

The Disappearing Gender Gap

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Main Facts

Btw 1935 and 1955 women cohorts

- LFP : from 40% to 70% (30-40 yrs)
- College attendance: from 29% to 44%
 - Men: from 39% to 44%

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Why?

- Wage structure
 - ▶ Skill Premium
 - ▶ Gender Wage Gap
 - ▶ Increasing Return to Experience
- Family Structure
 - ▶ Lower Family
 - ▶ Higher Divorce Rates
- Cultural change

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- Dynamic life-cycle model
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Results

- Family structure (mainly divorce rate)
 - ▶ 60% of LFP change (only young cohorts)
 - ▶ 20% of schooling change
- Wage structure
 - ▶ 40% of LFP change (all cohorts)
 - ▶ 33% of schooling change
- Family and Wage
 - ▶ 50% of LFP for young cohorts
 - ▶ 60% of education changes (Combination of Men Education)

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- Family structure (mainly divorce rate)
 - ▶ 60% of LFP change (only young cohorts)
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- Wage structure
 - ▶ 40% of LFP change (only young cohorts)
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- ▶ 60% of LFP change (all cohorts)
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Exogeneity of divorce

- Unilateral divorce (vs. Consensual)
 - 10 states by 1970 (< 35 yrs old)
 - 37 states by 1975 (< 40 yrs old)
 - All but 6 by 1980 (< 45 yrs old)
 - Can the different timing across states be used for estimation?
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Heterogeneity

- Correlation between labour disutility and wage(ability) \Rightarrow lower elasticity?
- Correlation between labour disutility and Pareto weights?
 - ▶ Both reduce female LFP
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- Correlation between wage(ability) and Alimony/ asset splitting rules?

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