# Gender inequality over the life cycle, information provision and policy preferences Alessandra Casarico, Jana Schuetz and Silke Uebelmesser

#### Abstract

Gender inequality is a widespread phenomenon. We conduct a survey experiment with around 4,000 German respondents and provide them with information on either one of two gender inequality measures or on both of them: gender gap in earnings (GEG) and gender gap in pensions (GPG). We analyze the effect of information provision on respondents' views of gender inequality being a key issue and on their agreement with the adoption of different policies targeting different stages of the life cycle and aimed at reducing gaps. We find that providing information changes the perception of the importance of reducing gender inequality, and that being informed on both gaps has the largest impact on the agreement with the adoption of reform measures. In particular, receiving information on both gaps makes respondents more favorable towards policies that increase female labor supply rather than those that compensate women during the retirement period. Information provision has more sizable effects on women and on respondents who did not consider gender inequality as a problem before receiving information.

# Motivation

- Gender gaps in the labor market are widespread.
- Gender inequality persists over the life-cycle through old age (OECD 2021)
- $\rightarrow$  Intertemporal dimension

**Gender Gaps in the Labor** Market

**Gender Earnings Gap** (GEG)

**Gender Pension Gap** (GPG)

# **Outcome Variables – Policy Reforms**

Inequality preferences:

- It is important to reduce inequality between men and women.
- Education/ labor market period-related measures:
  - The choice of less gender-typical professions should be supported.
  - The career advancement of women in companies should be promoted.



- Mixed evidence for the effect of information provision on policy views regarding inequality (Settele 2021, Kuziemko et al. 2015)
- Policy demand might depend on whether respondents think public policy should be involved  $\rightarrow$  voluntary choices vs. choices dependent on the environment

# **Research Question**

What is the effect of information provision regarding the gender gaps in earnings (GEG) and pensions (GPG) on respondents preferences towards

- the importance of reducing gender inequality?
- policy goals aiming at reducing the gap either during the education/ labor market period or during the retirement period?

## Data

- Data from a large representative online survey conducted in Fall 2021
- Sample with 3,954 respondents from Germany over the age of 18
- Representative with respect to age, gender, secondary school education and residency in East or West Germany

# Survey Experiment

Elicitation of prior beliefs regarding how much a woman earns gross per year (including full-time, part-time and marginally employed, GEG) or receives in old-age

- The labor market participation of women should be increased.
- It should be made more attractive for women to work more.
- Retirement period-related measures:
  - Socially relevant activities outside the labor market should be taken more into account in the statutory pension insurance.
  - Additional savings should be made more attractive for women.

### Results

- All results are based on OLS regressions.
- Estimation Equation:

 $y_i = \beta_0 + \beta_1 T \mathbf{1}_i + \beta_2 T \mathbf{2}_i + \beta_3 T \mathbf{3}_i + \varepsilon$ 

#### Table 1: Treatment Effects of Information (Full Sample)

	Reduce			Partici-	More			
	Inequality	Profession	Career	pation	Work	Social	Savings	
GEG (T1)	0.073*	0.026	0.006	0.028	0.036	-0.005	-0.044	
	(0.044)	(0.046)	(0.046)	(0.045)	(0.046)	(0.046)	(0.047)	
GPG (T2)	0.061	0.013	0.010	0.053	0.027	0.011	-0.022	
	(0.045)	(0.045)	(0.046)	(0.045)	(0.046)	(0.046)	(0.047)	
Both (T3)	0.090**	0.078*	0.077*	0.125***	0.113**	0.068	0.077*	
	(0.046)	(0.045)	(0.045)	(0.045)	(0.046)	(0.045)	(0.046)	
Observations	3807	3807	3807	3807	3807	3807	3807	

Notes: The table reports estimates of the coefficient for all outcome variables. The individual policies are measured on an 11-point Likert scale where 10 indicated strong agreement. Robust standard errors are displayed in parentheses. All outcome variables are standardized using mean and standard deviation of the control group. \* p < 0.10, \*\* p < 0.05, \*\*\* p < 0.01.

 $\rightarrow$  Treatment on both gaps significantly increases agreement with several policy goals

pensions per year (GPG) for every 100€ a man earns or receives on average.

Respondents are then randomly selected into one of four experimental groups. 



**Figure 1: Experimental Setup** 

	Table 2: Treatment Effects of Information (by Gender)									
	Reduce			Partici-	More					
	Inequality	Profession	Career	pation	Work	Social	Savings			
Panel A: Female	Respondents									
GEG (T1)	0.149***	0.072	0.061	0.082	0.126**	0.005	0.066			
	(0.055)	(0.056)	(0.058)	(0.059)	(0.064)	(0.059)	(0.061)			
GPG (T2)	0.131**	0.043	0.089	0.111*	0.098	0.041	0.014			
	(0.057)	(0.057)	(0.058)	(0.060)	(0.065)	(0.058)	(0.062)			
Both (T3)	0.174***	0.114**	0.107*	0.180***	0.193***	0.096	0.093			
	(0.058)	(0.058)	(0.058)	(0.061)	(0.066)	(0.058)	(0.062)			
Observations	1926	1926	1926	1926	1926	1926	1926			
Panel B: Male Re	spondents									
GEG (T1)	0.002	-0.016	-0.041	-0.022	-0.055	-0.008	-0.151**			
	(0.068)	(0.070)	(0.068)	(0.068)	(0.065)	(0.068)	(0.070)			
GPG (T2)	-0.005	-0.013	-0.068	-0.002	-0.044	-0.015	-0.056			
	(0.069)	(0.068)	(0.067)	(0.065)	(0.064)	(0.069)	(0.068)			
Both (T3)	0.017	0.055	0.067	0.083	0.038	0.052	0.074			
	(0.069)	(0.068)	(0.066)	(0.065)	(0.065)	(0.067)	(0.068)			
Observations	1875	1875	1875	1875	1875	1875	1875			

Notes: The table reports estimates of the coefficient for all outcome variables. The individual policies are measured on an 11-point Likert scale where 10 indicated strong agreement. Robust standard errors are displayed in parentheses. All outcome variables are standardized using mean and standard deviation of the control group. \* p < 0.10, \*\* p < 0.05, \*\*\* p < 0.01.

 $\rightarrow$  Female respondents react more strongly to the treatments, especially the treatment that includes information on both gaps

Respondents on average overestimate both women's earnings as well as women's pensions, compared to the earnings and pensions of an average man.

#### **Figure 2: Prior and Posterior Beliefs**



# **Conclusion and Outlook**

- Respondents are more likely to agree that it is important to reduce gender inequality when they receive one of the treatments.
- Providing respondents with information about the existing gender gaps in earnings and pensions significantly increases their agreement with several policy options targeting different stages in life.
- The strongest treatment for the full sample is the one that includes information on both gaps.
- Outlook:
  - Analysis of further subsamples, e.g. based on whether gender inequality is seen as a problem
  - Investigation of mechanisms behind the treatment effects

#### Contact

Beliefs

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