Sheltered by the Public:

Gender and Racial Earnings Disparities and Sector of Employment

Abstract

Seeking to understand the role played by the public sector in sheltering disadvantaged groups from economic discrimination, we examined the extent to which the public sector, as compared to the private sector, differentially attracts and differentially rewards women, blacks and subgroups classified by race and gender (e.g., black women, black men). The findings suggest that public sector employment is more attractive for blacks than for women; it provides workers with better protection from race-based economic discrimination than from gender-based economic discrimination. No evidence was found for the argument that gender interacts with race in affecting the tendency to work in the public sector. As for wages, the public sector is found to be more protective of blacks, especially of black men, than of any other group. The meaning of the findings and their implications are discussed.

Introduction

Building on institutional theories, in the present research we distinguish between the public and private sectors as two structural features of the labor market, in order to examine their effect on gender and racial inequality. Institutional theories underscore the role played by labor market structures (e.g., occupations, industries, sector of employment) in producing economic inequality. This is in contrast to paradigms which place individuals' human resources as the major determinants of labor market outcomes (i.e. "human capital" and "status attainment"). That is, institutional theories shift the focus from the impact of individuals' attributes to the impact of the labor market's structures in predicting inequalities, especially gender and ethnic inequalities.

Sectors of employment significantly affect the stratification system due to their different rules and regulations, especially rules pertaining to assignment of workers to positions and rewarding them. In the case of the private and the public sectors, while the former is viewed as more competitive in nature, the latter is often viewed as a "sheltered labor market"; a labor market that protects vulnerable workers such as women and racial minorities (Asher and Popkin 1984, Collins 1983, Grimshaw 2000, Waldinger 1996). The protective nature of the public sector is attributed to its more regulated wage system, its commitment to equal opportunity policies, and its bureaucratic hiring and promotion practices (Waldinger 1996, Wilson, Roscigno and Huffman 2013, 2015, Wilson 1978).

Although a large number of studies have examined the impact of economic sectors on gender and on racial inequalities (e.g. Gornick and Jacobs 1998, Grodsky and Pager 2001, Mandel and Semyonov 2014, Pitts 2011), to the best of our knowledge no one has yet compared the sources of the gender/racial pay gaps in the two sectors, and the impact of public-sector employment on pay inequality as related to the intersection between race and gender. Such an examination, therefore, is the major objective of the present research. In what follows, we seek to expand the knowledge on the extent to which the public sector, as compared to the private sector, differentially attracts women, blacks and subgroups classified by race and gender (e.g., black women, black men), and differently rewards them. Specifically, our research extends beyond previous studies on the topic in several ways. First, it examines the differential representation of subgroups of workers classified by race

and by gender into the public and private sectors. Second, it identifies the differential sources that account for earnings disparities – human capital, demographic characteristics, occupational segregation, working hours, and discrimination – by race and gender, and compares these components across the two sectors. Third, it examines the relative impact of these components on wage inequality by race, gender, and the intersection between the two. The results of these examinations provide deeper insights into the sources and mechanisms underlying the differential distributions of workers into sectors and a better understanding of whether and to what extent the public sector differentially shelters women and blacks from economic discrimination.

The advantages of public-sector employment for women and blacks

There are two major bodies of research that compare patterns of economic inequality across the public and private sectors. The first consists of studies that focus on gender-linked economic disparities (Gornick and Jacobs 1998, Mandel and Semyonov 2014, Wharton 1989, Zweimuller and Winterebmer 1994); the second consists of research that deals with race-based economic disparities (Asher and Popkin 1984, Farkas et al. 1997, Farley and Haaga 2005, Grodsky and Pager 2001, Pitts 2011, Semyonov and Lewin-Epstein 2009, Waldinger 1996). Although each group of studies is concerned with explaining a different type of economic inequality (gender and racial, respectively), all reveal that economic disparities between groups are less pronounced in the public sector. In other words, they all reveal that the public sector is advantageous for the disadvantaged group.

In the case of gender disparities, researchers have repeatedly observed lower rates of occupational segregation and smaller earnings disparities in the public sector, not only in the U.S. but also in many other countries (Gornick and Jacobs 1998, Grimshaw 2000, Melly 2005, Panizza and Qiang 2005). In the case of racial inequality, researches, whether focusing only on the male population (e.g. Grodsky and Pager 2001, Semyonov and Lewin-Epstein 2009) or on both gender groups (Pitts 2011, Waldinger 1996, Wilson, Roscigno and Huffman 2013, Wilson, Roscigno and Huffman 2015), have found that economic discrimination against blacks – be it in pay or occupational attainments – is less pronounced in the public sector.

Social scientists attribute the smaller economic disparities in the public sector, first and foremost, to the idiosyncratic characteristics of this sector (Wilson, Roscigno and Huffman 2013, 2015, Wilson 1978). As compared to the private sector, the public sector is characterized by a more bureaucratic organizational structure and a more central and more egalitarian pay system. Likewise, the public sector is more likely to rely on universalistic criteria in the hiring and promotion of workers to positions and jobs and when rewarding them. Because the wage structure, as well as the hiring processes in the public sector, depend on the government's social and political agendas (e.g., affirmative action policy and equal employment opportunity) rather than on economic considerations (e.g., maximization of profit), the public sector can be expanded to meet social and political goals that promote economic opportunities for ethnic minorities or women.

Indeed, the public sector is more likely to embrace, adopt and enforce affirmative action policies, especially with regard to employment of women and ethnic minorities, and to effectively enforce equal opportunity procedures and antidiscrimination laws. Due to its protective character and more egalitarian pay system, the public sector has become a preferred locus of employment for women and disadvantaged ethnic minorities. It is often viewed, therefore, as a sheltered labor market; a labor market that provides both women and racial minorities with greater protection from economic discrimination (Waldinger 1996).

Due to its greater commitment to equal opportunity policies, the public sector has also become a major channel of upward mobility for blacks, especially for highly educated middle-class blacks. According to Wilson (1978) the expansion of the government sector has extended job opportunities for middle-class blacks in federal, state and municipal agencies (see also Collins 1983). Public-sector employment can offer blacks (and other ethnic minorities) high-status jobs, higher incomes and other economic incentives (e.g., pension, health insurance and tenure) that are more restricted in the private sector, especially for minority workers. It was further suggested (Lowe 2018) that in addition to other benefits, employment in federal, state, or local government is associated with a greater sense of job security. Although recent studied (Byron 2010, Wilson and Roscigno 2016) demonstrated that African-Americans do not enjoy the same protection and benefits as whites in the public sector, researchers have consistently found smaller racial pay gaps

in the public sector compared to the private sector. All in all, blacks, especially black men, were found to achieve higher-status jobs, higher earnings, and lower job insecurity in the public sector than in the private sector (Asher and Popkin 1984, Collins 1983, Farley and Haaga 2005, Grodsky and Pager 2001, Lowe 2018, Semyonov and Lewin-Epstein 2009, Waldinger 1996).

The attractiveness of the public sector for women has been attributed not only to its protective nature, but also to the mix of jobs and the convenient and flexible working conditions, which are especially attractive to mothers of young children (Kolberg 1991). As a provider of public services in health, education and social security, the public sector offers jobs in white-collar professional and semiprofessional occupations, such as nurses, teachers, social workers and the like. Many of these female-dominated occupations are usually more tolerant of paid absenteeism (associated with childcare responsibilities) and are more likely to offer less demanding and more flexible employment hours (Gornick and Jacobs 1998, Kolberg 1991).

Whereas researchers agree that the working conditions and mix of jobs make public-sector employment attractive to many women, they do not agree on whether women actually benefit in terms of occupational standing and economic outcomes from employment in the public sector. For example, Kolberg (1991) suggested that public-sector employment in Scandinavian countries is beneficial for women in terms of earnings and occupational attainment. By contrast, several researchers challenged Kolberg's conclusion, suggesting that employment in the public sector lessens women's economic gains. They contend that the nature of jobs in the public sector, coupled with favorable and convenient work conditions, has become a 'honey-trap ' for educated and skilled women, channeling them in disproportionate numbers into female-type occupational niches and away from lucrative and powerful positions (Hansen 1995, Hansen 1997, Hernes 1987, Mandel and Semyonov 2005, 2006).

