

# The Gender Wage Gap: Literature

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## 1 The Gender Wage Gap

[Blau and Kahn \(2017\)](#): overall survey of explanations using the PSID + survey of recent literature. Long-term trend: substantial reduction in gender wage gap. But the extent differs depending on what part of the wage distribution we look at. Average female to male ratio in 2014: 79%. What plays a role:

- Gender differences in **occupation and industry**
- Differences in **gender roles and the division of labor**.
- **Compensating differential** (women accept lower wage in exchange for other benefits).
- **Discrimination**.

What is not very important (anymore):

- Human capital variables (education and work experience).
- Differences in non-cognitive skills.

Specific mechanisms:

- [Bertrand et al. \(2010\)](#): gender wage gap among young MBA graduates due to difference in training, **hours worked** and women **career interruptions**.
- [Goldin \(2014\)](#), [Wiswall and Zafar \(2018\)](#): **Time flexibility** drives the gender wage gap. Also [Denning et al. \(2022\)](#), [Wasserman \(2022\)](#) [Männasoo \(2022\)](#): hours worked.

- [Blau et al. \(2012\)](#) in chapter 1: **Between firm**: women tend to match with low paying firms, men with high paying firms. Explains it through discrimination. Also [Webber \(2016\)](#) (monopsony), [Card et al. \(2015\)](#) (sorting and bargaining), [Theodoropoulos et al. \(2022\)](#) (share of female managers reduces gender pay gap).
- [Das and Joubert \(2023\)](#): **Within firm**: pipeline effect: women have to catch up on men in high ranking, high paying positions.
- [Fortin \(2015\)](#): Stalled progression of **gender role attitudes** impacted female labor force participation. Also [Kamal and Blacklow \(2022\)](#), [Siminski and Yetsenga \(2022\)](#): test a Beckerian model, by which discrimination induced gender division of labor
- [Reuben et al. \(2019\)](#): **Taste for competition** accounts for 10% of the gender wage gap among MBA graduates.
- [Adamecz-Völgyi and Shure \(2022\)](#), [Lavetti and Schmutte \(2022\)](#), [Kamal and Blacklow \(2022\)](#), [Exley and Kessler \(2022\)](#): **Psychological traits**, like over-confidence or risk attitudes, helps men getting higher wages.
- [Barbanchon et al. \(2021\)](#): Women value **commuting time** about 20% more than men. Accounts for 14% of the residualized wage gap.
- [Burbano et al. \(2022\)](#): Women sort more into ‘**meaningful**’ **work** (that have high pro-social impact). Accounts for 1/3 of the wage gap in the lower half of the wage distribution, but is insignificant in the upper half.
- [Folke and Rickne \(2022\)](#), [Batut et al. \(2022\)](#): **Sexual harassment** pushes women to quit their job for lower paying jobs.
- [Bamieh and Ziegler \(2022\)](#): women sorting into lower-paying occupations could be due to lack of information about wage in each occupation. Exploit a reform increasing **transparency** in job ads, but find no effect. [Baker et al. \(2022\)](#), [Bennedsen et al. \(2022\)](#) find the opposite: increase transparency decreases the gap by 30% / 2p.p.
- [Roussille \(2022\)](#), [Dreber et al. \(2022\)](#): role of the **ask gap**: women ask for lower salaries than men when they are hired, which partly drives the gender wage gap. Shows that when candidates are informed on median salary for the position, ask and wage gap vanish. Also [Kiessking et al. \(2019\)](#): **gap in wage expectations**, linked to sorting and negotiation style.

- [Biasi and Sarsons \(2022\)](#): **flexible pay** (where wages are negotiated individually, as opposed to a salary grid) worsens the gender pay gap, possibly due to women negotiating less often.
- [Cortés et al. \(2021\)](#): **job search** is different between genders: women accept offers earlier than men. The gap narrows over the course of the search period.
- [Sin et al. \(2022\)](#): **Taste discrimination**. [Fanfani \(2022\)](#): discrimination and monopsony. [Birkelund et al. \(2022\)](#) find no discrimination.
- [Heyne and Voßemer \(2022\)](#), [Cukrowska-Torzewska \(2021\)](#) women's have a higher **reservation wage** than men's.

## 2 The Motherhood Penalty

- [Kleven et al. \(2019\)](#): Children create a 20% wage gap, driven both by the extensive and intensive margin.
- [Angelov et al. \(2016\)](#): Children drive increase of 10% in the within couple wage gap.

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