

Female labor force participation, inequality and household well-being in the Second Globalization. The Spanish case

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Abstract

The 20th century has witnessed an increase in the female participation force in Western countries, especially since 1940s. Explanations behind the more intensive use of female labour are of different nature: globalization forces, the relative female/male wage linked to an increase in education and productivity, the tertiarization of the economy, and other institutional and cultural factors that allow women to control fertility, invest in assets other than the family ones and alter female bargaining power. Since these phenomena are complex and might respond to specific reasons and timing in different countries, it is important to advance on country case studies in a comparative basis.

While in other Western countries the increase in female labor participation started to be significant in the 1960s and 1970s, Spanish female activity rates started to rise dramatically in the 1980s, concurrently with the deep integration of Spain in international markets, especially through the entry in the European Union in 1986. In this paper, we will analyze the reasons behind the *decalage* in female labor force participation in Spain after WWII in comparison with other Western countries, and the subsequent catching up from the 1980s in order to determine the level of influence of Spanish integration in international markets, as well as other economic, institutional and cultural factors.

Key words: female labor force, globalization, gender analysis, inequality

JEL codes: F66, J1, J2, N14, N34

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1. Introduction

Most OECD countries have experienced a considerable rise in female labor force participation (FLFP) since the mid 20th century. Spain, however, lagged behind and FLFP did not begin to rise significantly until the 1980s. In fact, the timing and pace of that rise have varied across countries, and in spite of the overall increase, differences in levels of female labor force participation were still considerable in the early 2000s (Thévenon, 2013), whereas rates of male labor force participation reflected lower levels of divergence among countries with similar levels of wealth and in their evolution over time. As a result, long-term comparative analysis of rates of female labor force participation is still a controversial issue in economic history and requires regional, national, and international comparative studies in order to gain a better understanding of the most influential explanatory factors. This paper contributes to such an analytical endeavor by examining the specific case of Spain.

Explanations behind the more intensive use of female labor differ in nature: the tertiarization of the economy; globalization forces (Camps et al., 2007); changes in consumption patterns; increased uncertainty in the labor market, which has affected a large proportion of the male population since the crisis in the 1970s and which has endured following the victory of neo-liberal labor legislation; relative female/male wages linked to an increase in education and productivity (Blau et al., 2001); and cultural factors such as divorce laws and contraception that allow women to control fertility and alter female bargaining power (Iversen and Rosenbluth, 2010), increasing female autonomy and modifying their expectations. Finally, changes in legislation and institutional support have influenced FLFP.

The explanation provided by Goldin (1995) in relation to structural change has had a major impact in the literature on economic history, as has criticism of the statistical concealment that exists behind that interpretation. According to this model of FLFP behavior which follows a U-shaped curve running parallel to structural change, rates of female labor force participation are high in preindustrial ages and at the start of industrialization; they then decline with the growth of employment in industry, particularly after the Second Industrial Revolution and the rise of the male breadwinner model, before once again growing with the tertiarization of activity. However, part of the lower section of the U curve is the result of the statistical concealment of censuses and other sources that

tend to class all married women as housewives even if they were domestic workers or even employed in the market, whilst classing men as the active population. In fact, structural change is usually accompanied by statistical change as certain economic activities that were not previously taken into account are made visible and are classed as mercantile.

Hence, the model of the male breadwinner is, in part, a social and historical construction rather than a universal reality, since many men were unable or unwilling to take on this role, and the work and wages of many women were fundamental to maintaining family living standards (Horrel and Humphries, 1997; Humphries, 2010; Humphries and Sarasúa, 2013; Borderías, 2014), as is still the case today. In the case of Spain, women who were employed even in large companies, as reflected by the business records, were classed as housewives, and men, even if they only worked a few days a year as day laborers, in the countryside or the city, were always recorded as being active (Gálvez, 1997).

In any case, what historical research shows is that these phenomena are complex and respond to specific reasons and timing in different countries. Indeed, it is important to conduct country case studies on a comparative basis. Hence, this article analyzes the Spanish case in depth, and examines why it lagged behind, along with the specificities of female activity rate growth. As mentioned previously, while in other Western countries the increase in female labor force participation started to be significant in the 1960s and 1970s, Spanish female activity rates started to rise dramatically in the 1980s, concurrently with Spain's deep integration into international markets, especially through its entry into the European Union in 1986. However, other factors were also at work, such as female education attainment, decline in fertility rates, tertiarization of the Spanish economy and, especially, aspects related to institutional factors linked to the return of democracy in the late 1970s, which brought about important changes for women such as the Divorce law, and the constitutional principle of gender equality since 1978, modifying Franco's discriminatory legislation. Women's right to vote and democracy in general were crucial for such policy changes.

In spite of the questionable quality of labor statistics in Spain since the 1970s, particularly with regard to female labor activity, this paper analyzes the reasons why Spain lagged behind in terms of FLFP after WWII in comparison with other Western countries, and how it subsequently caught up from the 1980s onwards, in order to determine the influence of Spanish integration into international markets, as well as other economic, institutional and cultural factors.

This paper is structured into 3 sections in addition to this introduction. Section 2 briefly explains the evolution of FLFP in Spain in the 20th and 21st centuries. Section 3 analyzes the different drivers of FLFP. And the last section offers a final discussion and the conclusions.

2. Female labor market participation in Spain

The Spanish labor market has converged with neighboring countries with regard to female labor force activity in the 21st Century. Whereas in other advanced countries, activity rates increased after WWII, a major increase was not seen in Spain until the late 1980s and 90s. And it was not until the 2000s that Spain got closer to the levels of the majority of European and OECD countries (Table 1). However, the gender gap endures. The EU Labour Force Survey (EU-LFS) recorded a gender gap in activity rates of 10.7 percentage points for Spain in 2014, with a FLFP of 68.8 % and a male labor force participation rate of 79.5 %.

