Focus

Women in the labor market, Part 1

Women in the labor market

The convergence of women's and men's earnings among full-time, year-round workers in the 1980s constitutes the most significant change in the employment experiences of women in the past four decades.

Daphne Spain and Suzanne M. Bianchi, 1996[1]

In 1963, when the Equal Pay Act was passed, about 36 percent of women were working, and women's average pay was about 58 percent of men's. Over the following 35 years, that difference has been steadily reduced: about 57 percent of women are now employed, and women's average earnings—hourly, weekly, or annual—are now 75 percent of men's. Good news and bad news, as a recent report by the Council of Economic Advisers notes—good news that the gap has diminished, bad news that it is still significant and that the evidence implicates continuing labor market discrimination.[2]

For families with children, work by wives is now central. Even as men's earnings have faltered, the share of family income contributed by wives has risen steadily (Figure 1).

National averages do not begin to explain the full spectrum of work effort and earnings among women. The truth of this is readily apparent in our sampling of recent statistics on pages 2 and 3.[3] Nativity, ethnicity, and education interact in complex and not entirely predictable
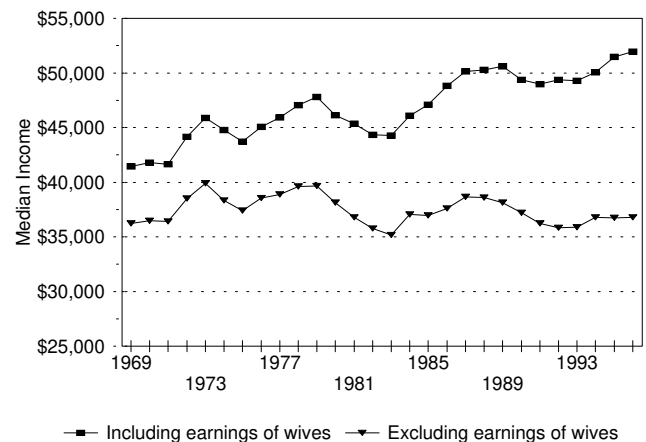

Figure 1. Median income of married-couple households, 1969 to 1996 (in 1996 dollars).

Table 1
Employment and Unemployment Rates among Women
Aged 20–64, by Race and Ethnicity, 1979–96

	% Employed			% Unemployed		
	1979	1989	1996	1979	1989	1996
African-American	49.3	54.6	57.1	10.8	9.8	8.7
Latina	43.6	54.9	50.2	8.9	8.0	9.2
Mexican	43.5	50.8	49.3	9.9	8.8	9.7
Puerto Rican	31.9	40.2	45.3	9.3	8.5	10.0
Cuban	50.9	48.0	50.0	7.9	5.9	8.3
White	47.4	54.9	57.0	5.0	4.0	4.3

Note: Employment rates are higher for every group when women aged 16–19 are included. For instance, the unemployment rate in 1995 was 10.2 among African-American women aged 16–64. In 1979, the 16–19-year-olds were not included in the reports. Therefore, this table only includes women aged 20 and over to allow comparability across years.

ways to shape women's labor market success and the economic stability of their families. Do the considerable differences in employment (Table 1) reflect educational differences, family status, or discriminatory processes? How important, respectively, are age, education, nativity, and experience in shaping earnings (Tables 2, 3)? What explains the widening earnings gap between the least skilled and the most skilled women (Tables 2, 4)? Are disparities among women growing or declining?

This *Focus*, Part 1 of two issues on women in the labor market, samples research that seeks to understand some of the major trends in women's work and the factors driving them. In Part 2, to appear as the Spring 1999 issue, we will report upon the growing body of evidence concerning the prospects for the least advantaged part of the spectrum, women who formerly received welfare but now are participating in a variety of state welfare-to-work programs under the time-limited federal block grant program, Temporary Assistance for Needy Families. In some public discussions of welfare reform over

the past years, there has been a tendency to see "welfare mothers" as a group outside the mainstream of American economic life. We hope that these special issues on women and work will make clear that this is not so.

Taken as a whole, the articles in Part 1 suggest three characteristics of women's involvement in the labor market that have important consequences for family well-being:

1. Inequality among working women has increased, as it has among men. As with men, research strongly implicates educational deficits—the "skills gap."

2. Mothers' labor market progress has been more limited than that of women without children. The "family gap" is a reality that has particularly severe consequences for low-income women.

3. There is little evidence that part-time jobs, which are predominantly filled by women, are a "stepping stone" to full-time work, and considerable reason to think that part-time work constitutes a qualitatively different kind of labor market involvement.

The first article in Part 1, by Francine Blau, offers a broad view of trends in women's well-being over a quarter-century, charting the changes in their status both absolutely and relative to men, and suggesting some explanations. The articles that follow examine women and work largely from a comparative perspective—gender differences, ethnic and racial differences, differences between mothers and women without children, for example. Jane Waldfogel and Susan Mayer examine the gender gap among low-wage workers, and Anne Winkler the relative earnings of married couples. Waldfogel and Katherin Ross examine the effect of motherhood on employment and wage differences. Irene Browne discusses explanations for the growing racial disparity in the labor force participation of women household heads. Georges

Table 2
Median Real Full-Time Weekly Earnings of Working Women Aged 16–64, 1996

Age and Education	Born U.S. Mainland				Born Abroad			
	Hispanic	Black	White	Total	Hispanic	Black	White	Total
Aged 16–34								
Less than high school	$279	$210	$226	$228	$220	$245	$240	$225
12–15 years	320	300	340	326	290	300	341	305
College or more	561	461	543	538	576	480	570	565
Total	332	315	384	365	260	340	400	300
Aged 35–64								
Less than high school	262	280	294	280	240	276	280	245
12–15 years	400	376	423	415	346	360	415	375
College or more	730	638	730	717	634	600	730	692
Total	400	400	480	465	295	375	474	360

Table 3
Earnings Gap among Women Aged 16–64,
by Race and Ethnicity, 1969–96

	1969	1979	1989	1996
Median Annual Earnings of White Women[a]	$21,376	$21,622	$24,041	$25,000
Ratio to Earnings of White Women[a]				
African-American	80	98	91	85
Mexican-origin[b]	45	54	79	68
Puerto Rican	67	68	95	88
Cuban	63	65	95	88
Central and South American	67	60	76	75
Other Latina	61	60	95	73

Note: The sharp rise in earnings for the Hispanic subgroups that is reflected in the ratios may be partly due to the changes in the measure of "Hispanic" in the 1970, 1980, and 1990 census surveys.

[a]White, non-Hispanic.

[b]Includes both foreign-born and native-born women of Mexican origin.

Table 4
Earnings Gap among Women Aged 25 and Over,
Working Full Time, by Education, 1998

	No. of Workers (000)	Earnings Ratio
Median Weekly Earnings of White College Graduates	9,224	$718
Ratio to Earnings of White College Graduates (%)		
All Women	36,561	67.5
Less than high school	2,874	39.4
High school	11,787	55.1
Some college	10,744	66.3
College or more	11,156	98.5
All White Women	29,458	68.9
Less than high school	2,149	39.5
High school	9,516	56.3
Some college	8,568	67.4
College or more		100.0
All African-American Women	5,345	58.5
Less than high school	520	38.4
High school	1,860	49.6
Some college	1,780	60.0
College or more	1,185	89.3

Vernez reports upon the role of immigrant women in the U.S. labor market. Rebecca Blank and Catherine Hakim clarify the role and significance of part-time jobs. ■

[1]D. Spain and S. Bianchi, *Balancing Act: Motherhood, Marriage, and Employment among American Women* (New York: Russell Sage Foundation, 1996), p. 194.

[2]*Explaining Trends in the Gender Wage Gap*, a Report by the Council of Economic Advisers, Washington, D.C., June 1998.

[3]Tables 1 and 3 are adapted from the introduction to I. Browne, ed., *Latinas and African American Women at Work: Race, Gender, and Economic Inequality* (New York: Russell Sage, 1998), from the Introduction. Table 2 is from Cordelia W. Reimers, "Compensation for the Latino Worker," in *The State of Hispanic America 1998* (National Council of La Raza, forthcoming 1999) and is reproduced here by permission of the National Council of La Raza. Table 4 is from the Bureau of Labor Statistics, Labor Force Statistics from the Current Population Survey, Usual Weekly Earnings of Wage and Salary Workers, January 1999, Table 8. Figure 1 is from *Changes in Median Household Income: 1969 to 1996*, P23-196, U.S. Bureau of the Census, Washington, DC.

Women's economic well-being, 1970–1995: Indicators and trends

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In this article, I examine three central indicators of women's economic well-being: the trends in labor force participation, in wages, and in occupational distribution.[1]

In order to summarize levels and changes in women's well-being in a time of far-reaching social and economic change, we must utilize a wide range of indicators. They should encompass labor market outcomes such as wages and occupations, economic indicators such as the level of family income and the share of women who are single heads of families, and indicators of women's status within the family—relative wages among married couples, time spent in housework and in leisure, and data on the extent of domestic violence.

In considering trends in indicators of women's well-being, three different perspectives are useful: their status relative to men, the absolute levels of the indicators over time, and well-being at disaggregated levels as well as in the aggregate.

Assessing women's well-being relative to men allows us to appraise progress toward gender equality per se, and data on males provide a useful benchmark of "period effects." We will, for example, view a decline in real wages for women differently depending on whether the real wages of comparable males rose or fell concomitantly.

Absolute levels tell us the magnitude of any real wage increases for women, and whether women are upgrading their occupational status or simply narrowing the gender difference in occupational distributions.

Disaggregated levels of analysis tell us how particular groups of women are faring relative to other women of different ages, education levels, and race or ethnicity.[2] The extensive research documenting growing disparities in labor market outcomes among men of different skill levels suggests that this is important. The discussion that follows therefore considers women in four age groups (ages 25–34, 35–44, 45–54, and 55–64) and four education groups (women with less than 12 years, 12 years, 13–15 years, and 16 or more years of education), supple-

menting existing research with new tabulations drawn primarily from Current Population Survey (CPS) data.

In brief, for virtually all age and education groups, I find evidence of rising gender equality in labor market outcomes, notably labor force participation, wages, occupational distributions, and the wages of wives relative to husbands.[3] But I also find growing inequality among women. Just as the labor market status of less-educated men has declined, so there has been a similar sharp decline for less-educated women. The rapid rise in female-headed families, the widening wage differentials, and higher premiums placed on skill in today's labor market have all contributed to this deterioration, which has been most heavily concentrated among women with less than 12 years of education and among African-American women.

Labor force participation

For three main reasons, labor force participation is an important indicator of women's well-being. First, as the number of female-headed families and single-woman households rises, so does that segment of the female population whose economic well-being is heavily dependent on work and earnings. In addition, for married couples, the market work of wives has traditionally been important in averting poverty and plays a role in determining the extent of family income inequality (although scholars disagree whether this role is increasing or decreasing).[4]

Second, models of family bargaining suggest that, in married-couple families, women's work and earnings are likely to affect the distribution of resources within marriage and the processes of household decision making. The evidence suggests that income received by the wife has a different effect on family demand patterns than income received by the husband.[5]

Third, shifts in participation influence the average level of labor market experience of women, an important determinant of the gender pay gap. This relationship may not be immediately obvious. To the extent that rising participation reflects increased entry into the labor market by women, average experience levels are likely to be diluted by new entrants. Yet if increases in participation reflect more continuous labor force attachment over the life cycle, experience levels will ultimately rise.

Table 1
Labor Force Participation Rates for Men and Women, by Education, 1970–1995 (percentages)

Education Level	1970 Women	1970 Men	1980 Women	1980 Men	1990 Women	1990 Men	1995 Women	1995 Men
All Workers	49.0	93.5	59.6	89.8	68.9	88.8	71.5	87.4
Less than High School	43.0	89.3	43.9	79.4	46.2	75.1	47.2	72.0
High School	51.3	96.3	61.4	92.2	68.7	89.9	68.9	86.9
Some College	50.9	95.8	66.5	92.7	75.9	91.5	77.3	90.1
College or More	60.8	96.1	73.6	95.5	81.1	94.5	82.8	93.8

Source: Author's tabulations from the March Current Population Surveys. Labor force participation is measured during the survey week and includes civilians aged 25–64.

Overall, female participation rose 23 percentage points between 1970 and 1995 (Table 1). Particularly notable was the rise in participation among younger women (not shown in Table 1), due partly to postponements and reduction in fertility and to increases in the divorce rate, but also to the substantial rise in labor force attachment among new mothers. Over these years, the participation rate of women aged 25–34 rose by nearly 30 percentage points; that of married women with children under the age of 6 rose from 18.6 percent in 1960 to 63.5 percent in 1995. Participation has increased both across cohorts (recent cohorts evince greater labor force attachment than their predecessors) and within cohorts (the labor force attachment of specific cohorts has continued to rise as they age). Male participation, in contrast, has declined in each decade since 1970, even in the prime working ages, though these declines are dwarfed by the rise in women's labor force attachment.

Of great significance for trends in well-being are the sharp differences in participation trends by education and the especially large increase in the participation gap between high school dropouts and others (see Table 1). Participation rates of the least-educated women, already considerably below those of more highly educated women in 1970, rose by only 4 percentage points over this quarter-century, whereas participation for women in the other educational categories rose by around 20 percentage points. By 1995, only 47 percent of women with less than a high school education were in the labor force, compared to 83 percent of college graduates.

One question that these figures raise is the possibility that such trends reflect shifts in the composition of the least-educated category rather than changes in their opportunities or their behavior. Since 1970, the share of the population with less than a high school education has declined by over 60 percent. Moreover, among the least-educated, the numbers of foreign-born have risen considerably more rapidly than among other education groups, and labor market outcomes of immigrants have been declining relative to natives, even those with the same characteristics. Has this group become more disadvantaged as it has dwindled in size, or has the higher proportion of immigrants intensified the weakening position of high school dropouts?

If the answer to either question is yes, we would expect to see considerable differences in participation across age cohorts, but relatively little difference within them as they age. In fact, for women and men, differences between successive cohorts are generally fairly close to those within cohorts as they age. For example, between 1970 and 1980, the gap in labor force participation between the successive cohorts of female high school dropouts and high school graduates aged 25–34 grew by 10 percentage points. It widened by another 6.5 percentage points between 1980 and 1990. But the labor market position of female high school dropouts aged 25–34 in 1970 also worsened with time. The gap in participation between these women and high school graduates widened by 8.7 percentage points between 1970 and 1980, when they were aged 35–44, and by another 4.2 percentage points from 1980 to 1990. The figures for men follow comparable paths. Taken as a whole, then, it appears that the declining relative participation of the least-educated does not merely reflect shifts in the composition of this group.[6]

Explaining the trends in participation

It is tempting to suggest that married women's participation has increased in recent years at least in part to compensate for the disappointing wage growth of their husbands, but this does not appear to be so.[7] Declines in male employment and earnings have been greatest among low-wage workers, but employment and earnings gains have been largest for the wives of middle- and high-wage men. For married women, the positive relationship between employment and their own wages has grown stronger over time, whereas the negative relationship between their own employment and their husband's earnings has grown weaker. Men and women tend to marry people of their own educational level (a process known as "assortative mating"); women with low education are, therefore, likely to marry men with low education. The labor force participation of these low-wage couples has been declining relative to the participation rates of better-educated, more highly paid couples who

Table 2
Labor Force Participation Rates of Married Women and Single Female Family Heads, by Education and Race, 1970 and 1995
(percentages)

Education Level	All		Whites		African Americans	
	1970	1995	1970	1995	1970	1995
Total	49.0	71.5	47.9	71.9	59.0	70.4
Less than High School						
Married, spouse present	39.3	46.9	38.0	46.6	50.0	53.1
Single head	52.0	48.7	53.1	51.4	50.4	44.9
Other[a]	54.9	46.4	54.4	47.8	56.4	40.6
High School						
Married, spouse present	45.3	66.8	44.3	66.7	61.3	69.9
Single head	76.2	72.2	77.6	75.4	71.4	65.3
Other[a]	79.5	74.2	79.8	75.6	76.7	68.6
More than High School						
Married, spouse present	47.6	76.7	45.8	76.3	80.5	83.8
Single head	78.5	85.1	78.4	86.3	79.1	82.6
Other[a]	84.3	86.3	83.5	86.8	92.1	86.0

Source: Author's tabulations from the March Current Population Surveys. Labor force participation is measured during the survey week and includes civilians aged 25–64.

[a]"Other" includes, e.g., single, divorced, widowed, with no children.

have experienced faster wage growth. The implication is that the worsening wage prospects of less-educated women underlie their declining relative participation in the labor force, as they do also for men.

An important development after 1970 was the large increase in the incidence of female-headed families among the less-educated and among African Americans. But Table 2 does not suggest that slower growth in female headship would have raised participation among the less-educated. Indeed, the labor market participation rates of high school dropouts who were single heads of families were higher than those of high school dropouts who were married. The differences in overall participation trends across education groups were driven above all by the trends for married women. For example, among married women, participation rates rose by only 8 percentage points for high school dropouts, compared to over 20 percentage points for those with a high school education or more.

Over the past 25 years there have been significant declines in the participation rates of African Americans relative to whites. Among men, this is because the labor force participation of African Americans has declined more swiftly than that of whites; among women, it is because African-American participation has been increasing more slowly than that of other women, at all education levels and among married and single women both (see Table 2). Declining wage opportunities for the low-skilled coupled with the lower educational levels of African-American men and women explain much, but not all, of the differences between African Americans and whites. Shifts in behavior appear also to play a role.[8]

The rising educational attainment of women is also a factor in their increasing labor force participation, because it affects wages. But it is also likely that as women expect to participate more fully and continuously in the labor force, they will be inclined to invest more in their education and training. Years of education have increased only slightly faster for women than for men, but women have increasingly pursued college, graduate, and professional education and have been entering traditionally male fields of study.[9] Most likely, this trend is not only because of the higher rewards but also because expectations of labor market discrimination are diminishing.

Demographic factors have also contributed to the aggregate increases in women's labor force participation. Lower fertility, declines in marriage rates, and increased likelihood of marital breakup combine to move more women into categories with traditionally high participation rates. To some extent, of course, these demographic trends may themselves be due to rising market opportunities for women.

All these factors are undeniably important in accounting for the shifts over the last 25 years in women's labor force participation, yet they explain only a portion of the increase. For example, focusing on the traditional economic variables, Chinhui Juhn and Kevin Murphy find that increases in women's real wages can explain only 6–7 percent of the total increase in women's employment between 1969 and 1989.[10]

Thus much of the change over time in women's labor force participation remains "unexplained" by the vari-

Table 3
Female-Male Weekly Wage Ratios for Selected Groups
of Full-Time Workers, by Education, 1969–94
(percentages)

Education Level	1969	1979	1989	1994
All Workers	56.2	58.3	68.2	71.7
Less than High School	56.0	56.8	68.2	67.0
High School	55.3	57.7	66.2	71.0
Some College	56.8	60.8	68.0	71.5
College or More	58.9	59.8	69.4	72.2

Source: Author's tabulations from the March Current Population Surveys.

Note: The sample for each year includes full-time workers aged 25–64. The weekly wage ratio is calculated as the mean weekly wage of women divided by the mean weekly wage of men.

ables conventionally used in these analyses. A significant portion of this may be due to behavioral shifts, as yet unquantified. During a period of major shifts in gender roles, this is perhaps not surprising. Of particular significance, two factors which in the past reduced women's labor market activity—the presence of young children and higher husband's wages—are now exerting a smaller negative effect.[11] These findings, coupled with the growing positive effect of women's own wages, suggest that their labor supply is increasingly determined more by their own opportunities than by the demographic and economic circumstances of their families.

Wages and occupational distributions

Wages are of obvious and fundamental importance as a determinant of economic welfare for those employed, and a potential gain from market employment for those not currently employed. They are a significant input into a myriad of decisions, from labor supply to marriage and fertility, and potentially a potent influence on bargaining power and relative status within the family.[12]

Sex differences in occupational distributions are also important because of their association with earnings. Predominantly female occupations pay less, even allowing for the characteristics of workers and of occupations and industries.[13] Occupational differences between men and women may reflect preferences, discrimination, or a mixture of the two, and it is not easy to distinguish among them empirically. Convincing evidence for discrimination comes from descriptions of institutional barriers that have historically excluded or impeded women, and from the evidence regarding promotion and on-the-job training, which have been less likely for women. Occupational segregation itself may diminish women's economic status by reinforcing exaggerated notions of gender differences in capabilities and economic and so-

cial roles, even among women who enter traditionally male pursuits.

Trends in the gender wage gap

There has been a substantial reduction in the gender gap over the past 25 years, as the weekly wages of women full-time workers reported in the March CPS rose from 56.2 percent of men's in 1969 to 71.7 percent in 1994 (see Table 3).[14] For the most part, gains were greatest in the 1980s, but progress has continued in the 1990s, albeit at a slower rate. The largest gains for women were in the two youngest age groups, 25–34 and 35–44. There were gains for women in all education groups. College graduates started and ended the period with the highest gender ratios, although they had lagged in the 1970s. High school dropouts, whose relative gains were actually rather greater than other women's over the 1980s, lagged during the early 1990s.[15]

Trends in real wages and differences in wage gains within gender groups

Women as a group have fared better than men in terms of real wage growth since 1970 (see Table 4). Overall, women's real wages increased by 31 percent between 1969 and 1994, whereas men's wages stagnated, rising by less than 3 percent. Once again, the more-educated fared better than the less-educated, among women as among men. Real wage gains between 1969 and 1994 were 20.3 percent for female college graduates and 8–9 percent for those with high school diplomas or some college, whereas wages fell by 2.2 percent for high school dropouts. The disparity was especially pronounced from 1979 to 1994, and among the two youngest age groups. Among women 25–34, for example, high school dropouts experienced a decline of 7.3 percent in wages between 1979 and 1989, and a further 7.7 percent drop from 1989–94; in contrast, college graduates of the same age saw a gain of over 15.5 percent from 1979 to 1989, more than offsetting their loss of 1.21 percent from 1989 to 1994.

