

GENDER DIFFERENCES IN THE PROCESS OF ECONOMIC ACHIEVEMENT

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Abstract

This paper examines gender differences in the process of earnings among a cohort of Wisconsin high school graduates who have been followed from 1957 to 1975. We apply and elaborate the Wisconsin Model in our investigation, with particular attention to specifications of measurement errors. We find that there is a more meritocratic process of economic achievement among women than among men. Parents transmit direct socioeconomic advantages across generations to their sons, but not to their daughters. On the other hand, women receive larger earnings in return for educational attainment and occupational status than do their male counterparts. The comparisons also indicate that men's earnings are primarily determined by their occupational status, whereas women's earnings are primarily determined by the amount of labor supplied to the market. Finally, marriage and childbearing have positive effects on men's earnings, but negative effects on women's earnings. However, the negative effects of marriage and childbearing for women disappear when labor force participation is controlled.