The argument regarding the "paradoxical" consequences of public-sector employment for women's economic attainment is based, to a large extent, on cross-country comparisons. For example, Gornick and Jacobs (1998) show that the advantages of public-sector employment vary by country; in all countries the public sector offers attractive jobs for women (mainly professional jobs), and thus the average pay in the public sector is

higher for women (as well as men). However, the wage premium of public sector employment disappears in most countries once educational level and occupations are controlled for. In other words, according to Gornick and Jacobs (1998), the advantage of public-sector employment in most countries is attributed to its mix of jobs rather than to higher payment. In Sweden, the country with the largest public sector, for example, women (as well as men) earn more in the public sector, but less than comparable workers in the private sector (i.e., workers with the same education and occupation). By contrast, in the U.S., where the public sector is relatively small, the wage premium of public-sector employment remains significant even after human-capital attributes are controlled for. Gornick and Jacobs (1998) attribute the economic advantages enjoyed by women in the U.S. public sector to its relatively small size, because a small public sector reduces fiscal pressure on the public budget. It turns out, then, that in the U.S. the advantages of the public sector are encompassing; as compared to the private sector, the public sector offers a larger supply of professional jobs, better working conditions, and a higher wage premium.

The studies reviewed in this section lead to two straightforward and rather apparent conclusions: first, a disproportionately large number of either women or blacks are likely to seek and find employment in the public sector; second, pay disparities between men and women as well as between blacks and whites are likely to be smaller in the public sector than in the private sector, even after the mix of jobs and the relatively high educational level in the public sector are taken into account. Curiously, however, whereas the literature on the topic provides very clear and straightforward expectations regarding racial and gender economic inequalities across sectors, it does not provide a clear expectation as to whether and to what extent the public sector attracts subgroups of workers as classified by race and gender (i.e., black women, black men), and whether and to what extent the public sector offers specific subgroups extra protection from economic discrimination. This omission is unfortunate, because studies on the intersection between gender and race may lead to two alternative and even conflicting expectations.

The public sector and the intersection between race and gender

The two conflicting expectations regarding the impact of the public sector on earnings inequality of subgroups classified by race and gender can be summarized as follows: On the

one hand, studies on the intersection between race and gender may lead to the expectation that the public sector will be the most attractive and most protective locus of employment for black women – the subgroup that is likely to suffer from a 'double disadvantage' resulting from both gender and racial subordination (Browne and Misra 2003, Glenn 1985). According to the logic embodied in the 'double-disadvantage' thesis, it is plausible to expect black women to enjoy a 'double advantage' in the public sector (or to avoid the detrimental consequences of the 'double subordination'). Therefore, other things being equal, it is expected that black women will be attracted to public-sector employment more than any other subgroup. Likewise, it is plausible to expect that black women in the public sector will enjoy a net wage benefit, more than any other subgroup of workers, due to the protective character of this sector.

On the other hand, studies that examined the interaction between gender and race in the U.S. labor market found firm evidence for racial inequality in occupational status and in earnings in the case of men but not in the case of women (Greenman and Xie 2008, Mandel and Semyonov 2016). These studies show that the economic disadvantage of black women is mainly due to their gender subordination and not due to their race. Mandel and Semyonov (2016) attribute the overriding effect of gender on earnings to the universal tension between family and paid work, which motivates women, regardless of race or ethnicity, to seek jobs that facilitate resolving the conflict between paid and unpaid work. The tension between family and paid work is also a major concern for employers when hiring women and when allocating them to occupational positions, regardless of their race. Therefore, the interplay between family and paid work limits women's occupational opportunities, which results, in turn, in a more condensed earnings distribution and depressed wage structure. Furthermore, one of the main sources of the earnings disadvantages of blacks in the U.S. is rooted in the threat that black men (but not black women) pose to whites; a threat that is anchored on stereotypes of black men as violent, criminal, unreliable, and lazy (Collins 2004). In the context of the U.S. labor market, then, these negative stereotypes are likely to result in more pronounced pay discrimination against black men than against black women (Mandel and Semyonov 2016).

On the basis of the arguments listed above, and in light of the more egalitarian nature of the public sector and its tendency to enforce affirmative action and

antidiscrimination laws, we expect to find lower racial and lower gender wage gaps in the public than in the private sectors. We also expect the unexplained portion of the pay gap – the portion we use as a proxy of economic discrimination – to be smaller in the public than in the private sector (see also Grodsky and Pager 2001, Pitts 2011). However, based on the logic stated above, we find no reason to expect 'extra protection' for black women in the public sector, beyond the gender-based and race-based protections. Rather, the overriding effect of gender, along with the higher tendency to discriminate against black men, leads us to expect 'extra protection' toward black men. We also expect that the protection that the public sector offers against pay discrimination will be more dominant in the case of race than in the case of gender, due to the overriding effect of gender on the earnings gap (relative to race). In other words, we contend that public-sector employment will be more advantageous for blacks than for women, and thus more effective in eliminating discrimination on the basis of race than on the basis of gender.

Data Source and Variables

For the analysis, we combined the American Community Survey (ACS) of 2014-2015 into one data-file to enlarge the sample size. The data were obtained from the Integrated Public Use Microdata Series (IPUMS). Estimation of the earnings equation is restricted to black and white salaried workers with positive income, aged 25–60 (after eliminating the top and bottom earning percentiles from the analysis).[1] Because the analysis focuses on comparisons between blacks and whites, all other racial/ethnic groups (i.e., Hispanics, Asians, and other races) were excluded from the analysis. Thus the term 'Whites' refers to 'Non-Hispanic whites'). The total sample after all selections is more than 1,600,000 cases.

The main dependent variable, earnings, is measured by pretax wages and salary income earned in the year prior to the survey divided by the number of weeks that a person worked in the year prior to the survey, adjusted for inflation and transformed into a logarithm. The independent variables included in the analysis are those traditionally utilized in models predicting employment and earnings. They include: level of education

[1] This is done in order to be more conservative (since the exclusion of extreme cases produces net and gross gaps that are a bit smaller than the gaps where all cases are included), and also to ensure comparability across gender and racial subgroups. An analysis without elimination of extreme cases yielded highly similar results (available upon request).

(five ordinal categories: less than high school (the omitted category), high school graduate, some college, Bachelor degree, and M.A./M.D. or higher), potential work experience (age – years of schooling – 6), weekly working hours, marital status (married = 1), number of children, presence of a child under age 5 (= 1), nativity status (foreign-born = 1), region (Midwest, South, West, Northeast (the omitted category)).[2] We use 'Perwt' for weight in all regression equations. Although we adjust earnings for inflation, we also include a dummy for year (1=2015). Occupation is measured by the variable OCC, which reports the person's primary occupation at the most detailed classification (474/468 categories in the private/public sectors, respectively).[3] The list of variables and their means (or percentage), by race, gender and sector, are displayed in Appendix 1.

Analysis and Findings

Selection into the public/private sectors

To measure selection into the public/private sector, we apply logistics regressions to predict the odds of working in the public (=1) versus the private sector for blacks (versus whites), women (versus men), and the interaction between them (black women versus others). Three equations are estimated. In equation 1, we estimate the odd-ratios for public-sector employment as a function of race, gender and the interaction between race and gender (i.e., black female). In equation 2, we also include sociodemographic and regional distributions of respondents as control variables to estimate net odds of employment in the public sector. In equation 3, we introduce detailed occupations to estimate the odds of employment net of both sociodemographic attributes and the occupational distributions.

The estimated regressions' coefficients – expressed in terms of odd ratios – are displayed in Table 1. Based on these coefficients, we display, in Figure 1, the average predicted probabilities by race and gender (See method in Williams 2012). The values listed in Model 1, both in the table and in the figure, are in line with theoretical

[2] 'Living in a Metropolitan area' was not included in the analysis due to the large number of missing cases. To check the possible effect of this omission, we reproduced the regressions also with this variable. The results are merely the same.