Once again, we ask whether the declining relative wages of the least educated represent a true change in women's labor market outcomes or whether they can be explained by compositional changes. But again, compositional changes do not appear to provide the answer. As with the trends in participation, wage changes across cohorts and changes within cohorts are similar, especially during the 1980s, the key period when high school dropouts lost ground relative to the more-educated.

Trends in gender differences in occupations and self-employment

Differences between men and women in occupations across a wide range of categories may be summarized by a segregation index, which gives the percentage of

Table 4
Changes in Real Weekly Wages for Selected Groups of Full-Time Workers by Sex and Education, 1969–94
(percentages)

Education Level	Women				Men			
	1969–79	1979–89	1989–94	1969–94	1969–79	1979–89	1989–94	1969–94
All Workers	12.07	11.98	4.51	31.15	7.90	-4.29	-0.47	2.78
Less than High School	7.18	-1.79	-7.11	-2.23	5.62	-18.21	-5.42	-18.30
High School	7.02	1.95	-0.71	8.33	2.69	-11.18	-7.42	-15.56
Some College	2.53	6.71	-0.34	9.05	-4.23	-4.63	-5.18	-13.39
College or More	-2.00	16.26	5.55	20.26	-3.46	0.22	1.45	-1.84

Source: Author's tabulations from the March Current Population Surveys.

Note: The sample for each year includes full-time workers aged 25–64. Wages are expressed in 1990 dollars adjusted for inflation using the Implicit Price Deflator, an alternative to the CPI derived from the National Income Accounts that has risen less quickly than the CPI and provides a more conservative estimate of real wage declines.

women (or men) who would have to change jobs for the occupational distribution of the two groups to be the same. For many decades, a high degree of segregation of men and women into different occupations appeared to be an unchanging feature of the labor market. These rigidities began to break down in the 1970s, and segregation has continued to decline steadily.[16] Estimates based on U.S. census data for 470 detailed occupations indicate that the index fell by 11–12 percent in each decade, declining from 67.7 in 1970 to 53 percent in 1990.[17]

Changes in the extent of segregation may be due to shifts in sex composition within occupations (the integration of occupations that formerly were predominantly male or predominantly female) or to shifts in the mix of occupations (integrated occupations grow in size relative to segregated occupations). Changes in the sex composition of occupations were the predominant cause of the decrease in segregation in both the 1970s and 1980s, suggesting that expanding opportunities for women played a significant role. A changing occupational mix became of more importance in the 1980s. Female college graduates made the fastest progress, and by 1990 their segregation index was 46, compared to 56–58 for less-educated women.[18]

Another striking trend was a substantial increase in the self-employment rate of women. It rose by over 60 percent, though the absolute numbers are still relatively small—4.1 percent in 1975 compared to 6.7 percent in 1990. (The comparable rate for men in 1990 was 12.4, representing a 20 percent increase since 1975.) Women now constitute nearly one-third of self-employed workers. The rise in self-employment among women was broad-based, occurring across most ethnic and racial groups, and in all cases the rise in self-employment was larger among women than men. Yet once again, the least-skilled, as measured by the distribution of potential wages and earnings, have lagged.[19]

One question that has not yet been addressed is the relationship between the changes in the occupational distri-

bution of women and their increased incidence of self-employment. As women have entered traditionally male pursuits, opportunities for self-employment have likely increased. For workers of both sexes, however, the expansion of self-employment may represent at least in part the increase in independent contractors who constitute one element of the growing "nonstandard" workforce (workers who do not have "regular" full-time jobs).[20] Nevertheless, research suggests that the rising earnings potential of self-employed women compared to women in the wage and salary sector explains most of the upward trend in the self-employment of married women between 1970 and 1990. The implication is that self-employment does represent a true expansion of opportunity for women.[21]

Explaining the trends in wages

Wage inequality among women has been increasing since at least 1979, and among men since 1970. The most widely accepted explanation links it to a rise in the returns to skill caused by an increase in the relative demand for highly skilled workers that is in turn related to such economywide forces as technological change and the impact of international trade. Institutional factors such as the decline in unionization and the falling value of the minimum wage are also likely to have played a role.

In explaining relative wage trends, we appear to encounter somewhat of a paradox. As the prices of measured skills and rewards for employment in high-paying sectors have risen, women, who continue to have less experience, on average, and to be located in lower-paying occupations and industries, should have been increasingly disadvantaged. Yet the gender wage gap has declined substantially.

Laurence Kahn and I investigated this issue and found that rising inequality and higher rewards for skills did indeed retard women's progress during the 1980s, "reclaiming" about one-third to two-fifths of women's potential gains in relative wages. We traced the substantial decline in male-female wage differentials that nonethe-

less occurred to "gender-specific" factors which were more than sufficient to counterbalance the changes that worked against women.[22] Two particularly important factors were improvements in women's relative qualifications and the decline in the unexplained portion of the pay gap, which suggests declining discrimination.[23]

Briefly, over this period, women moved into higher-paying occupations, whereas changes in men's occupational distribution had no effect on men's real wage changes. The importance of occupational upgrading in narrowing the gender gap once again leads us to consider the role played by the decline in occupational segregation during the 1970s and 1980s. As in the case of women's improved educational standing, discussed above, both the human capital and discrimination arguments are potentially part of the explanation. As women anticipated remaining in the work force longer, it became profitable for them to invest in the greater amount of on-the-job training required in traditionally male occupations. But women may also have entered these areas in response to the lowering of barriers to their participation.

In interpreting the decline in the unexplained portion of the gender gap, we may perhaps look to improvements in the relative level of unmeasured characteristics, matching the improvement in measured characteristics. With increasing labor force commitment, the quality of women's work experiences may have improved, for example, in the area of on-the-job training. And the labor market orientation of women's education may have improved. Much of this is clearly speculative; we do not have the evidence. Set against the implication that discrimination has declined, for instance, is the fact that the federal government scaled back its antidiscrimination enforcement after 1981. But the advances could reflect dividends to earlier antidiscrimination efforts in education and work, the slow percolation throughout society of changing social attitudes, and employers' growing experience with women employees.

Two other areas that might, a priori, seem important had less effect in reducing the gender gap. Both men and women lost ground in terms of collective bargaining, but men lost more than women. Changes in industry distribution lowered the real wage for both men and women by approximately the same amount.

Conclusion

Much remains to be learned about the details of the trends outlined here, and even more about their fundamental causes. Where we probed existing studies for explanations of trends in participation and relative wages (and in the other major areas examined in the unabridged article), a substantial portion of the explanation must at this point be allotted to behavioral shifts and changes in tastes. But perhaps we should take this as a challenge to develop and refine economic models which can account for a greater proportion of the changes. Understanding these developments more fully requires a great deal of serious empirical analysis on which work is only beginning. ■

[1]This article contains material abridged from "Trends in the Well-Being of American Women, 1970–1995," by Francine D. Blau, which appeared in the *Journal of Economic Literature* 36 (March 1998): 112–65. It is used here by permission of the American Economic Association.

[2]Relative trends by race and ethnicity are also discussed elsewhere in this *Focus*, in articles by Irene Browne and Georges Vernez. The "family gap" between mothers and childless women is discussed in this *Focus* in an article by Jane Waldfogel.

[3]I also find broad evidence of greater gender parity within married-couple families as the housework time of husbands has increased relative to wives. These are discussed in the unabridged article.

[4]For two views, see M. Cancian, S. Danziger, and P. Gottschalk, "Working Wives and Family Income Inequality among Married Couples," in *Uneven Tides: Rising Inequality in America*, ed. S. Danziger and P. Gottschalk (New York: Russell Sage Foundation, 1992) and L. Karoly and G. Burtless, "Demographic Change, Rising Earnings Inequality, and the Distribution of Personal Well-Being, 1959–1989," *Demography* 32, no. 3 (August 1995): 379–405.

[5]S. Lundberg and R. Pollak, "Bargaining and Distribution in Marriage," *Journal of Economic Perspectives* 10, no. 4 (Fall 1996): 139–58. An article in this *Focus* by Anne Winkler discusses the earnings of husbands and wives in two-earner families.

[6]Other research has documented remarkably similar trends of rising annual hours worked by well-educated male and female workers since 1940, and decreasing annual hours among the least educated. See, for example, M. Coleman and J. Pencavel, "Trends in Market Work Behavior of Women since 1940," *Industrial and Labor Relations Review* 46, no. 4 (July 1993): 653–76.

[7]C. Juhn and K. Murphy, "Wage Inequality and Family Labor Supply," *Journal of Labor Economics* 15, no. 1, pt. 1 (Jan. 1997): 72–97.

[8]See the article in this *Focus* by Irene Browne.

[9]F. Blau, M. Ferber, and A. Winkler, *The Economics of Women, Men, and Work*, 3rd ed. (Englewood Cliffs, NJ: Prentice Hall, 1998).

[10]Juhn and Murphy, "Wage Inequality and Family Labor Supply."

[11]Juhn and Murphy, "Wage Inequality and Family Labor Supply"; A. Leibowitz and J. Klerman, "Explaining Change in Married Mothers' Employment over Time," *Demography* 32, no. 3 (August 1995): 365–78.

[12]G. Becker, *A Treatise on the Family* (Cambridge, MA: Harvard University Press, 1991); Lundberg and Pollak, "Bargaining and Distribution in Marriage."

[13]Blau, Ferber, and Winkler, *Economics of Women, Men, and Work*.

[14]Because it is necessary to define an earnings measure for the CPS data that adjusts for time input, I use weekly wages, defined for the calendar year preceding the survey, and computed as annual earnings divided by annual weeks worked for full-time workers. Male-female wage ratios are presented in Table 4 of the unabridged article.

[15]The gender gap in wages among low-skilled workers is discussed in more detail in an article in this *Focus* by Susan Mayer and Jane Waldfogel.

[16]A. Beller, "Changes in the Sex Composition of U.S. Occupations, 1960–1981," *Journal of Human Resources* 20, no. 2 (Spring 1985): 235–50; F. Blau, P. Simpson, and D. Anderson, "Continuing

Progress? Trends in Occupational Segregation in the United States over the 1970s and 1980s," *Feminist Economics* 4, no. 3 (Fall 1998): 29–71.

[17]Blau, Simpson, and Anderson, "Continuing Progress."

[18]J. Jacobsen, "Trends in Workforce Sex Segregation, 1960–1990," *Social Science Quarterly* 75, no. 1 (March 1994): 204–11.

[19]T. Devine, "Characteristics of Self-Employed Women in the United States," *Monthly Labor Review* 117, no. 3 (March 1994): 20–34, and "Changes in Wage-and-Salary Returns to Skill and the Recent Rise in Female Self-Employment," *American Economic Review* 84, no. 2 (May 1994): 108–13; R. Fairlie and B. Meyer, "Ethnic and Racial Self-Employment Differences and Possible Explanations," *Journal of Human Resources* 31, no. 4 (Fall 1996): 757–93.

[20]Nonstandard and part-time jobs are discussed in this *Focus* in articles by Catherine Hakim and Rebecca Blank.

[21]K. Lombard, "Female Self-Employment and the Demand for Flexible, Non-Standard Work Schedules," Working Paper, University of Miami, January 1996.

[22]F. Blau and L. Kahn, "Swimming Upstream: Trends in the Gender Wage Differentials in the 1980s," *Journal of Labor Economics* 15, no. 1, pt. 1 (January 1997): 1–42. On the impact of wage structure on the relative wages of different groups, see also C. Juhn, K. Murphy, and B. Pierce, "Accounting for the Slowdown in Black-White Wage Convergence," in *Workers and Their Wages*, ed. M. Kosters (Washington, DC: AEI Press, 1991).

[23]Pay differences between groups that are not explained by productivity differences are often taken as an indicator of labor market discrimination, but may also reflect group differences in unmeasured qualifications such as motivation or commitment.

Differences between men and women in the low-wage labor market

Jane Waldfogel and Susan Mayer

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The growing wage inequality between less-educated and highly educated men has been one of the salient features of the U.S. labor market since the early 1970s.[1] Among women, too, wage inequality has increased, even as they have entered the labor force in greater numbers. But the increase is much smaller than among men, because the wages of less-educated women have not declined as much as the wages of less-educated men. Thus the earnings of less-educated women are much closer to those of comparably educated men than they were a few decades ago.
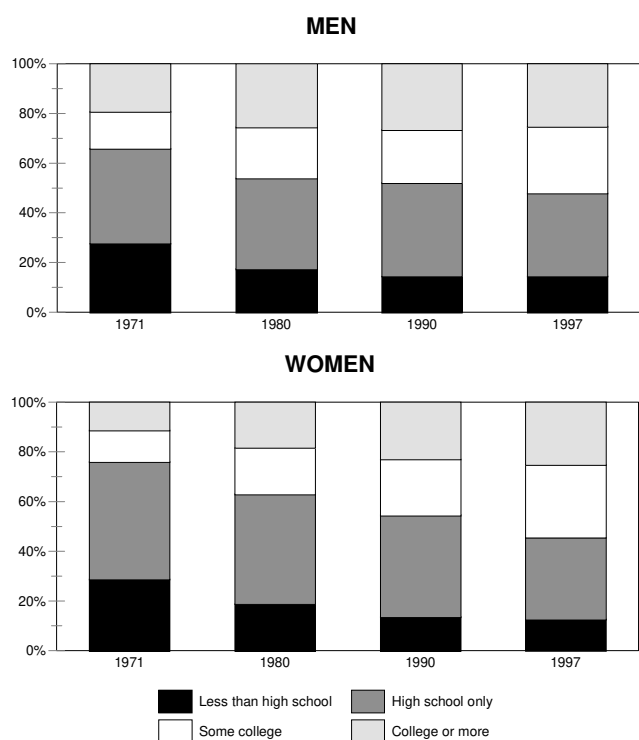

Figure 1. Distribution of men and women aged 24–44, by education (skill) group.

Source: March Supplement to the Current Population Survey, 1971, 1980, 1990, 1997. Note that in the text discussion, the categories of "some college" and "college and more" are combined.

Understanding why this is so is an important question in itself, and the effort to do so may also shed light on the labor market prospects of women affected by the new time-limited welfare program, Temporary Assistance for Needy Families. Does the current mix of low-skilled jobs favor women over men, especially the rapidly growing service industries where much job growth is occurring in traditionally "female" areas: home health care, food service, clerical and computer work, customer service? Do employers prefer low-skilled women to low-skilled men because they have (or are thought to have) better social and cognitive skills and are more amenable to work discipline or job training?[2]

Gains in women's work experience have clearly been important in raising women's wages and narrowing the gender gap. But demographic factors, not all working in the same direction, have also played a role, independently of any influence they may have on work experience. The increase in single motherhood, the decline in the marriage rate, the decline in women's fertility, and the increase in the age at which women have their first child all may affect the gender wage gap in different ways for different skill groups.

We examine four indicators of women's labor market success—employment, earnings, hours, and hourly wages—in an effort to understand the reasons for the shrinking gender gap. Using cross-sectional data, we estimate and decompose changes in the gender gap in hourly pay for workers with different levels of education, including all workers (both full- and part-time) between the ages of 24 and 44. We then use panel data to take actual work experience and job tenure into account, along with the human capital, family status, and other variables used in the cross-sectional analysis. Cross-sectional data are drawn from the 1971, 1980, 1990, and 1997 March Supplements to the Current Population Survey (CPS).[3] Longitudinal data are drawn from three National Longitudinal Surveys (NLS).

Because so many factors besides skill levels affect wages, we compare workers within skill levels, which should tell us more about the prospects of low-income women entering the labor market. We divide our sample into workers with three levels of education, as a proxy for skills: (1) workers with less than a high school education, who represent our low-skilled group; (2) workers with exactly a high school education; and (3) workers with more than a high school education. The proportion of workers in the first two categories fell steadily from 1971

Table 1

Mean Employment, Annual Earnings, and Hourly Wages for Men and Women Aged 24 to 44, by Education Groups

	1971	1980	1990	1997	Change 1971-80	Change 1980-97
Total Sample						
I. Employment[a]						
Men	92.88	92.54	91.98	90.40	-0.34	-2.14
Women	55.28	69.95	76.93	77.67	14.67	7.72
Difference (Women-Men)	-37.60	-22.59	-15.05	-12.73	15.01	9.86
II. Annual Earnings[b]						
Men	342.76	353.19	344.21	347.43	10.43	-5.76
Women	144.03	173.62	212.05	222.47	29.59	48.85
Ratio (Women/Men)	.42	.49	.62	.64	.07	.15
III. Hourly Wages[c]						
Men	NA	16.88	16.15	15.94	-	- 0.94
Women	NA	11.15	12.20	12.57	-	1.42
Ratio (Women/Men)	-	.66	.76	.79	-	.13
Less than High School Education						
I. Employment[a]						
Men	93.62	87.59	83.28	81.16	- 6.03	-6.43
Women	49.02	53.98	53.78	50.79	4.96	-3.19
Difference (Women-Men)	-44.60	-33.61	-29.50	-30.37	10.99	3.24
II. Annual Earnings[b]						
Men	260.84	253.14	197.03	187.04	-7.70	-66.10
Women	101.84	117.14	120.29	116.13	15.30	-1.01
Ratio (Women/Men)	.39	.46	.61	.62	.07	.16
III. Hourly Wages[c]						
Men	NA	12.77	10.49	9.90	-	-2.87
Women	NA	8.24	7.88	7.55	-	-0.69
Ratio (Women/Men)	NA	.65	.75	.76	-	.11

to 1997; by 1997, over half of all women and men in the labor market had more than a high school education (see Figure 1).

Trends in employment, annual earnings and hours of work, and wages

Between 1971 and 1997, trends in employment, annual earnings and hours of work, and wages all resulted in sizable net gains for women. The employment rate for women rose over 22 percentage points, while the rate for men fell about 2 percentage points. Among working women, mean wage and earnings also rose; among men, both fell. Overall, the ratio of women's to men's annual earnings rose 7 percentage points from 1971 to 1980, and another 15 percentage points between 1980 and 1997. (See Table 1.) Women made gains relative to men in hours as well (not shown in Table 1).

At least some of the gain for women overall is explained by their educational improvement, relative to men, in those years. But the pattern of gains and losses is quite different among education groups. From 1971 to 1997, the employment gap between men and women with less than a high school education narrowed by about 14 per-

centage points. Among those with more than a high school education, it narrowed by 20 percentage points (see Table 1).

Annual earnings and wages showed the reverse pattern: the gains overall were greater for low-skilled women than for the more highly skilled. But only women with a high school education or more experienced any real growth in earnings over the entire period. For women with less than a high school education, annual earnings rose between 1971 and 1980, but employment, earnings, and wages all declined from 1980 to 1997. The shrinking gender gap among the less skilled—women with less than a high school education—was due mainly to men's losses, not to any real gains for women.

Understanding the source of women's gains

We focus here on understanding the changes in hourly wages between 1980 and 1997. Over this period, the female-male gap in the log of hourly wages among the least-skilled workers declined by about 18 percent. Among those with a high school education, the net gain for women was somewhat larger, about 20 percent, but for women with postsecondary education it was only 12 percent.[4]

	1971	1980	1990	1997	Change 1971-80	Change 1980-97
High School Education						
I. Employment[a]						
Men	93.27	93.38	92.41	90.33	0.11	-3.05
Women	55.01	69.43	76.45	76.60	14.42	7.17
Difference (Women-Men)	-38.26	-23.95	-15.96	-13.73	14.31	10.22
II. Annual Earnings[b]						
Men	334.56	337.26	294.49	277.55	2.70	-59.71
Women	138.95	156.86	171.76	172.09	17.91	15.23
Ratio (Women/Men)	.42	.47	.58	.62	.05	.15
III. Hourly Wages[c]						
Men	NA	16.37	14.21	13.15	-	- 3.22
Women	NA	10.15	10.18	10.19	-	0.04
Ratio (Women/Men)	NA	.62	.72	.77	-	.15
More than High School Education						
I. Employment[a]						
Men	91.87	93.73	94.24	92.84	1.86	-0.89
Women	63.23	78.45	83.86	83.76	15.22	5.31
Difference (Women-Men)	-28.64	-15.28	-10.38	-9.08	13.36	6.20
II. Annual Earnings[b]						
Men	419.04	400.38	421.76	427.61	-18.66	27.23
Women	199.42	210.64	261.73	262.5	19.22	51.86
Ratio (Women/Men)	0.46	0.53	0.62	0.61	0.08	0.08
III. Hourly Wages[c]						
Men	NA	18.71	19.15	19.06	-	0.35
Women	NA	13.19	14.64	14.46	-	1.27
Ratio (Women/Men)	NA	0.7	0.76	0.76	-	0.06

Source: Tabulated by the authors from the March 1971, 1980, 1990, and 1997 CPS.