Table 1. Female labor force participation rate (% of females aged 15-64)

	1950	1960	1969	1979	1989	1999	2009	2013
Spain	15.8	20.1	29.2	32.6	39.9	50.2	64.9	68.3
Greece	18.0	32.8	31.2	32.8	43.5	50.6	56.8	58.6
Portugal	22.4	17.7	27.2	57.0	59.7	62.7	69.1	70.1
Netherlands	24.4	22.3	n.a.	33.4	51.0	64.4	74.0	74.3
Italy	25.5	24.9	33.6	37.6	44.3	45.5	51.1	53.7
Ireland	26.3	26.2	34.6	35.2	37.5	54.4	62.7	62.6
United States	27.5	32.1	48.2	58.9	68.1	70.0	67.9	66.1
Sweden	29.7	29.8	57.8	72.8	80.5	75.2	76.3	78.6
Great Britain	n.a.	32.4	50.4	58.0	65.4	67.9	69.4	70.3
France	34.1	33.4	47.6	53.5	56.2	62.2	65.8	66.6
Germany	n.a.	37.0	48.0	49.6	54.8	63.3	70.5	72.0
Japan	n.a.	n.a.	55.6	54.7	59.3	59.5	62.9	65.1

Source: 1950 and 1960 (UN Historical Statistics). 1969-1989 (OECD Labor Statistics Bulletin). 1999-2014 World Bank (World Development Indicators).

The lower rates of female activity are due largely to the fact that women still carry out the bulk of the domestic chores and are the main caregivers, which duly affects the design and realization of a professional career. In 2013, the inactivity rate of women aged 25-54 was 20.8 % in the EU-28 compared to 8.6 % of men in this age group. Spain recorded 61.6 % of women aged 25-54 being outside the labor market. In the EU-28, almost half of the inactive women aged 25-54 were inactive for personal or family reasons (9.7 % out of the 20.8 % of inactive women), whereas only 0.6 % of men give this as the main reason. The low rate of female activity is also explained by the importance of

undeclared labor and the lack of part-time work available in comparison with other European countries.

The mass incorporation of women into the Spanish labor market did not occur until the late 1970s, owing to the existence throughout Franco's dictatorship (1939-1975) of gender discrimination political measures and practices, grounded in the patriarchal model and an ideology of total female subordination (Molinero and Sarasúa, 2009; Gálvez, 2010). It was only during the latter period of Franco's regime, during the era of developmentism, that a strong demand for female labor force began to emerge. For that reason, certain measures were introduced to foster the incorporation of women into the labor market, although the indoctrination of the interiority of women endured along with their fundamental role as a wife and mother (Alonso and Furió, 2007).

During the 50s and 60s, the rates of activity and employment among women increased owing to strong growth in the Spanish economy, which needed to tap into the potential reserve of female labor as a process of deindustrialization was taking place concurrently to an advance in the tertiarization of the economy. However, this increase was more modest than in other advanced economies owing to the legislation of Franco's regime, which still put up numerous blocks to the participation of female labor, in addition to the meager development of the Welfare State, which was incompatible with the lack of democracy (Comín, 2010). Furthermore, economic growth in the 1960s, in clear contrast with the relative endowment of factors possessed by the Spanish economy, which was abundant in the labor factor, was based on the intensification of capital, impeding significant growth of occupation (García and Ródenas, 1999).

With the arrival of democracy in Spain in the 1970s, women, now free from their previous restrictions, began to join the labor market en masse. Their incorporation had major repercussions on unemployment and the seasonal nature of female unemployment, since it coincided with a historic moment of major job destruction owing to the oil crisis of 1976-85, deindustrialization, and the culmination of structural change (Gálvez and Rodríguez-Modroño, 2013). Unemployment among women increased considerably, driving up the rate of female unemployment from a similar starting point to that of men, around 4 points in the mid 70s, to 25 points by 1985, putting it 4.5 points higher than the male rate of unemployment. This was in spite of strong gender segregation in the labor market that protected women, since the recession had a particularly strong impact on sectors that chiefly employed men, such as industry and construction. Between 1977 and 1984, industry lost 800,000 jobs and construction culled 450,000 (Gálvez and Rodríguez-Modroño, 2006).

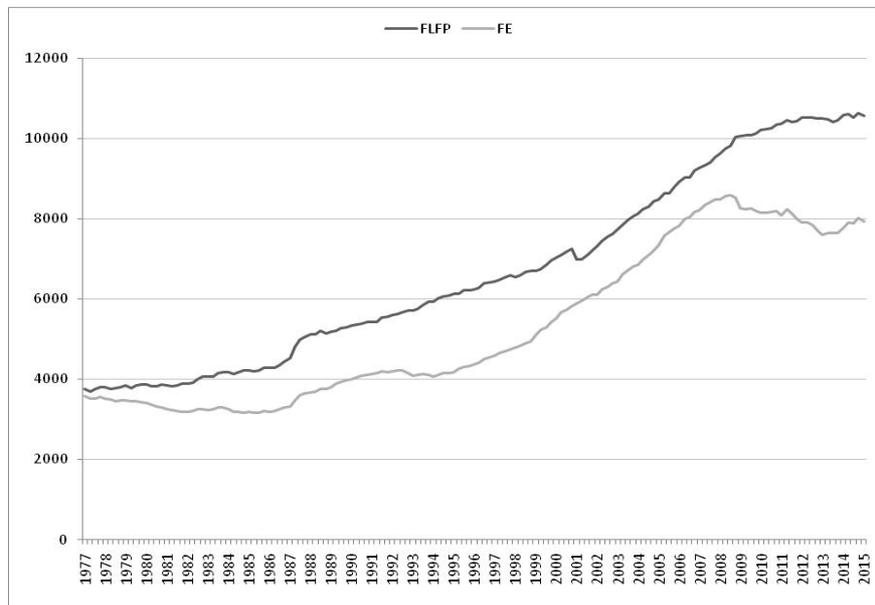
However, women were concentrated in less competitive, less capital intensive sectors, which would easily become submerged, so many of them took on informal jobs at home or in clandestine workshops (Escartín, 2003). Furthermore, strong social pressure defended the jobs of the heads of the family. Trade unions made a decisive contribution to this difference, which was merely the final episode in the consideration of female employment as anomalous and even illegitimate, and in the legacy of the family wage philosophy. Neither the intensity of the trade union struggle, the measures agreed by trade unions and governments, nor the reconversion policies were comparable for traditional female sectors – textiles and clothes-making – and male sectors – metal mechanics, iron and steel, naval, and mining (Molinero and Sarasúa, 2009). In addition, the companies that underwent the most advantageous reconversions for workers were those pertaining to the National Institute of Industry (INI) –a group of totally or partially publicly owned industrial companies, which during the crisis of the 1970s bailed out many private companies that were on the verge of bankruptcy – which were concentrated in masculinized sectors and from which women were absent.

