Gender, Households and Agglomeration Economics

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<u>Abstract</u>:

A vast literature in urban economics has shown how workers benefit from urban density, by focusing on wage gains to individuals. However, this approach has overlooked the potential influence of gender and household dynamics on agglomeration economies. In this paper, I study how location affects individual labor market outcomes differently by gender and marital status. Using administrative data from France and an event-study setting I find that married women suffer significantly more from moving than their husbands both in terms of income and employment. I then show that relocating to a larger city attenuates the negative impact of a tied-move for women. Next, I investigate further the gender gap in agglomeration gains by estimating how the urban wage premium varies by gender. Using a standard two-steps approach, I find that the elasticity of wages to city density for women is almost twice that of men. Despite theoretical frameworks suggesting that factors such as children and intra-household bargaining contribute to the gendered urban wage premium, I also find that married women do not benefit significantly more from urban density than their single counterpart.