Note: Individuals with income from self-employment or farm income are excluded, as are individuals with extreme hourly wage values (less than $2 or more than $200 in 1996 dollars). All means are weighted using the March CPS sampling weight. Hourly wages are not available for all workers in the March 1971 CPS.

[a]% working last year.
[b]In hundreds of 1996 dollars.
[c]Hourly wages in 1996 dollars.

How much of the decline in the gender gap was due to changes in means, and how much to changes in coefficients? Changes in *means* refers to changes in the characteristics that men and women bring to the labor market, whereas changes in *coefficients* refer to changes in the returns to those characteristics in the market. Changes associated with means reflect how much the wage gap would have changed if men's and women's characteristics had changed, but they had continued to be paid at the 1980 rates of return. Changes associated with coefficients reflect how much the wage gap would have changed if, in addition to the changes in means, women and men began to paid at the 1997 rates of return rather than the 1980 rates.

For all education groups, the decline in the gender wage gap came mainly from changes in coefficients, rather than from changes in the mean levels of workers' characteristics.[5] Women gained from the changes in coefficients because returns to characteristics overall for men declined, while declining much less or even increasing slightly for women. This suggests that employers were increasingly willing to pay the same wage for the same attribute in men and women, but that they did so by lowering the wage for men, not by raising the wage for women.

Table 2 provides evidence from the CPS data on the role of particular characteristics and returns in narrowing the gender gap.[6] We examined workers' occupation, industry, race, ethnicity, education, marital status, number of children, and other factors such as age, part-time work, region, and the residual effects of gender. In the analysis of the NLS data, we also included work experience and job tenure.

Occupation and industry

Both the distribution of men and women across occupations and industries (their occupational choices) and gender differences in pay within occupations and industries

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Table 2
Decomposition of Women's Gain in Log Wages Relative to Men

Component	Change in Women's lw (log points)	Change in Men's lw (log points)	Gain for Women (log points)	Share of Total Gain (percent)
A. Women with Less than High School Education				
Occupation				
Means	.0218	-.0369	.0587	33.1
Coefficients	-.0435	-.2803	.2368	133.3
Industry				
Means	-.0193	-.0127	-.0066	-3.7
Coefficients	-.1192	.0185	-.1377	-77.5
Race & ethnicity				
Means	-.0100	-.0208	.0108	6.1
Coefficients	-.0073	-.0196	.0123	6.9
Marital status				
Means	-.0028	-.0162	.0134	7.5
Coefficients	.0160	-.0029	.0189	10.6
Number of children				
Means	.0007	-.0089	.0096	5.4
Coefficients	.0386	-.0282	.0668	37.6
Education				
Means	-.0008	.0078	-.0086	-4.8
Coefficients	.0052	-.0460	.0512	28.8
Other Factors[a]				
Means	.0124	.0189	-.0065	-3.6
Coefficients	-.0156	.1257	-.1413	-79.5
Total	-.1238	-.3014	.1776	100.0
B. Women with High School Education				
Occupation				
Means	-.0008	-.0337	.0329	16.1
Coefficients	-.2239	-.4770	.2531	123.6
Industry				
Means	-.0144	-.0159	.0015	0.7
Coefficients	-.0041	-.0040	.0081	4.0
Race & ethnicity				
Means	-.0020	-.0117	.0097	4.7
Coefficients	-.0106	.0079	-.0185	-9.0
Marital status				
Means	.0031	-.0175	.0206	10.1
Coefficients	.0393	-.0066	.0459	22.4
Number of children				
Means	.0031	-.0064	.0095	4.6
Coefficients	.0244	-.0085	.0329	16.1
Education (not applicable)				
Other Factors[a]				
Means	.0057	.0192	-.0135	-6.6
Coefficients	.1272	.3046	-.1774	-86.5
Total	-.0448	-.2496	.2048	100.0

potentially affect the gender wage gap. In fact, changes in the types of occupations in which women and men work are important only for the low-skilled group. In general, most of the decline in the wage gap associated with occupation was due to changes in the returns to the kinds of jobs men and women already had. Indeed, in all three education groups, changes in occupational coefficients alone could more than account for the change in the wage gap. Even though occupational returns were falling for both men and women, the differential return for women within occupations was rising; women and men are now paid more equally than they were in 1980.

Race and ethnicity

In 1980, 21 percent of working women with less than a high school education were Hispanic and 16 percent were African-American. In 1997, 48 percent were Hispanic and 10 percent were African-American. Thus by 1997 the share of low-skilled workers who were Hispanic had more than doubled. If Hispanics are paid less than whites, and if the composition of the workforce changed in different ways for men and women, these changes in composition could affect the gender wage gap. Additionally, it has been hypothesized that employers have in-

Component	Change in Women's lw (log points)	Change in Men's lw (log points)	Gain for Women (log points)	Share of Total Gain (percent)
C. Women with More Than High School Education				
Occupation				
Means	-.0006	-.0144	.0138	11.7
Coefficients	-.1662	-.3190	.1528	130.0
Industry				
Means	.0027	.0016	.0011	0.9
Coefficients	.0201	.0350	-.0149	-12.6
Race & ethnicity				
Means	.0010	-.0045	.0055	4.7
Coefficients	-.0134	-.0141	.0007	0.6
Marital status				
Means	.0001	-.0076	.0077	6.6
Coefficients	.0325	-.0031	.0356	30.3
Number of children				
Means	-.0018	-.0041	.0023	2.0
Coefficients	.0092	.0003	.0089	7.6
Education				
Means	-.0089	-.0107	.0018	1.5
Coefficients	-.0533	-.0207	-.0326	-27.7
Other Factors[a]				
Means	.0158	.0351	-.0193	-16.4
Coefficients	.2028	.2486	-.0458	-39.2
Total	.0400	-.0775	.1175	100.0

Source: 1980 and 1997 CPS data.

Notes: Each decomposition is based on two fully interacted log wage regressions, one for 1980 and one for 1997, in which all men and women of the same education group are pooled. See text for details. The change due to means reflects the change in means from 1980 to 1997, holding the 1980 coefficients constant. The change due to coefficients reflects the change in coefficients from 1980 to 1997, evaluated at the 1997 means.

[a]Age, part-time work, region of residence, constant, and the residual effects of gender.

creasingly preferred low-skilled African-American women to low-skilled African-American men. If this is so, changes in the coefficients for race and ethnicity would have their most evident effects on the gender wage gap among the least-educated workers.

But changes in the means and coefficients for race and ethnicity (Table 2) were fairly small for all education groups, suggesting that this factor had little effect on the male-female wage gap. It is unlikely that the gender wage gap shrank because the composition of the workforce changed in different ways for men and women or because employers preferred minority women to minority men.[7]

Family status

Marriage and the presence of children could potentially affect wages, and in different ways for women and men (many studies have found that married men have higher earnings while women with children have lower pay). Over the 1980s and 1990s, the marriage rate declined, especially among men with a high school education or less, and so did women's fertility. These changes in the means for family status contributed more to the narrow-

ing of the gender gap for the two lowest skill groups than for the highest group, where such changes were the smallest (Table 2).

In all groups, changes in the returns to family status (the coefficients) played a particularly important role, reflecting both a decline in the advantages that men derive from marriage and children and a decrease in the wage penalties that the presence of children imposes on women. This latter change may reflect the fact that mothers now take less time from work when they have children and work with fewer interruptions over their lifetimes, thus accruing greater work experience and job tenure. We examine this further using the NLS data, but first we briefly summarize the other CPS results.

Education

Changes in education have been very important in the decline in the overall gender gap between men and women. But not surprisingly, such changes account for relatively little of the decline in the gender gap within education groups. For workers with less than a high school education, the wage gap declined somewhat due to declines in the returns to education for men, whereas

for the highly educated, changes in the returns to education among women widened the gap.

Other factors

The other factors we considered—age, region, part-time work, and the residual effects of gender—tended to widen the gender gap in pay among all groups. The most important of these factors was the residual effect of gender: among all groups, the effect of being a woman, which had been positive in 1980, became less so by 1997, thus widening the gap.

NLS analysis

We used the NLS data to examine the effects of work experience and job tenure. Work experience increased for all groups of women, with the largest increase for the most educated. It also increased for men with at least a high school education, but among less-educated men it decreased. Taken together, these changes in work experience helped to narrow the gender gap for women in all education groups, but were most important for those with at least a high school education.

Job tenure decreased among less-educated men and women both, reflecting growing job mobility, and thus it has little effect on the gender gap. Changes in the returns to job tenure narrowed the gap for workers without a high school education, but changes in the returns to work experience for this group appear to have countered any potential improvement.

When we examined family status using the NLS data for 1980 and 1994 and controlling for the effects of work experience and job tenure, we found striking differences among the three groups. Among low-skilled women, the presence of additional children has a substantial and increasing negative effect on wages, above and beyond their effect on work experience and job tenure. For women with just a high school education, the effect of family status changes was also important, but it was positive. For the most educated, the effect, although positive, was much less than the effects of changes in work experience and job tenure per se. It has been suggested that low-skilled women have greater difficulty than other working women in obtaining reliable child care services, and this may explain the difference.[8]

Not women's gains, but men's losses

There is no single explanation for the narrowing of the gender gap in employment, earnings, hours, and wages. The evidence from the CPS suggests that the narrowing for workers with a high school education or less was not the result of increasing labor market success among women. In fact, employment, weekly earnings, and hourly wages all declined for the least-educated women between 1980 and 1997. Real wages for women grew only for those with more than a high school education. But men's labor market losses were greater than women's losses (or, in some instances, small gains), reducing the differences between the two.

Changes in men's and women's characteristics cannot be held accountable, for they did not change much. For instance, mean levels of work experience and job tenure did improve for women relative to men, and this helped narrow the gender gap, but the effect was small compared to the overall effect of changes in coefficients. Returns to occupation, family status, and education all apparently became more similar for men and women between 1980 and 1997. As a result, wages for low-skilled workers have become more fairly distributed between men and women. However, they have fallen in absolute terms, and there is some indication that children now exert a larger negative influence on the wages of low-skilled women than they did a few decades ago. This suggests that the ability of less-educated women to earn enough to be self-sufficient may have declined since 1980, even as their wages have converged with men's. ■

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[1]This article summarizes the findings in J. Waldfogel and S. Mayer, "Male-Female Differences in the Low-Wage Labor Market," paper presented at the Joint Center for Poverty Research Conference on the Labor Market and Less Skilled Workers, Washington, D.C., November 5–6, 1998. IRP is grateful for permission to make use of the paper. On the growth of inequality, see R. Plotnick and others, "Inequality and Poverty in the United States: The Twentieth-Century Record," *Focus* 19, no. 3 (Summer-Fall 1998): 7–14. On trends in women's employment and earnings, see the article in this *Focus* by Francine Blau.

[2]For discussions of these issues, see, e.g., H. Holzer, *What Employers Want: Job Prospects for Less-Educated Workers* (New York: Russell Sage, 1996); D. Friedlander, D. Greenberg, and P. Robins, "Evaluating Government Training Programs for the Economically Disadvantaged," *Journal of Economic Literature* 35, no. 4 (1997): 1809–55.

[3]We begin with 1971 because it is the first year in which Hispanic women appear as a separate category in CPS data.

[4]From Table 2, column 3, showing the log hourly wage gain for women. For women with less than a high school education, for example, the log hourly wage gain was about .18; since a .1 log point can be interpreted as a change of about 10 percent, the gap declined by about 18 percent.

[5]Means and coefficients for the regression equations are provided in the unabridged article cited in note 1; see especially Appendix Tables 3 and 4.

[6]We do not try to estimate a behavioral model of the reciprocal effects of changes in wages, family formation, fertility, or work experience. Such a model is beyond our scope and beyond the capabilities of CPS data.

[7]It may be that the preference for black women over black men exists, but works through employment decisions rather than wage levels.

[8]P. Anderson and P. Levine, "Child Care and Mothers in the Labor Market," paper presented at the Joint Center for Poverty Research Conference on the Labor Market and Less Skilled Workers, Washington, D.C., November 5–6, 1998.

Earnings of husbands and wives in two-earner families

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In 1997, there were nearly 33 million two-earner couples in the United States—around 60 percent of all married couples. In over 20 percent of these families wives had greater earnings than their husbands.[1] As two-earner couples become the norm, replacing the traditional married-couple model of male "breadwinner" and female "homemaker," a host of questions emerges about economic decision making and changing gender roles within marriages.

The earnings of husbands and wives bear directly on the status of women within two-earner families. At least in some families, the greater the wife's relative earnings, the greater her bargaining power within the marriage. Evidence suggests that as wives' incomes rise relative to those of their husbands, household allocations more closely reflect their preferences; for example, greater resources may be transferred to children.[2] In addition, spouses' relative earnings—as they translate into whose career takes precedence—may affect career decisions, residential moves, and bargaining power with employers, with possible implications for labor market decisions and hence for future earnings growth.[3] The distribution of earnings within two-earner families may ultimately affect the size of the earnings gap between men and women.

This article seeks to gauge the relative economic positions of husbands and wives in two-earner families, as defined by their paid labor market activity. It pays particular attention to quantifying "nontraditional" two-earner couples, in which the wife earns more than the husband, using various measures. It examines the joint distribution of husbands' and wives' educational attainment and wages to bring attention to the implications of marital sorting—the degree to which men and women marry people of similar education and earnings ability—for spouses' relative wages and family income.

The families studied here are drawn from the March 1993 Supplement to the Current Population Survey (CPS); they include husband-wife couples aged 25–64, both of whom had wage or salary earnings in 1992. Those with farm or self-employment income are excluded. The overall hourly wage for husbands in the sample was $15.42, for wives, $10.58.

Marital sorting

Men and women do not marry randomly. More highly educated, higher-wage men tend to pair with more highly educated, higher-wage women and less-educated, lower-wage men with less-educated, lower-wage women. In 50 percent of the two-earner couples in this sample, husbands and wives had the same level of education; in 80 percent, the husband had as much as or more education than his wife. Because education is a key determinant of economic outcomes, husbands' and wives' wages are also highly correlated. In nearly 30 percent of couples, the husband's and the wife's wages were in the same quintile; in nearly two-thirds of the couples, the husband's wage is in the same or a higher quintile than the wife's. Nonetheless, the effects of marital sorting are much weaker for wages than for educational attainment; that is, couples in which very high wage wives are matched with very low wage husbands, and vice versa, are not all that unusual. For instance, even when both spouses are highly educated, many factors other than education—differences in college major and in occupational choices, availability of jobs, labor market discrimination, or household responsibilities—may lead to a wide range of wage outcomes.

Two-earner couples are not necessarily well off. The variance of earnings is very wide: in Table 1, combined

Table 1
Percentage Distribution and Combined Annual Earnings of Two-Earner Couples, 1992, by Wage Quintiles

Wife's Wage Quintile	Husband's Wage Quintile				
	First	Second	Third	Fourth	Fifth
Percentage Distribution					
First	6.5	4.1	3.6	3.0	2.5
Second	5.1	4.7	4.0	3.2	3.1
Third	3.4	4.5	4.0	3.8	3.5
Fourth	2.2	3.6	4.9	4.9	4.4
Fifth	1.9	2.6	3.9	5.3	7.5
Combined Annual Earnings					
First	$17,936	$27,202	$34,909	$43,463	$62,881
Second	24,658	32,959	40,985	48,484	67,047
Third	29,740	38,890	45,412	53,903	71,062
Fourth	35,378	45,984	53,795	61,363	81,500
Fifth	45,042	54,019	61,338	74,434	97,324

Source: March 1993 Supplement to the Current Population Survey; author's calculations.

Note: The 25 cells in the percentage distribution portion of the table sum to 100%. N = 21.9 million couples. The sample consists of two-earner couples in which both spouses were wage and salary workers, both had positive wages in 1992, and both were aged 25 to 64, and excludes those with farm or self-employment income.

wage and salary earnings range from under $18,000 per year to almost $100,000.

Relative earnings of husbands and wives

For all couples, and separately for couples working full time, year round, I examined three aspects of relative earnings: mean hourly wages, median weekly "career" wages, and annual earnings (Tables 2 and 3).[4] "Career" (occupational) wages are included because they may better reflect an individual's lifetime earnings than current wages do. This is especially relevant when we attempt to determine whether the wife's or the husband's career takes precedence. If, for example, a husband is on track to become a physician but is currently only a first-year resident, current wages would be misleading. Occupational wages are also not so subject to short-term fluctuations.

For all working couples and for those working full time, full year, about 25 percent of wives had higher current wages than their husbands (Table 2, panel 1). For career wages, the figure was somewhat higher, 33 percent (Table 2, panel 2). Furthermore, about 15 percent of wives had current wages that exceeded their husbands' by 25 percent or more and nearly 10 percent of wives had current wages that exceeded their husbands' by 50 percent or more (not shown in Table 2). The effects of marital sorting are also clear: in general, wives' wages rise as husbands' wages rise. Perhaps less expected, wives in the lowest 20 percent of the wage range have hourly wages that are higher than their husbands' hourly

wages ($8.09 versus $6.06). When the husband's wage was in the lowest 20 percent, nearly 60 percent of wives earned more than their husbands. When the husband's wage was in the top 20 percent, only 6–7 percent of wives earned more than their husbands.[5]

Table 3 considers relative annual earnings. Nearly 20 percent of wives—55 percent of wives married to low-earning men—earned more in 1992 than their husbands did. But overall, wives contributed less than half of annual family earnings. Among two-earner couples working full time, year round, wives' earnings made up 41 percent of combined earnings. Regardless of whether two-earner couples had very low or very high combined earnings, the wives' share was relatively constant, about 35–38 percent (not shown in Table 3).

The estimates that 25 percent of wives (4–6 million, from Table 2) had higher wages than their husbands and that 20 percent had greater annual earnings (Table 3) no doubt provides an upper bound to the number of marriages in which some measure of "role reversal" may exist. Particularly in families where husbands' and wives' earnings are close, the fact that the wife is the primary earner may be outweighed by traditional views of gender roles. Still, a sizable proportion of wives, 15 percent (not shown in Table 2), had wages that exceeded their husbands' by 25 percent or more. Furthermore, the proportion of nontraditional couples, especially among men earning the lowest wages, is notably high, given that women, even highly qualified ones, tend to earn less than their male counterparts. A survey of husbands and wives in dual-earner couples conducted by the Catalyst Organi-

Table 2
Relative Wages of Husbands and Wives in Two-Earner Couples, 1992

Characteristic	All	Both Worked Full Time, Year Round	Husband's Wage Quintile		
			First	Third	Fifth
Mean Hourly Wage[a]					
Wife	$10.58	$11.21	$8.09	$10.36	$13.45
Husband	$15.42	$15.24	$6.06	$13.67	$28.14
Wife's wage as % husband's wage	68.6	73.6	133.5	75.8	47.8
% Two-earner couples in which					
wife earns more than husband	25.2	25.4	57.2	20.6	6.5
Career Wage[b]					
Wife	$464	$489	$415	$440	$529
Husband	$526	$533	$322	$505	$756
Wife's wage as % husband's wage	88.2	91.7	128.9	87.1	70.0
N (in thousands)	21,857	10,377	4,371	4,371	4,371

Source: March 1993 Supplement to the Current Population Survey; author's calculations.

Note: The sample consists of two-earner couples in which both spouses were wage and salary workers, both had positive wages in 1992, and both were aged 25 to 64, and excludes those with farm or self-employment income.

[a]Computed by dividing annual wage and salary earnings by annual hours worked.

[b]Median weekly earnings associated with individual's occupation (see text, note 4).

Table 3
Relative Annual Earnings of Husbands and Wives in Two-Earner Couples, 1992

Characteristic	All	Both Worked Full Time	Husband's Earnings Quintile			Family Earnings Quintile		
			First	Third	Fifth	First	Third	Fifth
Mean Annual Earnings								
Wife's	$18,046	$24,079	$14,469	$18,141	$21,732	$7,778	$16,045	$31,267
Husband's	$33,028	$34,870	$10,085	$29,492	$62,810	$12,796	$30,080	$58,174
Combined	$51,074	$58,950	$24,554	$47,633	$84,541	$20,578	$46,125	$89,441
Wife's Earnings								
As % husband's earnings	54.6	69.1	143.5	61.5	34.6	60.8	53.3	53.7
As % combined earnings	35.3	40.8	58.9	38.1	25.7	37.8	34.8	35.0
% Two-earner couples in which wife earns more than husband	19.9	20.7	55.4	13.9	2.4	29.6	18.2	15.7
N (in thousands)	21,857	10,377	4,371	4,371	4,371	4,371	4,371	4,371

Source: March 1993 Supplement to the Current Population Survey; author's calculations.

Note: The sample consists of two-earner couples in which both spouses were wage and salary workers, both had positive wages in 1992, and both were aged 25 to 64, and excludes those with farm or self-employment income. Annual earnings are defined as all wage and salary earnings from all jobs worked.

zation provides a useful point of comparison. The survey found that the fraction of two-earner families in which the wife's career was primary is around 6 to 9 percent.[6] From these various pieces of evidence, we may reasonably conclude that there is a sizable number of couples in which the wife is the primary earner, and that this may be altering family bargaining and resource allocation. ∎

[1]The article summarized here is A. Winkler, "Earnings of Husbands and Wives in Dual-Earner Families," *Monthly Labor Review*, April 1998, pp. 42–48. The current data are from the Bureau of the Census, Historical Income Tables F-19, <http://www.census.gov/hhes/income/histinc/f19.html>, accessed 1/29/99.

