω	-0.28	Average endowment $= 1$
Std. log endowment	σ_ω	0.75	Men's 1940 earnings distribution
True value of nurture	θ	0.04	Children's test scores (Bernal and Keane (2011))
Outcomes observed	J	$3–5$	Growth of LFP in 1940s
Prior mean θ	μ_0	0.04	Unbiased beliefs
Prior std. θ	σ_0	0.76	Average 1940 LFP level
Utility of leisure	L	0.3	1940 LFP of women without kids
Risk aversion	γ	3	Commonly used