The female active population has risen steadily since the 1980s (Figure 1), even during periods of economic recession, to the extent that in spite of the high rate of job creation in the period of economic growth from 1985 to 1991, female unemployment never dropped below 23.5 %. In the subsequent economic recession from 1991 to 94, the loss of jobs was even more intense, which, together with the growing female active population and the incorporation of the baby boom generation, took unemployment rates for Spanish women up to 31.4 %, 10 points higher than for men, and higher than the current crisis rates.

During the next stage of economic growth (1995-2007), 8.3 million jobs were created, of which 4.3 million were held by women, bringing the difference between male and female labor participation rates down by just over 20 percentage points, and evening out rates of employment and unemployment as well. During the latest economic crisis (2007-2014), more women have entered the labor market to compensate for the loss of family income. Addabbo et al. (2015a, 2015b) analyzed whether this added worker effect has occurred, finding that it has been very marked in the case of Spanish women during this last crisis: the rate of female labor participation in Spain increases by 21% when their partner is unemployed. These women are usually middle aged, married, and from homes with low to middle income levels. At the same time, younger and more educated women

have continued to join the labor market as part of a long-term trend observed clearly since the 1980s.

Figure 1. Female labor force and female employment, Spain 1977-2015



Source: Labor Force Survey, Spanish Statistical Office.

3. Determinants of female labor force participation

Multiple factors contribute to the increase both on the demand and supply sides (Pissarides et al., 2003). Some changes in labor demand account for the growing FLFP, such as: modernization and the switch from manufacturing and agriculture to services; globalization forces (Camps et al., 2007); and the emergence of new production activities and different working conditions.

There have also been changes on the labor supply side. A key driver of women's aspiration to pursue a career is the sharp increase in girls' educational attainment (Blau et al., 2001). It has also boosted female earnings potential and increased the opportunity cost of having children. At the same time, cultural factors, such as divorce laws and contraception that allow women to control fertility and alter female bargaining power, have increased female autonomy and modified their expectations (Goldstein et al., 2009; Iversen and Rosenbluth, 2010).

A final factor driving female employment in recent decades from both the supply and demand side has been institutional support to help working parents cope with family responsibilities (Jaumotte, 2003; Misra et al., 2011; Blau and Kahn, 2013), although this support has followed different models that are largely determined by the difference in

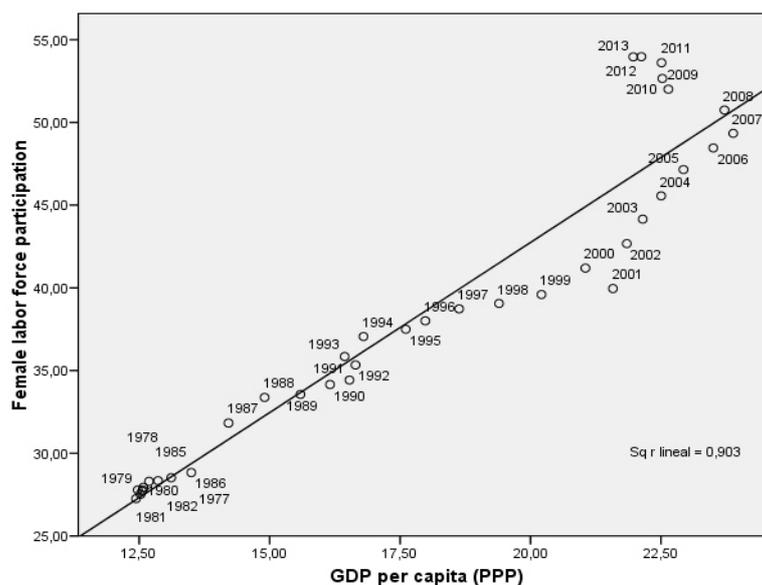
activity rates, fertility rates, and the incidence of part-time work, as well as the distribution of total work (Gálvez et al., 2011).

This section analyzes the strength of all these determining factors in Spain. Firstly, an analysis is provided of the link between economic modernization and the tertiarization of the labor market as one of the most unanimously argued aspects in economic historiography when it comes to explaining long-term changes. Secondly, the relationship with processes of globalization and trade openness is analyzed owing to its coincidence in the case of Spain with the timing of these two processes. Thirdly, another explanation often put forward in the economic literature is analyzed, linked with changes in education and productivity. The final analysis looks at the role played by cultural and institutional factors in rising female activity rates in Spain.

3.1. Modernization and tertiarization of the economy

The literature identifies economic advancement as the prime driver of women's growing participation in the formal labor market. Indeed, FLFP and economic strength measured in terms of GDP per capita show a strong relationship, as shown in Figure 2. Economic growth initially pushes women out of the labor force, partly because of the rise in men's market opportunities and partly because of social barriers against them entering the paid workforce (Boserup, 1970). As countries continue to develop, female human capital improves and women move back into the labor force as paid employees.

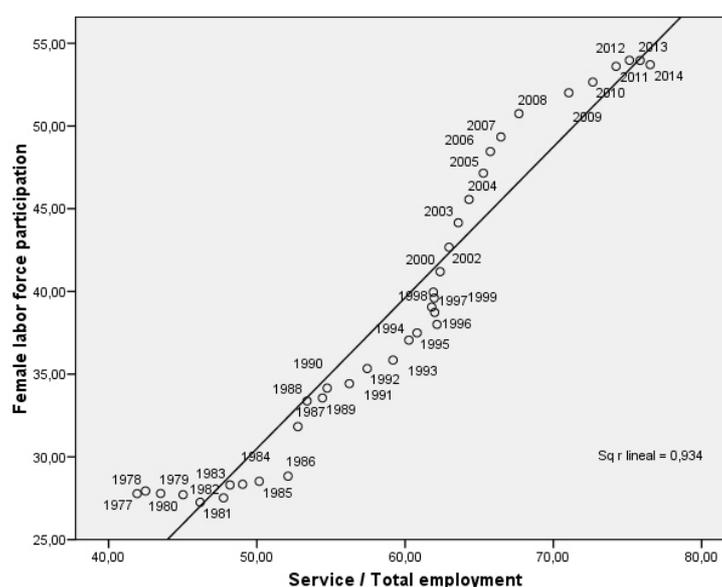
Figure 2. Female labor force participation and GDP per capita (PPP 2005, constant prices in thousands of euro), Spain 1977-2013



Source: Author's own with data from the Labor Force Survey, Spanish Statistical Office, and the Spanish Central Bank.

