The power of the (red) pill in Europe: pharmaceutical innovation and female empowerment

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Abstract: Birth control is fundamental for gender equality and women’s empowerment. Historically, oral contraceptives, most notably the pill, transferred from men to women the control on contraception, shifting out the frontier of women’s available choices in terms of educational and career planning. This paper uses a quasi-experimental design exploiting the staggered and uncoordinated introduction of the contraceptive pill on-demand to young, adult, unmarried women in 14 European countries between the 60s and 80s to explore the causal link between the pharmaceutical innovation of oral contraceptives and further female achievements. Using SHARE data, results show that the pill induced a significant and sizable increase in women’s educational attainments and labour market outcomes due to higher human capital investments.

Keywords: pharmaceutical innovation, contraception, education, labour market, women’s empowerment, gender equality

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