College Education, Employment Divergences, and the Gender Wage Gap

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Stalled Gender Wage Gap

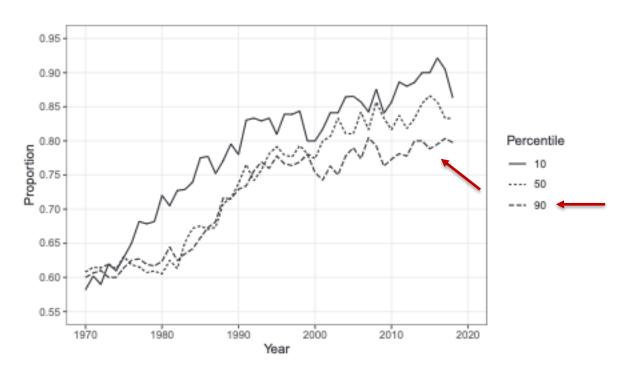


Fig. 12. Ratio of women's to men's hourly wage at the 10th, 50th, and 90th percentile of their distributions, for full-time workers employed in the last week, age 25 to 54, 1970 to 2018. Source: Authors' computations from IPUMS CPS ASEC samples for 1970 to 2018.

Individual Level

- Gender Segregation in Field of Study in College
- Transition to Family Roles and Unqual Family Responsibilities

Stalled Gender Wage Gap

Individual Level

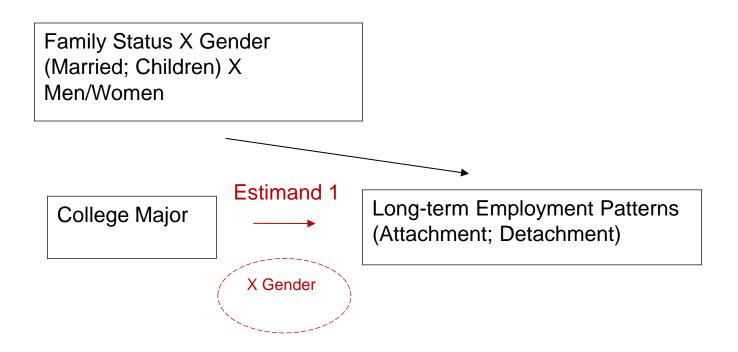
- Gender Segregation in Field of Study in College
- Transition to Family Roles and Unqual Family Responsibilities



- Cumulative (Dis)advantage
- How do early educational decision shape long-term employment outcomes, and therefore wages?
- How do family (and gender) dynamics play a role?

Stalled Gender Wage Gap

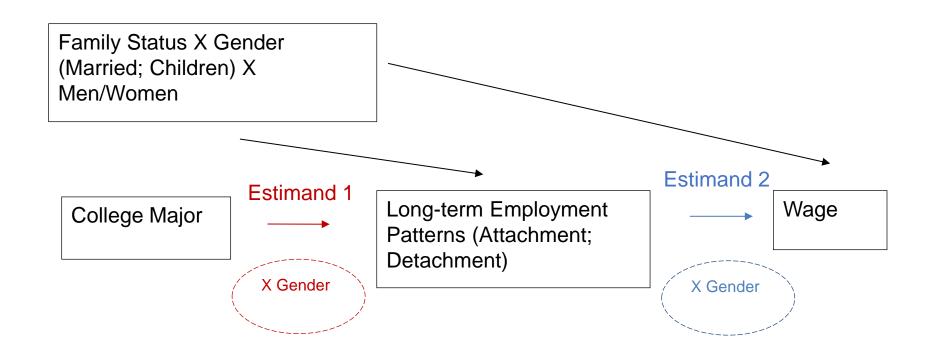
Objective 1: college major → labor market attachment/detachment



Objective 1: college major → labor market attachment/detachment

Objective 2: labor market attachment/detachment → wage

Objective 3: college major \rightarrow labor market attachment/detachment \rightarrow wage



Data and Method

Data

- NLSY97, round 1~ round 22 (age 12~43).
- Bachelor's degree holder.
- Final sample size 2,333 people + 32,316 person-years.

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Method

Estimand	Approach	Estimator
College major → Labor Market Attachment/Detachment	Event History Analysis	Linear Probability Model
Labor Market Attachment/Detachment → Wage	Growth Curve Modeling	Multilevel Linear Regression

KEY FINDINGS



1.Applied non-STEM and applied STEM degrees → stronger labor market attachment.