[2]For a review of the literature on family bargaining, see S. Lundberg and R. Pollak, "Bargaining and Distribution in Marriage," *Journal of Economic Perspectives* 10, no. 4 (Fall 1996): 139–58.

[3]For instance, see A. Winkler and D. Rose, "Career Hierarchy in Dual-Earner Families," mimeo, University of Missouri–St. Louis, February 1999.

[4]To arrive at a career wage, each husband and wife was assigned a median weekly earnings figure that corresponded to his or her occupation. The figure is for both sexes combined and is taken from Bureau of Labor Statistics, Employment and Earnings, January 1993, Table 56. Hence, if both spouses in the sample were employed as physicians, each was assigned the same "career" wage. Note that this differs from assigning the sex-specific wage for an occupation.

[5]Part of the explanation for these percentages is the fact that at both the bottom and the top, the husband's wage has by definition been restricted to be low or high, respectively, while wives' wages are not similarly restricted.

[6]*Two Careers, One Marriage: Making It Work in the Workplace* (New York: Catalyst Organization, 1997). The survey became available after the unabridged version of this paper in the *Monthly Labor Review* was in press.

Explaining the racial gap in labor force participation among women household heads

Irene Browne

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Most of what we thought we knew about Black women's employment was wrong. We thought that Black women had worked at higher rates than had White women and that in the seventies and eighties White women's employment caught up with that of Black women. We found that in 1969 Black and White young women worked at roughly equal rates and that by 1987 White women's employment greatly outstripped that of Black women.

Mary Corcoran and Sharon Parrott, 1992[1]

African-American women have historically maintained a strong presence in the labor force because their incomes were essential to supporting their families. Among wives this is still true. But among women heading households—precisely those who have the greatest need for earned income—there is a widening racial gap in labor force participation. With an employment rate, in 1989, of 62 percent, African-American female household heads pulled down the employment rate for all African-American women. At the same time, 88 percent of white women heading households were employed. Considering that about half of all African-American households and one-fifth of all white households are headed by women, this employment gap is a major force behind the persistent, wide disparity in family income between African Americans and whites.[2]

The racial disparities in employment among women heading households have received much less attention than similar disparities among men, and there has been no particularly sustained effort to explain them. The research on joblessness among men, however, offers us three hypotheses that provide a starting point.

Joblessness: Three hypotheses

The first two hypotheses derive, respectively, from human capital theory and from the fact of industrial restructuring. Based on economic models of labor market supply and demand, they imply that the gap in labor force participation among women heading households would close if differences in human capital and job opportunities were eliminated. The third hypothesis derives from sociological study of the inner-city community.

The human capital perspective

This perspective suggests that African-American women heading households have low amounts of the education and skills needed to receive job offers at a wage sufficient to draw them into the labor force.

Differences in human capital are estimated to account for about 43 percent of the gap in pay between African-American and white women.[3] Although African-American women in general have slightly fewer years of schooling than do white women, women household heads have significantly less schooling (Table 1). African-American women with little education are not only more likely to become family heads—and at an earlier age—than similarly situated white women, they are also more likely to remain family heads rather than to marry or remarry.

Women working in low-wage jobs incur costs for transportation and child care, and often do not have employer-provided health insurance for themselves and their children. When the value of public assistance benefits equals or surpasses potential wages, welfare becomes an acceptable alternative to paid employment. Under Aid to Families with Dependent Children (AFDC), this choice was reinforced by the work disincentives embedded in the program. With less schooling and work experience, lower potential wages, and greater family responsibilities, African-American women heading households are more likely to opt for welfare than are white women.

If the human capital explanation of racial gaps in labor force participation among women heading households is valid, then the negative effect of being African-American should be reduced or should disappear, once differences in education and employment experience are taken into account.

The effects of industrial restructuring

Hypotheses based on industrial restructuring argue that African-American women face the same regional labor market disadvantages as African-American men. They lack employment opportunities because manufacturing jobs typically held by workers with low skills and education have moved away from the large urban areas of the Northeast and Midwest (the "Frostbelt," where proportionately more African Americans than whites live) to

Table 1
Labor Force Participation by Women Household Heads
Aged 18–54, 1989

Characteristic	% of Women in Labor Force		
	Total	White	African-American
Total % in labor force	83	87	74†
Individual Characteristics			
Long-term welfare user	34	37	31*
Unwed mother	64	57	68†
High school dropout	53	59	47†
High school graduate	83	85	77†
Some college	94	95	93
Family Characteristics			
Has child under age18	75	80	69†
Has child under age 6	63	64	62
No children present	90	92	84†
Area of Residence			
Northeast Metro	85	86	81*
Midwest Metro	79	83	68†
South Metro	86	92	81
West Metro	90	96	85†
Nonmetro area	82	89	61†
N	922	364	558

Source: Panel Study of Income Dynamics, 1989 Panel, weighted data, author's calculations.

* $p < .05$; † $p < .01$ (two-tailed tests for significance of difference between white and African-American women).

the West and the South (the "Sunbelt") or out of the country altogether. The service industries which are generating many low-wage jobs are also growing more rapidly in the Sunbelt than elsewhere.

There are no direct measures of industrial restructuring, as such. As indirect measures, I use county unemployment rate and residence in metropolitan areas of the Midwest or Northeast. Racial differences in labor force participation among women heading households should be reduced when region of residence is taken into account.

The "underclass" or "disarticulation" theory

Sociological research on labor markets posits that individuals are embedded in a social context, and that social ties play a key role in determining labor market outcomes. Whether or not one gets a job, and what kind of job it is, depend to a considerable extent on personal, family, and neighborhood networks. From this perspective, the jobless state of many African-American women heading households involves complex processes of "disarticulation," in which the links to mainstream institutions and social norms concerning education, marriage, and work have been broken for inner-city African Americans at the bottom of the income distribution.

The mechanisms driving this process are widely disputed. Is it because an underclass "culture of poverty" affects motivation and attitudes, creating a subculture in

which conventional norms are rejected? For those who so believe, the welfare system itself is a major villain; it has created a class of chronic long-term dependents, disinclined to work. For those who see structural constraints as a cause of disarticulation, the very term "underclass" is problematic. Stigmatizing poor African Americans, it distracts attention from the social processes that create their disadvantages, including discriminatory labor and housing markets.

The "underclass" theory posits that women who are never-married mothers, long-term welfare recipients, and high school dropouts will be less likely to be in the labor force, not only because they lack human capital, but because they are constrained by formidable structural barriers. Geographically concentrated in areas with small pools of employed, "marriageable" males and few jobs, cut off from the social networks often crucial in finding employment, single African-American women are more likely than their white counterparts to rely on welfare for long stretches of time.

Because African-American women heading households are more likely to be never-married mothers and long-term welfare recipients, the disarticulation theory predicts that they will have lower rates of labor force participation than white women. I test the hypothesis in two ways, including and excluding status as a high school dropout, which is an indicator both of human capital and of disengagement from social norms.

Despite this obvious overlap, the human capital and the underclass theories differ in important respects. To the extent that labor market participation is accounted for by human capital, the effects of unwed motherhood and long-term welfare dependency should be reduced or eliminated once human capital and other related controls are included. According to the underclass hypothesis, unwed motherhood and long-term welfare dependency, whatever their origins, should have independent effects on employment.

All models that are estimated include age, number of children, presence of a child younger than 6, and the amount of other family income (excluding welfare benefits) as measures of the need for earnings and the constraints on labor force participation.

Testing the hypotheses

The Panel Study of Income Dynamics (PSID) has been conducted yearly since 1968 on a single, continuing probability sample originally containing more than 5,000 U.S. households. It contains a comparatively large number of households headed by women, provides detailed information on household structure, income sources, employment experience, and labor force participation, and includes data on local labor market conditions. As a

Table 2
Selected Characteristics of Women Household Heads
Aged 18–54, 1989

Characteristic	Total	White	African-American
Individual Characteristics			
Long-term welfare user (%)	5	3	10†
Unwed mother (%)	15	6	34†
High school dropout (%)	15	11	26†
High school graduate (%)	41	41	42
Some college (%)	43	48	32†
Mean years employed	11.5	12.0	10.4†
	(8.8)	(11.5)	(6.4)
Mean age (yr)	35.2	35.3	35.1
	(8.9)	(12.3)	(5.8)
Family Characteristics			
Child under age 6 (%)	19	13	32†
Mean no. of children	0.9	0.7	1.3
	(1.1)	(1.3)	(1.0)
Mean other family income	$5,924	$6,750	$4,040
	(9,941)	(14,335)	(5,188)
Area of Residence (%)			
Northeast Metro	24	27	18†
Midwest Metro	21	21	21
South Metro	21	14	37†
West Metro	11	5	13†
Nonmetro area	22	24	19*
Mean county unemployment	5.1	4.9	5.6†
rate (%)	(1.8)	(2.1)	(1.5)
N	922	364	558

Source: Panel Study of Income Dynamics, 1989 Panel, weighted data, author's calculations.

* $p < .05$; † $p < .01$ (two-tailed tests for significance of difference between white and African-American women). Numbers in parentheses are standard deviations of means.

longitudinal study, it provides information on long-term welfare dependency.

The data for this study are drawn from the 1989 panel. The sample includes 922 non-Hispanic white and African-American women heading households, with and without children, and with no husband or partner living with them. By including only women aged 18–54, it captures all adult women of childbearing age and most women of childrearing age.[4]

Table 1 reports labor force participation rates among women in the sample.[5] It shows that differences in labor force activity are greatest among the least educated and diminish as levels of education increase. African-American women have lower participation rates regardless of whether there are children under 18 in the household. Table 2 shows that overall, more African-American than white women possess the characteristics that are predicted to reduce labor force participation.

These descriptive statistics indicate that any one of the three hypotheses could account for the gap in labor force participation. Yet no hypothesis is a perfect fit. For example, African-American women in the sample are more likely to be high school dropouts and to have less work experience, suggesting that the human capital model might provide at least part of the explanation. Yet African-American women have lower rates of labor force participation than white women with the same education, so that factors other than racial disparities in schooling are surely involved.

More of the African-American women live in regions of higher unemployment and so face a more restricted labor market. Yet they are no more concentrated in the metropolitan Northeast and Midwest than are white women heading households; indeed, the highest percentage of African-American women heading households is in the South.

The African-American women are more likely to be long-term welfare recipients and never-married mothers, thus falling into the categories associated with the underclass theory. Yet labor force participation is actually higher among African-American than among white never-married mothers.

Multivariate analyses support the human capital and underclass (disarticulation) hypotheses, but not the hypothesis regarding the effects of industrial restructuring. Table 3 sets out the estimated probability of labor force participation for African-American and white women from each model, using as a baseline the "typical" individual in the entire sample of women heading households.[6]

In the baseline model (column 1), once we have accounted for the presence and age of children, for the respondent's age, and for other family income, there is still a gap of 10.34 percent in labor force participation— that is, comparing two women with "typical" characteristics, the predicted probability of labor force participation is over 10 percent lower if she is African-American than if she is white. When education and employment experience are added (the human capital model, column 2), the gap drops to just over 2 percent. When "underclass" indicators—never-married motherhood and long-term welfare receipt—are added, the gap is also reduced, to 4.4 percent (column 4). But the addition of region of residence and unemployment rate (the industrial restructuring model, column 3), leaves the racial gap unchanged.[7]

In the full model (column 5), which uses the values for all three theories, the racial gap is reduced to just over 3 percent, which is not significant. We can also discern the factors that have the greatest relative effect on labor force participation. A women with all the "typical" characteristics has a 93 percent probability of labor force participation. If she is a high school dropout (all other characteristics remaining the same), the probability de-

Table 3
Predicted Probability That Women Household Heads, Aged 18–54, Will Be in the Labor Force, 1989

Characteristic	Baseline Model (1)	Human Capital Model (2)	Industrial Restructuring Model (3)	Disarticulation Model (4)	Full Model (5)
Race gap (%)[a]	10.34	2.11	15.12	4.40	3.23
Individual Characteristics					
African-American	.78	.93	.73	.87	.90
White	.87	.95	.86	.91	.93
Long-term welfare user	—	—	—	.61	.84
Unwed mother	—	—	—	.83	.89
High school dropout	—	.82	—	—	.78
High school graduate	—	.90	—	—	.87
Years employed	—	.95	—	—	.94
Family Characteristics					
Has child under 6	.78	.89	.75	.82	.85
Area of residence					
Northeast Metro	—	—	.87	—	.96
Midwest Metro	—	—	.86	—	.97
South Metro	—	—	.92	—	.97
Nonmetro area	—	—	.86	—	.95
County unemployment rate	—	—	.85	—	.93

Source: Panel Study of Income Dynamics, 1989 Panel; author's calculations; N = 922.

Note that the full model (column 5) produces a slightly larger gap than the human capital model (column 2) because the industrial restructuring variables actually increase the labor force participation gap between white and black women.

[a]White probability minus African-American probability of labor force participation, divided by white probability.

clines by 16 percent. Dropping out of school, having a young child, and being a long-term welfare recipient—high-risk characteristics that are often found together—have a serious effect. Women with these characteristics have less than a 30 percent probability of being in the labor force.

The results in Table 3 go far toward explaining why there is a racial gap in labor force participation among women heading households. African-American women are much more likely than their white counterparts to be high school dropouts and to have potential wages that fall below the poverty level. They are also more likely to have children under 6. Both circumstances increase eligibility and need for welfare, expose African-American women to the risk of long-term dependency, and thus further reduce their chances of entering the labor force. Like their male counterparts, they are left further and further behind.

These results confirm the significance of the human capital explanation for the racial gap in labor market participation, but they also clearly implicate "underclass" processes. The debate about the causes of these processes is largely based on research that focuses on men. The evidence on gender and social ties suggests that African-

American women have different relationships with their families and communities than do African-American men or white women. A more complete explanation of the racial gap in labor market participation among women heading households awaits fuller exploration of these relationships. ∎

[1]The article summarized here is I. Browne, "Explaining the Black-White Gap in Labor Force Participation among Women Heading Households," *American Sociological Review* 62 (April 1997): 236–52. The material is used by permission of the American Sociological Association. The quotation at the beginning of the article is from M. Corcoran and S. Parrott, "Black Women's Economic Progress," Institute for Policy Research, University of Michigan, Ann Arbor, MI, unpublished manuscript. Corcoran and Parrott looked at employment, not labor force participation. Looking at women 18–54, they found that the following percentages of women were working: in 1969, 70 percent of black women and 61 percent of white women (but roughly equal numbers of *young* women); in 1974, 65 percent of both white women and black women; in 1979, 69 percent of black women and 74 percent of white women; and by 1987, 73 percent of black women and 81 percent of white women. A revised version of this article will appear in *Latinas and African-American Women at Work* (see p. 24).

[2]On racial disparities in income and poverty among female-headed and two-parent families, see, e.g., U.S. Bureau of the Census, *Poverty in the United States: 1997*, Series P60-201 (Washington, DC: U.S. Government Printing Office, 1998). In 1997, 43.7 percent of African-

Latinas and African American Women at Work: Race, Gender, and Economic Inequality

Edited by Irene Browne

This volume offers a comprehensive investigation of the labor market circumstances of African American and Latina women, from welfare mothers to middle-class professionals, over the last three decades.

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American and 22.4 percent of white female household heads had incomes below the poverty line. See U.S. Bureau of the Census, March 1997 CPS, Black Population in the United States, Table 2.

[3]P. England, *Comparable Worth: Theories and Evidence* (New York: Aldine de Gruyter, 1992), p. 31.

[4]The gap in labor force participation narrows substantially if one includes women 55–64. White women heading households in this age range have a very much lower labor force participation rate than do younger white women.

[5]The labor force participation rate includes those who are employed and those who are actively seeking work. The employment rate for white women in the sample is 86 percent, the unemployment rate 2 percent; for African-American sample members, the rates are 67 percent and 8 percent, respectively. The labor force participation rate (87 for whites, 74 percent for African Americans) is therefore a more conservative test of the hypotheses.

[6]A "typical" woman in the sample is a white woman with some college living in a nonmetropolitan area with one child above the age of 6. She is neither a long-term welfare dependent nor a never-married mother. Mean values are used for age, employment experience, other family income, and county unemployment rate.

[7]Because many low-skilled jobs have moved from center city to the predominantly white suburbs, there may be racial differences in labor market opportunities within a metropolitan area that are not captured by this study. This spatial mismatch would add to the difficulties already faced by African-American women. Note also that the measures of industrial restructuring may be inadequate to capture the effects. In subsequent research using more refined measures of restructuring, however, there was no significant effect among women heading households.

Immigrant women in the United States labor force

Georges Vernez

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Immigrant women are an ever-increasing proportion of working women in the United States. In 1960 they constituted 6 percent of the national female labor force; in 1994 they were 9 percent. Nationwide, one worker in 20 is an immigrant woman; in California, one worker in six is. Over half of all immigrants, and more than two of five immigrant workers, are women.[1] Yet female immigrants have been nearly invisible in studies of the effects of immigration and the performance of immigrants in the labor market. Public perceptions tend to see them as a population facing many cultural and social barriers to work and, once working, subject to discrimination and exploitation in low-skill, dead-end jobs.

New studies by RAND researchers tell, instead, a complex and nuanced story that defies easy generalizations.[2] Differences among the various immigrant groups are in some cases greater than the differences between immigrant and native-born women. Long-term changes in the structure of the U.S. economy are reducing the jobs and earnings opportunities of the least-educated among immigrant and native-born alike. Cultural factors that define the roles of men and women appear to be more enduring among some groups of immigrant women than among others and are reflected in labor market participation rates.

Immigration patterns of women

Since 1960, there have been substantial shifts in the origin of immigrant women. At that time, 90 percent had come from Europe, many of them as part of the early-twentieth-century immigrant flow. But new European immigrants have been far too few to compensate for mortality among the older population, and the number of European-born immigrants has declined by a third. Immigration from other regions of the world began in earnest only in the 1960s and has accelerated ever since. By 1997 four of every five women immigrants came from non-European countries. In 1997, almost half were of Latin American origin—the greater part being from Mexico—and a quarter were from Asia. (See Table 1.)

Within these larger regions, patterns of immigration have shifted. For example, in the 1960s, the fastest growing immigrant flows from Latin America originated in the Caribbean; during the 1970s, they were from Mexico; and during the 1980s and 1990s they were from Central America. By and large, these variations appear to be a byproduct of the circumstances that motivated immigrants to leave in the first place. Refugee flows have been gender-balanced or female-dominated, and economic immigration has been male-dominated, at least in the

Table 1
Immigrant Women by Country of Origin, 1960–97 (in 000)

Region/Country of Origin	1960	1970	1980	1990	1997
North America					
Canada	554	532	489	433	333
Mexico	278	410	1,038	1,944	3,093
Central America					
El Salvador	4	8	54	226	301
Other Central America	25	61	150	347	589
South America	45	141	295	545	782
Caribbean	95	369	680	1,027	1,441
Asia					
China	43	79	219	463	730
Japan	64	90	139	186	182
Korea	4	29	178	324	327
Philippines	31	76	289	521	620
Vietnam	—	4	111	266	369
Other Indochina	—	—	27	147	176
South Asia[a]	14	28	110	272	431
Others	35	57	106	150	261
Europe					
UK and Ireland	666	587	540	480	426
Northern Europe	1,144	982	899	767	669
Southern Europe	692	639	672	516	437
Eastern Europe/USSR	1,198	886	777	648	870
Rest of World					
Africa	9	20	88	152	213
Middle East	31	54	136	219	332
Oceania	20	26	49	62	104
Others	40	206	476	390	145
Total	4,989	5,283	7,522	10,094	12,832
% of all immigrants who are female	51.1	54.1	53.3	51.3	49.8

Source: U.S. Bureau of the Census, Public Use Microdata, 1960, 1970, 1980, 1990 and Current Population Survey, 1997.

Note: Individual items in each column may not add to total because of rounding. Note that numbers reflect immigrants in the country at the time of the census, not immigration in the preceding decade.

[a]Includes India and Pakistan.

Table 2
Selected Characteristics of Native-Born (N) and Immigrant (I) Women Aged 18–64, 1960–97

Characteristic	1960 N	1960 I	1970 N	1970 I	1980 N	1980 I	1990 N	1990 I	1997 N	1997 I
Mean Age (years)	39.1	46.2	38.6	41.7	37.7	38.8	38.1	38.5	38.9	38.8
Mean Education (years)	10.4	8.6	11.1	9.9	12.1	10.9	12.8	11.1	13.4	11.8
English Spoken Poorly or Not at All (%)	NA	NA	NA	NA	1	23	1	27	NA	NA
Family Responsibilities										
Married (%)	75	75	71	74	63	70	59	65	57	65
Mean no. of children	2.4	2.3	2.1	2.0	1.9	2.0	1.8	2.0	NA	NA
Mean no. persons in household	3.8	3.3	3.6	3.6	3.3	3.7	3.2	4.1	3.1	3.8

Source: U.S. Bureau of the Census, Public Use Microdata, 1960, 1970, 1980, 1990 and Current Population Survey, 1997.

NA = not available.

beginning. Over time, U.S. government family reunification policies balance the share between the sexes.

The characteristics of immigrant women

Characteristics associated with the decision of immigrant women to enter the labor market and with their performance in the market include their age, their family responsibilities, and especially their level of education and English-language proficiency.

The sociodemographic profiles of immigrant women have changed since 1960. The most pertinent changes are summarized in Table 2. Average length of time in the country has steadily declined, from 23 years in 1970 to 13 in 1997, and in 1990 one of every four women immigrants reported speaking English poorly or not at all.