[3] More details are available online https://usa.ipums.org/usa-action/variables/OCC#description_section.

expectations: blacks and females indeed have significantly higher odds of working in the public than in the private sector. Blacks have around 31% higher odds (b=1.313) of working in the public sector as compared to whites, and women have around 47% higher odds(b= 1.468) of working in the public sector as compared to men. The coefficient of the interaction term between gender and race (in equation 1) shows that black women's relative odds of being employed in the public sector are not higher than the other groups' (above and beyond their higher odds as women and as blacks), but rather are slightly lower (b=0.913). Figure 1 – which displays the average predicted probabilities in percentages – shows a clear order of the probabilities, with black women at the top (21.3%), followed by white women and black men (18.4% and 16.8%, respectively) and white men at the bottom (13.3%).

Table 1 and Figure 1

To address the possible intervening effect of the covariates on the relative odds of employment in the public sector, we introduced to equation 2 a series of work-related control variables. After work-related attributes are controlled for, the odds of working in the public sector strongly increased for blacks relative to whites, among men and women alike. Specifically, the coefficients of equation 2 reveal that after sociodemographic characteristics are taken into account, blacks' odds of public-sector employment are higher by almost 70% than those of comparable whites. However, women's net odds of employment in the public sector (as compared to men) decreased; from 47% before, to 36% after work-related attributes are controlled for. Gender differences within the racial groups, however, are very small. Figure 1 shows that the predicted probability (in percentages) of public-sector employment for black women and black men is 23.7% and 20.3%, respectively, significantly higher than the corresponding percentages among whites (17.2%, and 13.4%, for women and men, respectively).

Education is the most powerful predictor of public-sector employment, with the odds of employment likely to rise with level of education. As such, it accounts for most of the change observed in the size of the coefficients when equations 1 and 2 are compared. From the descriptive statistics (presented in Appendix 1), it becomes apparent that the level of formal education of the public sector's employees is considerably higher than that of private-sector employees (whether men or women). Among workers in the public sector,

almost 60% hold an academic degree as compared to less than 40% among workers in the private sector. White women have attained the highest level of formal education, which partly accounts for their high representation in this sector. The opposite is true for black men. Therefore, when education is taken into account, white females' relative odds of public-sector employment decrease, while the relative odds of blacks (particularly black men) increase.

In equation 3, we included occupations (in detailed categories) among the set of predictors to examine the theoretical expectation that the occupational mix of the public sector is one of the contributors for the employment of women in this sector. The findings revealed by equation 3 lend firm support to this expectation, as is clearly evident by the decrease in the size of the gender coefficient in equation 3. That is, after detailed occupational categories are controlled for, the 'gender' effect decreases substantially (from around 26% in equation 2 to around 6.5% in equation 3). This finding, in line with our theoretical expectations, demonstrates the important role played by the public sector's occupational mix in attracting women. As noted earlier, the public sector offers many female-dominated jobs in white-collar professional and semiprofessional occupations (e.g. nurses, teachers, social workers) (Kolberg 1991). The 'race' effect is also mitigated, but remains quite strong. Specifically, blacks' odds of public sector employment, regardless of gender, are around 56% higher than comparable whites'. In addition, the interaction term (race*gender) becomes practically insignificant (despite the large sample size), meaning that differences between the gender groups in the odds of employment in the public sector do not differ between blacks and whites, and vice versa (i.e. differences between the race groups in the odds of employment in the public sector are similar for men and women). The predicted net percentages for public sector employment are 20.5 and 19.5 among black women and men, respectively, and 15.8 and 15.3 among white women and men, respectively (see equation 3 in Figure 1). In other words, while differences between blacks and whites are substantial (in both gender groups), gender differences in the net odds of public sector employment are very small (in both racial groups).

The findings presented in Table 1 and Figure 1 lead to the general conclusion that the public sector is a more attractive locus of employment for both blacks and females, as suggested at the outset. However, once the mix of occupations and the higher levels of

education required in the public sector are taken into account, the effect of gender decreases substantially and significantly.[4] By contrast, the effect of race on public-sector employment increases, implying that among workers with the same labor market characteristics, blacks' odds of becoming public-sector employees – men and women alike – are much higher than the odds of whites. Specifically, while gender differences in the relative odds of working in the public sector are very small in both racial groups, blacks have more than 56% higher net odds of public sector employment as compared to whites.

Estimating the Gender/Racial Earnings Gaps

The theoretical expectation developed at the outset of the paper contends that the attractiveness of public-sector employment for disadvantaged groups relates to its egalitarian pay system and its less discriminatory practices in pay and occupational allocation. To further test this theoretical expectation, we estimate, in the analysis that follows, wage regressions to compare gender and racial pay gaps across the two sectors.

To estimate the size of the earnings gaps between the racial/gender groups in the two sectors, we estimated in each sector three regression equations. Table 2 displays the coefficients of OLS regressions predicting log of weekly wage in the private and public sectors. In equation 1, we let earnings be a function of gender (women=1) and race (blacks=1). In equation 2, we added the interaction term between gender and race to examine whether and to what extent black women (=1) experience extra dis/advantages in attainment of earnings, and whether the size of the dis/advantage varies by sector. In equation 3, we introduced – as control variables – sociodemographic and labor market attributes to the set of predictors, and in equation 4 we added occupations in detailed categories as an additional control.

Table 2 around here

Equation 1 reveals, consistent with expectations and with previous research on the topic, that the gross gender and racial earning gaps are significantly smaller in the public

[4] Differences between coefficients of gender and race between equations (within sectors) are tested using Walt tests.

than in the private sector.[5] Specifically, the average gender pay gap in the private sector is around 38% relative to 27% in the private sector (b=-0.38 and -0.27, respectively). Likewise, the average racial pay gaps are 34% versus 17%, in the private and public sector, respectively.

The interaction between gender and race that we introduced to equation 2 indicates that black women do not suffer from a 'extra-disadvantage' in attainment of earnings in both sectors, above and beyond their disadvantage as women and as blacks. Rather, the positive coefficients indicate that the gross pay gaps between white women and white men (around 43% in the private sector and 31% in the public sector) are much larger than the corresponding gaps between black women and black men (16% and 9%, respectively). Similarly, the raw racial gaps are much larger among men than among women in both sectors. In other words, the pay penalty for being both a "woman" (-0.43) and "black" (-0.48) is lower than the sum of both penalties (-0.64). Although the positive interaction effect declines after controls are included in the regression, it remains significant in both sectors. This finding is in line with the expectation that racial discrimination (net of gender discrimination) against black men is more pronounced than against black women.

In equation 3, where a series of sociodemographic attributes are included as control variables, the size of the coefficients representing both gender and race significantly declined in both sectors, implying that considerable portions of the gaps can be attributed to socioeconomic differences[6]. This decline is much more pronounced in the case of racial differentials among men, where the control variables account (in both sectors) for about 60% of the gross pay gap. When occupations are introduced as an additional control (equation 4), the pay gaps – both the gender gap and the racial gap – further (significantly) declined; an indication of the important role that occupational segregation plays in the formation of the gender/racial pay gaps. The data reveal, for example, that after the occupational distributions are taken into account the gap between white men and women

[5] The Table displays the coefficients of separate regressions. However, we also run significance tests for differences between the coefficients of the two sectors (not shown). Thus, in our discussion of the results all comparisons of coefficients between sectors are validated by significance tests.

[6] We tested differences in the coefficients of gender and race between equations (in each sector) using Walt tests.

(the coefficient of gender) is reduced by half in the public sector but by less than 20% in the private sector. This finding can serve as an indirect indication of the important role that the occupational distribution plays in explaining the gender pay gap in the public sector. In light of the lower level of gender occupational segregation in the public sector (See Appendix 1), the finding could be viewed as curious and even surprising. We will further discuss the meaning of this finding in the next section when we directly examine the role played by each component of the gender/racial pay gaps in the two sectors.

Decomposing the gender/racial earnings gaps

We applied the Oaxaca (1973) and Blinder (1973) decomposition procedure to distinguish between different sources (components) of the racial/gender pay gaps in each sector of employment (for a detailed description of the procedure, see Appendix 2). All work-related characteristics were introduced into the regression equations separately (see their coefficients in Appendix Tables 3a, b). However, for the sake of parsimonious presentation and discussion, we aggregated the coefficients of the variables into five distinct components: measured indicators of human-capital resources (i.e., education, work experience), sociodemographic attributes (i.e., marital/parental status, nativity status and region), weekly working hours, race/gender, and occupations (at the three-digit classification level). The coefficients are presented in terms of log weekly wages of the gross racial/gender pay gap in Table 3 (for gender and race, respectively). Results of the decomposition (by gender and race, respectively) are also illustrated graphically in Figure 2. Means and coefficients of the original regressions on which the decompositions are based (except for the detailed occupations) are listed in Appendix Table 1 (means), and in Appendix Tables 3a, b (coefficients).

