

# Race/Gender- Income Gap and the Role of Education

By Assia Myers

URSP

Department of Sociology

## Introduction

- Among the factors that affect income are education, work experience, hours of work but higher education is the most important contributor.
- Education is directly associated with income and social mobility.
- Are we really open class system where social mobility is based on individual achievement regardless of race and gender?

# Lit Review

## Race and Income

- A study done by Yu and Zhang (2005) demonstrated statistically that there are differences in income amongst races.
- Based on their analysis, they found that while affirmative actions have increased education achievement in high schools and colleges across various races, these programs have not reduced income disparity.
- African Americans with a four year college degree witnessed not only an increase in their income, but also education plays a role in reducing the racial black and white income gap. (“Higher education.....”, 2007).
- However the education for blacks did not close the race-income gap since less than 18% of blacks have a college degree

## Lit Review

### Gender and Income

- Sociologists have tried to understand what causes the racial/gender income gap by studying authority in workplace. Minorities have less authority than whites and women have less authority than men in the workplace (Smith 1997).
- Howell and Bronson (1996) in their studies “how gender, residential and commuting behavior relate to earnings ” found that women are restricted spatially in the labor market which contributed to their lower earnings.
- Women choose to work close to home in order to manage their family responsibilities

# Hypotheses

- H<sub>1</sub>-There is a significant relationship between race and income.
- H<sub>2</sub>- There are differences in the relationship between education and income amongst blacks and whites.
- H<sub>3</sub>- There is a significant relationship between gender and income.
- H<sub>4</sub>- The relationship between education and income is stronger for males than females.

# Methods

- GSS ( General Social Survey) 2010
- Dependent variable = respondent's income  
Independent variables = education level, race and gender
- Cross Tabulation using SPSS
- Cramer's V

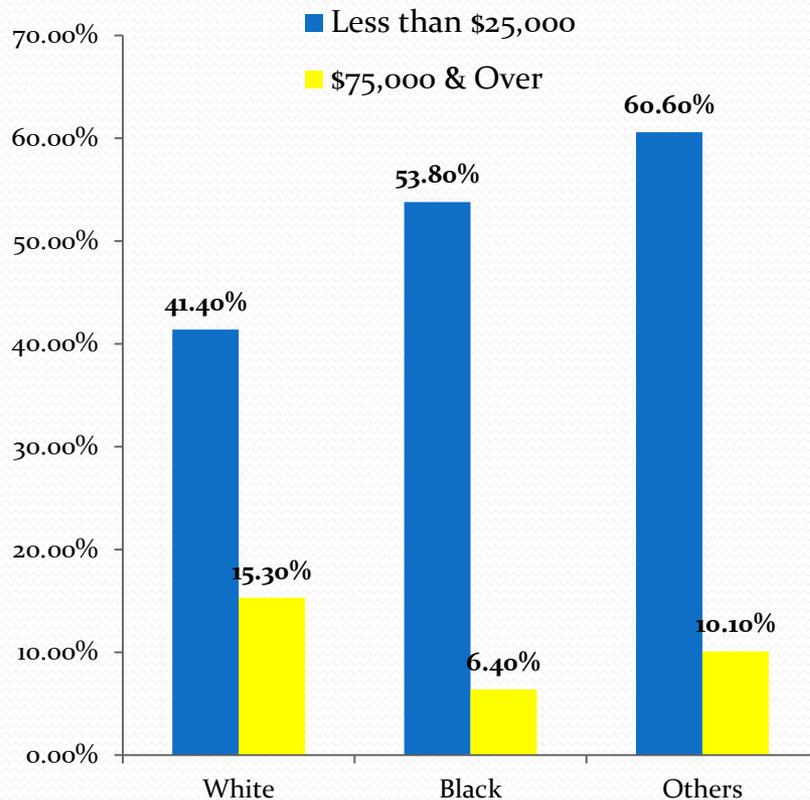
# Findings

# Sample Composition

- **Race** 75.8% Whites, 15.2% Blacks, 9% Others
- **Sex** 43.6% males, 56.4% females
- **Education** 17% less than high school, 27.4% High school, 25.7% Some college, 30% College
- **Income** 44.96% Less \$25,000, 26% \$25,000-\$49,999, 15.5% \$50,000-\$74,999, 13.6% \$75,000 and over