The education of immigrant women has increased dramatically, but because native-born women have also rapidly upgraded their education, the average difference between the two has remained about 1.5 years. The average level of education masks differences within educational categories (not shown in Table 2). The share of low-educated women (those with less than 12 years of education) has declined among both immigrant and native-born women, but at sharply different rates. The proportion of low-educated immigrants shrank from 63 percent in 1960 to 25 percent in 1997, but the proportion of native-born women dropped from 44 percent to 10 percent. At the tertiary-education level, the gap between immigrants and native-born with some college has increased; in 1960 9 percent of immigrant and 11 percent of native-born women had some college, but in 1997 the percentages were 23 and 31 percent, respectively. However, 25 percent of both immigrant and native-born women had college degrees in 1997.

Both immigrant and native-born women are now less likely to be married than in 1960 (the decline has been more rapid among the native-born). Immigrant and native-born women have also diverged in fertility, in the number of children they are responsible for at home, and in the average size of their households. In 1970, the fertility rate of immigrant women aged 25–29 was 14 percent lower than that of native-born women, but in 1990, it was 10 percent higher—a trend that is apparent at all ages and in all marital statuses. The most dramatic divergence is in household size. Native-born women are living in increasingly smaller households, immigrant women in increasingly larger households that reflect both family reunification among immigrants and their lower earnings relative to the native-born.

Residential concentration among immigrants

Immigrants live primarily in six states: California, Texas, Illinois, Florida, New Jersey, and New York.[3] Women from Mexico are the most highly concentrated immigrant group; more than half live in California and another 22 percent in Texas. Nearly half of immigrant women from West Asia and Central America also live in California, but the remainder are more evenly distributed across the nation. Immigrant women from the Caribbean are concentrated primarily in Florida (Cubans) and New York (Haitians and Jamaicans). The tendency to residential concentration means that one or two groups dominate the population of women immigrants living in the major immigrant states; for example, three of every five immigrant women in Texas come from Mexico, and Mexicans (one-third) and West Asians (20 percent) are the largest groups in California.

The differences in residential patterns have distinct socioeconomic implications. At one extreme are immigrant women living in California and Texas. They are 26 percent more likely than immigrants in other states to have come within the last 10 years, over one-third speak English poorly or not at all, and 39 percent living in California and 51 percent in Texas have less than 12 years of education. They also have higher fertility rates and are more likely to live in larger households. Immigrant women in these states differ more from their native-born counterparts than do immigrant women in any other major immigrant state.

The diversity among immigrant groups makes generalization difficult, and also implies that labor market outcomes of immigrant women are likely to differ. European, Caribbean, and most Asian women are older, better educated, and live in smaller households than Mexican, Central American, and Indochinese women. Immigrant women from Europe and most of Asia have, on average, five years more education than immigrant women from Mexico and four years more than immigrants from Indochina.

Where do immigrant women work?

Since 1960, successive waves of immigrant women have entered an economy in which employment has grown rapidly, which has shifted from producing manufactured goods to providing services, and has increasingly relied on female labor and college-educated labor.

In 1960, three sectors dominated the U.S. economy—manufacturing, wholesale, and retail trade, which together employed half the national labor force. By 1997, they employed only about a third. This trend reflects a relatively slow but steady shift of employment from these industries toward financial, business, health, and other professional services. Women already constituted nearly half the service industries labor force in 1960. As the number of service jobs grew, women took advantage of the opportunities opening to them. In 1997 they constituted 60 percent of service employees. Partly as a consequence, they contributed nearly two-thirds of the increases in the U.S. labor force from 1960 to 1990, and more than half of the increases in the 1990s.

Cutting across all sectors, whether leading or lagging, skilled or low-skilled, has been a marked increase in the share of workers with some college education, from 19.4 to 53.3 percent of the labor force between 1960 and 1997.[4] Jobs filled by low-educated workers have steadily decreased since 1960, from 36 to 19 million overall. Jobs filled by low-educated women have declined from 10.3 million in 1960 to 7.5 million in 1997.

The net outcome of the trends in education and employment is that immigrant women have increasingly replaced native-born women in jobs typically filled by workers with the lowest levels of education, even as the number of such jobs declined nationwide. From 1990 to 1997, 248,000 net new jobs were filled by low-educated women. Over the same period, low-educated *immigrant* women filled 255,000 such jobs.

The educational deficits of immigrant women in California and Texas suggest that in these two states low-skilled immigrant women would dominate the low end of the labor market. In California, however, the combination of slow employment growth and continuing high immigra-

tion has led to the replacement of native-born female labor at all levels of skill. In 1960, immigrant women held 16 percent of the jobs available to women with less than 12 years of education; in 1997, they held 62 percent of such jobs (for the nation at large, the figures were 7 and 15 percent, respectively). In the 1980s, immigrant women began to replace native-born women in jobs held by high school graduates, and in the 1990s they increased their share of jobs held by women with some college education.

What immigrant women do

Over time, there has been a remarkable similarity between the occupational distribution of native-born and immigrant women who have similar levels of education, although there are some exceptions. Immigrant women are increasing their relative share in the stagnating mix of low-skill occupations. They have also been consistently less likely to work in clerical occupations or in professional jobs requiring English-language proficiency and U.S. certification, such as teaching.

The differences in "division of labor" are larger at lower levels of education. In 1997, for example, 79 percent of low-educated immigrant women worked in low-skill occupations, but only 55 percent of low-educated native-born women did so. In contrast, 13 percent of low-educated immigrants and 34 percent of low-educated native-born women were in intermediate-skill occupations. This differential arises in large measure because low-educated immigrant women are almost three times more likely than native-born women to work as operatives (32 versus 12 percent) and almost three times less likely to work in clerical and sales jobs (11 versus 32 percent). Factory work is largely a "backroom" occupation; clerical and sales jobs involve office tasks and contacts with customers that require proficiency in English.[5] Low-educated immigrant and native-born women are equally likely to be working in service occupations (39.5 percent of immigrants versus 37.5 percent of native-born). However, they tend to perform different tasks. Immigrant women are significantly more likely to work in private households, cleaning and servicing buildings, and agriculture; native-born women are more likely to work in food preparation.

Of the ten national industries with the highest share of immigrant women in their female labor force, seven are service industries and three are manufacturing.[6] Nationwide, in 1997, immigrant women averaged about a third of the work force in all but one, Shoe Repair, in which they constituted just over 40 percent. The percentage of immigrant women in all these industries has increased since 1970. California is once again an exception: in 1997, immigrants constituted a majority of the female labor force in six of these industries, and in three—

Table 3
Labor Market Outcomes for Immigrant (I) and Native-Born (N) Women Aged 25–60, 1970–90

Outcome	1970 N	1970 I	1980 N	1980 I	1990 N	1990 I
In Labor Force (%)	49.2	48.9	61.1	58.5	72.7	65.6
Unemployed (%)	4.2	5.5	5.1	6.8	4.8	7.9
Weeks Worked per Year[a]	40.3	40.7	42.2	41.8	44.1	43.1
Hours Worked per Week[a]	NA	NA	35.6	36.5	37.1	38.0
Weekly Earnings[b]	$277	$280	$302	$290	$333	$291
Self-Employed (%)	3.0	3.3	3.7	3.7	5.8	6.1

Source: R. Schoeni, "Labor Market Outcomes of Immigrant Women in the United States, 1970 to 1990," *International Migration Review* 32, no. 1 (Spring 1998): 57–77, Table 2.

NA = not available.

[a]Hours and weeks are averages among people working in the year prior to the census.

[b]Median among working women, expressed in 1990 dollars.

Laundry and Cleaning, Textile and Apparel, and Building Services—85 percent of the labor force was foreign-born.

As large as the share of immigrant labor in these industries may appear, much larger absolute numbers of immigrant women work in other industries, including high-skill industries such as Hospitals, Doctors' Offices and Clinics, Educational Institutions, Banks, and Government. In 1997, Doctors' Offices and Clinics employed over half a million immigrant women, more than any other industry, and twice as many as Private Households.

The performance of immigrant women in the labor market

Table 3 compares six major indicators of labor market outcomes for immigrant and native-born women in the prime working years, ages 25–60, between 1970 and 1990.[7] In 1970, immigrant and native-born women participated equally in the labor force, worked the same number of weeks a year, earned about the same weekly wage, and had equally low levels of self-employment. Immigrant women had a slightly higher unemployment rate. In the 20 years thereafter, however, labor market outcomes of native-born and immigrant women drew apart. Immigrant women became somewhat less likely to enter the labor market, and when they did, they were more likely to be unemployed and to have lower earnings than native-born women.

The primary factor in explaining these differences is education, although differences in English proficiency contribute. Among immigrant women as a whole, the education differential explains about two-thirds of the gap in labor force participation in 1990, and differences in English proficiency fully explain the remainder.

The large differences in education, family responsibilities and English-language skills among immigrant women of different origins have already been noted. For some groups, educational disadvantage has worsened, relatively and absolutely. The educational gap between Mexican immigrant and native-born Hispanic women increased from 2.4 years in 1970 to 3.9 years in 1990. For Central American and Indochinese women, average education levels actually decreased by 0.7 of a year between 1970 and 1990. All three groups have relatively higher numbers of children and significantly lower English proficiency than other immigrant women.

These differences result in broad variations in labor market outcomes, including earnings, among immigrant women of different origins. In 1990, Mexican and Indochinese women were least likely to be in the labor market, whereas Filipinas had a higher rate of labor force attachment than any other group, including native-born women. And among the Mexican and Central American women who did enter the labor force, higher proportions were unemployed (14.7 and 12.7, respectively, compared to rates of 5–7 percent for other immigrant groups, including Indochinese).

Earnings display a similar pattern. Most notable, in 1990, was the large gap that had opened up since 1970 between the earnings of Mexicans and Central Americans and native-born women. Central American women had earned 99 percent of native-born women's wages in 1970, and Mexican women 80 percent. In 1990, the ratio for Central Americans was 64 percent, and for Mexicans it was 67 percent. The gap is not explained by differences in hours of work per week. Again, increasing education differentials appear to be a large part of the explanation.

Some part of the variation in labor market performance among immigrants of different national origins may be explained by differences in cultural mores. For example,

the labor force participation rate of European women in the United States remains equivalent to that of women in their native countries. Selection processes—active recruitment for particular occupations—may also be part of the explanation. For example, the labor force participation of Filipinas in the United States is much higher than it is in the Philippines. And although the entrepreneurial spirit of immigrants starting new businesses in the United States is legendary, the image does not fit all immigrant groups. Overall, immigrant women are no more likely than native-born women to be self-employed (Table 3).

Immigrants at the end of the 20th century enter an economy that has changed significantly over the last 30 years. In particular, the increasing demand for workers with more than a high school education has negatively affected the performance of immigrant relative to native-born women. As late as 1970, immigrant and native-born women had the same rate of employment and commanded the same earnings. By 1990, the date of the last U.S. census, immigrant women lagged by 10 percent in labor force participation and by 13 percent in earnings (Table 3). Since then, the economy has emerged from recession into a sustained economic boom, but systematic exploration of the full effects for immigrants must await the 2000 census. ∎

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[1]Female immigrants were a minority, about one-third, in the immigration flows of the 19th and early 20th centuries. But in the 1920s, family reunification became the cornerstone of U.S. immigration policy, and female immigrants have dominated immigration flows ever since. In the 1990 U.S. census, the share of immigrant women was 51.3 percent, a sex ratio shared by only two other western countries with large immigrant flows, Canada and Great Britain. In 1995 and 1996, women constituted 57 percent of legal immigrants who entered the country.

The majority of undocumented immigrants have been male—of the 2.7 million undocumented immigrants amnestied under a 1986 law, only about 900,000 were women. (In the absence of reliable data on immigrants' legal status, this study does not distinguish between legal and illegal female immigrants in the labor force.)

[2]This article summarizes sections in a RAND report by Georges Vernez. The full report will be published as *Immigrant Women in the U.S. Labor Force*: *Who Struggles? Who Succeeds?* (Lanham, MD: Lexington Books, forthcoming 1999).

[3]See "Immigration and Social Policy: New Interest in an Old Issue," *Focus* 18, no. 2 (Fall–Winter 1996–97): 1–10.

[4]This is not to say that such jobs *require* some college education. It may also be that employers use evidence of postsecondary education to screen out potential workers who may lack the cognitive and social skills they seek. See H. Holzer, *What Employers Want: Job Prospects for Less-Educated Workers* (New York: Russell Sage Foundation, 1996).

[5]The large differential in the share of clerical workers between immigrant and native-born women with less than a high school education or just a high school education not only disappears among college graduates, but is reversed, supporting the view that poor knowledge of English explains much of the difference at lower educational levels.

[6]The industries are Shoe Repair, Laundry/Cleaning, Apparel and Fabrics, Private Households, Textiles and Apparel, Building Services, Hotel/Motel, Food and Food Preparation, Groceries and Related, Computers and Accounting, and Machines. Together, these industries in 1997 employed just over 1 million immigrant women, about 19 percent of all immigrant women.

[7]This section is based upon analyses performed by R. Schoeni for this study and published in "Labor Market Outcomes of Immigrant Women in the United States, 1970 to 1990," *International Migration Review* 32, no. 1 (Spring 1998): 57–77.

The "family gap" and maternity leave in the United States and Great Britain

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During the 1980s, the "family gap" in wages grew in the United States, even as the "gender gap" narrowed.[1] In the United States, the average pay of women without children rose from 68 to 80 percent of all men's pay, but mothers' pay rose only from 63 percent to 70 percent. In Britain, the gender gap and family gap were both fairly stable—childless women's wages rose from 72 to 74 percent of men's wages, while mothers' pay rose from 57 percent to 61 percent.

Why might women with children have lower wages, even after we have accounted for other characteristics that make a difference, such as mothers' greater propensity to work part time, their lower levels of work experience, and their shorter spells of job tenure? One possible explanation is that mothers might be less committed to work or might put in less effort on their jobs because of their family obligations. Another is that employers might discriminate in hiring and promotion against women with family responsibilities. Alternatively, structural "family barriers" such as the lack of family leave or inadequate public provision of child care may impede the progress of mothers in the labor market.

The United States has done at least as well as other industrialized countries in equal pay and equal opportunity legislation, but has lagged in the area of family policy. It is currently expanding access to job-protected maternity leave for working women—for example, in 1993 President Clinton signed into law the Family and Medical Leave Act (FMLA). That law, however, offers a very short period of unpaid leave, only 12 weeks, and the United States remains the only major industrialized country that does not mandate at least some paid leave. The United States also relies to a larger extent than most industrialized countries on the private provision of child care, and women there pay more for care than in other countries.[2]

With women's earnings increasingly important to the support of their families, these pay differentials and the policy interventions that might mitigate them are a matter of some consequence. Are maternity-leave policies likely to help close the family gap?

This article uses young American and British women who had children in the 1980s, when maternity-leave coverage and usage expanded dramatically, to examine this question. I focus on American and British "equal opportunities" cohorts from the National Longitudinal Survey of Youth (NLSY) in the United States and the National Child Development Study (NCDS) in Great Britain.[3] The American women, who were on average 18 years old in 1978, entered the labor market after equal opportunity and affirmative action laws were firmly in place.[4] The British women turned 18 in 1976, the year that maternity-leave legislation passed, and one year after the Equal Pay Act came into full effect. I track wages and wage changes over a long time period (because the wage effects of children may not be readily observable within the first year or two, when many mothers may not have returned to work). I then use ordinary least squares, difference, and fixed-effects models to assess the effects of children on women's pay.

Maternity leave

Even before the FMLA, an estimated 40 percent of U.S. women had explicit maternity-leave rights owing to state laws, union contracts, and voluntary employer provisions; the Pregnancy Discrimination Act of 1978 also mandated that employers with disability plans must cover pregnancy too. Britain, in contrast, has had maternity-leave legislation since 1976. Only about half of women workers were covered until 1993, however, because only women with two years of full-time or five years of part-time job tenure were eligible before the law changed in that year. Thus in Britain both legislation and work experience, especially job tenure, were involved; this is true under the FMLA as well. The British experience may, therefore, throw light on what we may expect from legislated maternity-leave policies in the United States. Leave entitlements nevertheless differ a great deal between the countries. In Britain leave is quite long, even by European standards, with a guarantee of 40 weeks, 18 weeks paid. In the United States, maternity leave averages only about 20 weeks, nearly always unpaid.

In both the United States and Britain, the rate of labor force participation for women with children under one year old changed dramatically in the 1980s. In the United States it rose from 31 percent in 1976 to 54 percent in 1992. The rates at which women returned to work after

Table 1
Wages for Young Women and Men in the United States and Britain over the 1980s

A. United States	Average Wage		Change from
	At Age 21	At Age 30	Age 21–30
All Women (N = 4,334)	$6.01	$8.20	+36%
All Men (N = 4,771)	$7.06	$10.60	+50%
Female/male wage ratio	85%	77%	
By Family Status			
Nonmothers	$6.10	$9.53	+56%
Mothers	$5.77	$7.45	+29%
Female/male wage ratio			
Nonmothers	86%	90%	
Mothers	82%	70%	
Wage Changes, by Family Status Changes			
No children in both years (N = 1,573)	$6.06	$9.53	+57%
No children to one child (N = 784)	$6.14	$8.09	+32%
No children to 2 or more (N = 760)	$6.14	$7.53	+23%
One child in both years (N = 242)	$5.58	$7.17	+28%
One child to two or more (N = 557)	$5.87	$6.93	+18%
Two or more children in both years (N = 418)	$5.76	$6.86	+19%

B. Great Britain	Average Wage		Change from
	At Age 23	At Age 33	Age 23–33
All Women (N = 3,840)	£3.82	£4.81	+26%
All Men (N = 3,779)	£4.68	£6.82	+46%
Female/male wage ratio	82%	71%	
By Family Status			
Nonmothers	£3.93	£5.70	+45%
Mothers	£3.23	£4.26	+32%
Female/male wage ratio			
Nonmothers	84%	84%	
Mothers	70%	64%	
Wage Changes, by Family Status Changes			
No children in both years (N = 1,551)	£3.99	£5.70	+43%
No children to one child (N = 567)	£3.99	£5.05	+27%
No children to two or more (N = 1,167)	£3.82	£4.12	+8%
One child in both years (N = 111)	£3.50	£4.37	+25%
One child to two or more (N = 160)	£3.21	£3.83	+19%
Two or more children in both years (N = 284)	£3.14	£3.68	+16%

Source: For the United States, average age 21 wages from the National Longitudinal Survey of Youth (NLSY), 1979–83; average age 31 wages from the NLSY, 1987–91. For Great Britain, average age 23 wages from the National Child Development Survey (NCSD) IV, average age 33 wages from the NCSD V.

Note: All U.S. wages are in 1991 dollars, all British wages in 1991 pounds. In 1991, the pound was worth about U.S. $1.77. Ages are mean ages. The NLSY sampling weights are used in computing all means for the NLSY.

childbirth rose from 38 percent in 1975 to 68 percent in 1984. In Great Britain labor force participation doubled from 24 percent in 1979 to 46 percent in 1989, and return rates rose from 38 percent in 1979 to 65 percent in 1989.[5]

Many factors influenced this extraordinary increase in work by young mothers. Chief among them were increased financial pressures on families in the 1980s (but also, in the United States, rising wages for women) and changed social norms about mothers of young children working. Employer attitudes also changed, especially in Britain under the impact of the family leave law.

The effects of maternity-leave coverage on pay are unclear, a priori. They may be negative: if women take more time out of the labor market, they may lose experience and tenure. Women in the aggregate may suffer if employers pass the costs of maternity leave on to women workers in the form of lower pay. But the effects may be positive if maternity leave allows women to benefit from their job tenure before childbirth, maintain good job matches, and continue to progress up a firm's job ladder.

There is little direct evidence on the wage effects of maternity-leave coverage, but we know that job displace-

ment in general has lasting effects, such as loss of seniority and the need to start over. The situation of women who do not have job-protected maternity leave is in some respects analogous to that of displaced workers, suggesting that lack of such leave is likely to have negative effects on pay.

Family status and young women's pay

In the United States, the NLSY data suggest, the gender gap grows with age, and family status matters (Table 1, panel 1). At age 21, young women's average hourly wages are 85 percent of young men's; by age 30, they are 77 percent. Childless women do quite well at both ages (86 percent of men's average pay at age 21, 90 percent at age 30). But for mothers, relative pay falls, from 82 percent at age 21 to 70 percent by age 30. The gender gap is thus a full 20 percentage points greater for mothers than for nonmothers. The closeness of the wage at age 21 suggests that the gap at age 30 may be due less to preexisting differences between mothers and childless women than to mothers' slower wage growth. The British data (Table 1, panel 2) tell the same basic story, although the gender gap is higher at both points.

The effects of family status go far toward accounting for the gender gap in pay for these young women.[6] In the United States, I find that nearly half (45 percent) of the gender gap at age 30 is due to family status; 41 percent is due to the differential returns that men and women receive to marriage and parenthood, and 4 percent due to differences between men and women in these characteristics (i.e., more women than men in this age bracket are married, and more have children). Work experience, which is often an indirect effect of family status, accounts for another large portion of the gap (42 percent); mothers both take more time out of the labor market and receive lower returns to work experience than do men. Differences in education levels and in returns to education account for a smaller share (17 percent), and the effects of race and ethnicity are negative—that is, differential treatment of African-American and Hispanic men and women narrows the gender gap by 4 percent.