Table 3 and Figure 2 around here

The top row of Table 3 displays the gross pay gaps; gender at the left side and race at the right side of the table. Examination of the **gender pay gaps** reveals that not only are the total gender pay gaps considerably smaller in the public (b=0.271) than in the private (b=0.395) sector (as seen before in Table 2), but also the unexplained component of the gap (the component attributed to economic discrimination) is significantly smaller in the public (b=0.105) than in the private sector (b=0.181), respectively). Race does not account for the

gender pay gaps, in both sectors, and demographic attributes account for only negligible portions of the gaps in both sectors. The most dominant determinants of the gender gaps are working hours and occupations. In both sectors, these two components account for more than half of the total gender pay gap. In the private sector, gender difference in working hours is the prime cause of the gender pay gaps (accounting for more than 43% of the total gap (0.173/0.395)). Indeed, as can be seen in Appendix Table 1, the average gender gap in weekly working hours is almost double in the private than in the public sector (a gap of 6 vs. 3 weekly hours, respectively).

In fact, almost the entire gender pay gap in the private sector (more than three quarters) is attributable to gender differences in working hours and to labor market discrimination (i.e., unexplained); factors that strongly relate to family constraints. Furthermore, the relative size of these two components' effect on the gender pay gaps is substantially higher in the private than in the public sector. In this respect, the results of the decomposition support the argument that public-sector employment provides women, especially mothers with advantages; public-sector employment not only supports women in mitigating the tension between paid and unpaid work, but also contributes to mitigating the economic cost associated with the sources of this tension.

The portion of the gender pay gap attributed to occupational segregation is considerably larger in the public sector (more than a third) than in the private sector ('only' 12%). As mentioned in the discussion of Table 2, the difference between the sectors could be considered curious, even surprising, in light of the smaller rates of gender occupational segregation in the public than in the private sector (D=0.48 vs. D=0.51, respectively, see Appendix 1). However, because the wage structure in the public sector is much more comprehensively regulated by formal criteria – i.e., salaries are tied to occupations and workers are sorted to occupational position based on their educational credentials – occupations have become more powerful determinants of wages in the public than in the private sector. Therefore, occupational position in the public sector accounts for a larger portion of the (smaller) pay gap. In this regard, it is important to relate to the suppressive effect of human-capital attributes – first and foremost education – on the earnings gaps in the public sector.

In fact, gender differences in human-capital resources conceal part of the gender earnings gaps (as evident by the negative coefficients) in both sectors, but much more so in the public sector. This is because gender pay gaps exist despite – and not due to – the higher educational levels of women. Apparently, among men and women with similar levels of education the wage gaps are, in fact, higher than the average gross wage gaps. In Appendix Tables 3 (coefficients) and 1 (means), one can see that although men benefit more than women from education and 'work experience' in attainment of earnings, many more women than men (in both racial groups) have completed college (see also DiPrete and Buchmann 2013). However, the gap in the percentage of 'college completed' between women and men is much larger in the public than in the private sector (a gap of more than 10% in the former relative to less than 5% in the latter), a finding that explains the stronger suppressive effect of human-capital resources in the public than in the private sector.

When the gender wage gaps are compared with the **racial wage gaps** in the two sectors, the apparent finding, first and foremost, is the relatively small racial pay gap in the public sector. In fact, the racial pay gap in the public sector is almost one-half the gap in the private sector (b=-0.18 vs. -0.37, respectively), and much lower than the gender gap in the public sector (b=-0.18 vs. -0.27, respectively). This finding is consistent with the expectation expressed at the outset of the paper that public-sector employment will be more advantageous for black workers than for women. To recall, this expectation is based on the overriding effect of gender on earnings and the effectiveness of the public sector in minimizing economic discrimination based on racial stigmas. Furthermore, the expectation that the public sector will be more effective in eliminating discrimination on the basis of race than on the basis of gender gains additional and rather firm support from the negligible size of the 'unexplained' portion of the racial (but not of the gender) pay gap in the public sector.

The most prominent factors accounting for the racial pay gaps in the public sector are human-capital attributes and occupational segregation, as made evident by the relative size of these two components. Contrary to the suppressive effect of human-capital resources in the case of gender inequality, differences in human-capital resources account for a third of the racial pay gaps (33%). This is because blacks have lower levels of formal education than whites in both sectors of employment (see Appendix Table 1) while the

opposite is true in the case of men and women. Occupational segregation is the second dominant factor, which, along with human-capital resources, explains most of the racial pay gap in the public sector (61%). As in the case of gender, although the levels of occupational segregation are lower in the public than in the private sector, occupations are the prime determinants of pay differentials in the more regulated wage system of the public sector.

The racial pay gaps are much wider in the private than in the public sector, partly due to the higher rates of racial occupational segregation (D=0.255 vs. 0.280, respectively, see Appendix Table 1), and the higher levels of economic discrimination (unexplained portion) in the private sector. These findings are in line with previous studies that point to the better job opportunities that the public sector provides to middle-class blacks in federal, state and municipal agencies (Collins 1983, Farley and Haaga 2005, Stainback and Tomaskovic-Devey 2012). In fact, occupational segregation accounts for more than 40% of the total racial wage gaps, and together with working hours and human-capital components, for almost 80% of the total pay gap between blacks and whites.

To sum, a comparison between the gender and the racial gaps in the two sectors (see Figure 2) reveals a series of meaningful observations. First, the various determinants of pay exert a different effect on the gender pay gap than on the racial gap. For example, differences in 'human capital' resources conceal (i.e., act as a suppressor of) the gender pay gaps but account for a substantial portion of the racial gaps. Second, the unexplained portion of the pay gap (the component that is viewed as a proxy of economic discrimination) is a dominant component of the gender pay gaps in both sectors, but a relatively small component of the racial pay gaps. Third, differences in working hours account for a much larger portion of the gender pay gap than of the racial pay gap. Fourth, occupational segregation is the foremost dominant component accounting for the racial pay gap in the private sector, but it does not account for a substantial portion of the gender pay gap in this sector. Lastly, it is important to emphasize, once again, the relatively small size of the racial pay gap in the public sector as compared to all other gaps (i.e., either the racial gap in the private sector or the gender gaps in both sectors). To further examine the meaning of these findings, in the analysis that follows we decompose the wage gap when distinguishing between specific subgroups of workers classified by race and gender.

Decomposing the earnings gaps between subgroups classified by race and gender

In the present section we decompose the pay gaps in the two sectors by the shared effect of race and gender to compare the components of the pay gaps between different subgroups classified by race and gender, in each sector. We compare each subgroup to the mean of all other subgroups and also to each of the sub-groups. The comparisons are somewhat different, but the results are most stable when the comparison group is the mean of all other subgroups. Thus, in Table 4 and Figure 3, we present the results obtained from the decomposition of the pay gaps between black women and all other groups, and between black men and all other groups, in the public and private sector, respectively. We then briefly discuss the comparison of the two groups with white men (the most advantaged group).

Table 4 and Figure 3 around here

The findings displayed in the table and by the figure lead to the following major conclusion: public-sector employment is economically beneficial for both black women and black men, but more so for the latter group. The gross pay gap between black men and all the other groups in the public sector is significantly lower than in the private sector (10% vs. 24%, respectively), and significantly lower than the corresponding gap among black women (10% vs. 20%). Almost the entire (rather small) gap between black men and all other groups in the public sector can be attributed to differences in human-capital resources. As can be seen in Appendix Table 1, black men have the lowest educational level as compared to all other subgroups, regardless of sector of employment, but differences in educational level between black men and the other subgroups are especially pronounced in the public sector.