Changes in labor demand and the emergence of new production activities have been important drivers of expanding female labor force participation (Pissarides et al., 2003). The structural change in the economy and the switch from manufacturing and agriculture to services account for the growing demand for female workers. Figure 3 shows the positive and significant relationship between the increased weighting of the services sector and the female activity rate. The variation in FLFP with the decline of industry and agriculture also displays the same trend: as the weighting of these sectors falls with regard to GDP, the female labor force increases.

Figure 3. Female labor force participation and employment in the services sector (%), Spain 1977-2014



Source: Author's own with data from Labor Force Survey, Spanish Statistical Office and the Spanish Central Bank.

In Spain, counter to what was happening in the rest of Europe, it was in the 1950s and particularly the 60s that the percentage of agricultural active workers began to decline significantly, as the cheap labor intensive model of land exploitation became exhausted. Hence, between 1950 and 1970, Spanish agriculture lost close to 2.3 million active workers (Gálvez and Rodríguez-Modroño, 2006). The increase in agricultural productivity freed up labor that then supplied industry. Currently, only 6% of Spain's active population is still employed in agriculture.

In industry, although women were present in some sectors linked to textiles or chemicals, they did not drive the industrial impulse of the years of developmentalism. The absolute number and percentage employed by Spanish industry has been declining since 1970. The loss of industrial employment has continued as a consequence of Spain's entry

into the EU, which has gradually deactivated protectionist policies in this sector, turning the services sector into Spain's largest employer.

Spain's long period of economic growth and industrialization coincided with the years during which companies recruited cheap female labor to carry out services tasks. Hence, in spite of the lower incorporation of Spanish women into the labor market during the years of developmentalism, the women who accessed the labor market did so, as in other countries, in a highly segregated way, and in parallel to the tertiarization of the Spanish economy, in labor intensive services and sectors that were becoming more obsolete, which men were gradually abandoning. 26% of employed women worked in the services sector in 1900, 50% in 1950 and 72% in 1991. The majority of female employees are in small services businesses, mostly in activities that their predecessors provided without being paid: rural tourism, hotels, restaurants, art galleries, photographic studios, beauty salons, grocery stores, clothing stores, etc. The white-collar labor market took longer to emerge in Spain than in other countries. The smaller size of companies had less demand for 'typical women's occupations', such as secretaries, typists, bookkeepers, domestics, etc. This sector encompasses two branches: retail and hostelry (19%) and educational, cultural, and health activities (16%) (Gálvez and Fernández, 2007). The late development of the Welfare State in Spain in the 1980s also explains why demand for labor in highly feminized sectors such as education, healthcare, and caregiving did not occur in Spain until the 80s (Carbonell et al., 2014; Gálvez, 2015), when the full implementation of democracy also enabled the development of the welfare state (Comín, 2010). This aspect stands in stark contrast with other European countries that developed their welfare states after the Second World War, and in some countries for example in Scandinavia they were used from the 60s and 70s onwards as a dual mechanism for incorporating women into the labor market by providing them with jobs based around caregiving, and freeing up unpaid working time for women through the State provision of caregiving services.

However, when talking about the services sector, it is also important to bear in mind that this is a highly diverse sector, which encompasses highly qualified and unqualified activities. In fact, there is a strong segregation and balkanization within the services sector itself (O'Really and Nazio, 2014). Indeed, a significant proportion of female employment in the services sector is undeclared. According to the study by Muro et al. (1988) looking at the specific case of Spain, in 1985, 42.6% of women were in an irregular situation with regard to Social Security, in comparison with just 19.3% of men, as part of the legacy that fostered submerged female labor inherited from Franco's regime (Sarasúa

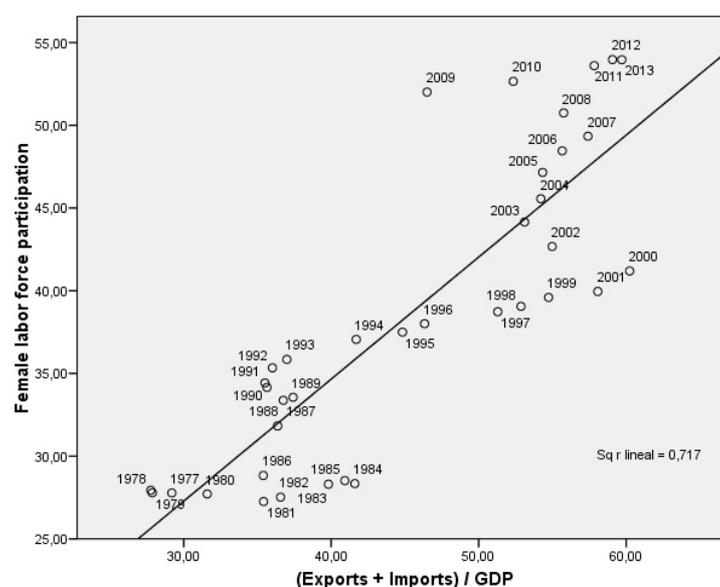
and Gálvez, 2003). The informal economy has continued to grow and has increased four fold over the past 30 years, representing up to 23.7% of GDP between 2005 and 2008, with over 4 million jobs undeclared (Arrazola et al., 2011). In domestic employment alone, half a million women are not currently registered with the Social Security (Oxfam, 2010), partly because labor legislation does not class domestic employees within the General Social Security Regime.

3.2. Globalization and trade openness

Since globalization and trade openness have been investigated in the literature as one of the most decisive drivers behind the increase in female labor force participation, and the period of growth in FLFP in Spain coincides with the second globalization and progressive openness of the Spanish economy, this article provides a specific analysis of this impact, in order to ascertain the explanatory power of this element among the different demand drive factors. The impact of trade and foreign direct investment (FDI) is investigated, as two measures of globalization, along with their relationship with the evolution of FLFP. Since the 1960s, the Spanish economy has undergone a remarkable process of increasing openness, with the GDP share of exports and imports of goods and services increasing six fold. Spain's integration in the European Union in January 1986 was the catalyst for this process. Initially, trade from Spain was boosted both by the economic openness that followed the 1959 Stabilization Plan and the signing of the agreement with the Common Market in 1970. Subsequently, in 1986, as a result of Spain's entry, trade increased once more, reaching its peak in 2000. In 2005, more than 70% of Spain's foreign trade took place with EU states and focused on a small number of countries (Germany, France, Italy, Portugal and the United Kingdom). Although exports have grown every year, their share of GDP fell after Spain joined the EU, since GDP grew at a faster rate than exports.

