

**The Gender Earnings Gap in the Gig Economy:  
Evidence from over a Million Rideshare Drivers** (Cook et al., 2021)

In 2020, American working women earn 84 cents for each dollar that male workers earn. (Pew Research Center, 2021). However, little is known about the gender gap in the *sharing economy*, or gig economy, because most of this work is not taxable. This paper tells us about the gender differences of Uber drivers, which could give us a hint of why the gender gap still persist in the economy.

**One Sentence Summary**

The Uber drivers' earnings gender gap is 7% for the U.S. This gap is driven by the different choices of men and women on when, where, and how to drive.

**Main Findings**

Uber is the ideal setting to explore the gender pay gap because gender does not affect their earnings. Uber pays their employees by a publicly known function that completely depends on incentive schemes, the number of miles between pick up and accepts of a trip, number of miles for the trip, speed, and wait time for dispatch. This allows the authors study the gender gap in the context of no pay discrimination from the employer.

Cook et al. (2021) found that this earnings gap can be explained by the differences in when, where, and how fast male and women uber drivers drive. Male drivers tend to drive: (i) at the most profitable time (usually late at night), (ii) in zones where it's more profitable, and (iii) faster. These three components allow men to gain more on-the-job experience by completing more trips, thus enjoying the high returns to accumulated experience.

**Concluding Remarks**

Even in the *sharing economy*, where jobs are relatively flexible and there is no direct pay discrimination, a gender gap still persists. This reinforces the idea that women and men have different preferences for working. For instance, they rather spend time with their children than work an extra hour or they chose to be nurses and teachers because they like to help other people. Which begs the open question: do employers still pay their women workers less because of discrimination?

## References

- Cook, C., Diamond, R., Hall, J. v., List, J. A., & Oyer, P. (2021). The Gender Earnings Gap in the Gig Economy: Evidence from over a Million Rideshare Drivers. *The Review of Economic Studies*, 88(5), 2210–2238. <https://doi.org/10.1093/RESTUD/RDAA081>
- Pew Research Center. (2021). Gender pay gap in U.S. held steady in 2020. Retrieved February 6, 2023, from <https://www.pewresearch.org/fact-tank/2021/05/25/gender-pay-gap-facts/>