Again, the British data are strikingly similar: nearly half (48 percent) of the gender gap at age 32 is due to the direct effects of marital status and parental responsibilities, and another 34 percent is due to experience. Differences in education account for the remaining 18 percent.

Can maternity leave make a difference?

In the sample of U.S. women, 65 percent of those who were working at the time they had their most recent child reported that they were covered by maternity leave. Over half (including some who did not report being covered by a formal leave policy) took leave and returned to their jobs.[7] In the NCDS sample, 54 percent of British women who were in work while pregnant with their most recent child qualified for maternity leave, and a virtually identical number of new mothers who had been working before the birth (55 percent) took leave and returned to work after birth. College-educated women were somewhat more likely to be offered and to use maternity leave than less-educated women, especially in Britain. In both countries, the raw wage figures show that women who took maternity leave and then returned to work have stronger wage growth over the decade than do other new mothers.

A simple model that I estimated for the U.S. women suggests that maternity-leave coverage has a fairly large (nearly 12 percent) and positive effect on current wages; the positive effects appear to dissipate over time, but women who did not have such coverage took eight years or more, on average, to make up the ground they lost. But U.S. maternity-leave policies are highly correlated with other employer characteristics, such as firm size and union status, that are associated with higher wages. The positive effects of maternity-leave coverage may, therefore, merely reflect those other characteristics. Controlling for the employer's characteristics does indeed reduce the effect of maternity coverage on wages, to an average of about 6 percent. The effect peaks two years after the most recent birth and, as in the earlier model, gradually diminishes.

For Great Britain, the first model estimated shows a positive wage effect of about 10 percent if a woman qualifies for maternity leave. However, this effect diminishes rather more rapidly, and has entirely disappeared five years after the child's birth.

Is there a particular wage advantage for women who are covered by maternity leave and who make use of it? The U.S. data suggest that there is. Women who have maternity leave are more likely to return to the same employer after birth. Furthermore, in the full U.S. sample the premium to having maternity-leave coverage and returning to the same employer after birth (6 percent) is almost as great as the penalty to being a mother (8 percent), though part of that premium is explained by higher starting wages and by the fact that women who had maternity-leave coverage were more likely to work in large and unionized firms. Applying the same series of models to the British data, I found that the advantage gained from qualifying for maternity leave and returning to work within a year after childbirth (about 7 percent) was almost exactly the same as the penalty to having one child, just as in the United States.

Thus the earlier speculation about the positive effects of leave, in particular the advantages of continuity in employment, appears to be confirmed by these estimates.

Extending rights to job-protected maternity leave should reduce the family gap for future working mothers by increasing the likelihood that they return to their employers after childbirth.

Will the costs of such leave to employers be passed on in the form of lower wages, or lower employment, for all women? Under the FMLA, employers face two sets of costs: continuing a woman's health insurance during her leave, and replacing her during the leave. There is also the employer's uncertainty about whether a woman will in fact return from leave, raising the question of whether it is worth investing in a worker's training. But employers may also reap benefits—decreased turnover costs, or increased employee commitment and productivity if valued employees return after leave.

The British evidence is informative here. Spurred by the 1976 family leave legislation, British employers have successfully implemented retention strategies (maintaining contact with the employee during the leave, offering the option of returning to work part time) that have boosted the likelihood that women will actually return. Some employers have introduced voluntary contractual maternity pay; it is paid only to women who agree to return for a designated period of time and is forfeited if the woman reneges on her commitment. These strategies are not unique to Britain.

There is also some preliminary evidence from the United States. The passage of the FMLA has provided an opportunity to further investigate the effects of legislating maternity leave, and the evidence thus far is encouraging. Although the FMLA covers less than half of workers in the private sector (many of whom had coverage pre-FMLA), leave coverage and usage did increase post-FMLA, with the largest increase in usage among women who have infants and who are employed by medium-sized firms covered by the law and not previously covered by state law. Yet the FMLA has thus far had no significant negative effects on women's employment or wages.[8] ∎

[1]This article summarizes J. Waldfogel, "The Family Gap for Young Women in the United States and Britain: Can Maternity Leave Make a Difference?" *Journal of Labor Economics* 16, no. 3 (July 1998): 505–45. The material is used here by permission of the journal.

[2]Out-of-pocket costs of care relative to U.S. women's earnings were, in 1994, about 22 percent—higher than in any other country save Great Britain, where there was also little public provision of care and where child care costs amounted to about 28 percent of pay. In contrast, child care costs in the Scandinavian countries ranged between 8 and 13 percent of women's pay, and in France, the cost was 0. See J. Waldfogel, "Understanding the 'Family Gap' in Pay for Women with Children," *Journal of Economic Perspectives* 12, no. 1 (Winter 1998): 137–56.

[3]The NCDS includes every child born in Britain during the first week of March 1958, with surveys conducted at birth, and thereafter at ages 7, 11, 16, 23, and 33 (in 1991). Over 3,800 young women reported wage data from at least two jobs: a current or prior job as of 1991, and a current or last job in 1981. I used the NLSY to construct a sample of young women as close as possible in age and year to the British sample; NLSY data include 4,400 young women who have data from an early job (between 1979 and 1983) and a late job (between 1987 and 1991), when they are aged 26 to 34. Although the samples are not perfectly comparable (e.g., the NLSY oversamples minorities, whereas the NCDS underrepresents immigrants) they offer a range of parallel data for young adults. The NLSY specifically asked respondents about maternity-leave coverage at work, but the NCDS did not, so maternity-leave rights must be imputed from the work history data (i.e., had the woman been with her employer long enough before the birth to meet the statutory requirements).

[4]E.g., the 1963 Equal Pay Act; Title VII of the Civil Rights Act of 1964, outlawing sex discrimination in employment and its two amendments, in 1972 and 1978, barring, respectively, discrimination in education and pregnancy discrimination.

[5]For the United States, see U.S. Bureau of the Census, *Fertility of American Women: June 1992*, Current Population Reports (Washington, DC: U.S. Government Printing Office, 1993); M. O'Connell, "Maternity Leave Arrangements: 1961–1985," in *Current Population Reports: Work and Family Patterns of American Women*, ed. U.S. Bureau of the Census (Washington, DC: U.S. Government Printing Office, 1990). For Britain, see W. Daniel, *Maternity Rights: The Experience of Women* (London: Policy Studies Institute, 1980); Susan McRae, *Maternity Rights in Britain* (London: Policy Studies Institute, 1990).

[6]The models and estimates are presented in full in the unabridged article. See especially Table 3.

[7]The average time elapsed between the early wage reported and the most recent birth was four years; it was also four years between the most recent birth and the late wage observation, with a range from 1 to 12. In both cases, no more than 10 percent of the observations were from the year immediately before or after the birth.

[8]J. Waldfogel, "The Impact of the Family and Medical Leave Act," *Journal of Policy Analysis and Management* 18, no. 2 (in press). See also J. Klerman and A. Leibowitz, "The FMLA and the Labor Supply of New Mothers: Evidence from the June CPS," paper presented at the Population Association of America annual meeting, Chicago, 1998, and the article in this *Focus* by Ross, "Labor Pains."

Labor pains: The effect of the Family and Medical Leave Act on the return to paid work after childbirth

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The Family and Medical Leave Act (FMLA), signed into law in 1993, provides up to 12 weeks of unpaid, job-protected leave for the birth or adoption of a child or for care of close kin during illness.[1] A commission established in the legislation found that by 1995 about two-thirds of employers had changed their family leave policies as a result of the law, but there have so far been few empirical analyses of its effect on labor force attachment.[2] In this article I examine the effects of the act's maternity leave provisions on women's labor supply.

To be eligible for maternity leave under the FMLA, a new mother must work for an employer with more than 50 employees within a 75-mile radius (thus employees of most small businesses are excluded). She must have a year of job tenure with the employer and must have worked 1,250 hours during the year preceding the leave. Eligibility is therefore confined to women who are working for relatively large firms to which they have strong attachments.

I asked three specific questions about the effects of the FMLA on the labor force behavior of recent mothers: (1) Did the FMLA alter the employment rate of recent mothers? (2) Did it change the probability that women would return to the same employer after childbirth? (3) Did it have an effect on the length of maternity leave?

Before 1993, 12 states had maternity leave legislation that approximated the provisions of the FMLA.[3] These states, along with the FMLA's eligibility criteria, provide the basis for a "natural experiment" that compares outcomes for women affected by the law with outcomes for those who are not. We would expect mothers living in the 12 states with FMLA-type provisions to be largely unaffected by new federal law; these constitute a "nonexperimental" group. Mothers in states where implementation of the FMLA brought more generous maternity leave policies are the "experimental" group, and we might expect to see changes as a result of the FMLA.[4]

This analysis relies on two related strategies for comparing outcomes—the difference-of-differences and the difference-of-difference-of-differences frameworks.[5]

Within each of these frameworks I compare unadjusted mean differences as well as regression-adjusted differences that control for personal and demographic characteristics that might influence mothers' employment, retention, and leave rates. By comparing groups of mothers, some eligible and some ineligible for FMLA coverage, within states and then across states, I am able to take into account differences in state political, economic, and social characteristics that might influence labor market behavior independently of maternity leave policies.

The reach of the FMLA is not universal. Within my sample of recent mothers who had a job three months before childbirth, over 73 percent met the job tenure requirements of the FMLA and also worked enough hours to qualify. But only 46 percent of these mothers both met the work requirements of the FMLA and worked for an employer large enough to be covered by the act.

There were significant differences between recent mothers who met the FMLA eligibility criteria and those who did not. Eligible mothers were older (30.7 years versus 28.8 years), more likely to be married (85.7 versus 80.5 percent), and more likely to be nonwhite (15.4 versus 11.3 percent; generally speaking, nonwhites are more likely to be working for companies large enough to be covered by the FMLA). They were more likely to be union members (16.4 versus 5 percent), worked more hours before childbirth (37.1 versus 33.5 hours per week), and had longer job tenures (6.3 versus 3.5 years). College graduates were significantly more likely to be eligible, those with less than a college degree significantly less likely.

1. Did the FMLA alter the employment rate of recent mothers?

Previous empirical research and theory suggest that mandated leave may increase the probability that a woman will return to work after childbirth. The limited reach of the FMLA, however, curtails its potential effect. If it does not provide maternity leave options to a new set of women, then any positive effects may be small.[6] And if employers incur costs as a result of the legislation, they may cut back on employment.

In the period after passage of the FMLA, employment among new mothers rose both in states without previous maternity leave provisions and in states where they ex-

isted prior to the FMLA. In both groups of states, around 80 percent of recent mothers who worked three months prior to childbirth were back at work six months after the birth. There is thus little evidence that the FMLA substantially altered postnatal employment rates.

In the regression analyses, eligibility status has large, positive, and significant effects on the employment rates of recent mothers. This suggests that the prebirth employment patterns that determined women's eligibility also largely determined the likelihood of their return to employment—eligible mothers were older and more educated, with stronger labor force attachment and employment histories.

2. Did the FMLA change the probability that women would return to the same employer after childbirth?

There are at least two reasons to expect that the FMLA might increase the frequency with which women return to their previous employer after childbirth. The first is simply the guarantee that the former job will be held; the second is the provision that employees who do not return to work after taking leave must reimburse the employer for the cost of any benefits maintained during the leave period.

Before the FMLA, just over 95 percent of women living in "experimental" states who went back to paid work within six months of childbirth returned to their prebirth employer. After the FMLA, the retention rate in these states was just over 94 percent. The rates of return in the comparison states at both points were fractionally lower, but also essentially the same before and after. At least during the first two years after implementation, the FMLA has not significantly affected the already very high rate at which women who went back to work returned to the same employer.

3. Did the FMLA have an effect on the length of maternity leave?

If employer leave policies and state law before the FMLA provided less than 12 weeks of leave, then the primary effect of the act might be to extend the amount of leave that eligible mothers take after childbirth.

Before passage of the FMLA, the average length of maternity leave taken by women in the "experimental" states who were working six months after childbirth was shorter than in the comparison states where maternity leave laws had approximated FMLA provisions (4.45 weeks as against 6.54 weeks).[7] After the FMLA, the difference in leave length shrank to a nonsignificant 1.37 weeks. The difference was due primarily to shorter leaves taken by women in the comparison states.

If we consider only eligible women, we find that, after the legislation, mothers in the "experimental" states who returned to work after 6 months were taking longer leaves than they had before the law passed (4.12 versus 3.49 weeks). At the same time, eligible women in the comparison states were taking shorter leaves in the later period (5.67 versus 7.47 weeks). The significant differences in unadjusted means remain after demographic controls are added in the multivariate analysis. There is at this time no explanation for the shrinking leave lengths in nonexperimental states, but it is clearly a matter deserving more research.

Because employment rates were not strongly affected, but length of leave was, we may conclude that maternity leave-taking increased primarily among women who would have remained employed even if the FMLA had not been in effect. The strong implication is that the legislation has merely expanded the opportunities of women who previously may have been able to negotiate maternity leaves with their employers.[8]

The FMLA is not limited to maternity leave, but provides job protection and time off to eligible workers to care for sick family members. Most employers who changed their personnel policies after its enactment reported that they had expanded the permissible reasons for which employees could take leave. Perhaps the most substantial effects of the FMLA on labor market behaviors will be among the population of employed caregivers as a whole, not just recent mothers. ∎

[1]An expanded version of this research was presented at the 1998 Annual Research Conference of the Association for Public Policy Analysis and Management. The report of the Commission on Family and Medical Leave is *A Workable Balance: Report to Congress on Family and Medical Leave Policies,* Department of Labor, Women's Bureau, Washington, DC, 1996.

[2]Jane Waldfogel concluded from CPS data that coverage and takeup of job-protected leave increased after the FMLA was implemented, but she did not specifically look at maternity leave. See J. Waldfogel, "The Impact of the Family and Medical Leave Act on Coverage," *Journal of Policy Analysis and Management*, 18, no. 2 (in press). See also J. Klerman and A. Leibowitz, "FMLA and the Labor Supply of New Mothers: Evidence from the June CPS," paper presented at the Annual Meeting of the Population Association of America, Chicago, Illinois, April 2, 1998.

[3]Waldfogel, "Impact of the Family and Medical Leave Act."

[4]There are 38 experimental states and 11 nonexperimental states in this analysis, which uses data from the Survey of Income and Program Participation (SIPP). SIPP uses the same state code for Maine and Vermont. Since Vermont would have been an experimental state and Maine a nonexperimental state, both states were dropped. The SIPP data did not enable me precisely to determine whether a woman met the FMLA eligibility criteria. Within the SIPP data constraints, a woman was considered eligible for the FMLA if the total size of her employer was greater than 100 employees, she had worked for that employer for at least one year prior to childbirth, and she usually worked 25 or more hours per week for that employer. I checked my estimates using different firm-size measures in the determination of eligibility status. The pattern of results and the conclusions are robust to any of the alternative coding strategies.

The first of three data samples consists of all women who gave birth at two different times: before passage of the FMLA, between August 1990 and August 1992, and after its implementation, between September 1993 and September 1995 (1,422 and 1,417 women, respectively). The second sample is a subset of these two groups—women who gave birth but who were also in work three months before childbirth (833 women before the FMLA, 855 afterward). The third sample consists of those women in samples 1 and 2 who were also engaged in paid work six months after childbirth (547 before the FMLA, 572 afterward).

[5]The difference-of-differences framework requires observations at two points in time, before and after policy implementation, and compares outcomes for affected (experimental) and unaffected (nonexperimental) individuals. But this framework may not adequately account for potential environmental differences—in this case between states. Thus I also use the difference-of-difference-of-differences framework, which compares groups of individuals, first within states, then across states.

[6]The reach of the FMLA is limited for two reasons. First, as described above, the FMLA includes a number of eligibility restrictions. Second, more than half of employed women were eligible for some leave around the time of childbirth under state law, employer, or union policies, and as a result of the Pregnancy Discrimination Act of 1978 before passage of the FMLA. Actual estimates of the percentage eligible as a result of these policies vary dramatically; see Waldfogel, "Impact of the Family and Medical Leave Act," and S. Kamerman, A. Kahn, and P. Kingston, *Maternity Policies and Working Women* (New York: Columbia University Press, 1983).

[7]These average leave lengths include a number of women who indicated that they took less than one week of leave and are, therefore, coded as having no leave. With the zeroes excluded from the analysis, average leave lengths range from 8.9 to 10.7 weeks.

[8]Because the SIPP panels combine all women who work for firms with between 25 and 100 employees into one category, these analyses cannot capture the effect the FMLA may have had in increasing leave opportunities for women who work for firms with between 50 and 100 employees.

Labor market dynamics and women's part-time work in the United States

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Implicit in much welfare-to-work policymaking is the assumption that part-time jobs will help women receiving welfare to move toward full-time employment and eventual economic independence.[1] The analysis discussed in this article, however, suggests that such is not the case. Although part-time work is used by many women for brief periods of time, and is highly correlated with changing household demographics—a divorce, a remarriage, the birth of a child—it is only infrequently used as a stepping stone to full-time work by women who are out of the labor market. It is much more likely to serve as a short-term alternative for a woman who is predominantly either out of the labor market or a full-time worker.

This observation is borne out by some basic statistics. Over the past 25 years, a relatively constant share, 25–30 percent of the female labor force, has worked part time.[2] In contrast, the share of men working part time has increased slowly, from 8 percent to 12 percent. In 1992, 40 percent of male part-time workers were involuntary part-timers, who would have preferred full-time work; only 25 percent of women working part time would have preferred full-time work.

The rather sparse research on women's part-time work has in general looked only at choices observable in cross-sectional data at a point in time, without considering the context of a woman's lifetime patterns of labor supply. But some women appear to be very stably attached to a particular labor market state, whereas others are more likely to move frequently between multiple states. In what context, then, are we to understand women's labor market choices, especially the choice of part-time work?

There are reasons for thinking that women's past labor market choices may be critically important for understanding and predicting their current choices. First, human capital models suggest that current wages will depend on past labor market experience, in turn affecting current labor supply. Second, if past labor market experience expands a woman's job networks and job search knowledge, she may be likely to work more if she has worked in the past. Third, a woman's past job experi-

ences may change her preference for employment in the future, as she evaluates her labor/leisure choices. Finally, life-cycle models predict that labor supply choices will depend not only on the past but on future expectations about labor supply and household demands. Because it is very difficult to measure expectations directly, past patterns of labor supply may be important because they are correlated with other, less measurable factors that influence both past and current choices.

In the analyses briefly summarized in this article, I estimate a general, dynamic model of the determinants of women's labor market choices. I assume that a person's labor market involvement at any particular point can adequately be summarized under one of three discrete categories: out of the labor market (0 hours working), part-time work (less than 35 hours per week), and full-time work (35 hours or more per week). Data for 1976 to 1989 from the Panel Study of Income Dynamics (PSID) provide a particularly long period over which to study the relation between past and current labor supply choices. My sample includes all women between the ages of 18 and 50 in 1976 who were either spouses or family heads, and thus in a position to make labor supply choices.[3] There were 1,463 women who met these criteria.

Substantially more women than men in the PSID sample are out of the labor force, and much larger numbers of women than men work less than 40 hours a week. Both men and women, as one might expect, show a large spike at 40 hours. The number of women working over 40 hours a week rapidly diminishes, but the number of men working falls more slowly. On average, 28 percent of the women are out of the labor market at any time during these years, another 23 percent work part time, and 51 percent work full time. Only 3 percent of the men are out of the labor market at any time, 4 percent work part time, and 93 percent work full time.

The patterns of labor market change

A simple tabulation of the patterns of labor market change from year to year indicates that part-time work is a more transitional category for women than either full-time work or being out of the labor market. Whereas 86 percent of the women who are full-time workers in one year will also be full-time workers in the next year, this is not true for part-timers. Only 66 percent of women in part-time jobs will be in part-time jobs in the next year.

Table 1
Patterns of Labor Market Involvement over 14 Years
(percentage in each category)

Labor Market (LM) State	Adult Women	Adult Men	Adult Women Married 10 or More of 14 Years
Nonmovers—All 14 Years Spent in 1 LM State			
OLM	5.0	0.2	5.8
Part-time	1.1	0.2	1.3
Full-time	16.1	67.7	12.7
Total	22.2	68.1	19.8
Infrequent Movers—At Least 10 Years Spent in 1 LM State			
OLM	14.5	0.9	16.3
Part-time	8.7	0.4	10.0
Full-time	37.0	93.3	31.0
Total	60.2	94.6	57.3
At Least 1 Year Ever Spent			
OLM	64.5	13.9	69.5
Part-time	69.2	24.7	72.2
Full-time	84.6	99.5	82.3
In All 3 LM States over 14 Years	40.5	6.3	43.8
Moved Between 2 LM States over 14 Years			
OLM/Part-time	9.3	0.1	10.6
OLM/Full-time	9.7	7.3	9.3
Part-time/Full-time	18.3	18.2	16.5
Ever Moved OLM–Part-Time–Full-Time			
Total	20.9	1.3	21.7
Among those who ever worked part-time	30.2	5.1	30.1
Ever Moved Full-Time–Part-Time–OLM			
Total	17.7	3.2	19.4
Among those who ever worked part-time	25.6	13.1	26.8
N	1,463	1,271	1,156

Source: Data from the Panel Study of Income Dynamics, 1976–1989.
OLM = out of the labor market.