Furthermore, in the public sector occupational segregation does not account for the pay gap between black men and all other subgroups (actually it acts as a suppressor). By way of contrast, occupational segregation in the private sector is the most dominant component which accounts for almost half of the gap (46%) between black men and the other groups; a finding suggesting that economic discrimination against black men in the private sector operates mainly through the differential allocation of workers to occupations and jobs. The unexplained portion of the pay gap, which serves us as a proxy for economic discrimination, is rather small in both sectors. In this regard, the findings provide further

support for the argument that public-sector employment provides black men with employment opportunities that are not available elsewhere (Farley and Haaga 2005, Waldinger 1996).

Pay gaps between black women and all other subgroups are lower in the public than in the private sector (about 20% vs. 42%), but not as low as the gaps between black men and the other subgroups. In fact, the gross pay gap between black women and all other subgroups in the public sector is almost twice the size of the corresponding gap for black men (20% vs. 10%, respectively). It is worth noting that occupational segregation plays a different role in explaining the racial pay gaps in the two sectors in the case of men and women. In the case of black women, occupational segregation is the most dominant component of the pay gap both in the private and in the public sector. However, in the case of black men, occupational segregation accounts for the largest portion of the gap in the private sector but not in the public sector (see also Farley and Haaga 2005, Waldinger 1996). Indeed, public-sector employment benefits black women, but not as much as it benefits black men. We believe that this is due to the overriding effect of gender on economic outcomes relative to race, mentioned above.

The unexplained portion of the gap in both sectors is quite small when black men are compared to other subgroups, but varies by sector when black women are compared to the other subgroups. The unexplained component of the gap is considerably higher for black women than for black men only in the private sector. In the public sector, however, there is no evidence of pay discrimination against black women (the component of the unexplained gap is virtually 0%). Apparently, pay differences between black women and all other subgroups in the public sector are mainly due to unequal allocation to occupations, and not due to unequal pay within occupations – a finding that might result from the regulated wage system of the public sector.

As noted above, the results presented here are affected by choices we made for the comparison between groups (i.e., whether the average pay of a subgroup is compared to all other groups or to one specific group). Therefore, we re-estimated the components of the pay gap and their relative size by comparing each gender/racial subgroup to white men, the most advantaged group in the American labor market (findings appear in Appendix 4). Naturally, in this case the gaps are much larger in magnitude, but the conclusions remain

virtually the same except for two noticeable differences. First, the “unexplained portion” of the wage gap is substantively higher when the two sub-groups are compared to white men. As shown above, when black women are compared to "all other groups," the unexplained portion in the public sector is zero, while around 20% of the wage gap is not explained when black women (as well as black men) are compared to white men. Second, when black men are compared to white men (rather than to all subgroups, including women) ‘working hours’ and ‘occupational segregation’ account for about 50% of the earnings gap, a finding we could not see when women were included in the comparison group. ‘Working hours’ explain a larger portion of the wage gap between black and white men in both sectors, as black men tend to work less hours compared to white men (but not compered to women). As for occupational segregation, we believe that these observations are related to the overriding effect of gender on pay, and particularly to the inferior occupational positions and limited working hours of women relative to white men (see the results in Appendix 3).

Summary and conclusions

Seeking to understand the role played by the public sector in sheltering disadvantaged groups (i.e., blacks and women) from economic discrimination, we examined and compared differential self-selection, earnings gaps, and differential sources of gender and racial earnings inequality in the public and private sectors. We identified several sources that account for earnings disparities between racial/gender groups and between subgroups classified by race and gender (i.e. black women, black men). The main sources include: human-capital resources, demographic characteristics, occupational segregation, working hours and economic discrimination.

The findings are in line with previous studies and lend firm support to the argument that the public sector is a more attractive locus of employment for blacks and females (Grimshaw 2000, Waldinger 1996). The analysis reveals that women’s and blacks’ relative odds of public-sector employment are considerably higher than those of men and whites, respectively. However, once we take into account the mix of occupations and the higher levels of education of employees in the public sector, the effect of gender on public sector employment declines substantially, while the effect of race increases. Specifically, while gender differences in the net odds of working in the public sector are very small (for both

racial groups), blacks have much higher odds of public-sector employment as compared to whites, regardless of gender. In other words, we found no evidence to support the argument that gender interacts with race in affecting the tendency to work in the public sector. Rather, once we take into consideration attributes of employees, we find a striking similarity between the gender groups within both racial groups.

The attractiveness of public-sector employment for blacks can be attributed, among other things, to the egalitarian character of the public sector where blacks can avoid the detrimental consequences of economic discrimination they face elsewhere. That is, the findings confirm the expectation that employment in the public sector provides workers with better protection from race-based economic discrimination than from gender-based economic discrimination. Specifically, although the gross and net gender pay gaps (regardless of race) are lower in the public than in the private sector, the "wage premium" associated with public-sector employment is much higher in the case of blacks than in the case of women. Support for this argument comes from the high level of gender occupational segregation and the relatively large portion of the unexplained gap in the public sector in the case of gender but not in the case of race.

The findings described above suggest that the wider the scope of protection from economic discrimination that the public sector provides to a disadvantaged group, the more attractive it becomes as a locus of employment to that group. Along this logic we can explain the higher odds of black workers (versus white workers) of being employed in the public sector. Although the gender pay gaps are smaller in the public sector than in the private sector, they are not as small as in the case of blacks. The relatively large gender pay gaps in the public sector suggest that occupational opportunities and convenient working conditions – but not higher earnings opportunities – attract women to public-sector employment. In this regard, it is important to note, once again, the suppressive effect of human-capital attributes on the gender pay gap, especially in the public sector. That is, if women's level of education would be identical to that of men, the actual gender gap in the public sector might have been considerably higher (by almost 17%).

The findings are especially meaningful in an era of rising inequalities in general, and racial inequality in particular (Mandel and Semyonov 2016). Furthermore, the findings highlight the advantages of public- sector employment to blacks in a time when these

advantages are declining. In this regard, it is important to discuss the societal implications of the findings in light of the insightful works of Wilson, Roscigno and Huffman (2013; 2015) regarding the declining advantages associated with public-sector employment. Wilson, Roscigno and Huffman contend that the new reforms in the public sector, implemented in the last decades, have eroded the pay advantages as well as occupational mobility of blacks in the public sector. Specifically, blacks working in high-status professional and managerial jobs in the public sector were found to be more exposed to downward occupational mobility during the reform period (Wilson, Roscigno and Huffman 2013). Similarly, the relative pay equity between blacks and whites – which characterized the public sector during the pre-new governance period – has eroded during the new governance period (Wilson, Roscigno and Huffman 2015); erosion that had progressively continued until the very late period (2010–2012)(Wilson and Roscigno 2017).

The decline in the scope of advantages associated with public-sector employment for blacks is attributed to the adoption of a new governance-based "business model"—a model characterized by less formal regulation in the determination of wage and promotion and more discretion-based employment practices (Wilson, Roscigno and Huffman 2013, Wilson, Roscigno and Huffman 2015). Because formal regulations in the determination of wage and promotion are fundamental for the lower levels of gender/racial inequality in the public sector (Farley and Haaga 2005, Waldinger 1996), a reduction of such regulations could lead to an increase in both gender and racial pay disparities in this sector. Nevertheless, the findings of the present study show that in 2015 the public sector's benefits still exist for blacks, either in the form of lower gross pay gaps or in lower levels of economic discrimination or lower levels of occupational segregation or both. For how long will these benefits persist? The answer to this question is of course a mystery, but in an economy where bureaucratization is being replaced by productivity-based incentives determined by managers' assessment, the deterioration of racial equality might seem unavoidable.