Figure 4 represents the relationship between the evolution of FLFP and trade openness, measured as the sum of exports and imports to GDP ratio, as an indicator of the outward orientation of the economy. The relationship in the variation of these two variables is strong, although FLFP is more constant and less closely related with economic cycles than the weight of trade in GDP, which varies more in accordance with the cycles of boom and bust.

Figure 4. Female labor force participation and trade openness, Spain 1977-2013



Source: Author's own with data from the Labor Force Survey, Spanish Statistical Office and World Development Indicators, World Bank.

Another characteristic of Spain's economic openness has been the capacity of its economy to attract investment. Foreign direct investment (FDI) increased in Spain from 0.5 % of GDP in 1977 to a high of 6.5 % of GDP in 2000, largely due to the reduced risk following Spain's integration into the EU. However, it does not present a significant relationship with FLFP, like other indicators of foreign trade such as the balance of payments.

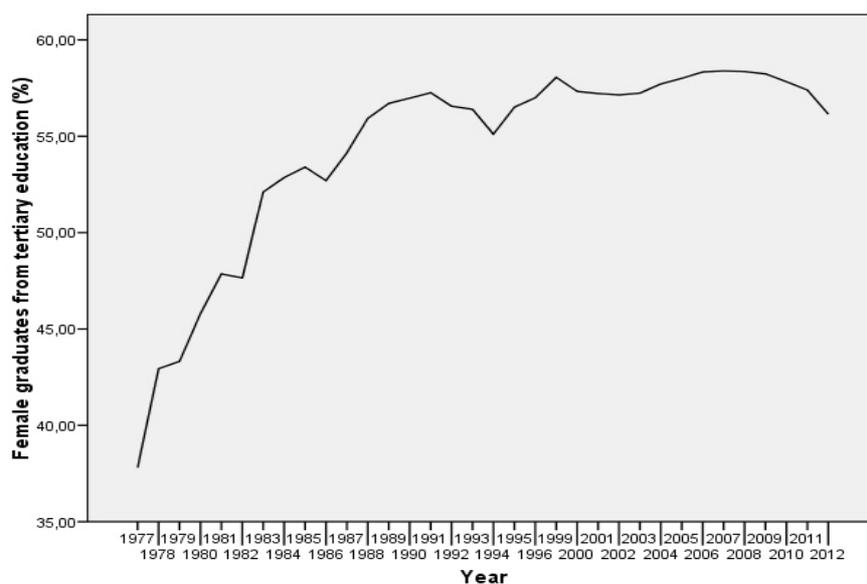
3.3. Education and Productivity

In 1976, after nearly four decades of intense and systematic legal, educational, and labor discrimination of women, the level of education enjoyed by Spanish women was still low, preventing active women from being totally interchangeable for working men even when there was no strong segregation. 24% of women were unable to read and write, or had not completed their primary education, in contrast to 17% of men aged 16 and over. Out of every 100 women, just 6 had a university education, representing 45.8 of university graduates, whereas currently women represent 58.6% of university graduates (Statistics for University Teaching, Spanish Statistical Office).

Particularly important progress has been made in education. The increase in female human capital has not only improved their chances of being employed in the labor market, but it has also changed their expectations and preferences about their own lives. The level of education among women in Spain has increased considerably in recent decades, at a higher rate than for men. Figure 5 shows how, since the year 1983, the number of female

graduates from tertiary education during the academic year exceeds the number of male graduates, with women representing 58.4 per cent of graduates from tertiary education in 2007, descending slightly to 56.2 in 2012. Furthermore, since 2001 the percentage of women aged 15 to 64 with a secondary or tertiary education has surpassed the number of men. In fact, during the most recent economic crisis, the levels of unemployment for men and women have leveled out, with just one percentage point difference, owing to the mass loss of jobs in masculinized sectors and the fact that job destruction has been concentrated among workers with a lower level of training, making the possession of medium-level studies an advantage in terms of employability with regard to the previous crisis (IVIE, 2010, 2011). In fact, in Spain, in contrast to the situation in the majority of European countries, males make up the majority of the population not in full-time education or employment, whereas in other countries this group is dominated by women, linked with their caregiving role (Addabbo et al., 2015b).

Figure 5. Percentage of female graduates from tertiary education, Spain 1977-2012



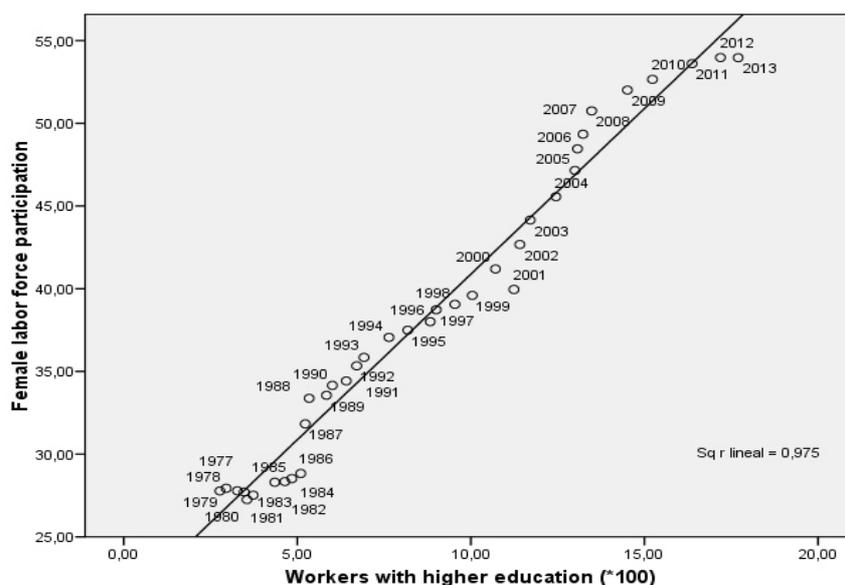
Source: Author's own with data from Dataset education, Unesco.

The indicators for educational attainment show a close correlation with FLFP, both in relation to the level of education of the population in general (average years of study of the population, percentage of workers with higher education) and for women in particular (percentage of students in tertiary education who are female, percentage of graduates from tertiary education who are female, or the gender parity index in school life expectancy, primary to tertiary). However, the relationship between the evolution of FLFP and that of education is not linear. At low levels of schooling there is a strong correspondence between years of schooling and female labor force participation, but at higher levels of women's

education the correlation is weaker. This reinforces the idea that although supply factors are key in explaining the growth of female labor force participation, historically, demand factors seem to possess greater explanatory power, although obviously interrelating with supply factors and institutional and cultural changes.

