Nurturing the career. The impact of nursery schools on female labor participation in contemporary Italy (1952-1991)

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May 5, 2025

Abstract

This paper examines the effect of early childcare provision on female labor force participation and identifies the conditions under which such policies are most effective. We exploit variation across Italian provinces between 1951 and 1991, a period of rapid structural transformation during which the country transitioned from low to mediumhigh levels of female employment. We find that the expansion of nursery schools increased female labor force participation, particularly among women employed in industry and services, while having no significant effect among those working in agriculture. This indicates that the effectiveness of childcare policies may vary depending on the sectoral composition of local economies. We attribute this heterogeneity to the persistence of informal childcare arrangements and extended family structures in rural areas. Since agricultural activities were mostly concentrated in the South, the effect of nursery schools contributed to the existing regional disparities within the country. The findings highlight the importance of adapting childcare policies to local contexts to enhance their effectiveness and address regional inequalities.

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