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Table 1: Logistic Regression of Public (=1) vs. Private (=0) Sector Employment, Odd-Ratios[1]

Variables	Model 1	Model 2	Model 3
Constant	0.155	0.035	0.014
Female	1.468	1.359	1.065
African-American	1.313	1.684	1.561
African-American*Female	0.913	0.906	1.027~
[Less than Matric]			
HS Graduate or GED		2.033	1.615
Associate Degree		2.582	1.875
B.A		3.675	2.094
M.A/M.D or higher		7.829	3.208
Hours of work a week		0.996	0.996
Work Experience		1.017	1.021
Number of Children		1.017	0.980
Children 0-5		0.973	0.996~
Married		1.231	1.134
Foreign		0.588	0.695
[Northeast]			
Mid-West		0.902	0.998~
South		1.195	1.382
West		1.230	1.423
Year	0.981	0.978	0.982
Occupation in 468 categories	-	-	+
N	1,633,907	1,633,907	1,632,931
Model F	1506.3	2809.2	355.4
Adjusted Walt F value	1506.3	3396.5	295

[1] All coefficients are significant (p>0.05), except those marked with ~

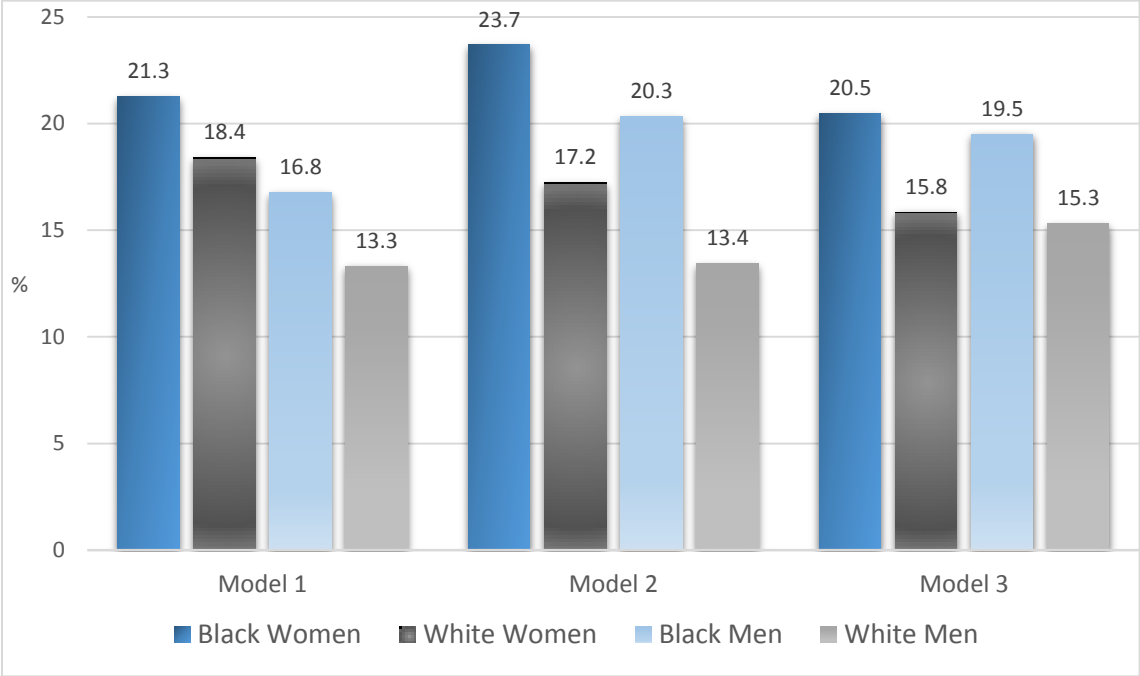


Figure 1: Average predicted probability of working in the public sector by model, race and gender

Table 2: OLS regressions predicting log of weekly wage in the private and public sectors[1]

Variables	Private Sector				Public Sector			
	Model 1	Model 2	Model 3	Model 4	Model 1	Model 2	Model 3	Model 4
Constant	6.83	6.85	4.49	5.597	6.89	6.91	4.57	5.274
Female	-0.38	-0.43	-0.24	-0.198	-0.27	-0.31	-0.25	-0.127
African-American	-0.34	-0.48	-0.19	-0.096	-0.17	-0.30	-0.12	-0.068
African-American*Female		0.26	0.14	0.10		0.22	0.18	0.11
[Less than Matric]								
HS Graduate or GED			0.28	0.18			0.41	0.212
Associate Degree			0.49	0.251			0.57	0.274
B.A			0.80	0.453			0.79	0.46
M.A/M.D or higher			1.07	0.634			1.02	0.69
Hours of work a week			0.035	0.0301			0.034	0.0292
Work Experience			0.012	0.0105			0.014	0.0126
Number of Children			0.027	0.0219			0.012	0.017
Children 0-5			0.024	0.0165			0.074	0.050
Married			0.15	0.0956			0.075	0.055
Foreign			-0.01	0.0108			0.002~	0.009~
[Northeast]								
Mid-West			-0.12	-0.112			-0.20	-0.199
South			-0.11	-0.118			-0.20	-0.23
West			0.002~	-0.0177			-0.10	-0.112
Year	0.029	0.029	0.021	0.020	0.029	0.028	0.019	0.019
474/468 occupation categories[2]	-	-	-	+	-	-	-	+
N	1,350,067				283,840			
Adjusted R-squared	0.068	0.07	0.427	0.516	0.037	0.04	0.376	0.476

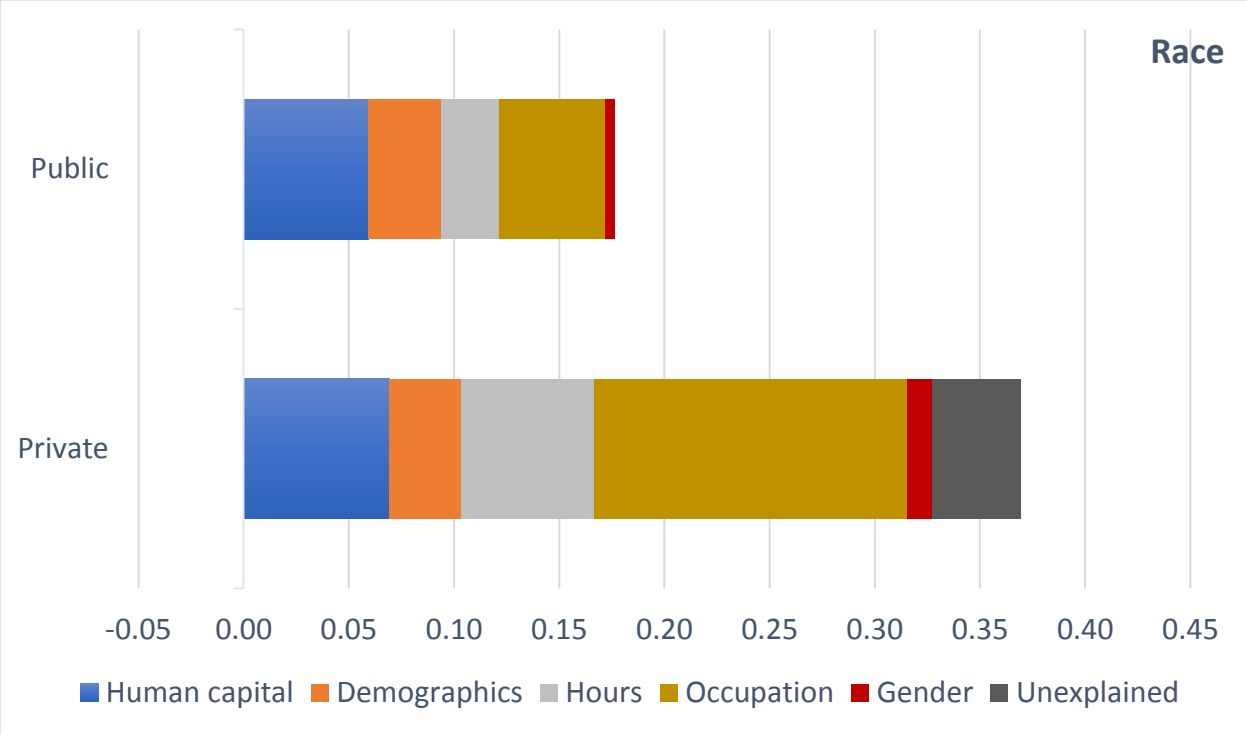
[1] All coefficients are significant (p>0.05), except those marked with ~

[2] 474/468 categories in the private/public sector, respectively.