Of the remainder, 20 percent will move up to full-time work, and 14 percent will move out of the labor market. Men's patterns, in contrast, are much more stable: 94 percent of them remain in the same labor market state, mostly full-time work, in consecutive years.

Table 1 presents aggregate labor supply patterns over the entire 14 years for women, for men, and for all women married for 10 or more years out of the 14. It shows that most women have some experience with multiple labor market states, and that a substantial minority seem to be "movers"—40 percent have spent time in all three states over the 14-year period, and 37 percent have moved between two different states. Interestingly, there is little difference in labor market experience between all women and those women who are in stable marriages over these years (a finding that runs counter to the suggestion that

married women with alternative income sources are more likely than other women to move in and out of work).

The last two panels in Table 1 are of particular interest. They show little evidence of any "stepping-stone" pattern in women's movement among the three states, whereby women move from out of the labor market to part-time to full-time work or vice versa. The majority of part-timers enter part-time work from full-time work and return to full-time work, or they move from out of the labor market to part-time work and out of the labor market again. But although women are a more heterogeneous group than men, a substantial minority displays a stable attachment to a particular labor market state. Part-time work is clearly a more short-term state, more frequently used as alternative to the other two states than it is as a transitional stage between being out of the labor market and full-time work.

Past labor market behavior and employment choices

I use competing-risk, multiple-spell estimation models to investigate what moves women into spells of part-time work, either from out of the labor market or from full-time work. The models distinguish among previous spells spent out of the labor market or in part-time or full-time work, and incorporate other time-varying covariates such as number of children and household unearned income. They also include a standard array of personal and household characteristics and economic factors—for example, race, education, and the county unemployment rate.[4]

The estimates clarify the importance of women's personal and household characteristics in their labor market behavior. For example:

1. Older women are less likely to end a spell out of the labor market or to move to full-time work.

2. African-American women are more likely to move to full-time work.

3. Less-educated women are more likely to end spells of full- or part-time work and leave the labor market.

4. A woman with more total children will have a greater propensity to move to full- or part-time work, but a women with more preschool children has a lower propensity to move into full-time work and a greater likelihood of leaving the labor market. Spells of part-time work are little affected by the number of children in general, but are strongly affected by the number of preschoolers.

5. At a given education level, women with higher other income in their families are less likely to become full-time workers.[5]

Table 2
Predicting Women's Labor Market Choices,
Conditional on Past Labor Market Patterns

The "typical" woman for whom these probabilities are estimated is a white woman, age 25, married, with a high school diploma and 2 children, one a preschooler, and with other income of $25,000.

Labor Supply Pattern in Last 3 Years	Probability Next Year That a Woman is		
	Out of the Labor Market	Working Part Time	Working Full Time
Always Out	82.3	11.7	6.0
Always Part Time	6.6	78.4	15.0
Always Full Time	3.0	6.1	90.9
OLM in Last Year			
Previously part time	51.1	38.6	10.2
Previously full time	57.6	19.9	22.5
Part Time in Last Year			
Previously OLM	28.5	57.0	14.5
Previously full time	9.9	54.2	35.9
Full Time in Last Year			
Previously OLM	23.5	17.0	59.5
Previously part time	6.9	29.6	63.5

Source: Data from the Panel Study of Income Dynamics, 1976–1989.

Note: These simulations are based on coefficients from the 3-lag model shown in columns 1 and 2 of Table 7 of the extended discussion cited in note 1. In all cases, the county unemployment rate is estimated to be 6.9 percent. OLM = out of the labor market.

6. Higher local unemployment rates increase the probability that women will not be working and increase the length of spells out of the labor market, but they have little effect on spells of part-time or full-time work.

Estimates of the effects of past labor market history on current work choices demonstrate the importance of that history. For instance, women who enter a spell of part-time work from out of the labor market are much more likely to leave the labor market again than to move to full-time work, and those who enter part-time work from full-time work are much more likely to return to full-time work. These results are consistent with the simple tabulations reported earlier, indicating that few people use part-time work as a stepping stone.

Because of the limitations of competing-risk models, I go on to estimate a variety of multinomial logit lagged dependent-variable models in which I estimate current labor market status as a function of past labor market choices and of the demographic and other variables noted earlier. I spend some time trying to find the best specification of this model, incorporating different lag lengths and also comparing the lagged dependent-variable model with a logit model with random effects. (If one has only cross-sectional data, this last alternative may be a substitute for information on past labor market choices.)

For a clearer picture of the patterns visible in these lagged dependent-variable models, I estimated the prob-

ability that a particular woman is currently out of the labor market or working part time or full time, given all possible patterns of labor force involvement over the past three years (Table 2 presents a sample of these findings). The woman in question is a white married woman with a high school diploma, two children (one a preschooler), with unearned income of $25,000 (presumably spouse's income) and living in a county with an unemployment rate of 6.9 percent. She is not the "average" woman in this PSID sample, who is somewhat older with fewer children, but she falls into the category of women more likely to work part time.

Three observations emerge from these estimates.[6] First, recent labor force status is most important in determining current labor force status. Women who were out of the labor market in the most recent past have over a 50 percent probability of being out of the labor market next year. Second, those persons with labor market histories that are stable over three years are strikingly more likely to continue in the same state than even persons who have been in the same labor market state for the past two years. Third, part-time work is once again revealed as a more transitory state than the other two states, even after controlling for worker and family characteristics.

The finding about the importance of past history held good even when controlling for the standard set of household, skill, and economic factors. And it held good when tested in a series of increasingly more complex specifications of past labor market history. Taken together, these estimates once again confirm the conclusion in the simple tabulations: part-time work is a labor market state that women are more likely to leave, and the choice of part-time work is harder to predict than are other types of labor choices.

These estimates underscore the importance of looking at women's labor supply in a dynamic context. Women observed working part time in any particular period may be in the midst of very different routes through the labor market. Knowing only that they currently work part time may tell us very little about their future labor market choices.

The implications for women's labor market behavior

The concept that women who receive public assistance must find employment is central to the new state welfare regimes and to federal welfare legislation. Some policies focused on mothers of small children have explicitly seen part-time work as a way of increasing welfare recipients' labor market connections and experience. I estimated a series of simulations to test whether this is a reasonable approach, based on the experiences of adult women over the past two decades.

Table 3
Predicting the Labor Market Behavior
of Low-Skilled Women Who Have Been Out
of the Labor Market for the Past Two Years

Labor Market State This Year	Probabilities for Labor Market State Next Year, Conditional on State This Year (%)		
	OLM	Part-Time	Full-Time
1. Black woman, age 25, unmarried, high school dropout, unearned income $2,500, 2 grade-school children			
OLM	73.8	12.0	14.2
Part-Time	21.6	49.4	29.0
Full-Time	11.8	9.7	78.5
2. Same as 1, except that both children are preschoolers			
OLM	89.5	6.3	4.3
Part-Time	43.1	42.5	14.3
Full-Time	33.3	11.8	54.9
3. Same as 1, but with a high school diploma			
OLM	68.1	13.8	18.2
Part-Time	17.5	49.8	32.7
Full-Time	8.9	9.1	82.0

Source: Data from the Panel Study of Income Dynamics, 1976–1989.

Note: These simulations are based on coefficients from the 3-lag model shown in columns 1 and 2 of Table 6 of the extended discussion cited in note 1. In all cases, the county unemployment rate is estimated to be 6.9 percent. OLM = out of the labor market.

Table 3 presents the results of these simulations for a low-skilled woman. Assuming that this woman has been out of the labor market for the past two years, I estimate what effect a move into full- or part-time work this year will have on her labor market behavior next year, under three different scenarios. The "typical" woman I use is a black woman, age 25 and unmarried, with two children and only $2,500 in unearned income; in the examples, the ages of her children and her level of education are allowed to differ.

In brief, if this woman stays out of the labor market for a third year, the probability that she will move to any kind of work next year is quite low (26 percent). If she works part time this year, there is almost a 50 percent probability that she will work part time next year and only a 29 percent probability that she will work full time. If she works full time this year, however, there is a 79 percent probability that she will remain in full-time work next year.

The results in Table 3 lead to two major conclusions. First, the personal and household characteristics of women matter enormously in their labor supply choices. If the woman has two preschool children, she has a much lower probability of working full time in the future, regardless of what she does this year. Second, if a woman has been out of the labor market for two years, moving

into part-time work this year will substantially increase the likelihood that she is in the labor market next year but will only somewhat increase the likelihood that she will take a full-time job. The only way to substantially increase her probability of full-time work next year is for her to work full time this year. This is again consistent with the view that women rarely use part-time work as a stepping stone to full-time work.

These simulations show the expected future labor market patterns of women who have *voluntarily* moved into part-time work from an extended period out of the labor market. They can only suggest the effects of a policy that mandates work. But they do identify policy issues that deserve more careful consideration. If the goal of welfare-to-work programs is to increase labor force participation among welfare recipients, then moving women into part-time work is effective. If, however, the goal is to move women into economic self-sufficiency, which almost always requires full-time work, it is less clear that mandating part-time work will help.

[1]An extended discussion of this topic appears as R. Blank, "Labor Market Dynamics and Part-Time Work," *Research in Labor Economics* 17, ed. S. Polachek (Stamford, CT: JAI Press, 1998).

[2]The number of women working part time has, of course, expanded enormously, along with the general expansion in women's labor force participation.

[3]I explicitly omitted women who were in school or living with their parents during any of these years, or women old enough to have reached the usual retirement age. I also omitted persons who were part of the PSID oversample of the low-income population. Men are sampled in the same way.

[4]The equations are described and coefficients presented in the extended discussion cited in note 1.

[5]"Other income" includes all household income except for the earnings and public assistance income received by the adult woman.

[6]These rates are specific to the kind of woman I selected.

Part-time work by women in OECD countries:
A sociological perspective

Until recently, part-time workers have been regarded as a somewhat uninteresting or irrelevant labor market minority. They are now attracting closer attention, for three reasons: within the nations of the Organization for Economic Cooperation and Development (OECD), part-time jobs are growing faster than full-time jobs, are part of a broader trend toward diverse forms of nonstandard employment contracts, and are most commonly taken up by women.

In the European Community (EC), one-third of jobs are nonstandard in some way, and almost half of all working women are in such jobs, compared to less than a third of men.[1] Part-time work is the most widespread and important form of nonstandard work, in part because the legal definitions display endless variation. The term applies to many different work arrangements that require less than the "standard" working week of about 40 hours. In Germany, for example, a worker is classified as part-time if the contractual working time is less than the 35–40 hours generally specified in labor contracts for full-time workers. In France, part-time workers are those working 20 percent less than the "normal" working time.

Table 1 shows that part-time work varies greatly in importance, from 8 percent of women's jobs in Greece, to 66 percent in the Netherlands. There are further differences and variation between and within countries in the overlap between part-time and temporary jobs; in the huge range of hours worked by part-timers; in the extent to which part-time work is a recent innovation, not yet fully accepted, or is already a permanent and somewhat separate part of the workforce; and in the relative importance of part-time work as a feature of women's working lives over the life course. (These aspects are discussed in the different country chapters in the volume.)

Characterizing part-time work

There are three distinct types of part-time work:

1. *Reduced-hours work*, with weekly hours a little shorter than usual, is often organized in response to an employee's request—for example, to care for young children. It involves no change of occupation or employer and is expected to be of limited duration. These jobs are rare in the United States, but are the dominant form of part-time work in Sweden. Many "part-timers" in Sweden are working 30 hours a week and would be classified as full-time workers in Finland, Britain, and elsewhere. Across the European Community, women working 30–34 hours a week increasingly regard themselves as full-

time workers, though that is not yet the accepted definition for statistical purposes.

2. *Half-time jobs* of around 15–29 hours a week are a dominant type in Britain, Germany, France, and Belgium. Such jobs are more likely to be organized by the employer on a permanent basis, with people recruited directly into them.

3. *Marginal work* involves very few hours a week (less than 10 or 15), is often exempted from income tax and social security contributions, and is sometimes excluded from statutory employment rights or employer benefits. In Germany, people working less than 15 hours a week and with low earnings are excluded from social insurance; 2 million women and 1 million men were in this category in 1992. In Britain, estimates range from 2–4 million marginal workers with earnings below the social insurance threshold. In the United States, unpaid family workers working less than 15 hours a week are not considered employed and are excluded from employment statistics.[2]

In this discussion, part-time work is considered to include half-time and marginal jobs, but not reduced-hours jobs.

The academic discussion of part-time work has been dominated by two perspectives that can loosely be termed the "feminist" and the "trade union" perspectives. They differ in emphasis but both routinely agree that part-time jobs offer substandard employment and constitute a social problem that calls for new policy initiatives. This article develops a sharply different sociological perspective that sets part-time work in the context of work histories and the family life cycle. Its principal argument is that part-time employment constitutes a qualitatively different type of workforce involvement from full-time employment, one that gives priority to some other nonmarket activity around which the part-time job must be fitted. Women are the largest and most visible group using part-time work in this way, but some groups of men, especially students, also use part-time work and other forms of nonstandard employment as an alternative form of labor-force attachment.

Table 1
Key Employment Indicators for the United States and Selected European Community Countries, 1994

Country	Working-Age Population Aged 15–64 (in millions)	Total Employment (in millions)	Employment as % Working-Age Population			Female Part-Timers as % of Female Employment	Male Part-Timers as % of Male Employment
			Total	Male	Female		
United States	165.8	119.4	72	79	65	25	11
Netherlands	10.5	6.7	64	74	53	66	16
United Kingdom	38.1	25.1	66	72	60	44	7
Sweden	5.6	4.0	72	72	71	41	9
Denmark	3.5	2.5	71	76	66	34	10
Germany	55.8	34.9	63	71	54	33	3
France	37.9	22.1	58	65	52	28	5
Italy	39.4	19.9	51	66	36	12	3
Greece	7.0	3.8	53	69	38	8	3

Sources: U.S. data from the CPS. EU Labour Force Survey data for 1994 and other sources reported in European Commission, *Employment in Europe 1995* (Luxembourg: Office for the Official Publications of the European Communities, 1995).

Note: Figures for the United States relate to the population aged 16–64, and part-time jobs are slightly underestimated compared to European countries, because Current Population Survey (CPS) statistics define part-time workers as people whose weekly hours, in all jobs, are less than 35 hours, rather than as people working part-time in their main job.

The rise in part-time employment

The post–World War II increase in female employment is usually interpreted as an indicator of women's rising work attachment. Yet this is a questionable conclusion, except for the United States, where fiscal, social security, and health care policies force women to choose between no paid work or full-time jobs. Across the OECD countries, two processes appear, at different times and with differing importance. One trend, dominant well into the 1980s, was the substitution of part-time for full-time jobs in the workforce and among women in particular. A second trend, appearing in some countries in the 1980s and 1990s, was a rise in full-time jobs held by women, alongside the continuing expansion of part-time jobs for men and women.

In the European Community, most of the additional jobs created during the 1980s were part time, especially in northern states (in southern states, to the contrary, the number of part-time jobs declined). In the Netherlands, for example, there has been no change at all in women's full-time work rate (about 20 percent of working-age women) since 1945; all the increase in female employment is due to the creation of a new part-time workforce, roughly double the size of the female full-time workforce. In Britain, the full-time female workforce remained at about one-third of working-age women from 1851 to the mid-1990s.[3] The continuous rise in women's employment after 1951 consisted entirely of the substitution of part-time jobs for full-time jobs. Only in the late 1980s did the number of full-time-equivalent jobs for women begin to increase.

Although the Dutch and British labor forces represent two extreme cases, conventional measures of economic activity and employment can hide as much as they reveal about women's employment. For example, the dramatic postwar increase in female employment in Sweden has been revealed as largely illusory. Long periods of parental leave are in fact spent outside the work force and in domestic activities, even if job rights are preserved.[4] It appears that survey classifications must be amended to differentiate between people with job rights and those actually engaged in market work, and to reweight the contribution of part-timers with more realistic measures of actual hours spent working.

The sex-role preferences and work orientations of part-time workers

In most OECD countries, part-time work tends to be concentrated among the least skilled and lowest paid jobs, with the poorest employment benefits (Sweden and Denmark are exceptions). The majority of part-timers are wives and mothers who are not primary earners, and occupational segregation is increasing in the part-time workforce.[5] It is thus remarkable that part-time workers report high levels of satisfaction with their jobs, often greater satisfaction than is reported by full-time workers or by men, with their objectively more rewarding, higher-status, better-paid jobs.[6]

The EU Labour Force Survey shows that throughout the 1980s, among both men and women, voluntary part-time work was far more important than involuntary part-time work in all countries, with the single exception of Irish men. France is also often considered to be an exception—most French women regard full-time work as the norm, if they work at all. Involuntary part-time work is, indeed, higher in France than in other countries with substantial part-time workforces, but in the 1990s only one-third of the part-time work force, about the same

Between Equalization and Marginalization: Women Working Part-Time in Europe and the United States of America

Edited by Hans-Peter Blossfeld and Catherine Hakim

From the Preface:

This book presents a comparative study of the long-term development of women's part-time work in Europe and the United States of America. Our chief intention was to explore three contrasting, even conflicting perspectives on women's work: first, that women's increased labour force participation—independently of its particular form—reduces their dependence on men and leads to greater equality between women and men in the labour market and the family; second, that the expansion of part-time work among women disadvantages and marginalizes women in the labour market and the family; and third, that within the context of the sexual division of labour in the family, part-time jobs and other low-paid or non-career jobs, including full-time jobs, can not only be tolerated but even enthusiastically appreciated by dependent wives and other secondary earners.

Using longitudinal and cross-sectional data on the labour force, we seek to disentangle these hypotheses. . . . The key strength of the book is the cross-national comparative approach which illuminates the idiosyncrasies and historically specific developments within the countries studied.

Hans-Peter Blossfeld is Professor of Sociology at the University of Bielefeld, Germany, and Catherine Hakim is Senior Research Fellow in the Department of Sociology at the London School of Economics.

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numbers of men and women, consisted of involuntary part-timers.[7]

Positive interest in part-time work extends beyond those who already have part-time jobs. In EC surveys of employees conducted in 1985–86, 38 percent of working women and 7 percent of men preferred to work less than 30 hours a week. One quarter of full-time employees said they would accept a drop in earnings to achieve shorter working hours, over a half would accept annual hours contracts so long as the variable hours could be jointly negotiated with the employer, and a third said they would choose shorter working hours in preference to a pay increase.[8]

Throughout Europe and industrial society generally, recent attitude survey research demonstrates that the majority of women and men still accept and even prefer the sexual division of labor that allocates domestic responsibilities to the wife and the income-earning role to the husband.[9] Not surprisingly, full- and part-time working women hold different attitudes—there is a strong correlation between the acceptance of sex-role differentiation, work commitment, attitudes to the mother's child-rearing role, and a mother's decision to work full- or part-time. A mid-1980s survey in Britain showed that non-working wives and the majority of female part-timers regarded breadwinning as the primary (but not exclusive) responsibility of husbands and the home as the primary (but not exclusive) responsibility of wives. The majority of women working full-time rejected this division of labor in favor of symmetrical roles for spouses.[10] In the former West Germany, Britain, and the United States, part-timers surveyed were twice as likely as full-timers to emphasize that a wife's domestic responsibilities took priority over market work, even when there were no children at home.[11]

Social attitude survey data are regarded with deep suspicion by many sociologists. In part, this is because attitudes have been found to be poor predictors of actual behavior, owing to the failure of many studies to distinguish between approval and choice. But personal preferences about the appropriate roles of men and women, husbands and wives, and family relations are deeply held and change relatively slowly. Research in the 1990s suggests that sex-role preferences and values are becoming, if anything, more influential in women's employment decisions than they were in the past, when employment was driven primarily by economic necessity. Analyses of the 1994 British Social Attitudes Survey, for example, indicated that women's employment decisions were informed primarily by their conceptions of women's role at home and at work, and only secondarily by practical factors such as child care or financial need, despite high rates of unemployment.[12]

The existence of two groups so basically diverse polarizes women's experience in the labor market, so that the "average" working woman becomes an illusion. (The division of women into two qualitatively different groups is not, of course, fixed and immutable. The groups differ in size from country to country, and many women move between groups over their lifetimes.) The fundamental polarization of working women is illustrated most sharply by the French case. The work commitment of French women has been strong enough to oblige the French government to maintain generous pronatalist policies, including reliable child care services for working women. At the same time, a minority of women continue to give priority to family and nonmarket work; they rarely work after the first child is born, and have three or more children. Between these two groups there has been little scope for part-time work to grow, despite active government encouragement.

The feminist perspective: Problems of child care

The dominant feminist view has held that part-time work is a compromise rather than a positive choice—a decision imposed upon women by the need to care for children. This argument fails to take into account the high levels of job satisfaction expressed by part-timers and the fact that child care problems do not prevent large numbers of women from working full time, whereas others insist that caring for one's children should be a full-time activity. It also does not explain the increase in the numbers of women working full time during the 1980s in Britain and other countries, despite the lack of improvement in child care services.[13]

Comparisons among European countries show that the age of the youngest child, if a woman has children, has little or no effect on wives' full-time and part-time work rates, which exhibit distinctive national patterns. In 1993, in all EC states except Belgium, part-time work was most prevalent among women 50 years and older. In contrast, among employed women of child-bearing age, aged 25–49, only 29 percent worked part time rather than full time. In Germany and Denmark, over 40 percent of married women without children chose to work part time. None of this evidence is wholly consistent with the argument that the major reason for part-time work is to enable women to reconcile work and family responsibilities.[14] Nevertheless, child care services are clearly a factor in the rise of part-time work and may still be important at the margin in particular countries, for example, in explaining whether and when mothers who regard themselves as secondary earners return to work.

