



Claudia Goldin: Nobel Prize 2023 paving the way for women and gender perspectives in economics

Faustine Perrin^{1,2}

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1 Introduction

On October 9, 2023, Harvard University Professor Claudia Goldin received the Sveriges Riksbank Prize in Economic Sciences in Memory of Alfred Nobel, a landmark achievement that not only celebrates her outstanding contributions but also highlights the profound impact an economist can have on society.

1.1 The Nobel Prize

Claudia Goldin received the prize for providing “the first comprehensive account of women’s earnings and labor market participation through the centuries. Her research intricately reveals the causes of change, as well as the main sources of the remaining gender gap” (Nobel Prize Committee, 2023).

As the first woman to ever receive tenure in Harvard’s Department of Economics (Palmore, 1989), she has now also become the first woman in history to win the Nobel Prize in Economic Sciences on her own. Goldin’s journey in economics is a narrative of breaking barriers and expanding horizons. Goldin broke new ground outside of traditional academic boundaries with her influential work combining labor market, inequality, gender, and economic history. Her pursuit to understand and address gender disparities in the workforce has not only reshaped the field of labor economics (and economics in general) but has also served as a beacon for women aspiring to make their mark within a historically male-dominated field.

✉ Faustine Perrin
faustine.perrin@ekh.lu.se

¹ Department of Economic History, Lund University, Lund, Sweden

² BETA, University of Strasbourg, Strasbourg, France

1.2 Labor economics and gender equality

From the outset of her career, Goldin's contributions have been transformative. She has profoundly expanded our understanding of labor economics, not only through theoretical insights but also by highlighting the critical issue of gender disparities in the workforce, and demonstrating the importance of the long-run perspective to understanding and explaining economic processes. Her research has played a crucial role in unveiling the dynamics of gender in economics, challenging long-standing perceptions, and inspiring a new generation of scholars. Her studies, based on robust empirical evidence, have fueled policy debates, initiated significant shifts, and opened new avenues of inquiry for future research. Goldin has been instrumental in elevating the status of women in economics, both through her work and through her personal career and achievements.

2 Key contributions

Throughout her career, Claudia Goldin has “trawled the archives and collected over 200 years of data from the United States, allowing her to demonstrate how and why gender differences in earnings and employment rates have changed over time” (Nobel Prize Committee, 2023) and explaining why differences still persist today.

2.1 Gender pay gap

One of Goldin's most significant early accomplishments was her groundbreaking analysis of the gender pay gap in America published in the book *Understanding the Gender Gap: An Economic History of American Women* (Goldin 1990).

Claudia Goldin's in-depth exploration of the gender pay gap is a defining feature of her work and career. Going beyond the preexisting narrative of direct discrimination, Goldin's research explored the different aspects of wage disparities. She uncovered that the gender pay gap was intricately linked to differences in career choices, labor market structures, and the disproportionate familial responsibilities borne by women. Her analyses provided a far more complete understanding of the pay gap from what we previously knew, highlighting systemic issues in the economy over individual biases.

2.2 U-shaped female labor force participation

Goldin expanded her research to understanding the evolution of modern labor markets since the nineteenth century. Tracing female labor market participation farther back than previous research, she has shown that a nineteenth-century decline preceded the twentieth-century rise. The identification of a U-shaped curve in women's

labor force participation is one of the most fundamental findings uncovered by Goldin.

Goldin has made significant contributions to understanding and explaining this pattern. Her research, particularly outlined in the paper “The U-Shaped Female Labor Force Function in Economic Development and Economic History” (Goldin, 2004), has been influential in establishing the existence of this U-shaped labor supply of women across the process of economic development.¹ Goldin has shed light on the historical and cross-country evidence of this phenomenon and demonstrated that the pattern of women’s work participation is not linked to economic growth in a linear way, as was previously thought.

2.3 Educational advances and shifting career aspirations

Goldin’s journey to understanding the gender gap led her to research the history of education and human capital in the USA (Goldin and Katz 1999; Goldin 2019, 2001). Goldin has highlighted the important roles played by education and the emergence of a white-collar sector in shaping the U-shaped pattern of female labor force participation. Women’s roles in education and the impact on their career choices are a significant area of Goldin’s work.

Goldin meticulously examined the evolution of women’s educational attainment, noting their remarkable progress in enrollment and performance in higher education (Goldin 1990). Goldin’s research has highlighted the changing aspirations and career paths of women, particularly their increasing presence in traditionally male-dominated fields, and how educational advancements have been narrowing gender gaps in various professions and reshaped the economic landscape. Goldin has shown that the increase in female labor force participation was shaped by various factors, including women’s opportunities to balance paid work and family responsibilities, decisions related to education and childcare, and technological advancements.

2.4 Institutions and technological change

The role played by institutions (in its broadest sense) and technological change in shaping wage and employment levels is at the core of Goldin’s research (e.g., Goldin and Katz 2008). Goldin (2006) identified distinct phases in the evolution of women’s economic roles in the USA over the twentieth century. Goldin argues that the modern economic role of women emerged in the late 1970s and was revolutionary, the so-called quiet revolution. Goldin highlighted three aspects of women’s choices that distinguish the evolutionary phases from the revolutionary phase: horizon, identity, and decision-making.

Goldin’s work has shed light on the significant role played by the oral contraception, the pill, for the revolutionary phase. Goldin’s research showed that

¹ See Merouani and Perrin (2022) for a detailed review of the literature on gender and the development process.

industrialization disrupted the pattern of women working from home and that the birth control pill allowed women to make further strides in the labor force by balancing more effectively paid work and family responsibility. Goldin and Katz (2002) provided evidence supporting the “power of the pill” in lowering the costs of long-term career investments for women. The authors have shown that the pill encouraged the delay of marriage generally and had a direct positive effect on women’s career investment by almost eliminating the chance of unplanned pregnancies. Examining the reversal of the gender gap in college attendance and graduation rates in the USA during the twentieth century, Goldin et al. (2006) explained the reversal by a combination of factors, including changes in the labor market, the availability of birth control, and the rise of feminism.

