



Thinking about the “Gender Gap” in Terms of Empirical Economics



Promoting men’s acquisition of childcare leave does not necessarily contribute to eliminating gender inequality... That is because “the division of roles within the family, such as who bears the actual burden of childcare even when the husband is home from work, is a different issue.”

Makino Momoe’s newly released book, *Jenda Kakusa: Jissho keizaigaku wa nani wo kataruka* (Gender Gap: What does empirical economics tell us?) (Chukoshinsho), gives an easy-to-understand explanation of research by Claudia Goldin, laureate of the Nobel Memorial Prize in Economic Sciences. This noteworthy author touches on Goldin’s achievements as she explores the reality of Japan’s “gender gap.”

Interview by *Voice* editorial team

Makino Momoe, Senior Research Fellow, Development Studies Center, Institute of Developing Economies, Japan External Trade Organization

Goldin’s Achievements

—Makino-san’s new book, *Jenda Kakusa* (Gender Gap), has attracted attention for explaining the Nobel Memorial Prize in Economic Sciences winner Claudia Goldin’s research for the general reader. Makino-san, what was your take on Goldin receiving the award?

Makino Momoe: To be honest, I was surprised when I first saw on the news that Goldin alone was awarded the prize. My field of expertise, micro development economics, and one of her two fields, labor economics, are similar in the sense that both require rigorous causal inference, so I thought that if Goldin were to be awarded, it would be with Lawrence F. Katz, a professor at Harvard University and her coauthor in a number of studies in the field of labor economics. Out of Goldin’s achievements, her 2002 paper, which I consider to be her best, showed that oral contraceptives have promoted women’s

investment in education and career advancement, and this too was co-authored with Katz.

However, this reaction was probably due to my own ignorance of Goldin's contributions in the field of economic history. The statement published by the Nobel Foundation on its website describes her contributions to economic history rather than labor economics, saying that she unearthed data from more than 200 years ago, clarified trends in women's employment and wages, and revealed, by focusing especially on cohorts (= generations), how women's employment in one generation increased educational investment for women in the next generation. On closer reflection, I think she was deemed worthy of the solo award because of her consistent and cumulative ability to investigate long-term data and explore factors behind the gender gap mainly on the basis of the field of economic history.

One thing I would like to add is that in the news reports in Japan immediately after the award announcement, they said things like "revealed the causes of the gender wage gap" and "the cause is births of children," but except for the research about oral contraceptives and a few others, Goldin has not necessarily engaged in rigorous causal inference, so it cannot be claimed that she has "revealed the cause." In fact, Goldin and her coauthors themselves used words inferring causality in the parenthesis, such as "impact," in their 2010 paper, so I don't think they intended it to be rigorous either.

—As you explained, her successful demonstration of the effects of oral contraceptives might not be the main reason for this Nobel Prize; yet, in Japan, it seems that it's not mentioned enough as one of her achievements. I think the media should mention this more.

Makino: Women can't predict when they'll get married or have children, so even if they spend time and money studying hard at university, they worry that it may all be for nothing. In reality, some women may have chosen a different career path from what they wanted. However, oral contraceptives give you some control over childbirth. At first glance, it may seem like a minor change, but it means women can now invest in their future with peace of mind, leading to an enormous change in terms of encouraging women to pursue their career. Today, Japan is known to be reluctant about the use of oral contraceptives, but Goldin's award may spark a debate.

The latest research in economics is not widely known in Japan

—Although the gender gap is an important theme in economics, you say in your book that "many people may not be familiar with topics of women and gender in economics." Why isn't the research in economics related to the gender gap widely known?

Makino: One reason is that there are not many economists who discuss gender. Moreover, while many recent empirical studies in economics and especially papers published in top academic journals have been on the theme of gender, the results of this latest research are hardly known in Japan.

This is true for economics in general, but since the top journals are in English, Japanese non-experts are less likely to read them. Furthermore, economics is a part of the field of science in Europe and the United States, so it's understandable that policymakers and the general public feel disconnected from it. To put it differently, though, rather than there being little general interest, researchers, including myself, haven't been able to communicate the latest research in economics in an easy-to-understand manner, so in that sense, you could say that we've been negligent. In my case, writing *Jenda Kakusa* (Gender Gap) made me realize that simply writing academic papers in English is not enough to contribute to society.

However, it is not as simple as saying that one should only write books for non-experts like *shinsho*

(pocket-sized books). In the field of economics, it is important to publish a research outcome in English academic journals because when you do so, you will get to receive a number of critical comments from around the world. This is a tough experience that cannot be expressed in words, but the research that withstands such criticism is definitely reliable, and the researcher becomes experienced in the process. This is how research progresses in the field of economics.

—In other words, researchers who do not write academic papers in English do not receive such criticism.

