The Impacts of Firms’ Technology Choice on the Gender Differences in Wage and Time Allocation: A Cross-Country Analysis *

Kohei Nagamachi
Graduate School of Economics, The University of Tokyo. ††,

Daichi Shirai
The Canon Institute for Global Studies. ‡‡,

Naotaka Eguchi
Daiwa Securities Group Inc. §§

January 20, 2012

Abstract

In this paper we focus on the impacts of firms’ technology choice on the gender gaps which would give a new perspective on the gender gap analysis. A numerous number of works has appeared since the gender gap problem arose. Whereafter the various approaches and results came up in this field of study, it has not yet been seen from the viewpoint of firms’ technology choice based on the general equilibrium, where male and female labor inputs are imperfect substitutes. The firms’ technology choice affects labor productivity of the workers and it includes the issues such as corporate culture, personnel allocation and social customs. Referring to the household side, the home production has brought into the households’ problem to capture the gender gaps of time allocation. It is worth remarking that our model enables us to handle the statistical discrimination endogenously under simple formulation. The aim of this paper is to investigate the sources of the cross-country variations in not only the gender wage gap but also the male-female ratio of time devoted to home production. Our numerical results show that the firms’ technology choice affects not only the gender wage gap, but also the households’ time allocation by gender.

Keywords: appropriate technology choice, gender wage gap, home production  
JEL classification: E13, E24, D13, J22, J16, D58

*We would like to thank Yosuke Takeda, Reo Takaku, Takahisa Dejima, Satoshi Kawanishi, Shotaro Kumagai, Kohta Mori and the seminar participants at the Financial Economics Workshops for their helpful comments and suggestions. We also acknowledges financial support from the Canon Institute for Global Studies.

†E-mail address: kohei.nagamachi@gmail.com
‡E-mail address: shirai.daichi@gmail.com
§E-mail address: naotaka.eguchi@gmail.com