Contents lists available at ScienceDirect

Economics Letters

iournal homepage: www.elsevier.com/locate/ecolet



Language and (the estimates of) the gender wage gap



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HIGHLIGHTS

- We link gender intensity of a language and the estimates of gender wage gap (GWG).
- If language spoken has gender identification GWG is higher.
- The effect is large: 6 pp with an average gender wage gap of app. 20%.
- The results are robust to measures of language gender intensity.

ARTICLE INFO

Article history: Received 7 April 2015 Received in revised form 12 August 2015 Accepted 13 August 2015 Available online 28 August 2015

JEL classification:

J3

J7 P5

Z1

Keywords: Gender wage gap Language neutrality Meta-analysis

ABSTRACT

In this paper we link the estimates of the gender wage gap with the gender sensitivity of the language spoken in a given country. We find that nations with more gender neutral languages tend to be characterized by lower estimates of GWG. The results are robust to a number of sensitivity checks.

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1. Introduction

Men imagine that their minds have the command of language, but it often happens that language bears rule over their minds.

[Francis Bacon]

Multiple studies explore the sources of cross-country and crosstime variation in the estimates of the gender wage gap (GWG). In an influential analysis, Weichselbaumer and Winter-Ebmer (2007) (henceforth WWE) link the estimates of GWG to the institutional features of the product and labor markets, arguing that countries with a higher degree of economic freedom have a lower GWG residual than others. In addition, they show that ratification of international conventions on gender equality tends to be associated with lower subsequent estimates of GWG, possibly through their impact on national policies. Their results obtained further confirmation from Daly et al. (2006), who argued for the relevance of institutions in explaining the relative size of the gender wage gap across countries, as well as Mandel and Shalev (2009), who analyze the role of welfare states.

This view is not universal. Jurajda (2005) shows that antidiscriminatory policies have little immediate effect on the estimates of GWG; whereas Oostendorp (2009) finds that the openness to trade reduces GWG estimates only in advanced economies. Finally, most of the estimates of the GWG used in WWE have no or weak control over selection into employment. As argued by Olivetti and Petrongolo (2008), not unequal pay but rather unequal employment stays behind the differences in the estimates of the GWG residuals, with participation likely to be affected by cultural issues.

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¹ See Blau and Kahn (1996), Stanley and Jarrell (1998), Blau and Kahn (2003), Jarrell and Stanley (2004), Mandel and Semyonov (2005) and Weichselbaumer and Winter-Ebmer (2005).

In this paper, we try to shed more light on this controversy. We test if gender awareness induced by the semantics of a language has explanatory power in the variation of GWG estimates. The idea behind our approach is simple: languages are (usually) exogenous to countries, whereas they form gender awareness already at early stage of childhood. We update the WWE database, and using both the original² and the extended data, we show that the language gender intensity helps to explain the variation in the estimates of the unexplained GWG.

2. A role for a language

The idea that people's actions are influenced by language dates back to the Sapir–Whorf hypothesis (Whorf, 1956). This view holds that "language can make certain sorts of thought and cognitive process more likely, and more accessible to people" (Carruthers, 2012). Although in psychology the rigid hypothesis of linguistic determinism is gradually being dismissed, it is rarely questioned that language influences human behavior (Boroditsky, 2001; Lai and Boroditsky, 2013). The debate as well as the theoretical foundations are laid out in Cameron (1998). Within economics, Chen (2013) demonstrates that the way that languages encode time affects the agents' future oriented behavior, like saving decisions, smoking, diet, etc.

Among the language characteristics that can potentially influence thought and behavior, are gender-intensities of different languages. The forms of asymmetric treatment of genders in languages range from grammatical forms, lack of words for female/male professional positions to idiomatic expressions that glorify one gender and deplete the position of another. Combined they amount to gender language bias or language gender intensity. Mavisakalyan (2011) show that gender-intensive languages tend to be related to substantially lower participation rate. Similarly, it was argued that gender distinctions in grammar are an important determinant of women's participation in corporate senior management (Santacreu-Vasut et al., 2014) and of female quota in politics (Santacreu-Vasut et al., 2013).