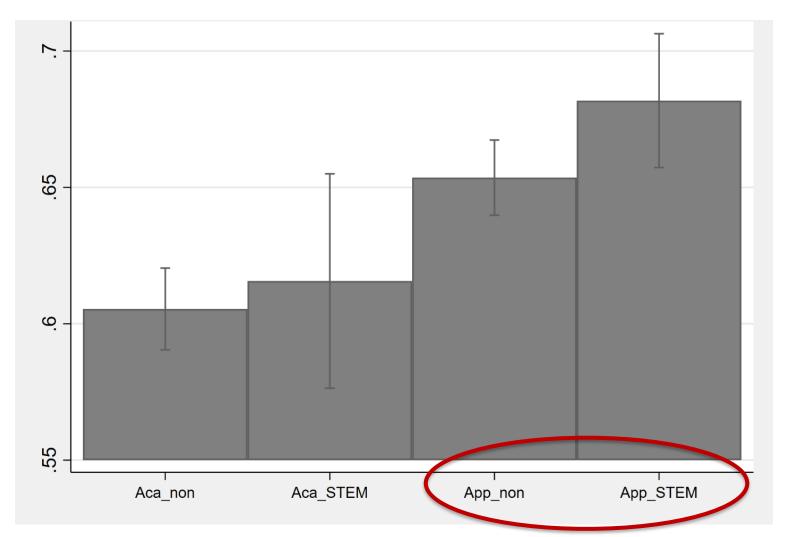


Figure 2. Predicted Probability of Labor Market Attachment across College Major.



2. However, women benefit less from **applied non-STEM degrees** than their men counterpart —concentration of women in care-centered majors?

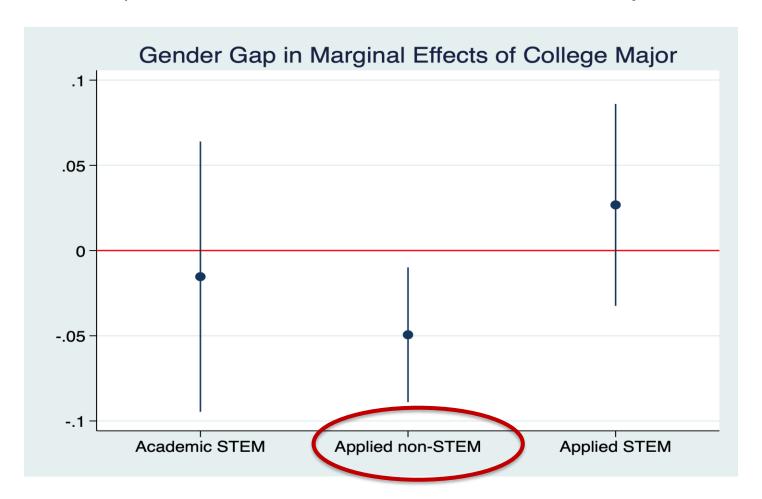


Figure 3. Gender Gap (women – men) in Effects of College Major on Labor Market Attachment

3. Although **applied STEM** degrees offer equal advantages to men and women, **women's significant underrepresentation** in such fields means that these advantages are disproportionately realized by men.

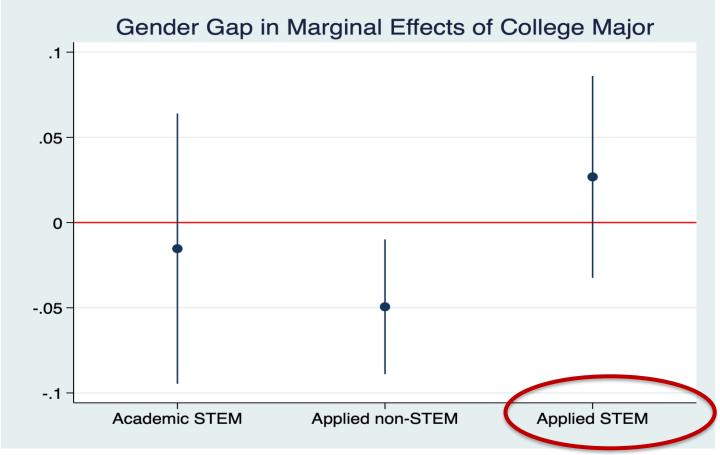
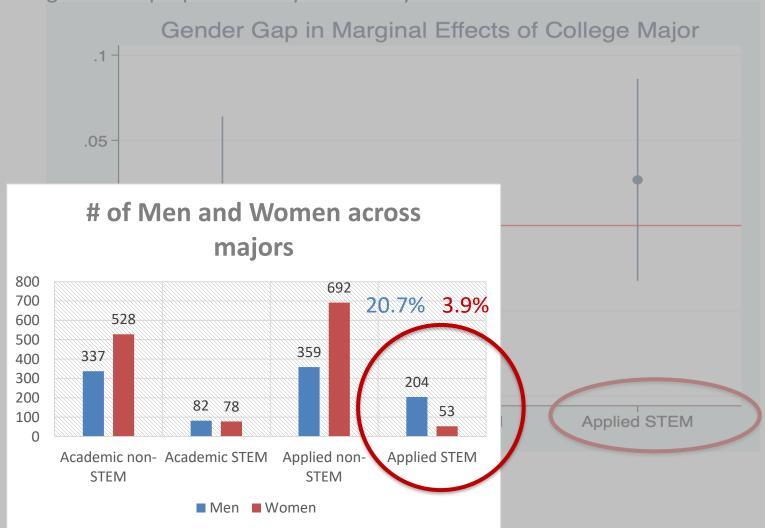