Makino: If you go to a bookstore, you'll see a variety of economics books, with many by economists who don't write academic papers in English. Most of the leading economists who are highly regarded overseas don't pay attention to general books and focus on writing academic papers in English. That is to say, there is a polarization, and that may not be limited to the field of economics. Therefore, it's important to engage in work that connects the two, and I believe that the future economists are required to both write academic papers in English and explain the latest research for general readers in Japanese.

—Another thing I believe is that gender inequality exists in academia as well; what do you think about this?

Makino: As I mentioned before, economics is categorized as a field of science overseas due to its characteristics. In Japan, there are many men in science, so if, for example, a girl showed interest in machines, family members and others around her would be concerned. Because of this environment, you'll find few female economists dealing with women and gender. If this is the reality in academia, it is only natural for economic research on the gender gap to not advance so much in Japan. Of course, there are many women who research gender by itself or feminism, but I get the impression that the number goes down drastically if it is combined with economics. Nevertheless, this trend may change again in the new generation.

The goals that lie beyond introducing new systems

—At a press conference after announcing the Nobel Prize winner, Goldin spoke about Japan's female labor force participation rate (Ratio of labor force population <employed + unemployed> to working age population <population between age 15 and 64>), and praised the situation by saying, "It was very low 10 to 15 years ago, but now it's even higher than in the United States." In addition to that, she suggested that there is still room to improve the gender gap when it comes to working hours and childcare leave acquisition rate. Makino-san, how do you perceive the situation in Japan over the past 10 years?

Makino: It's certainly true that Japan's efforts and changes regarding women's labor force participation in recent years should be applauded. Nonetheless, it is also true that many challenges still remain. For example, if you only look at the revised Child Care and Family Care Leave Law, Japan is arguably one of the best countries in the world. However, we must recognize that putting a legal system in place isn't in itself enough to solve the gender gap issue. This is because, not only might it not produce the intended results, but it may even have a negative impact.

Moreover, when a new legal system is introduced, we need to be careful about how to evaluate it. It is easy to think that the purpose of the revised Child Care and Family Care Leave Law is to increase the childcare leave acquisition rate. It feels like all the emphasis is on increasing men's acquisition rate, but

let's say men take two weeks of childcare leave. Does this directly lead to female career advancement? Even though what really matters should be whether or not the burden on the wife is actually reduced, it's not uncommon for husbands to be satisfied just by taking the childcare leave. Even still, the company that the husband works for is unconcerned with whether he actually takes care of his child and evaluates it only by looking at whether or not he takes the childcare leave. In this way, if the only goal is to obtain childcare leave, it may create a conflict between husband and wife.

—In your book, you introduce the results of a study that “promoting men's acquisition of childcare leave does not contribute significantly to eliminating gender inequality.” In Japan, I feel that policies related to gender equality are decided without taking such academic evidence into account, but what do you think is the reason for this?

Makino: I introduced in *Jenda Kakusa* (Gender Gap) a study by Antecol et al. (2018), which found that men acquiring childcare leave does not “contribute significantly” to eliminating the gender gap, but instead, widens it. A system that encourages men to take childcare leave is necessary, but I feel that more people need to understand that it's still far from enough. The reason why promoting man's childcare leave widens the gender gap is that, as I mentioned earlier, the division of roles within the family, such as who bears the actual burden of childcare even when the husband is home from work, is a different issue. Furthermore, when considering the background for this, we would get to the traditional Japanese norms, that women are the ones who should take care of the children. It goes without saying that establishing systems is important, but as a researcher, I believe that people in general should be more aware of the importance of changing the norms, or at least realizing the influence of norms.

—The revised Child Care and Family Care Leave Law (to be gradually enforced from April 2022) requires large companies to disclose their male employees' childcare leave acquisition rate. However, if we're not careful, this might lead to the misunderstanding that you should only aim to improve the acquisition rate.

Makino: That's a possible concern. Certainly, if we make it mandatory to disclose the acquisition rate, we can expect a result in terms of numbers. However, what matters is the contents, and whether the people taking childcare leave have a mindset of really engaging with their families. To put it extremely, even if you're on childcare leave, you can still work without spending time with your family. It's important to boost the childcare leave acquisition rate, but I hope that large companies also pay attention to its contents.

—The ultimate goal of introducing this system should not be to just increase the childcare leave acquisition rate, but if we only chase the figures, it might defeat the purpose. This is a problem that likely applies to more than just the men's childcare leave acquisition rate.

Makino: In fact, the same can be said about the women's labor force participation rate, which is something Goldin mentioned at the Nobel Prize announcement press conference. It's now over 70% in Japan, so it is not a low number compared to other developed countries. So, does that mean that if this number rises, that our original goal has been achieved? That should not be the case. What we are ultimately aiming for is the career advancement of women, not just the workforce participation of women.

For example, among dual-income households, the number of households in which the wife is employed part-time is about 1.5 times more than that of households where the wife is employed full-time.