2.5 Breaking the remaining barriers

Goldin’s work highlights the progress made toward achieving gender equality in the labor market but also emphasizes the need for further changes in the labor market to fully eliminate the gender pay gap. Although women have surpassed men in terms of years of education and work experience, the gender pay gap persists, suggesting that more factors are at play. Goldin (2014a) identified key factors in explaining this persistence: women shifting disproportionately into lower-paying positions or leaving the labor force altogether; firms having incentives to reward individuals who labor long hours and work particular hours (low temporal flexibility); time allocation.

In her recent book “Career & Family”, Goldin (2021) draws on decades of her own research to provide an in-depth look at the evolution of women’s experiences in balancing career and family from the 1900s to the present day. The main argument developed by Goldin in the book is that despite significant progress in women’s education and labor force participation, true equity for dual-career couples remains out of reach. Goldin argues that the problem of balancing work and family is not just a women’s issue but a societal issue that requires fundamental changes to the way we work and value caregiving. She highlights the role of parenthood in perpetuating pay inequality and the need for policies that support working parents, such as affordable childcare and flexible work arrangements. This is by creating couples equity that the remaining barriers could be broken.

3 Legacy and impact

Claudia Goldin’s academic journey began with roots firmly planted in economic history. Her doctoral thesis at the University of Chicago, under the supervision of Robert Fogel, focused on slavery in the USA (Goldin 1976). When Gary Becker returned to Chicago in 1970, her interest grew toward labor economics. Goldin explains, “The combination of my interest in labour economics and the notion that most economic problems evolve over long periods of time led me, quite naturally, into economic history” (see Snowdown 2007). Goldin broadened her research scope to the role of female workers and child labor during the early phase of industrialization in

the USA (Goldin and Sokoloff 1982, 1984). These initial studies laid the solid foundation for her profound understanding of economic dynamics across various historical periods.

3.1 Integrating economic history in modern challenges

Throughout her career, Goldin has consistently employed historical contexts to illuminate and explain contemporary economic issues. Her research method traditionally involves starting with a meticulous collection and examination of historical data, interwoven with theoretical frameworks. This approach has been pivotal in shedding light on the intricate relationship between gender roles and economic participation. By delving into the past, Goldin has provided a richer perspective and understanding to the evolution of women's roles in the economy.

As emphasized by the experts of the Nobel committee, Goldin worked as a detective. She searched for novel and original data, identified facts, collected pieces of puzzles throughout her various studies, and assembled all these pieces in a creative and novel way to uncover pivotal patterns, establish causality, and offer a comprehensive view of evolving gender disparities and economic phenomena.

3.2 Cliometrics and academic heritage

In an article published in *Cliometrica* in remembrance of Robert Fogel, Goldin explains, "I first met Bob (I would have called him Mr. Fogel at the time) in 1968 when I took his graduate economic history course at the University of Chicago. He later became my main advisor on my PhD dissertation completed in 1972. In the late 1970s, we worked to create the DAE [Development of the American Economy Program] and I took over as its Program Director in 1989. I have known Bob all of my academic life. He shaped and encouraged it." (Goldin 2014b).

Pioneer in the branch of economic history, also called the "new economic history", or cliometrics, Robert Fogel, along with Douglass North, were awarded the Nobel Prize in 1993 "for having renewed research in economic history by applying economic theory and quantitative methods in order to explain economic and institutional change" (Goldin 1995). Fogel's PhD advisor was Simon Kuznets, himself Nobel Prize laureate in 1971. About Simon Kuznets, Goldin writes "When Bob sent out invitations for Simon Kuznets' 80th birthday party I asked to be invited as Simon's intellectual "grandchild." It was a grand occasion and Simon appreciated my inclusion in the intellectual family" (Goldin 2014b).

Cliometricians, as exemplified by Fogel, North, and Goldin, employ economic models and statistical techniques to scrutinize historical data, test and validate (or refute) economic theories (Diebolt 2016). The primary objective of cliometrics is to bring a rigorous and quantitative dimension to the study of economic history. This approach empowers researchers to rigorously test hypotheses and formulate conclusions grounded in empirical evidence (Diebolt and Hauptert 2019).

Claudia Goldin's Nobel Prize, awarded thirty years after Fogel's, underscores the continuous significance and impact of the "new economic history". Her work

illustrates how interpreting current economic issues through the lens of history, and understanding the historical dynamics and path dependencies of socioeconomic processes, remains both central and crucial to modern economic research (Diebolt and Perrin 2013).

4 Conclusion

Claudia Goldin's contributions to economics has greatly expanded our understanding of critical economic issues. She has provided groundbreaking insights and challenged long-standing assumptions and stereotypes. By demonstrating the economic implications of gender disparities and the importance of incorporating a gender lens in economic analysis, Goldin has inspired a new generation of economists to explore these critical issues. Her research has not only helped to make gender an essential ingredient in understanding how labor markets work, but also how the economy works more generally.

Her Nobel Prize not only celebrates her achievements and pioneering research in understanding and addressing gender disparities in the economy but also signifies the ongoing relevance and influence of her research in guiding future studies, informed by an appreciation of gender dynamics and historical perspectives. This Nobel Prize recognizes and highlights the relevance of gender equality in economic discourse—a topic that had traditionally been sidelined by mainstream economics—and stands as a powerful symbol of progress for our field.

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