Figure 3. Gender Gap (women – men) in Effects of College Major on Labor Market Attachment





3. Although applied STEM degrees offer equal advantages to men and women, women's significant underrepresentation in such fields means that these advantages are disproportionately realized by men.



4. Labor market attachment can increase wages, while detachment can reduce wages;

Table 4. College Major, Labor Market Attachment/Detachment, and Gender Wage Gap, Lagged Wage.

	(1)	(2	2)	(3)	(4)	(5)
Women	052**	(.02)	022	(.02)	009	(.02)	023	(.02)	010	(.02)
Academic STEM			.046	(.04)	.047	(.04)	.049	(.04)	.048	(.04)
X Women			n.	s.	n.s	S.	n.s	.	n.s	S.
Applied non-STEM			.055**	(.02)	.051*	(.02)	.053*	(.02)	.051*	(.02)
X Women			n.	s.	n.s	S.	n.s	.	n.s	S.
Applied STEM			.248***	(.03)	.242***	(.03)	.245***	(.03)	.242***	(.03)
X Women			n.	S.	n.s	S.	n.s	.	n.s	S.
Married			.026*	(.01)	.024*	(.01)	.026*	(.01)	.024*	(.01)
X Women			n.	s.	n.s	S.	n.s	5.	n.s	S.
>=1 child in residence			.005	(.01)	.005	(.01)	.007	(.01)	.005	(.01)
X Women			n.	S.	n.s	S.	n.s	.	n.s	S.
Labor Market Attachme					.019***	(.00)			.013*	(.01)
X Women					008**	(.00)			008**	(.00)
Labor Market Detachme							027***	(.01)	017	(.01)
X Women							n.s	s	n.s	S.
Log-Likelihood	-15483	3.685	-1545	0.574	-15434	4.759	-15438	3.777	-1543	1.765
Observations	250	92	250)92	250	92	250	92	250	92

^{*}Initial wage refers to the first reported wage earned by individuals after obtaining their bachelor's degree. Note: Standard errors are shown in par

5. The wage benefits individuals gain from labor market attachment is nearly double for men compared to women.

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Women	052**	(.02)	022	(.02)	009	(.02)	023	(.02)	010	(.02)
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X Women			n.s	s.	n.s	S.	n.s	S.	n.s	S.
Applied non-STEM			.055**	(.02)	.051*	(.02)	.053*	(.02)	.051*	(.02)
X Women			n.s	S.	n.s	S.	n.s	S.	n.s	S.
Applied STEM			.248***	(.03)	.242***	(.03)	.245***	(.03)	.242***	(.03)
X Women			n.s	5.	n.s	S.	n.s	S.	n.s	S.
Married			.026*	(.01)	.024*	(.01)	.026*	(.01)	.024*	(.01)
X Women			n.s	S.	n.s	S.	n.s	S.	n.s	S.
>=1 child in residence			.005	(.01)	.005	(.01)	.007	(.01)	.005	(.01)
X Women			n.s	5.	n.s	S.	n.s	S.	n.s	S.
Labor Market Attachme					.019***	(.00)			.013*	(.01)
X Women					008**	(.00)			008**	(.00.)
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Conclusion

- 1. Applied STEM field can foster stronger labor market attachment, and men are four times more likely than women to be in such field.
- Applied non-STEM fields also enhance labor market attachment, but the effects are three times greater for men than for women.
- 3. Consistent labor market attachment leads to wage increases; however, men benefit significantly more from these gains than women.