Many wives who work part-time might stop working if their husbands earned enough. Is it right to regard the increase in the labor force participation rate of such wives as a positive sign of women's career advancement? At the very least I don't think so.

—Isn't it politics that should play an important role in reviewing the norms that facilitate the gender gap and realizing the extent of their influence?

Makino: I agree. At the same time, I feel that this isn't so easy in reality. In the case of Japan, there are many elderly politicians, and so it will be difficult to change their values now. If people in their 30s and 40s don't get more involved in politics, society won't change.

—In recent years, there has been a debate in Japan about having a quota system that requires that a certain number of parliamentary candidates should be women. There are many who oppose this, though, calling it things like "reverse discrimination against men." What's your view on this?

Makino: There are some highly capable women who oppose the quota system. In fact, I can be somewhat sympathetic to that viewpoint. If others are saying that they were chosen because they are "women" when they were originally selected for their abilities, they may feel that their abilities are not properly appreciated.

However, in areas where women have not participated at all, we need to create role models for the future.

In this sense, there may not be so much necessity for the private sector, but I am in favor of introducing a quota system for members of parliament.

Politics should convey messages to society through symbolic action and other means. I want capable female members of parliament who were actually selected based on their abilities to overcome their personal dissatisfaction about being regarded as if they had been selected "because they are women" and take the initiative to eliminate the gender gap from a broader perspective.

—What role should companies play in narrowing the gender gap in Japanese society?

Makino: When I talked about men's childcare leave acquisition rate, I pointed out that we need to change social norms as well as establish new systems. The system I am referring to here includes not only the national childcare leave system, but also individual companies' systems. Additionally, it is necessary to change social norms (such as that women should take main responsibility for childcare) and informal corporate culture.

In terms of social norms, a study by Bursztyn et al. (2020) about pluralistic ignorance may give us a hint. In Japan, although many men want to or think, if they are asked privately, that they should take childcare leave, many men also wrongly believe (it is wrong because many men want to take childcare leave) that the men around them do not, so in the end, no one takes it. I think that's how actions are determined.

I recently had the opportunity to talk with Professor Yasuda Yosuke of Osaka University on this theme, which is considered a "coordination failure" in game theory. Everyone would be happy if they could get childcare leave, but in reality, they end up in an "equilibrium" of the opposite state.

—What should we do to get out of that kind of vicious cycle?

Makino: I think the quickest way would be a top-down approach that switches to an “equilibrium” where everyone takes childcare leave by default. For example, you might introduce a system where you have to take childcare leave, or you need to apply if you don’t want it.

On the other hand, a potential implication by Bursztyn et al. (2020) is that many men may become able to take childcare leave simply by fixing a few minor cognitive errors. In any case, it’s necessary to change both systems and norms.

Here’s an interesting study I want to bring up. Goldin et al. (2010) showed that childbirth is a factor behind the gender gap in jobs for people with top MBAs. What’s interesting about this study is that the disparity occurred only for wives with MBAs whose husbands earned more than \$200,000 annually in 2006.

That is, the people who face a gap due to childbirth are those who are career-oriented and have worked in tough workplaces such as investment banks and consulting firms: elites.

By contrast, in jobs that allow flexible work, childbirth does not lead to a gap. Take the example of pharmacists covered in a study by Goldin and Katz (2016). It is suggested that the gender income gap can be eliminated if we can work part-time without causing a decline in overall productivity. This is possible by changing systems of work allocation and flow, which facilitates customer information transfer and standardizes services, so that there wouldn’t be trouble in cases of worker absence.

Remote work has been introduced in many occupations around Japan in the wake of the COVID-19 pandemic. As part of this, people explored ways to work that do not rely on personal know-how. In the future, I think company leaders will also play a role in implementing flexible work styles.

What is required from each of us

—Traditional gender norms are deep-rooted in Japanese society, such as the idea that “the cause of the declining birthrate is women’s social advancement and high academic achievement” and the “*sansaiji shinwa*” (the “three-year-old myth” is a tradition that states that a mother should stay with her child until they are three years old). What can each of us do to achieve gender equality in society without being misled by false information?

Makino: Ultimately, our goal is to change the traditional norms that don’t fit in modern society, but we also know that it won’t happen overnight. At the same time, if each and every one of us can become aware of the fact that norms have a huge influence, society will gradually change. The “three-year-old myth” is, as the name suggests, nothing more than a “myth,” and in regions where gender norms are weak, such as the Scandinavian countries, highly educated women marry and have more children relative to moderately educated women. I think it’s necessary for such facts to be more widely understood by the general population.

It’s our responsibility as researchers to communicate the latest research findings. At the same time if each of us living in Japanese society takes time to think about whether the “common sense” is really factual and whether we have been blindly accepting the information presented to us, then I’m sure a better future awaits Japan.

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