

The effects of markets, politics, and society on the gender wage differential: A meta-analysis

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Abstract

Since the first use in the early seventies, hundreds of authors have adopted and extended the Blinder-Oaxaca approach decomposing gender wage differentials between women and men into a part caused by different productive characteristics and a “productivity-unexplained” part, the discrimination coefficient. Consequently this measure for discrimination, as well as plain sex dummies in wage regressions, have been published for the most diverse countries at different points in time. This meta-study provides a quantitative review of this vast amount of empirical literature on gender wage discrimination as it concerns differences in methodology, data, countries and time periods. Furthermore, it also evaluates the impact of economic and legal variables on discrimination coefficients. While economic theory predicts a higher amount of discrimination for less competitive markets, other disciplines emphasize the impact of equal treatment laws and affirmative action. This paper investigates whether economic or legal variables are responsible for differences in women's relative earnings.

Keywords: Gender wage differential, competition, meta-analysis

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