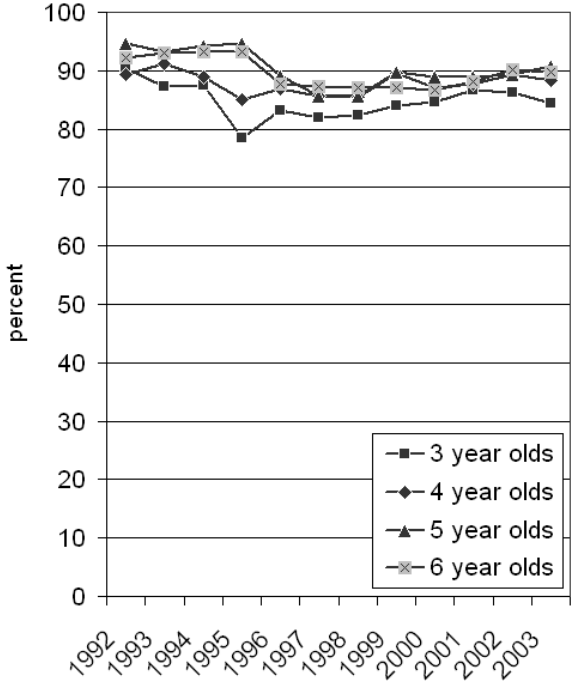


Online Appendix

Figure A.1: Kindergarten attendance in East Germany



Notes: The figure shows the percentage of all children of the respective age who attend child care in East Germany. Data: Micro Census. Source: BMFSFJ (2005, p.299).

Table A.1: Reduced-form and 2SLS estimates on sample with single mothers and mothers with partners (without partner covariates)

<i>Employment yes/ no</i>				<i>Weekly working hours</i>			
	2SLS				2SLS		
	Reduced form	First stage	Second stage		Reduced form	First stage	Second stage
Above cut-off age at last kindergarten start	0.060* (0.033)	0.175*** (0.028)		Above cut-off age at last kindergarten start	2.129** (1.002)	0.169*** (0.028)	
Child care			0.345* (0.189)	Child care			12.572** (5.917)
Year controls	Yes	Yes	Yes	Year controls	Yes	Yes	Yes
Federal state controls	Yes	Yes	Yes	Federal state controls	Yes	Yes	Yes
Individual-level controls	Yes	Yes	Yes	Individual-level controls	Yes	Yes	Yes
First-stage F-test				First-stage F-test			
	Robust F statistic		41.400		Robust F statistic		37.875
	Prob > F		0.000		Prob > F		0.000
N	2,286		2,286	N	2,245		2,245
R ²	0.099		0.113	R ²	0.147		0.139

Notes: The table shows reduced-form and 2SLS estimates; standard errors are clustered at the individual mother level and given in parentheses. The sample consists of all mothers with children born between 1992 and 2000 who are older than 36 months at the time of the interview but not older than 48 months at the time of the last kindergarten start. As controls are included mother's age, years of schooling, migration background, a dummy indicating single mothers, the size of the household, the youngest child's age and gender, number of siblings, and distance (in months) to his or her oldest sibling, as well as state and year dummies. *** 1% level of significance, ** 5% level of significance, * 10% level of significance. Data: SOEP.

Table A.2: Reduced-form ordered logit estimates

	Above cut-off age at last kindergarten start
Not employed	-0.082** (0.037)
Marginally employed	0.002 (0.002)
Part-time employed	0.050** (0.023)
Full-time employed	0.030** (0.013)
Year controls	Yes
Federal state controls	Yes
Individual level controls	Yes
N	1,936
Pseudo R ²	0.077

Notes: The table shows marginal effects from reduced-form ordered logit estimations, holding other variables constant at their mean; standard errors are clustered at the individual mother level and given in parentheses. The sample consists of all mothers with children born between 1992 and 2000 who are older than 36 months at the time of the interview but not older than 48 months at the time of the last kindergarten start. As controls are included mother's age, years of schooling, migration background, a dummy indicating single mothers, the size of the household, the youngest child's age and gender, number of siblings, and distance (in months) to his or her oldest sibling, as well as state and year dummies. *** 1% level of significance, ** 5% level of significance, * 10% level of significance. Data: SOEP

Table A.3: Reduced-form and 2SLS estimates on sample of mothers whose youngest child is close to the cut-off