Figure 1. The Pathway of Gender Wage Gap in Education and Employment

Appendices

- Literature Review
- Theoretical Framework
- Analytical Strategy
 - Modeling
 - Modeling, wage model
 - Measurement
 - Measurement, wage model
 - Lagged and Unlagged wage model
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- 2. <u>Figure 2. Labor Market Attachment</u> <u>across College Major.</u>
- Figure 3. Gender Gap in Labor
 Market Attachment across College
 Major.
- Figure 4. Labor Market Detachment across College Major
- Figure 5. Gender Gap in LaborMarket Detachment across CollegeMajor.

Literature Review

Individual-Level

- Education: Segregation in Field of Study in College
- Family: Unequal Family Responsibilities

Cumulative (dis)advantage

 How do early educational decision shape long-term employment trajectories, and therefore wages?

Labor-Market Level

- Gender discrimination
- Devaluation of Women's Job
- Gender Segregation in Industry



Theoretical Framework

- Applied/STEM majors

 Labor market

 attachment (+); Labor market detachment (-)
 - Occupational Specificity
 - STEM → Science → Higher valued skill.

- Labor market (de)attachment → Wage
 - Human capital accumulation
 - Singaling effect



Modeling



Estimand 1:

The influence of college majors on long-term employment trajectories and how it varies by gender.

Model	Event history analysis.
Estimator	Discrete-time multilevel linear probability model.
Formula	$Attach_{it}$ $= \alpha + \beta_1 age_{it} + \beta_2 age_{it}^2 + \beta_3 Gender_i + \beta_4 Major_i$ $+ \beta_5 (Gender_i \times Major_i) + \beta_6 Family_{it}$ $+ \beta_7 (Gender_i \times Family_{it}) + \sum \beta_i controls$ $+ \sum \beta_{it} controls + \varepsilon_{it}$



Modeling, Wage model.

Estimand 2:

The impact of employment patterns on wage and how it varies by gender.

Model	Growth curve modeling.
Estimator	Multilevel linear regression model.
Formula	$\begin{split} &\ln(Wage)_{it} = \alpha + \beta_1 age_{it} + \beta_2 age_{it}^2 + \beta_3 Gender_i + \\ &\beta_4 Major_i + \beta_5 (Gender_i \times Major_i) + \beta_6 Attach_{it} + \\ &\beta_5 (Gender_i \times Attach_{it}) + \beta_6 Family_{it} + \beta_7 (Gender_i \times Family_{it}) + \sum \beta_i controls + \sum \beta_{it} controls + \varepsilon_{it} \end{split}$



Measurement

Variable (Time-varying)	Туре	Measurement
Family status	Binary	Marital Stauts (Married/not married)Children in residence (Having children/none)
Labor Market Attachment (t1)	Binary	 1, if Full-time (t0) → full-time (t1) Part-time (t0) → full-time (t1) Not employed (t0) → part-time or full-time (t1)
Labor Market Dettachment (t1)	Binary	 1, if Not employed (t0) → not employed (t1) Part-time (t0) → not employed (t1) Full-time (t0) → part-time or not employed (t1)
Years after BA	1,2,3,	Years after attaining BA.
Industry	Categorical	Core, high-wage service, low-wage service, public sector, extractive and others, not employed.

Measurement, Wage model.

Variable (Time-varying)	Туре	Measurement
First Wage	Continuous	First Wage after BA.
Wage	Continuous	Wage at each time point.
Labor Market Attachment	1,2,3	Cumulative number of labor market attachment.
Labor Market Dettachment	1,2,3	Cumulative number of labor market detachment.





Lagged wage model

ID	Time	Employment status	# Labor market attachment	# Labor market detachment	Wage
1	t0	Full-time			W1, controlled
1	t1	Full-time	1	0	w2
1	t2	Part-time	1	1	w3
1	t3	Full-time	2	1	w4

Unlagged wage model

ID	Time	Employment status	# Labor market attachment	# Labor market detachment	Wage
1	t0	Full-time			W1, controlled
1	t1	Full-time	1	0	w2
1	t2	Part-time	1	1	w3
1	t3	Full-time	2	1	w4

Figure 1. Typology of College Major

Figure 1. Typo	Figure 1. Typology of College Major.					
	non-STEM	STEM				
	Social/Behavioral Science	Biological Science				
Academic	Arts & Humanities	Physical Science				
Academic	Literatures	Mathematics & Statistics				
	Business	Engineering				
	Finance	Computer Science				
Applied	Communications	Architecture				
Applied	Education	Technology				
	Administration & Social Services					
	Nursing & Other Health Professions					

Table 2. Gender, College Major, and Labor Market Attachment, Multilevel Linear Probability Model.