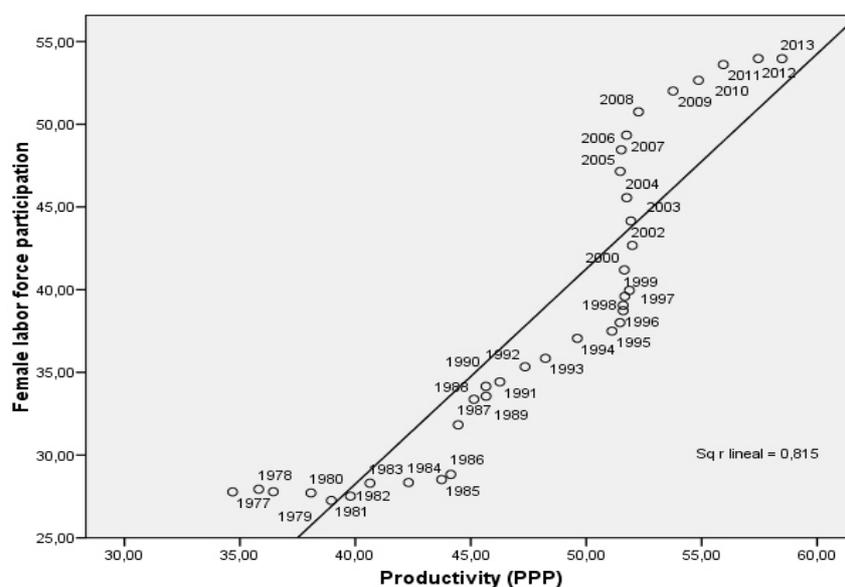
The strongest relationship between FLFP and these variables pertains to the percentage of workers with higher education (Figure 6) and productivity (Figure 7).

Figure 6. Female labor force participation and percentage of workers with higher education, Spain 1977-2013



Source: Author's own with data from the Labor Force Survey, Spanish Statistical Office and Human Capital Series, Economic Research Institute of Valencia (IVIE).

Figure 7. Female labor force participation and productivity, Spain 1977-2013



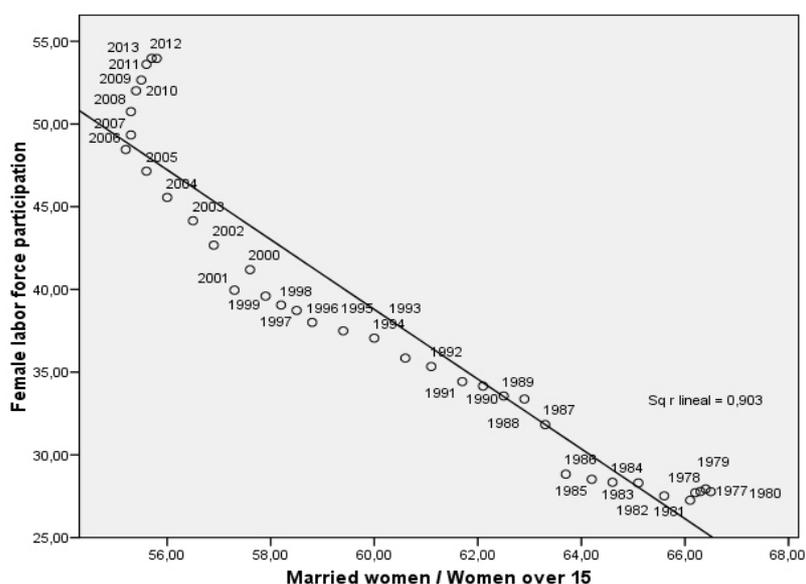
Source: Author's own with data from the Labor Force Survey, Spanish Statistical Office and Spanish Central Bank.

Hence, the higher level of education enjoyed by women currently annuls the argument of human capital as an explanation for the lower rates of female labor force participation and employment, for occupational gender segregation, or for wage discrimination, even though there is still segregation in terms of the branches of study chosen, which bears the marks of a segregated socialization from childhood and the lack of female models, and to a lesser degree male models, in many professions.

3.4. Cultural factors

In the last few decades of the 20th Century and the first decade and a half of the 21st Century, Spanish society has experienced significant transformations, including positive advancements in gender roles and women's position in the family and society. Spanish society has been through a process of declining marriages as co-habitation becomes widespread, postponements in the age of marriage and first-child birth, and decreasing fertility rates, increasing female autonomy and entrance into the labor market (Gálvez and Rodríguez-Modroño, 2013). The strong negative relationship between the percentage of marriages and FLEP can be seen in Figure 8.

Figure 8. Female labor force participation and percentage of married women with regard to total women aged 15 and over, Spain 1977-2013



Source: Author's own with data from the Labor Force Survey and Population Census, Spanish Statistical Office.

Thus, Spanish society has evolved from a traditional male-breadwinner family model in the seventies to a predominantly dual-earner family model in the 21st century. The incorporation of women into the labor markets has become socially normalized in Spain. According to data from the CIS Barometer regarding equality between women and men (2010), 71.9% of the Spanish population considers that the ideal family should be made up

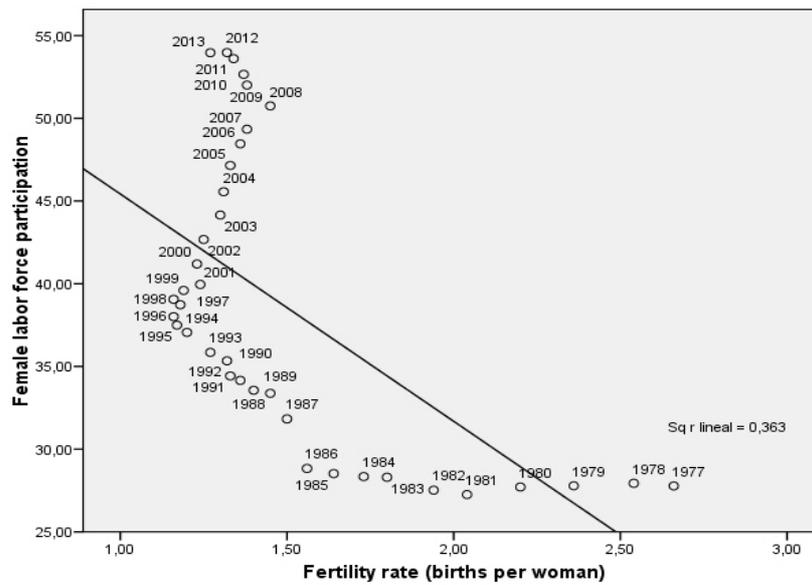
of “a couple in which both members are in paid employment with similar dedication with both sharing the housework and looking after the children”, and just 20.1% considers that when labor supply is insufficient, “men have a greater right to a job than women”.

