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Dissertation Abstract

My dissertation is a compilation of three essays related to career interruptions and the male – female wage gap. The first paper, entitled, “Career Interrupted: Job Interruptions and Their Effects on the Gender-Wage Gap” examines whether controlling for the type of interruption has different effects on men’s and women’s wages and therefore can be used to explain gender wage differences. One argument for the persistence of the gender wage gap is that previously researchers have used poor measures of experience to estimate men’s and women’s wages and although measures of experience have improved to control for the timing and accumulation of work experience the wage gap remains persistent. Some researchers have studied the effect of the type of interruption on wages. There is evidence, mostly using international data, that controlling for the type of interruptions could help explain gender wage differences. I extend the wage gap literature by estimating men’s and women’s wages including controls for both the type and timing of interruptions. A priori, it is unclear whether controlling for the type of interruption could help explain gender differences in wages. Mincer’s human capital model predicts that controlling for the type of interruption would not explain the gender wage gap, while Becker’s effort model suggests we may explain some of the remaining gender differences in wages. Because men and women typically experience different types of interruptions, I examine whether the different types affect wages differently. I control for the types of interruptions and find similar effects for men’s and women’s wages. My study shows that types of job interruptions do not explain the remaining wage differentials, which is consistent with the basic human capital model where only the length of interruption matters.

The second essay estimates men’s and women’s wages using data on within-employer gaps to control for career interruptions. Within-employer gaps exist for respondents associated with but not currently working for an employer. A number of benefits accrue when I use information on within-employer gaps as opposed to the previously discussed between-employer gaps, including gained precision, more data, and superior detail. I examine whether the different types of within-employer interruptions affect wages differently. Again, economic theory suggests somewhat conflicting ideas about whether controlling for the type of interruption would explain the lingering gender wage differentials; however, based on my previous findings I expect the types of interruptions have similar effects for men’s and women’s wages.

In my final essay I examine whether between and within employer interruptions have differential effects on wages. Again Mincer’s basic human capital model predicts that wage effects should be the same for workers returning to the same employer or choosing to switch employers post-interruption, holding constant the amount of time spent out of work. Of course this result does not hold for workers who have accumulated large amounts of firm specific human capital. I estimate the importance of firm-specific human capital investment by comparing the wage effects for individuals who experience a job interruption but return to the same employer with individuals who experience an interruption and switch employers.