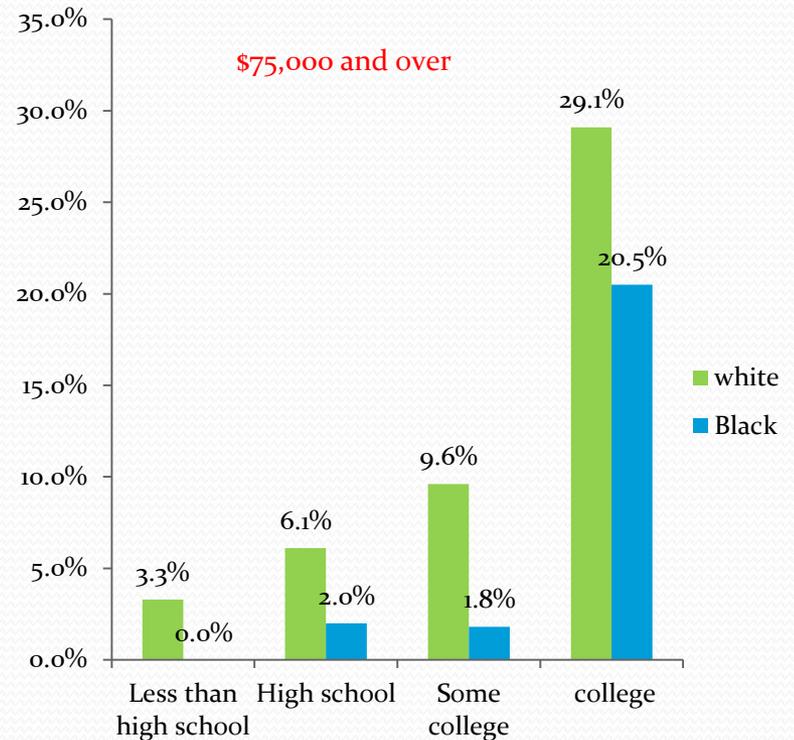
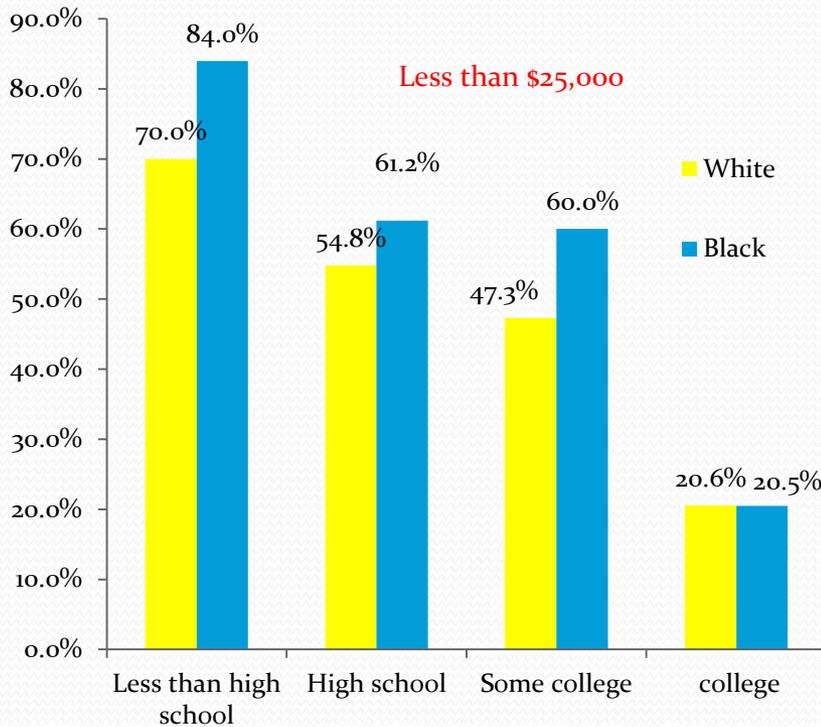
# H1-There is a significant relationship between race and income.