	<i>Employment (yes/no)</i>							
	2SLS		2SLS		2SLS		2SLS	
	<i>Piecewise linear</i>		<i>30-42 months</i>		<i>32-40 months</i>		<i>34-38 months</i>	
	First stage	Second stage	First stage	Second stage	First stage	Second stage	First stage	Second stage
Above cut-off age at last kindergarten start	0.103*** (0.039)		0.127*** (0.036)		0.122*** (0.038)		0.125*** (0.041)	
Child care		0.392 (0.451)		0.363 (0.324)		0.310 (0.348)		0.460 (0.388)
Child's age at kindergarten start	0.025*** (0.009)	-0.003 (0.019)						
Above cut-off x Child's age at kindergarten start	-0.030*** (0.009)	-0.004 (0.020)						
Year controls	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Federal state controls	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Individual level controls	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
First stage F-test								
	Robust F statistic	6.713		12.833		10.646		9.275
	Prob > F	0.010		0.000		0.001		0.003
N		1,936		1,221		917		541
R ²		0.126		0.131		0.136		0.082

Notes: The table shows 2SLS estimates; standard errors are clustered at the individual mother level and given in parentheses. The full sample consists of all mothers with children born between 1992 and 2000 who are older than 36 months at the time of the interview but not older than 48 months at the time of the last kindergarten start. In Columns 1 and 2, we use the full sample and run piecewise linear regressions. In Columns 3 and 4, we only use observations of mothers whose youngest child is between 30 and 42 months old at the start of the last kindergarten year, in Columns 5 and 6 the sample consists of mothers whose youngest child is between 32 and 40 months old at the start of the last kindergarten year, whereas in Columns 7 and 8, we restrict the sample to mothers whose youngest child was between 34 and 38 months old at the start of the last kindergarten year. As controls in all regressions are included mother's age, years of schooling, and migration background; partner's age, years of schooling, migration background, employment status, and net labor income; the size of the household; the youngest child's age and gender, number of siblings, and distance (in months) to his or her oldest sibling; as well as state and year dummies. *** 1% level of significance, ** 5% level of significance, * 10% level of significance. Data: SOEP.

Table A.4: Micro Census: Descriptive statistics for the treatment and the control groups in 1996 and 2001

	1996		2001	
	Mean	SD	Mean	SD
<i>Treatment Group (mother's youngest child is 3 or 4):</i>				
Employed (1=yes, 0=no)	0.471		0.581	
Age	32.731	5.123	33.837	5.000
Highest school degree				
General school	0.402		0.341	
Intermediate school	0.305		0.337	
Upper secondary technical school degree	0.036		0.047	
School degree from East Germany	0.028		0.014	
High school	0.155		0.194	
School degree missing	0.079		0.067	
Nationality (German=1, non-German=0)	0.87		0.866	
N		5,788		5,534
<i>Control Group (mother's youngest child is 10 or 11):</i>				
Employed (1=yes, 0=no)	0.653		0.712	
Age	39.624	5.044	40.232	4.988
Highest school degree				
General school	0.467		0.417	
Intermediate school	0.27		0.315	
Upper secondary technical school degree	0.032		0.041	
School degree from East Germany	0.025		0.013	
High school	0.132		0.149	
School degree missing	0.074		0.066	
Nationality (German=1, non-German=0)	0.906		0.092	
N		4,000		4,522
<i>Control Group (women w/o children aged >29 &lt;=36):</i>				
Employed (1=yes, 0=no)	0.875		0.903	
Age	32.573	1.988	32.773	1.996
Highest school degree				
General school	0.232		0.186	
Intermediate school	0.297		0.326	
Upper secondary technical school degree	0.064		0.073	
School degree from East Germany	0.021		0.014	
High school	0.316		0.359	
School degree missing	0.069		0.042	
Nationality (German=1, non-German=0)	0.942		0.933	
N		7,002		7,472
<i>Control Group (women w/o children aged >20 &lt;=60):</i>				
Employed (1=yes, 0=no)	0.693		0.737	
Age	41.508	12.777	41.537	12.493
Highest school degree				
General school	0.438		0.381	
Intermediate school	0.243		0.265	
Upper secondary technical school degree	0.037		0.045	
School degree from East Germany	0.019		0.011	
High school	0.184		0.228	
School degree missing	0.079		0.070	
Nationality (German=1, non-German=0)	0.941		0.931	
N		49,637		47,683

Data: Micro Census.