Table 3: Decomposition of Gender and Racial Gap in log weekly wage[1]

Component	Gender Gap		Racial Gap	
	Private	Public	Private	Public
Gross gap	**0.395**	**0.271**	**0.369**	**0.180**
Total Explained	**0.214**	**0.166**	**0.327**	**0.176**
Human capital	-0.013	-0.050	0.069	0.059
Demographics	0.003	0.008	0.034	0.035
Hours	0.173	0.094	0.064	0.028
Occupation	0.050	0.114	0.149	0.050
Gender/Race	0.001	0.0001~	0.012	0.005
Total Unexplained	**0.181**	**0.105**	**0.042**	**0.0037~**

[1] All coefficients are significant (p>0.05), except those marked with ~



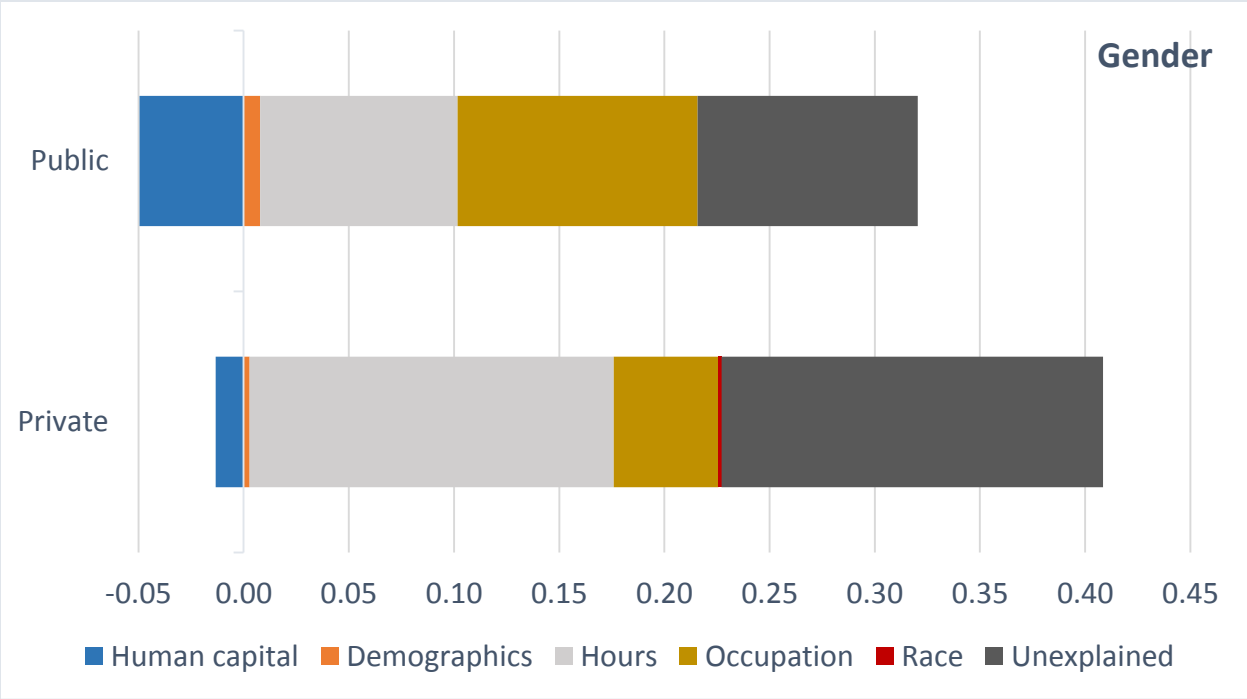


Figure 2: Components of the gender and racial pay gap, by sector

Table 4: Decomposition of pay gaps between black men/women and all others in log weekly wage[1]

Component	Black Men vs. others		Black Women vs. others	
	Private	Public	Private	Public
Gross gap	**0.245**	**0.102**	**0.422**	**0.203**
Total Explained	**0.227**	**0.088**	**0.363**	**0.205**
Human capital	0.075	0.079	0.054	0.036
Demographics	0.032	0.023	0.035	0.041
Hours	0.009	-0.005~	0.107	0.046
Occupation	0.111	-0.009	0.167	0.082
Total Unexplained	**0.018**	**0.014**	**0.059**	**-0.0017~**

[1] All coefficients are significant (p>0.05), except those marked with ~

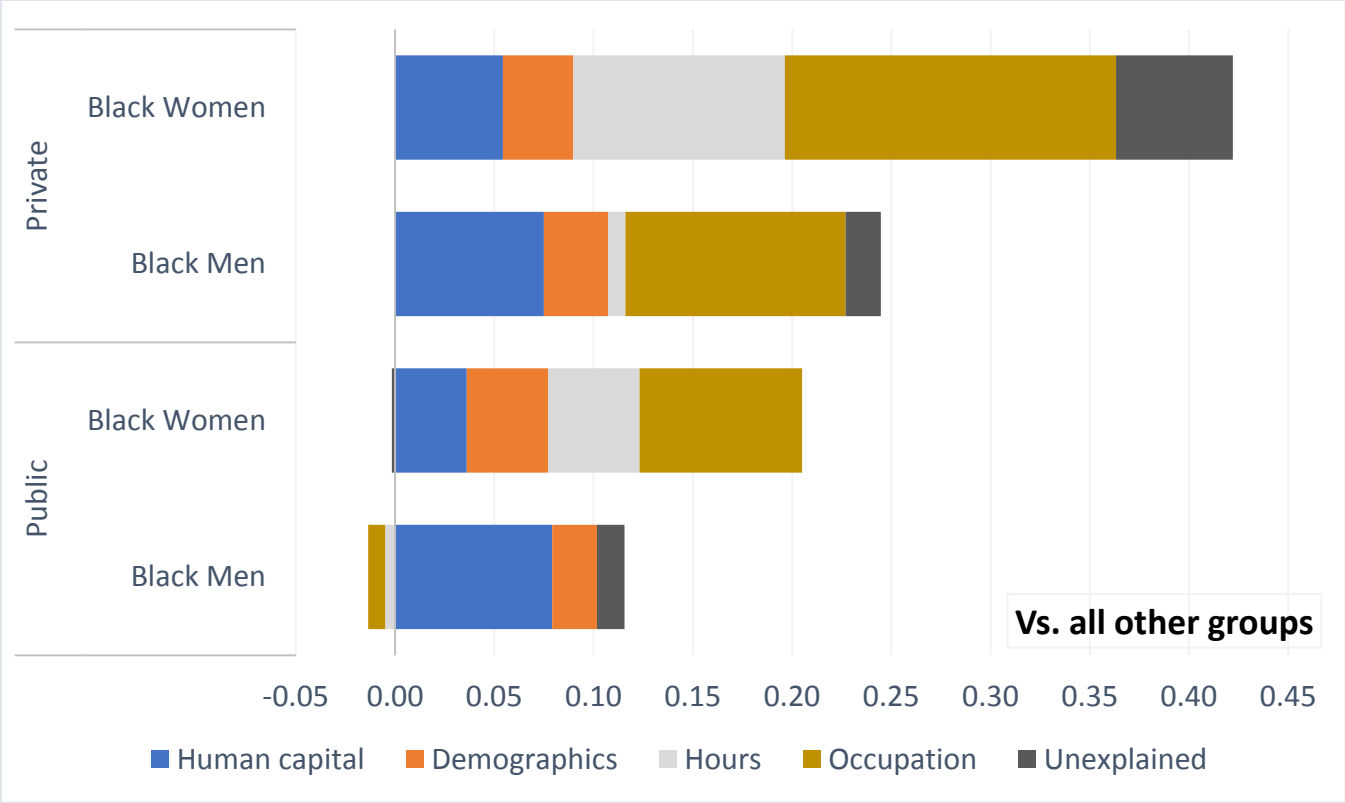


Figure 3: Components of the Pay Gap between black women/men and all other groups, by Sector

