

Among less-educated young workers, women and Black men are paid far less

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A new study co-authored at UC Berkeley finds that women of all races, as well as Black men, who have not attended college are paid dramatically less than Asian American and white men at similar education levels. Credit: U.S. Department of Agriculture

Less-educated U.S. workers often face a lifetime of financial challenges,

but some among them are more disadvantaged than others: Young Asian and white men without college education are paid more—sometimes far more—than both Black men and women of all racial groups, according to a new study co-authored at UC Berkeley.

The study led by Byeongdon Oh, a postdoctoral researcher in the campus' Social Sciences D-Lab, found that young Black men with no college education earn barely half of what their Asian American and white counterparts make. Latinx, Asian and Black women lag even further.

"Earnings are an important factor to study because they're related to other outcomes, like health, engagement with the criminal justice system and family development," Oh said. "So we focus on the non-college population at an early age. They are already disadvantaged economically—they have very low earnings. If there's a sizable racial or ethnic earnings disparity in this population, there may be severe consequences."

The study, "Inequality among the Disadvantaged? Racial/Ethnic Disparities in Earnings among Young Men and Women without a College Education," was released Dec. 21 in the journal *Sociology of Race and Ethnicity*, published by the American Sociological Association. It provides the first detailed look at the earnings of young adults with no college experience as their working lives take shape.

In recent years, about one-third of young Americans have stopped their education after high school. That projects to roughly 1 million less-educated young people every year entering a job market that increasingly requires advanced education and training to earn even a middle-class salary. LatinX and Black people are over-represented in this group.

To understand their experience, Oh and colleagues Daniel Mackin

Freeman and Dara Shifrer from Portland State University studied data from the High School Longitudinal Study of 2009, tracing racial and ethnic earnings disparities among men and women who had never attended college. In 2016, they were in their early 20s.

"Striking" was the word the authors used to describe the earnings gaps revealed in the core data:

- Young Asian American men with no college education earned an average of \$24,837 in 2016, followed by [white men](#) at \$22,056 and Latinx men at \$17,984. Young Black men averaged just \$12,573—barely half the wages earned by Asian Americans and whites.
- A similar, but less severe, disparity was evident among [young women](#) with no college experience. White women on average earned \$14,766, followed by Latinx women at \$12,465, Asian American women at \$10,935 and Black women at \$10,871.
- The gap between these women and men was vast, with young Black women on average earning only 44 cents for every dollar earned by Asian American men with similar levels of education.

Exploring the impact of race and gender discrimination

How to explain these racial and gender gaps in earning? Oh said the data did not allow the researchers to determine the causes. They did find, however, that a range of possible factors—from family background and home location to high school grades and criminal records—rarely account for the earnings gaps.

But, he explained, [racial discrimination](#) in the workforce cannot be ruled out as the cause.

Oh suggested that complex social and economic factors may sort people of color into lower-paying job sectors, but the estimated earnings gaps among groups of people in the same occupation are still dramatic. These [earning](#) disparities, he said, may reflect employer bias against women and Black men.

The findings "suggest that, like their more educated counterparts, young non-college-educated women may face pernicious earnings discrimination in the labor market, regardless of their race/ethnicity," the authors wrote.

They added: "The results may indicate that employers devalue the work of young Black men without a college education to a greater degree than they do the work of white, Latinx, and Asian men without a [college education](#)."

According to Oh, the pay disparity between Asian and white men on one side and Black men on the other may actually be worse than the data suggest. A disproportionate number of young men who did not go to college are Black. A disproportionate number of young Black men have been incarcerated, he explained, and incarcerated men were not tracked in the survey data.

"And so our findings on the earnings gap are conservative—it may be larger," he said.

The new study opens up a range of new questions for Oh and other researchers. Understanding the experience of the young workers would require more targeted surveys and in-person interviews. Those would allow the researchers to understand whether discrimination is to blame, and if so, how it works, Oh said.

"I hope the contribution of our research is to make people ask why we

have these striking earnings gaps," he said. "Then, rather than wasting time blaming workers' choices or attitudes, we might get further by identifying discriminatory labor market processes."

More information: Byeongdon Oh et al, Inequality among the Disadvantaged? Racial/Ethnic Disparities in Earnings among Young Men and Women without a College Education, *Sociology of Race and Ethnicity* (2022). [DOI: 10.1177/23326492221141650](https://doi.org/10.1177/23326492221141650)

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