Table A.5: Difference-in-differences estimation using various control groups and multiple post-treatment periods

Control group: Women with...	10-11 year old kids		Employed (yes=1, no=0)		no kids (age 18-60)	
			no kids (age 29-36)			
Treatment group * 1991	0.024*	0.018*	-0.008	-0.015	-0.004	-0.001
	(0.014)	(0.014)	(0.011)	(0.011)	(0.010)	(0.010)
Treatment group * 1993	0.003	0.001	0.002	-0.005	0.006	0.003
	(0.014)	(0.014)	(0.011)	(0.011)	(0.010)	(0.010)
Treatment group * 1995	0.001	0.002	-0.010	-0.011	-0.003	-0.011
	(0.014)	(0.014)	(0.011)	(0.011)	(0.010)	(0.010)
Treatment group * 1997	0.021	0.022	0.032***	0.036***	0.022**	0.026***
	(0.014)	(0.014)	(0.011)	(0.011)	(0.010)	(0.010)
Treatment group * 1998	0.005	0.008	0.013	0.017	0.015	0.017*
	(0.014)	(0.014)	(0.011)	(0.011)	(0.010)	(0.010)
Treatment group * 1999	0.032**	0.037***	0.044***	0.050***	0.032***	0.038***
	(0.014)	(0.014)	(0.011)	(0.011)	(0.010)	(0.010)
Treatment group * 2000	0.036***	0.036***	0.061***	0.062***	0.050***	0.055***
	(0.014)	(0.014)	(0.011)	(0.011)	(0.010)	(0.010)
Treatment group * 2001	0.051***	0.050***	0.082***	0.081***	0.065***	0.072***
	(0.014)	(0.013)	(0.011)	(0.011)	(0.010)	(0.010)
Treatment group dummy	Yes	Yes	Yes	Yes	Yes	Yes
Year dummies	Yes	Yes	Yes	Yes	Yes	Yes
Individual control variables	No	Yes	No	Yes	No	Yes
Observations	87,195	87,195	109,376	109,376	470,375	470,375
R ²	0.033	0.066	0.179	0.207	0.020	0.106

Notes: The table shows difference-in-differences estimates, where the year 1996 marks the baseline year; robust standard errors in parentheses. As controls in Columns 2, 4, and 6 are included mother's age, mother's highest school degree, and nationality. The sample consists of women living in West Germany. *** 1% level of significance, ** 5% level of significance, * 10% level of significance. Data: Micro Census.

Table A.6: Difference-in-differences estimation for mothers with partners and single mothers

Control group: Women with...	Employed (Yes=1,no=0)					
	10-11 year old kids					
	All mothers		Mothers with Partners		Single Mothers	
Treatment group (yes=1, no=0)	-0.182*** (0.010)	-0.209*** (0.011)	-0.170*** (0.011)	-0.200*** (0.012)	-0.265*** (0.029)	-0.257*** (0.031)
After treatment (2001=1, 1996=0)	0.059*** (0.010)	0.053*** (0.010)	0.062*** (0.011)	0.056*** (0.011)	0.028 (0.025)	0.031 (0.025)
After treatment*Treatment group	0.051*** (0.014)	0.050*** (0.013)	0.048*** (0.015)	0.049*** (0.014)	0.080** (0.038)	0.065* (0.037)
Individual control variables	No	Yes	No	Yes	No	Yes
Observations	19,844	19,844	17,485	17,485	2,359	2,359
R ²	0.035	0.073	0.031	0.067	0.062	0.130

Notes: The table shows difference-in-differences estimates; robust standard errors in parentheses. As controls in Columns 2, 4, and 6 are included the mother's age, highest school degree, and nationality. The sample consists of women living in West Germany. *** 1% level of significance, ** 5% level of significance, * 10% level of significance. Data: Micro Census.

Table A.7: Reduced-form and 2SLS estimates on gross monthly earnings

	<i>Gross labor income</i>					
	Reduced form (I)	2SLS		Reduced form (I)	2SLS	
		First stage (II)	Second stage (III)		First stage (II)	Second stage (III)
Above cut-off age at last preschool start	82.151 (52.582)	0.169*** (0.033)		85.304* (50.530)	0.181*** (0.030)	
Child care			449.082 (283.003)			471.609* (278.461)
Year controls	No	No	No	Yes	Yes	Yes
Federal state controls	No	No	No	Yes	Yes	Yes
Individual level controls	No	No	No	Yes	Yes	Yes
First stage F-test						
		Robust F statistic	31.844			36.639
		Prob > F	0.000			0.000
N	1,883		1,883	1,883		1,883
R ²	0.006		0.036	0.180		0.173

Notes: The table shows reduced-form and 2SLS estimates; standard errors are clustered at the individual mother level and given in parentheses. The sample consists of all mothers with children born between 1992 and 2000 who are older than 36 months at the time of the interview but not older than 48 months at the time of the last kindergarten start; top 3 percent incomes are excluded from the sample. In columns (1) through (3), we only control for the youngest child's age (in months). As controls in columns (4) through (6) are included mother's age, years of schooling, and migration background; partner's age, years of schooling, migration background, employment status, and net labor income; the size of the household; the youngest child's age and gender, number of siblings, and distance (in months) to his or her oldest sibling; as well as state and year dummies. *** 1% level of significance, ** 5% level of significance, * 10% level of significance. Data: SOEP.