The trade union perspective: Part-time work as a threat to standard jobs

With their long-standing focus on the interests of primary breadwinners (typically men) and hence on "standard" full-time permanent jobs, it is understandable that trade unions have always viewed part-time (and temporary) work as an inadequate alternative.[15] Traditional trade union policy has been to seek a reduction in full-time working hours for everybody, and the creation of part-time jobs is perceived to undermine this objective by splitting full-time jobs and imposing part-time work on people against their will. Few part-timers are trade union members, and expansion of the part-time workforce is seen to further weaken union representation and control.[16] The unions fear that flexibility in working time will lead to rationalization, increased productivity standards, and the intensification of work; that all forms of nonstandard work create divisions within the workforce and undermine collective health and safety regulations; and that short-hours jobs have lower levels of social security protection and will strain the social safety net. Part-time workers, including homeworkers, generally display little interest in unionization because the unions are not perceived as defending the interests of women and secondary workers.

The opposition of trade unions has helped to ensure that part-time jobs remained a separate, low-status, and marginal element in the workforce, excluded from the employment benefits obtained by full-time workers. In some countries, however, the volume of part-time work has now risen to levels where marginalization ceases to be a viable policy. The fall in the number of full-time, permanent jobs has also eroded union membership. Some trade unions have formally adopted new policies, actively seeking members among workers in nonstandard jobs, in particular among part-timers, arguing that such workers need the same degree of employment protection, the same rights and benefits as full-time workers. The low work commitment, high turnover, and absenteeism

often seen as characteristic of part-time workers are instead ascribed to the characteristics of part-time jobs. The implicit argument of the supporters of employment protections for part-time workers is that these workers will behave just like full-time workers if the quality of the jobs can be improved.[17]

In 1994, a series of legal decisions gave part-time workers in Britain the right to join employers' pension schemes and the same statutory rights as full-time workers. The change in the law was significant in forcing employers to treat all workers the same, whatever their hours. Yet according part-time workers rights to job security or pensions does not change their basic sex-role preferences and work orientations, the nature of the work they do, the skills they bring, and the wages they receive. Improving the legal rights of part-timers does simply that; there is no reason to expect a spillover effect on occupational segregation or labor mobility.

Labor mobility and labor turnover

Closely related to the trade-union perspective on part-time work is the question of the employment instability of part-time workers (or jobs) compared to full-time workers (or jobs). In countries where part-time work is a new development, such jobs may in practice be of short duration, but in countries with large and stable part-time workforces, employers organize the great majority of part-time jobs as permanent jobs.[18] Thus employers' policies cannot account for the job tenure differential between part-timers and full-timers. There also continue to be large sex differentials in job tenure and labor turnover. Women, for example, constitute less than half the British workforce, but over the decade 1971–81, movement in and out of the workforce was twice as high among women as among men. The overwhelming importance of this sex differential in labor mobility persists even when age and type of occupation are taken into account, and is as strong among full-time as among part-time workers.[19] In Finland and France, two countries with a long tradition of continuous full-time employment among women, labor turnover is twice as high among part-time as among full-time workers.

Denmark constitutes a more stringent test case. It has some of the highest rates of part-time work in Europe, among men and well as women, and full equalization of employment rights and benefits. Longitudinal analyses show that by the 1980s sex differentials in job tenure and labor turnover had almost disappeared. However, labor mobility differentials between part-time and full-time workers remained marked. Over a 12-month period in 1988–89, turnover rates for part-timers averaged 33 percent (50 percent among male part-timers, most of whom were young, and 27 percent among female part-timers), compared to 11 percent of full-timers. A substantial por-

tion of the movers, male and female, were moving in and out of the labor market rather than changing jobs or becoming unemployed. Denmark seems to show that the work orientations of full-timers and part-timers are significantly and consistently different, even when they are accorded equal status in employment law.[20]

Part-time work is not just a bit less of the same thing as full-time work. The evidence suggests that it is a qualitatively different type of labor force involvement, distinguished by its subordination of work to other life interests, which are mainly (but not necessarily) nonmarket, family-centered activities that are easily subsumed under the label "child care responsibilities." Yet child care as such does not seem to be the key factor among women in general, as evidenced by the numbers of women who start part-time work and carry it on before and long after any child care responsibilities, and by the distinctively traditional view of women's roles held by part-timers.

The coexistence of two qualitatively different work orientations among women (and some men) of working age is a complicating factor for research. Studies which treat the female workforce as a single, homogeneous social group will increasingly produce invalid results. New measures are required to help identify dichotomies in women's employment patterns. Discontinuous employment, usually associated with part-time work, has become increasingly common, among full-time housewives and full-time career-oriented women. Part-time work plays a very different role in the lives of these two groups, and understanding its ramifications remains a challenge for social scientists. ∎

[1]C. Hakim, "Workforce Restructuring in Europe in the 1990s," *International Journal of Comparative Labour Law and Industrial Relations* 5 (1990): 167–203.

[2]C. Hakim, "Workforce Restructuring, Social Insurance Coverage, and the Black Economy," *Journal of Social Policy* 18 (1989): 471–503; European Commission, *Social Protection in Europe* (Luxembourg: Office for the Official Publications of the European Communities, 1995), p. 140. "Unpaid family workers" consist, for example, of family members working on the farm or in family businesses.

[3]De Graaf and Vermeulen, "Female Labour Market Participation in the Netherlands," *Between Equalization and Marginalization*, chapter 8; C. Hakim, *Key Issues in Women's Work: Female Heterogeneity and the Polarisation of Women's Employment* (London: Athlone Press, 1996), p. 63.

[4]OECD, "Absence from Work Reported in Labour Force Surveys," *Employment Outlook* (Paris: OECD, 1991), pp. 177–98; C. Jonung and I. Persson, "Women and Market Work: The Misleading Tale of Participation Rates in International Comparisons," *Work, Employment, and Society* 7 (1993): 259–74.

[5]Lone parents generally work full time or not at all in most EU countries, because of the structure of European welfare systems; they constitute a tiny proportion of the part-time workforce, which is almost entirely composed of wives and students. Much of the turnover is due to student employment; wives are less unstable.

[6]C. Hakim, "Grateful Slaves and Self-Made Women: Fact and Fantasy in Women's Work Orientations," *European Sociological Review* 7 (1991): 101–21; J. Curtice, "Satisfying Work—If You Can Get It," in *International Social Attitudes: The 10th BSA Report*, ed. R. Jowell (Aldershot: Gower, 1993), pp. 103–21.

[7]Across the European Community, the incidence of involuntary part-time work first rose slightly then fell during the 1980s, from 21 to 16 percent of male part-time workers and from 10 to 9 percent of female part-time workers (Hakim, "Workforce Restructuring in Europe"). See also Coutrot and others, "The Family Cycle and the Growth of Part-Time Female Employment in France," *Between Equalization and Marginalization*, chapter 6.

[8]G. Nerb, "Employment Problems: Views of Businessmen and the Workforce—Results of an Employee and Employer Survey on Labour Market Issues in the Member States," *European Economy* 27 (1986): 5–110.

[9]The International Social Survey Programme has for some years collected data on sex-role ideology, through responses to statements such as "A husband's job is to earn the money; a wife's job is to look after the home and family." Throughout the 1980s and into the 1990s roughly 50 percent of men and women in the United States, Britain, Germany, and other European countries disagreed with this statement, and 50 percent agreed or were indifferent. Since World War II, however, attitudes to the complete separation of roles have been updated to accept work as a secondary activity for wives.

[10]Hakim, *Key Issues in Women's Work*, pp. 84–98; Eurobarometer report, *European Women and Men*, 1983 (Brussels: European Commission, 1984).

[11]D. Alwin, M. Braun, and J. Scott, "The Separation of Work and the Family: Attitudes Towards Women's Labour-Force Participation in Germany, Great Britain, and the United States," *European Sociological Review* 8 (1992): 13–37.

[12]K. Thomson, "Working Mothers: Choice or Circumstance?" in *British Social Attitudes: The 12th Report*, ed. R. Jowell and others (Aldershot: Dartmouth, 1995), pp. 61–91.

[13]J. Humphries and J. Rubery, "The Legacy for Women's Employment: Integration, Differentiation, and Polarisation," in *The Eco-nomic Legacy of Thatcherism*, ed. J. Michie (London: Academic Press, 1992), pp. 236–57.

[14]European Commission, *Employment in Europe, 1993* (Luxembourg: Office for the Official Publications of the European Communities, 1993), pp. 159–60.

[15]C. Cockburn, *Strategies for Gender Democracy: Women and the European Social Dialogue, Social Europe*, Supplement 5/95 (Luxembourg: Office for the Official Publications of the European Communities, 1996).

[16]In Britain, for instance, about 40 percent of men and women in full-time permanent jobs are union members compared to 20 percent of people in nonstandard jobs. M. Beatson and S. Butcher, "Union Density across the Employed Workforce," *Employment Gazette* 101 (1993): 673–89.

[17]V. Beechey and T. Perkins, *A Matter of Hours: Women, Part-Time Work, and the Labour Market* (Cambridge: Polity Press, and Oxford: Basil Blackwell, 1987).

[18]Italy is an example of a country where part-time work is newly developing (see Addabbo, "Part-Time Work in Italy," *Between Equalization and Marginalization*, chapter 5). In Britain about 80 percent of part-time jobs are designated as permanent jobs (Hakim, "Workforce Restructuring in Europe," p. 174).

[19]These results are reported in Tables 2.4 and 2.5 of the chapter on which this article is based. The tables report analyses of the British 1 percent Longitudinal Study, which is based on information for a 1 percent sample of the population taken from the 1971 census, updated with information from later censuses and with demographic data. See also C. Hakim, *Social Change and Innovation in the Labour Market* (Oxford: Oxford University Press, 1998), pp. 49–59; C. Hakim, "Labour Mobility and Employment Stability: Rhetoric and Reality on the Sex Differential in Labour Market Behaviour," *European Sociological Review* 12 (1996):1–31; J. Nätti, "Part-Time Work in the Nordic Countries: A Trap for Women?" *Labour* 9 (1995): 343–57; Coutrot, "The Family Cycle," table 6.6.

[20]These results are reported in Table 2.6, which analyses data from Danmarks Statistik, Integrated Database for Labour Market Research.

Robert J. Lampman Memorial Lecture, 1999
"A Financial Policy in Lampman's Tradition: The Community Reinvestment Act"

The second Lampman Memorial Lecture will be given by Dr. Edward M. Gramlich, since 1997 a member of the Board of Governors of the Federal Reserve System. The lecture will take place on Wednesday, June 16, 1999, 4–5.30 p.m. in Room 1100, Grainger Hall, 975 University Ave., Madison, WI.

Before becoming a member of the Board, Dr. Gramlich served at the University of Michigan, Ann Arbor, as Dean of the School of Public Policy (1995–97), Professor of Economics and Public Policy (1967–97), and, at different times, as Chair of the Department of Economics and Director of the Institute of Public Policy Studies.

Dr. Gramlich has extensive governmental experience. From 1994 to 1996 he was Chair of the Quadrennial Advisory Council on Social Security, and from 1986 to 1987 he was both Deputy Director and Acting Director of the Congressional Budget Office. As Director of the Policy Research Division at the Office of Economic Opportunity from 1971 to 1973, he was Project Officer for the Institute for Research on Poverty.

Dr. Gramlich's wide-ranging research encompasses macroeconomics, income redistribution, budget policy, fiscal federalism, social security, and the economics of professional sports. He is the author, among many other works, of a popular text, *Benefit-Cost Analysis of Government Programs,* now in its second edition.

Robert J. Lampman Memorial Lectures

To honor Robert Lampman, founding director and guiding spirit of the Institute for Research on Poverty until his death in 1997, a fund has been established to support an annual lecture by a distinguished scholar on the topics to which Lampman devoted his intellectual career: poverty and the distribution of income and wealth. This memorial has been established by the Lampman family, with the help of the University of Wisconsin Foundation. The lecture series is organized by IRP, in cooperation with the University's Department of Economics. The series offers a special opportunity to maintain and nurture interest in poverty research among the academic community and members of the public.

The first Lampman Memorial Lecture was given in 1998 by Sheldon Danziger, Henry J. Meyer Collegiate Professor of Social Work and Public Policy, University of Michigan, Ann Arbor. An abridged version of that lecture will appear in the Spring 1999 issue of *Focus*.

Further contributions to the fund are welcome, to ensure continuation of the lectures. Donations may be made to the Robert J. Lampman Memorial Fund, University of Wisconsin Foundation, 1848 University Ave, P.O. Box 8860, Madison, WI 53708-8860.

Punishment vs. Social Programs

University of Wisconsin–Madison, February 19, 1999

With this research symposium on public policy and youth crime in the United States, IRP initiated a symposium series that will bring outstanding scholars from other campuses together with IRP researchers to discuss poverty-related policy issues before a campus audience. The inaugural symposium featured three distinguished scholars in the area of criminal justice policy.

Allocating Resources among Prisons and Social Programs in the Battle Against Crime
John Donohue, John A. Wilson Distinguished Faculty Scholar, Stanford Law School

Does Criminal Behavior Respond to Punishment?
Steven Levitt, Associate Professor of Economics, University of Chicago

Discussion
Daniel Nagin, Teresa and John Heinz III Professor of Public Policy and Management, Carnegie-Mellon University

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Poverty: Improving the Definition after Thirty Years

University of Wisconsin–Madison, April 15–17, 1999

An invited conference sponsored by the Brookings Institution, the Institute for Research on Poverty, and the Robert M. La Follette Institute of Public Affairs and supported by the Annie E. Casey Foundation.

Friday, April 16

Introductory Panel: Basis of the Current Measure and Motivation for Change
Moderator: Barbara Wolfe; panelists: Wendell Primus, Constance Citro

The Nature of the New Measure
Presenter: Kathleen Short, co-authors: Thesia Garner, David Johnson, Daniel Weinberg; discussants: John Karl Scholz, Daniel Meyer

The composition of the poverty population under alternative measures and under the official measure; what the alternative measures might be if family resources were measured by the Survey of Income and Program Participation rather than the Current Population Survey.

Time Trends
Co-authors: David Betson, Jennifer Warlick; discussants: Gary Burtless, Eugene Smolensky

The comparisons made in the previous session are extended back before 1990 and into the future; the composition of the poor population and implications for policy, such as the effect of transfer programs.

Special Problems in Poverty Measurement
Moderator: Thomas Kaplan; presenters: La Follette Institute graduate students; discussants: Kathleen Short, David Johnson, Thesia Garner, Patricia Doyle

Public Perceptions of the New Measure
Presenter: Gary Burtless; panelists: Michael Laracy, Wendell Primus, Robert Reischauer

Saturday, April 17

Alternative Measures and Conceptions of Poverty
Presenter: Robert Haveman; co-author: Melissa Mullikin

Advantages and Disadvantages of a New Measure
Moderator: Thomas Corbett; panelists: Patricia Ruggles, Ronald Haskins, Joel Rabb, Mark Greenberg

Measuring Poverty: An Anglo-Saxon Trait
Speaker: Timothy Smeeding

Nonmarital Childbearing

University of Wisconsin–Madison, April 29–30, 1999

An invited conference sponsored by the Institute for Research on Poverty with support from the Office of Assistant Secretary for Planning and Evaluation, U.S. Department of Health and Human Services.

Thursday, April 29

Demographic Trends
"A State-by-State Look at the Demographic Groups at Greatest Risk for Nonmarital Childbearing"
Kelleen Kaye, Policy Analyst, ASPE

"European Perspectives on Nonmarital Fertility"
Kathleen Kiernan, Department of Social Policy, London School of Economics

"Cohabitation and Childbearing outside Marriage in Britain"
John Ermisch, Institute for Social and Economic Research, University of Essex

Discussant: Jan Hoem, Stockholm University

Life-Course Aspects of Nonmarital Childbearing
"Finding a Mate? The Post-Birth Marital and Cohabitation Histories of Unwed Mothers"
Daniel Lichter and Deborah Graefe, Pennsylvania State University

"Trajectories of Nonmarital Childbearing for Recent Cohorts of U.S. Women"
Lawrence Wu, Larry Bumpass, and Kelly Musick, University of Wisconsin–Madison

Discussant: Michael Rendall, Pennsylvania State University

Child Support and Nonmarital Fertility
"Legal Fatherhood for Children Born Out of Wedlock"
Judith A. Seltzer, University of California, Los Angeles

"The Importance of Child Support for Mothers with Nonmarital Births"
Judi Bartfeld and Daniel R. Meyer, University of Wisconsin–Madison

Discussant: Robert Plotnick, University of Washington

Economic Models of Nonmarital Childbearing
"The Economics of Out-of-Wedlock Births"
Derek Neal, Department of Economics, University of Wisconsin–Madison

"Estimating Welfare Effects Consistent with Forward-Looking Behavior"
Kenneth Wolpin, University of Pennsylvania, and Michael P. Keane, New York University

Discussant: Robert Willis, University of Michigan

Using Data from the Fragile Families Study to Learn about Nonresident Fathers
Speaker: Irwin Garfinkel, Columbia University

Friday, April 30

Welfare Policies and Nonmarital Childbearing
"Welfare and Nonmarital Childbearing: New Research and Policy Directions"
Robert Moffitt, Johns Hopkins University

"The Effects of Welfare and Family Background on Nonmarital Childbearing"
Saul D. Hoffman, University of Delaware, and E. Michael Foster, Georgia State University

Discussant: Robert P. Strauss, Carnegie-Mellon University

Consequences of Nonmarital Childbearing
"Great Expectations: Consequences of Adolescent Sexuality, Pregnancy, and Childbearing on Perceptions of Adult Attainments"
Kathleen Mullan Harris, Chapel Hill, Greg Duncan, Northwestern University, and Johanne Boisjoly, University of Quebec at Rimouski

"The Effect of Nonmarital Childbearing on Young Adult Outcomes"
Robert Haveman, Barbara Wolfe, and Karen Pence, University of Wisconsin–Madison

"The Consequences of Teen Births for Mothers and Children: Does Marital Status Matter?"
Gary Sandefur and Molly Martin, University of Wisconsin–Madison

Discussant: Lee Lillard, University of Michigan

Session VII: Consequences (continued)
"Unintended Nonmarital Childbearing"
Sanders Korenman, Robert Kaestner, and Theodore Joyce, Baruch College

"The Impact of Nonmarital Childbearing on Subsequent Marital Formation and Dissolution"
Dawn Upchurch, UCLA, Lee Lillard, University of Michigan, and Constantijn Panis, RAND

Discussant: James Walker, University of Wisconsin–Madison

Conference Rapporteurs and Final Discussion
Andrew Cherlin, Johns Hopkins University; Shelly Lundberg, University of Washington

IRP Minority Scholars Program

Susan T. Gooden, Assistant Professor in the Center for Public Administration and Policy at Virginia Tech, **Robert A. Brown**, Assistant Professor in the Department of Political Science and Program for African American Studies at Emory University, and **Lauren M. Rich**, Assistant Professor in the School of Social Work at the University of Pennsylvania, spent time at IRP in March 1999 as Visiting Minority Scholars. The intent of the program, which is supported by the University of Wisconsin–Madison, is to enhance the skills and research interests of minority scholars at the beginning of their careers and to broaden the corps of poverty researchers.

Professor Gooden is particularly interested in examining job retention rates of welfare employees hired under the federal Welfare to Work Initiative. She is currently a consultant to Manpower Demonstration Research Corporation, New York, in their study of the implementation of the Wisconsin Works (W-2) program in Milwaukee. She received the Ph.D. degree in Political Science from the Maxwell School of Citizenship and Public Affairs, Syracuse University, in 1996. While at IRP, Professor Gooden gave a seminar on the topic, "Welfare to Work and Job Retention: Preliminary Results from the Federal Welfare to Work Initiative."

Professor Brown's research has addressed issues of poverty and urban inequality, in particular, whether African-American mayors and city council members have actually altered the fiscal priorities of city governments in ways responsive to the needs and concerns of black citizens, many of whom are mired in serious poverty. Professor Brown is also interested in the politics of U.S. social policy making, especially American attitudes over time toward the scope and role of government in providing basic levels of social and economic needs. He received the Ph.D. degree in Political Science from the University of Michigan, Ann Arbor, in 1996. While at IRP Professor Brown gave a seminar, "Race and Politics Matter: African American Urban Representation amid the Urban Transition of the 1970s and 1980s."

Professor Rich, a labor economist, is a member of the Fragile Families Study, a new, longitudinal survey of unmarried and married parents in twenty U.S. cities led by Irwin Garfinkel and Sara McLanahan. She has two main areas of interest: (1) fathers' participation in the "underground economy"—activities, legal and illegal, outside of regular paid employment—and the extent to which punitive child support enforcement policies may affect that participation, and (2) later-life education among teenage mothers, its effect on their children, and the role of social supports and social policies regarding adult education. Professor Rich received the Ph.D. degree in Economics from the University of Michigan in 1993. While at IRP, she gave a seminar on the topic, "Employment and Enrollment Status and the Likelihood of a Teenage Nonmarital Pregnancy."

Persons interested in the program should contact Betty Evanson (e-mail: evanson@ssc.wisc.edu) at IRP.

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