Appendix 1: Means and distributions of variables, by sector, race and gender

Component	Variable	Sector	White			African-American		
			Male	Female	Diff	Male	Female	Diff
Dependent Variable	Weekly Wage	Private	1387.4	896.7	490.7	822.2	687.2	135.1
		Public	1249.3	947.0	302.3	1018.6	880.0	138.6
		Total	1369.0	906.0	463.0	855.2	728.2	127.0
Human Capital	Work Experience	Private	22.0	21.7	0.3	21.1	20.7	0.5
		Public	22.0	22.1	-0.1	22.8	22.6	0.3
	Did not graduate	Private	5.6	3.3	2.3	9.8	7.5	2.4
	HS graduate or GED		49.5	44.4	5.1	62.6	56.7	5.9
	Associate degree		8.9	12.9	-4.0	8.1	11.4	-3.4
	B.A		24.5	26.5	-2.1	13.7	16.3	-2.5
	M.D, M.A+		11.5	12.8	-1.3	5.8	8.2	-2.3
	Did not graduate	Public	1.8	1.2	0.6	4.6	3.5	1.1
	HS graduate or GED		38.0	28.3	9.8	51.2	41.1	10.1
	Associate degree		10.1	8.5	1.7	9.3	10.7	-1.4
	B.A		27.1	29.3	-2.2	20.7	23.3	-2.6
	M.D, M.A+		23.0	32.7	-9.8	14.3	21.5	-7.2
Demographics	Number of Children	Private	0.88	0.91	-0.03	0.78	1.10	-0.33
		Public	0.96	0.97	-0.005	0.83	0.99	-0.17
	% with 0-5 Child	Private	14.3	13.1	1.2	12.8	14.9	-2.1
		Public	15.6	12.2	3.4	12.4	10.8	1.6
	% Married	Private	60.3	58.2	2.1	41.1	31.5	9.7
		Public	68.6	67.2	1.4	51.3	37.2	14.1
	% Foreign Born	Private	5.9	5.3	0.6	16.9	15.0	1.9
		Public	4.3	4.1	0.1	12.4	9.5	3.0
	North East	Private	19.3	20.3	-1.0	16.6	17.2	-0.6
	Mid-West		27.6	28.2	-0.5	16.8	17.5	-0.7
	South		33.8	33.3	0.5	57.3	57.7	-0.4
	West		19.4	18.3	1.1	9.3	7.6	1.7
	North East	Public	19.5	18.3	1.1	18.0	15.9	2.2
	Mid-West		22.5	23.9	-1.5	13.1	12.9	0.2
	South		36.3	36.8	-0.5	57.4	62.4	-5.1
	West		21.8	20.9	0.8	11.5	8.8	2.7
Hours	Hours Worked in Week	Private	44.1	37.9	6.2	40.6	37.8	2.9
		Public	42.9	39.3	3.6	40.9	39.3	1.5
N		Private	635,456	552,132		75,339	87,140	
		Public	104,156	135,642		17,285	26,757	
Occupational Segregation (DI)				Gender			Race	
		Private		0.508			0.280	
		Public		0.478			0.255	

Appendix 2

The Oaxaca (1973) and Blinder (1973) decomposition procedure (hereinafter decomposition procedure) is a technique that uses separate linear regression models, one for each group (i.e., blacks and whites, female and male), to distinguish between two distinctive portions: (1) a portion of the gap that is explained by differences in work-related characteristics, such as education, work experience, occupations, marital status, etc. (the *X*s); and (2) the unexplained portion of the gap which is attributed to differences in the intercepts and differences in returns to wage determinants (the β s).

The analysis is formulated as follows:

$$\bar{Y}_{w/m} - \bar{Y}_{b/f} = \sum(\bar{X}_{w/m} - \bar{X}_b)\beta_{w/f} + \left[\sum \bar{X}_b(\beta_{w/m} - \beta_{b/f}) + (\alpha_{w/m} - \alpha_{b/f})\right]$$

where $\bar{Y}_{w/m}$ and $\bar{Y}_{b/f}$ are log weekly wages of whites and blacks/male and female, respectively. $\bar{X}_{w/m}$ and $\bar{X}_{b/f}$ are means of all predictors, and $\beta_{w/m}$ and $\beta_{b/f}$ are the coefficients of these predictors for whites and blacks/male and female, respectively. $\sum(\bar{X}_{w/m} - \bar{X}_{b/f})\beta_{w/f}$ is the portion of the gap that is explained by racial/gender differences in mean wage-related attributes. $\sum \bar{X}_b(\beta_{w/m} - \beta_{b/f}) + (\alpha_{w/m} - \alpha_{b/f})$ is the portion of the gap attributed to differences in returns to wage-related attributes (on the left side) and differences in intercepts (right side). This portion, which cannot be explained by wage-related attributes, is attributable to either unmeasured characteristics or economic discrimination.

Appendix 3a: Regressions coefficients of log weekly wage by decomposition configuration within the **private** sector

Variables	Gender decomposition		Racial decomposition		Not Black Men	Black Men	Not Black Women	Black Women
	Women	Men	White	Black				
Constant	5.303	5.763	5.568	5.453	5.470	5.561	5.487	5.246
Human Capital								
Work Experience	0.009	0.012	0.011	0.009	0.010	0.010	0.011	0.008
[Less than Matric]								
HS Graduate or GED	0.150	0.201	0.192	0.147	0.185	0.145	0.185	0.145
Associate Degree	0.216	0.274	0.267	0.201	0.256	0.207	0.258	0.194
B.A	0.402	0.486	0.474	0.364	0.469	0.355	0.470	0.363
M.A/M.D or higher	0.569	0.670	0.659	0.529	0.651	0.529	0.655	0.517
Demographics								
No. of Children	0.000	0.042	0.025	0.009	0.020	0.018	0.022	0.001
Children 0-5	0.038	-0.006	0.020	-0.003	0.023	0.000	0.022	-0.009
Married	0.045	0.153	0.097	0.085	0.104	0.113	0.103	0.054
Foreign	0.020	0.003	0.017	0.003	0.014	-0.013	0.010	0.020
[Northeast region]								
Mid-West	-0.123	-0.099	-0.108	-0.127	-0.113	-0.117	-0.112	-0.133
South	-0.133	-0.105	-0.111	-0.142	-0.123	-0.119	-0.116	-0.159
West	-0.014	-0.021	-0.015	-0.025	-0.013	-0.022	-0.013	-0.022
Hours								
Weekly hours	0.035	0.024	0.030	0.029	0.032	0.026	0.031	0.031
Gender								
Female			-0.193	-0.103				
Race								
African-American	-0.007	-0.095						
Occupation (N)	469	469	469	469	455	455	424	424
N	639,272	710,795	1,187,588	162,479	1,274,728	75,339	1,262,927	87,140
R^2	0.52	0.48	0.52	0.42	0.52	0.39	0.51	0.45

Appendix 3b: Regressions coefficients of log weekly wage by decomposition configuration within the **public** sector

Variables	Gender Decomposition		Racial Decomposition		Not Black Men	Black Men	Not Black Women	Black Women
	Women	Men	White	Black				
Constant	5.228	5.284	5.258	5.342	5.235	5.193	5.151	5.415
Human Capital								
Work Experience	0.011	0.014	0.013	0.012	0.012	0.012	0.013	0.010
[Less than Matric]								
HS Graduate or GED	0.112	0.316	0.216	0.195	0.189	0.275	0.244	0.127
Associate Degree	0.145	0.413	0.285	0.231	0.249	0.372	0.321	0.121
B.A	0.357	0.561	0.473	0.420	0.446	0.492	0.505	0.351
M.A/M.D or higher	0.594	0.760	0.708	0.625	0.677	0.705	0.736	0.553
Demographics								
No. of Children	-0.003	0.041	0.017	0.020	0.015	0.037	0.018	0.003
Children 0-5	0.079	0.006	0.056	0.016	0.057	-0.002	0.057	0.010
Married	0.013	0.112	0.052	0.068	0.053	0.107	0.063	0.031
Foreign	-0.007	0.032	-0.003	0.033	0.000	0.056	0.009	0.010
[Northeast region]								
Mid-West	-0.194	-0.208	-0.201	-0.184	-0.203	-0.205	-0.205	-0.170
South	-0.237	-0.215	-0.227	-0.209	-0.235	-0.163	-0.228	-0.242
West	-0.134	-0.085	-0.119	-0.050	-0.120	0.014	-0.113	-0.102
Hours								
Weekly hours	0.032	0.025	0.029	0.030	0.030	0.032	0.030	0.028
Gender								
Female			-0.117	-0.040				
Race								
African-American	0.033	-0.066						
Occupation (N)	393	393	395	395	351	351	320	320
N	162,399	121,441	239,798	44,042	266,555	17,285	257,083	26,757
R^2	0.51	0.42	0.49	0.43	0.48	0.43	0.47	0.45

Appendix 4: Components of the pay gap between white men and other groups, by Sector