

Unemployment gap persists among women, minorities, white men: research

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The unemployment rate differences among white males, women and minorities have decreased during the past few decades in the United States, but persistent inequalities continue among the groups, according to a study by an economist at the University of Missouri. Understanding these hidden differences in employment could help educators and policy makers develop more effective programs aimed at reducing unemployment inequality.

"The belief that Americans are achieving equal levels of unemployment is flawed," said Peter Mueser, professor of economics at MU and co-author of the study. "By statistically accounting for differences in professions and industry, we developed a more detailed reflection of unemployment experiences in different groups. For example, although overall unemployment rates for women are similar to those of men, women are more frequently employed in sectors with generally low unemployment, such as health care and education. The concentration of women in those fields masks higher unemployment rates within sectors."

Study results indicate non-whites, a designation that included blacks and [Asians](#), continue to face higher unemployment than whites, although the difference has declined somewhat in recent years. The remaining differences are not tied to the kinds of [occupations](#) or industries non-whites work in. Mueser believes this may mean that educational programs designed to increase the number of blacks in higher-paying occupations may not be sufficient to reduce inequalities.

"Training more black lawyers wouldn't necessarily result in parity, since even within occupations, non-whites have higher unemployment," said Mueser.

Hispanics, defined as anyone with Latin American heritage regardless of race, were underrepresented in fields that required higher education; they had nearly equal rates of unemployment in lower-skilled labor. Mueser suggests that education programs designed to increase Hispanics' access to high-skill jobs could bear fruit.

"Many recent [immigrants](#) from Latin America came with limited higher education, but are already showing unemployment equality with whites in low-skill jobs," said Mueser. "In contrast to non-whites, it seems that education may result in lower unemployment for [Hispanics](#)."

To conduct his study, Mueser used a statistical technique, known as the Oaxaca-Blinder decomposition, to adjust data across professions and industries, and thereby account for differences caused by greater representation of some groups in certain jobs. The decomposition showed what the [unemployment rate](#) would be for each group if all the demographic groups had similar distributions across all professions and industries.

"Our study can only present the data about unemployment inequalities," said Mueser. "The research refutes the idea that genders, races and ethnicities have the same labor market experiences. However, we can't say anything about why these inequalities exist. Liberals and conservatives may have very different opinions about why."

More information: The study, "The Role of Industry and Occupation in Recent US Unemployment Differentials by Gender, Race, and Ethnicity," was accepted for publication in the *Eastern Economic Journal*. Marios Michaelides, a senior research associate at IMPAQ

International, was co-author.

Provided by University of Missouri-Columbia

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