Obviously, these changes are not separate from the mass incorporation of women into education as described previously, or the greater working and life opportunities that exist outside of marriage related with the greater chances for employment provided by tertiarization and economic openness, as shown by Iversen and Rosebluth (2010) for a significant set of developed countries.

In this respect, household composition and fertility behavior are key factors in explaining variations in female employment patterns (Anxo et al., 2006; De Hénau et al., 2007; Thévenon, 2009; Michaud and Tatsiramos, 2011). The increase in FLFP is not separate from the drastic fall in fertility, just as the fall in fertility is not separate from the increase in FLFP. From 4.71 children per woman in 1900, the figure had dropped to 2.46 by 1950 and 1.27 by 2013, falling below the level of generational renewal since 1981, and reaching an all-time low of 1.15 children per woman in 1998. This decreasing trend only altered slightly in the 1960s, and in the period between 1999 and 2008, assisted by pro-birth policies, the expansive cycle of the Spanish economy, and intense immigration (Gálvez and Rodríguez-Modroño, 2006, 2013), although from 2009 onwards, the economic crisis once again provoked a major decline in fertility rates. Figure 9 shows the relationship between FLFP and total fertility rate (TFR). However, the variables are not evolving at the same rate. Whereas in the early years, the fertility rate dropped to almost half, whilst FLFP remained stable, from 1986 onwards, women began to enter the labor market in a faster and more continuous stream, whereas fertility rates wavered slightly between 1.15 and 1.5 children per woman.

Although the fall in fertility has allowed for greater investment to be made per child, and above all, has freed up time for women to take on paid work in the market, it is also a consequence of enduring gender inequalities and the lack of joint responsibility taken on by men, the State, and companies in caregiving duties, which prevents many women from being able to combine motherhood with the development of a professional career. In the European Union, countries with higher rates of FLFP also have higher rates of fertility (Esping-Andersen, 2007; Gálvez et al., 2011).

Figure 9. Female labor force participation and fertility rates, Spain 1977-2013



Source: Author's own with data from the Labor Force Survey, Spanish Statistical Office and World Development Indicators, World Bank.

3.5. Institutional factors

In addition to these changes that have facilitated the incorporation of women, particularly married women, into visible, paid, and statistically counted working activity, there have been legal and political advances around gender equality. These advances provide a foundation for the increased presence of women in the labor markets, but they are also the result of this greater presence. The participation of women in the public sphere, in a democratic system, their greater agency and autonomy have allowed for the establishment of a political agenda that has looked after the interests of women, including the implementation of positive measures and equality policies.

In the 19th and 20th centuries, particularly between 1880 and 1975, several laws had a direct impact on the economic activity of women: laws regulating women's access to education, protecting female workers, differentiating men's and women's wages, restricting their access to certain branches of activity and their capacity to sign contracts, and prohibiting their access to management positions in public administration (Valiente, 1997; Nielfa, 2003). The 1889 Civil Code gave husbands absolute control over any possessions acquired during marriage, reduced the rights of women over their progeny, and prohibited women from embarking on business activities without the consent of their husband. These laws, which prevented women from controlling their wages, their possessions, and the possessions of their children, were in place for almost a century, until new laws were passed in 1958 and above all in 1975 (Gálvez and Fernández, 2007).

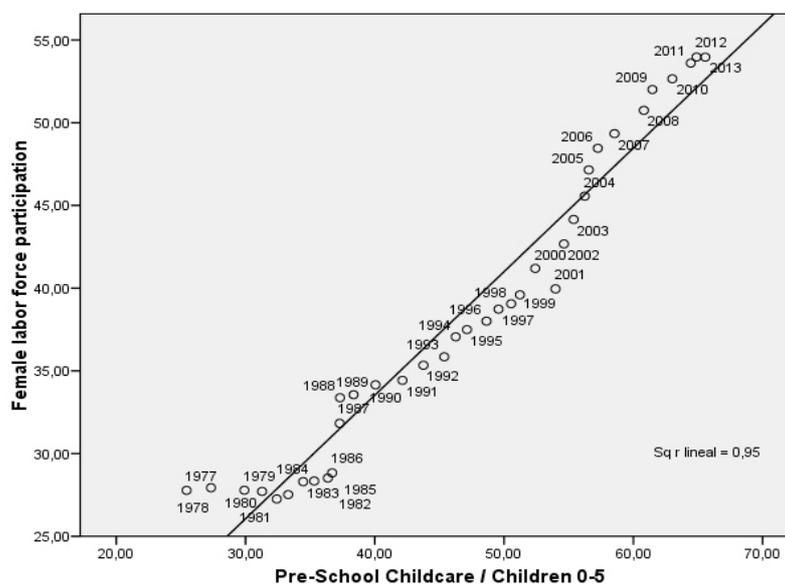
The 1938 Work Act forced the withdrawal of married women from the labor market. This “liberated” married women from workshops and factories, and established the practice of an endowment, a kind of severance package normally for one month’s wages that women received when they got married and were obliged to give up their jobs. The Ministry for Employment recommended that female workers be dismissed, with the exception of widows who were the heads of a family, the wives of soldiers, or single women without means. As of 1939, no woman living with a man designated as a “head of family” could register with a public employment office. Furthermore, the Work Contract Act of 1944 discriminated against working women until it was repealed by an Act passed on July 22nd 1961 and the Decree passed on February 1st 1962. The legislation passed under Franco’s dictatorship that restricted the rights of women to receive remuneration and recognition for their work was finally repealed in the early 60s, following the Stabilization Plan of 1959. Up until 1961, many ordinances of public and private companies contained the requirement to dismiss women when they got married. The need to define the new registered and salaried situation of women in legal terms provided the impetus behind the Act passed in July 1961 and the Decree of 1962 which protected the right of women to a job once married (Gálvez, 2010).