With reference to the labor market, participation and wages, gender intensity of a language is likely to exhibit via at least three mechanisms. First, in gender neutral environments, employers may be culturally less motivated to exhibit taste discrimination against women. Second, workers may be less inclined to follow gender-specific prejudices about the jobs when choosing professions and positions, which should result in less unbalanced occupational structure at both ends of the wage distribution. Finally, gender neutrality is likely to reduce the extent to which women wage offers (and claims) are lower. Since distinguishing empirically between the three seems impossible, we do not attribute our results to discrimination (i.e. the first mechanism), but continue with the analysis of the adjusted gender wage gaps, similar to WWE.

3. Method and data

Estimates of GWG. Our source of estimates for the adjusted gender wage gap is an updated version of the dataset developed by WWE 2007. The original data covers articles published until 2005, whereas we include studies published between 2005 and 2014. In total we added 1197 estimates of the adjusted GWG from 117

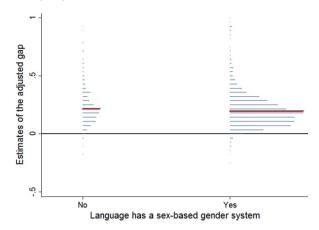


Fig. 1. GWG estimates by gender intensity.

new studies for 56 countries.⁴ Similarly to WWE, we excluded incomparable estimates of the adjusted GWG (e.g. non-parametric estimates along the wage distribution).

Language indicator. The measures of gender intensity come from the World Atlas of Linguistic Structures, which provides a compilation of results from different studies. The database measures the level of language gender intensity in a few ways. Our preferred specification relies on sex-based gender system (henceforth SBGS), i.e. a dummy which takes the value of 1 if a language has a SBGS. The subsets of this measure include gender assignment (1 if language has an assignment that links nouns to genders) and gender pronouns (1 if language distinguishes genders in pronouns).

To put these criteria in a perspective, Mandarin or Finish have no system of gender identification in the language. English, for example, has a gender system that is visible in third person pronouns. French, Spanish, Hebrew and Arabic, on the other hand, have a full range of gender identification nested in the language (sex-based system, noun assignment and pronouns distinction). Finally, some languages have a non sex-based gender system: e.g. Swedish in Europe, or Fulu in Africa.

4. Results

Fig. 1 provides an initial visualization of our estimates of the GWG. Clearly, for languages with and without a SBGS there is a large dispersion in estimates. To establish any relation requires a formal approach.

We explore the relation between the estimates of adjusted GWG and the SBGS using two approaches: an OLS regression and a metaregression, where we take the mean value of the adjusted GWG per paper-country-year as a size effect. The results are

² Doris Weichselbaumer and Rudolf Winter-Ebmer kindly shared a version of their database.

³ In a separate strand of research Lang (1986) proposes the language to form a communication barrier and thus a source of potential discrimination between own and other communities, but that view is not gender specific.

⁴ To ensure continuity, we adopted the same conventions with respect to the language of publication (English) and the search engine (EconLit). We also used the same keywords: "(wage* or salary* or earning*) and (discrimination or difference*) and (sex or gender)". To test if this search was not excessively narrow, we erased one keyword at a time from the first parenthesis, subsequently erasing the logical connectors ("or" "and"). We included published final or the most recent available versions of articles (chapters and books excluded). The complete list is available upon request.

⁵ This database was already used by Santacreu-Vasut et al. (2013, 2014), who additionally filled some of the missing observations. We thank the authors for providing this database.

⁶ Meta-analyses of GWG cannot fully account for the quality of estimates. In the case of coefficients, one could use standard errors; but for decompositions it is more complicated as few papers provide standard errors of the total and the adjusted gap. By using only one observation per paper–country–year, we can employ its accuracy (i.e. the inverse of the standard deviation of the estimates for the same paper–country–year) as weights in the meta–regressions.

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