

"Structural Transformation and U-shaped Female Employment"

(with Claudia Olivetti and Barbara Petrongolo)

Abstract

We build a consistent measure of female employment for the US over the last one hundred and fifty years {encompassing intensive and extensive margins {combining data from the US population Census and several early state-level surveys on various personal and economic circumstances of individuals. The resulting measure of employment, which includes paid work as well as unpaid work in family business and corrects for other sources of under-reporting, displays a U-shape over time. We empirically and theoretically relate the U-shaped labour supply to the process of structural transformation, and namely the reallocation of labour from female-intensive agriculture into male-intensive manufacturing at early stages of development, and from manufacturing into female-intensive services at later stages. We propose a multisector model of the economy, where the interplay between uneven productivity growth and consumption complementarities across sectors predicts the modernization of agriculture and decline of family farms, the rise in manufacturing and services, and the marketization of home production. The downward portion of the U-shaped pattern is associated with the decline in agricultural employment and the disappearance of the family farm, while the upward portion is driven by the expansion of the service economy, to the detriment of manufacturing, and the marketization of home production.