With the arrival of democracy, in May 1975 laws requiring a husband’s permission for women to carry out legal or economic activities were suppressed. As of 1978, article 14 of the Spanish Constitution proclaimed the right to equality and non-discrimination on the grounds of gender. Spain’s joining of the European Union and other international bodies was a key driver behind the equality policies passed in the 1990s and 2000s. Act 39/1999, of November 5th, to promote the work/life balance for working individuals, represented a major advance by allowing individuals to reduce their working hours owing to family reasons and preventing dismissals on the grounds of gender discrimination. Act 3/2007, of March 22nd, for the effective equality of women and men, consolidated these advances, increasing the rights of parents with young children and introducing greater flexibility in working schedules for parents with children aged 0 to 5.

Indeed, a crucial factor driving female employment in recent decades has been institutional support to help working parents cope with family responsibilities (Jaumotte, 2003; Misra et al., 2011; Blau and Kahn, 2013). Policies that usually have the greatest effect on trends in female labor force participation are: child-related leave entitlements, childcare services, and tax design. In comparison with other advanced countries, the system of maternity/paternity leave is still fairly restrictive in Spain, giving just 16 weeks’ paid leave,

half the average in OECD countries. With regard to childcare services, Figure 10 presents the significant and positive relationship between the provision of childcare services for children under 6 and the trend in FLFP.

Figure 10. Female labor force participation and proportion of children under age six enrolled in pre-school, Spain 1977-2013

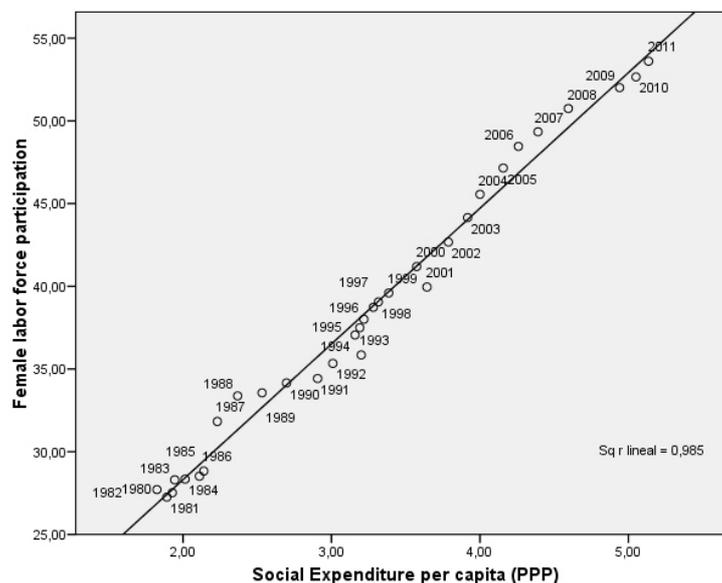


Source: Author's own with data from the Labour Force Survey, Spanish Statistical Office and Non-tertiary statistics, Ministry of Education and Population Census.

However, Spain still falls short of the OECD average in key policies to promote the work/life balance, such as the protection of and social spending for families, allocating just 1.2 % of its GDP to payments to families and children, in comparison with 2.2 % de of the OECD average. This meager level of public spending on provisions and services seriously hampers the possibilities for women to integrate fully into the labor market. As shown by Figure 11, social spending per capita in Spain presents the strongest positive relationship with the trend in FLFP out of all those analyzed. The data for time usage in Spain flag up a major lack of co-responsibility among men for unpaid household chores and caregiving, which are still chiefly assigned to women, even if they are participating in the labor market. Hence, the existence of public care services or other transfers as an essential aspect of social spending frees up particularly women's time to be able to participate in the labor market, although they are still a long way from doing so on an equal footing with men. The fact that the model of worker has been constructed on the basis of a worker who is free from caring duties, with flexibility in terms of working schedule and mobility, as males have historically been and many of whom still are today, means that people who are unable or unwilling to relinquish their involvement in caregiving find it hard to fit the mold imposed

historically by the male breadwinner family model. This also explains the negative impact of austerity measures on rates of FLFP (Gálvez and Rodríguez, 2015).

Figure 11. Female labor force participation and social expenditure per capita (PPP 2005 constant prices), Spain 1980-2013



Source: Author's own with data from the Labour Force Survey, Spanish Statistical Office and Spanish Central Bank.

4. Discussion/Conclusions

A high female participation labor force rate is desirable on several grounds. Removing obstacles to FLFP, such as market failures and policy distortions, could lead to a higher level of welfare associated with the underutilization of women's skills and labor, gender equity, poverty reduction, and child well-being (Jaumotte, 2003). The increase in FLFP is one of the most significant global developments of recent decades. However, there are still remarkable cross-country differences and the determinants of its growing trend remain controversial.

This paper analyzed some of the main drivers of FLFP according to the literature. In terms of demand-side factors, the findings show the importance of economic tertiarization and the construction of the Welfare State, which replaced tasks carried out in the home with jobs in public or subsidized institutions. Globalization presents a positive but lesser relationship, although there was a clear turning point in the Spanish economy marked by the country's joining of the EU. Clearly, this not only involved a process of increasing trade openness in the Spanish economy but also a process of legal, institutional, and cultural modernization. As for the supply-side factors, the increase in human capital is closely related with FLFP, as are certain indicators of changes in Spanish families, especially

the declining fertility rate and the drop in marriages. Furthermore, the institutional context is crucial to understanding the increase in the female labor force participation rate of recent decades in Spain. Equality and social policies also present a strong relationship with the impulse behind the female labor force.

Variations in policy and production regimes create contexts that determine how the labor market integrates women. Indeed, governments use different policy instruments to boost female employment and/or provide families with support. This leads to the enduring huge inequality in Spain in the distribution of household chores and caregiving duties, which is undermining the opportunities open to women in their professional and personal development. Currently, once other gender inequalities have been overcome in western countries, it is still one of the most important barriers to achieving full equality between women and men. The existing hierarchy in the use and utilization of time depending on the individual's gender also creates a hierarchy in the opportunities available to women and men to enjoy throughout their life.

In short, whereas the participation of men in the labor market presents a more constant evolution over time with little difference between countries with similar levels of wealth, female labor force participation has always been more sensitive to factors of supply, demand, and institutional changes, which explains the variations observed over time, such as the U-shaped curve discussed previously, or, above all, the differences between countries or regions of the same country. This article has analyzed the specific case of Spain, showing that the increase in female labor force participation can only be understood through the interaction of supply, demand, and institutional factors. In future research, it will be important to analyze regional differences, which are significant in Spain, reinforcing the importance of demand-side factors when explaining the historic evolution of female labor force participation and how these factors have acted as a catalyst for the necessary changes in supply factors, as well as in institutional factors and the cultural context.

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