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A Partnership of the SCHOOL OF SOCIAL WORK, the DANIEL J. EVANS SCHOOL OF PUBLIC AFFAIRS
and the COLLEGE OF ARTS AND SCIENCES**Highlighting New
Poverty Research**by **Raine Dozier, Ph.D.**

“Accumulating Disadvantage: The Growth in the Black-White Wage Gap among Women,” presented at the American Sociological Association Annual Meeting, New York City, NY, 2007. Available from the author at rainedozier@gmail.com.

2005-06 West Coast Poverty Center Dissertation Fellow Raine Dozier holds a Ph.D. in Sociology from the University of Washington. This paper received the American Sociological Association’s student paper award in the Race, Gender and Class section, and the Harry Bridges Center for Labor’s graduate student paper prize at the University of Washington.

The West Coast Poverty Center’s “POVERTY RESEARCH FLASH” highlights new research by Center faculty affiliates and others on causes, consequences, and effective policy responses to poverty, with an emphasis on changing labor markets, demographic shifts, family structure, and social and economic inequality. More information about the West Coast Poverty Center is available from our website: www.wcpc.washington.edu

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Accumulating Disadvantage: The Growth in the Black-White Wage Gap among Women

Background: After narrowing for decades, between 1980 and 2002 the black-white wage gap among women more than doubled, increasing from 7 to 17 percent. Sociologists and economists who study wage inequality have tended to focus most closely on inequality among men or on the gap between men’s and women’s wages. But there are reasons to expect that women’s wages respond to changing economic and social conditions differently than men’s, and that black women’s and white women’s wages may also respond differently. West Coast Poverty Center Dissertation Fellow Raine Dozier, Ph.D. in Sociology, examined whether common explanations for the black-white gap in men’s wages—such as educational disparities, deindustrialization, and the changing distribution of occupations—can explain the growing wage gap between black and white women during the 1980s and 1990s.

Methods: Dozier used data from the Current Population Survey (CPS) on black and white women aged 25 to 54 who worked for pay in 1980, 1990, and 2002. She compared the relative wage distributions of black women and white women to see whether the wage gap between them stemmed from declining wages across the full wage spectrum, or whether changes in earnings for one particular group—high earners, for instance—explained the growth in the wage gap. Dozier used regression decomposition analyses to investigate whether the growth was explained by the changing distribution of women across educational levels, women’s labor market characteristics such as occupation, or changes in the rewards for education or other labor market characteristics.

Findings: Black women and white women both experienced growth in within-race wage inequality during the 1980s, and all women experienced significant wage gains during the 1990s. Yet during both the economic difficulties of the 1980s and the economic expansion of the 1990s, black women became increasingly concentrated in the lowest deciles of white women’s wages.

Changes in both labor market and worker characteristics contributed to the growing gap. The increasing importance of worker education and the growth in the college degree premium were both major factors. In 2002, white women’s greater degree attainment and increased returns to higher education accounted for one-third of the black-white gap. The proportion of the gap that could be attributed to differences in the occupational distribution of white and black women, driven primarily by black women’s overrepresentation in low-paying service occupations, dropped from two-thirds to one-third between 1980 and 2002. But women’s increasing representation in white collar occupations over the same period also contributed a significant portion of the growth in the wage gap because the entry of white women into professional, managerial, and sales positions outpaced the entry of black women into those occupations. In addition, even in these higher-wage occupations, black women’s earnings were 13, 10, and 28 percent lower, respectively, than white women’s earnings in 2002. Overall, such differences in pay within occupations explained 40 percent of the wage gap in 2002. As a result of these trends, even though both black and white women experienced wage gains during the 1990s, black women fell increasingly behind.

Poverty Research Flash

The West Coast Poverty Center serves as a hub for research, education, and policy analysis leading to greater understanding of the causes and consequences of poverty and effective approaches to reducing it in the west coast states. The Center, located at the University of Washington, is one of three regional poverty centers funded by the U.S. Department of Health and Human Services, Office of the Assistant Secretary for Planning and Evaluation (ASPE). More information about the West Coast Poverty Center is available from our website: www.wcpc.washington.edu

Poverty Research Flash 2008-05

Accumulating Disadvantage: The Growth in the Black-White Wage Gap among Women

New research from Raine Dozier

Key Findings:

- After narrowing for decades, between 1980 and 2002 the gap between black and white women's wages more than doubled from 7 percent to 17 percent.
- Both black women and white women experienced growth in within-race wage inequality in the 1980s and wage gains during the 1990s, yet during both decades, black women's wages increasingly concentrated in the lower deciles of white women's wages.
- White women's greater degree attainment and the increasing returns to a college degree accounted for one-third of the black-white wage gap by 2002.
- Differences in black and white women's distribution across occupations and the increasing disparity of wages within occupations explained almost forty percent of the wage gap by 2002. Even as women of both races moved from clerical and manufacturing work to professional, managerial, and sales occupations, black women's wages remained below those of white women.

For more information about this study, see inside.