	(1	.)	(2	<u>.)</u>	(3	5)	(4	.)
Women	061***	(.010)	055***	(.010)	032*	(.016)	.007	(.017)
Academic STEM			.010	(.022)	.019	(.030)	.028	(.027)
X Women					013	(.043)	015	(.040)
Applied non-STEM			.048***	(.011)	.085***	(.017)	.083***	(.016)
X Women					057**	(.022)	049*	(.020)
Applied STEM			.076***	(.015)	.079***	(.019)	.086***	(.017)
X Women					.034	(.032)	.027	(.030)
Married							.039***	(.011)
X Women							076***	(.015)
>=1 child in residence							.008	(.011)
X Women*							069***	(.014)
Controls								
Years after BA	.053***	(.002)	.053***	(.002)	.053***	(.002)	.035***	(.002)
Year-Square	004***	(.000)	004***	(.000)	004***	(.000)	002***	(.000)
Race/Ethnicity (Ref.White	e)							
African American	.003	(.013)	.004	(.013)	.003	(.013)	.014	(.012)
Asian or Pacific Islander	005	(.027)	009	(.027)	009	(.027)	019	(.027)
Hispanic	038**	(.015)	038**	(.014)	039**	(.014)	027*	(.014)
Other	018	(.028)	023	(.028)	023	(.028)	023	(.025)
Region (Ref.North Centra	ıl)							
Northeast	.021	(.015)	.023	(.015)	.022	(.015)	.009	(.014)
South	.011	(.013)	.011	(.013)	.010	(.013)	.012	(.012)
West	022	(.014)	021	(.014)	021	(.014)	027*	(.013)
MSA (Ref. Non-MSA)	.037	(.030)	.036	(.030)	.036	(.030)	.024	(.029)
Industrial Sector (Ref. Co	ore)							
Extractive and Other	.015	(.021)	.018	(.021)	.019	(.021)	.014	(.019)
High-Wage Service	131***	(.013)	127***	(.013)	125***	(.013)	037**	(.013)
Low-Wage Service	121***	(.017)	116***	(.017)	116***	(.017)	089***	(.016)
Public Sector	.041*	(.020)	.048*	(.020)	.049*	(.020)	.048**	(.018)
Never been Employed	119***	(.019)	148***	(.023)	136***	(.024)	126***	(.019)
Constant	.693***	(.034)	.655***	(.035)	.641***	(.036)	.623***	(.035)
Log-Likelihood	-1635	7.870	-1634	1.699	-16336.642		-1466	0.650
Person-Year	323	16	323	16	323	16	323	16

Note: Standard errors are shown in parentheses. +p < .01; *p < .05; **p < .01; ***p < .001.





Controlling graduate degree attainment (time-varying)

Appendix 1. College major, Employment Transition, and Gender Wage Gap, contro

	(1)	1	(2))	(3))
Women	008	(.02)	024	(.02)	009	(.02)
Academic STEM	.040	(.04)	.042	(.04)	.041	(.04)
X Women	n.s.		n.s		n.s	
Applied non-STEM	.056**	(.02)	.059**	(.02)	.057**	(.02)
X Women	n.s.		n.s		n.s	
Applied STEM	.247***	(.03)	.251***	(.03)	.247***	(.03)
X Women	n.s.	•	n.s		n.s	•
Married	.022+	(.01)	.024*	(.01)	.022+	(.01)
X Women	n.s.		n.s		n.s	
>=1 child in reside	.006	(.01)	.008	(.01)	.007	(.01)
X Women	n.s.		n.s		n.s	•
Labor Market Attac	.023***	(.00)			.018**	(.01)
X Women	009***	(.00.)			009***	(.00)
Labor Market Deta			029***	(.01)	015	(.01)
X Women			n.s	•	n.s	
Cred Dogree Atta	1 47***	(02)	.140***	(02)	.146***	(02)
Grad Degree Atta		(.02)		(.02)		(.02)
· ·						
Lokg-Likelihood Observations	-15375 2509		-1:		5384.115 25092	

Note: Standard errors are shown in parentheses. +p < .01; *p < .05; **p < .01; ***p < .00



Figure 2. Predicted Probability of Labor Market Attachment across College Major.

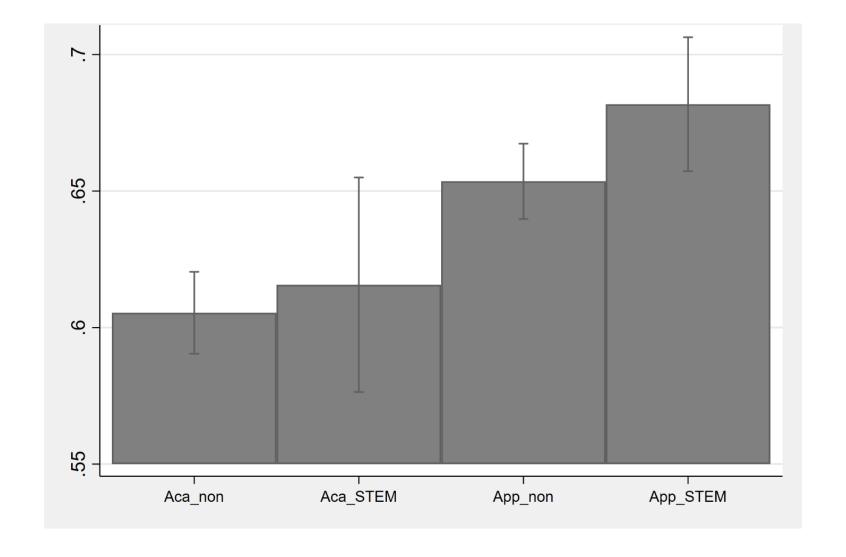




Figure 3. Gender Gap in Effects of College Major on Labor Market Attachment

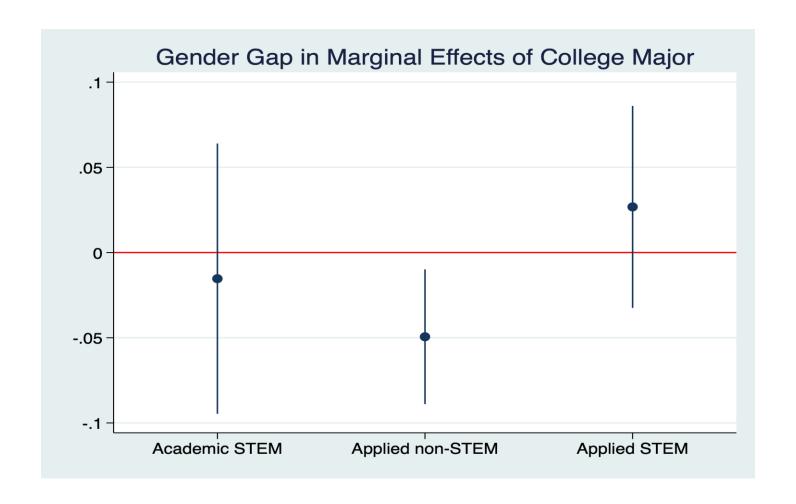




Figure 4. Predicted Probability of Labor Market Detachment across College Major.

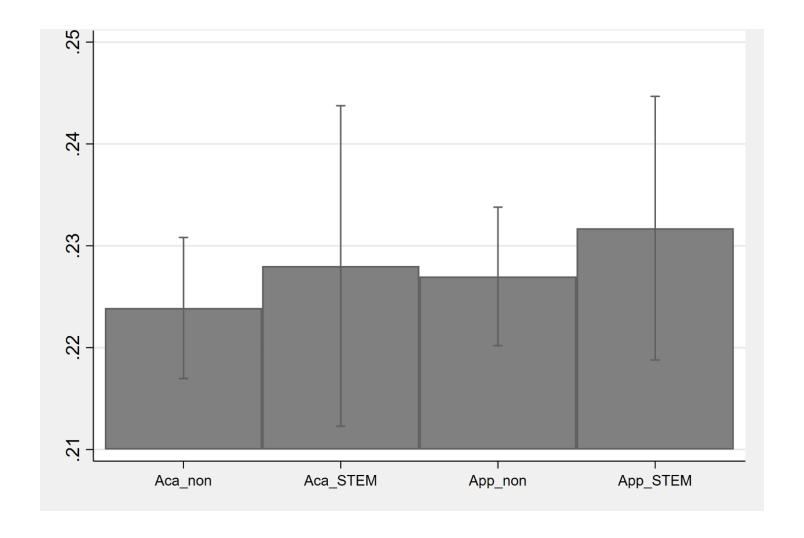




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