## Race and income



- 53.8% of blacks and 60.0% of others are earning less than \$25,000 60.0%
- Whites are more likely to be in the range of \$75,000 and over.
- Cramer's V is .122  
Relationship between race and income is significant.
- **Hypothesis 1 is supported.**

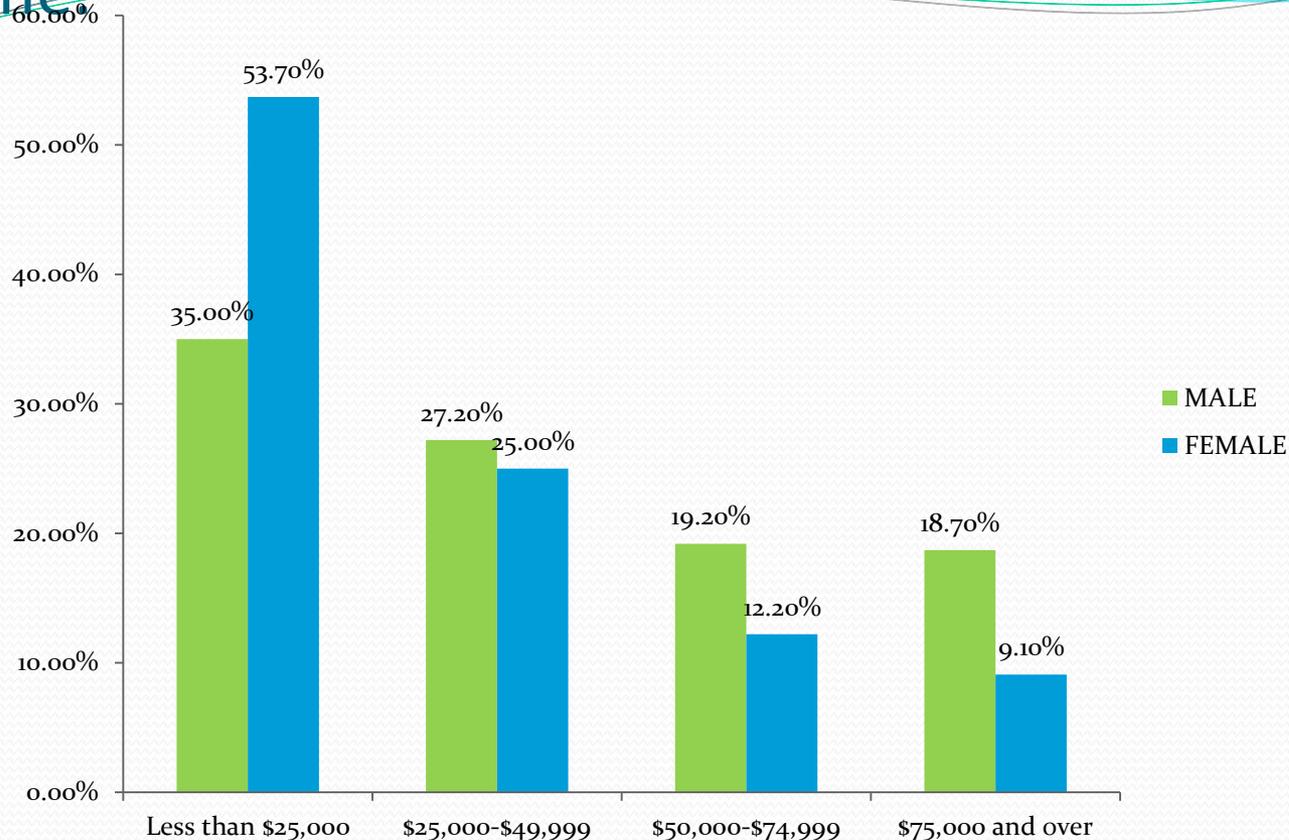
## H2-There are differences in the relationship between education and income amongst blacks and whites.



Cramer's V .239 for whites and .302 for blacks  
 Relationship between income and education was moderate for whites but stronger for blacks

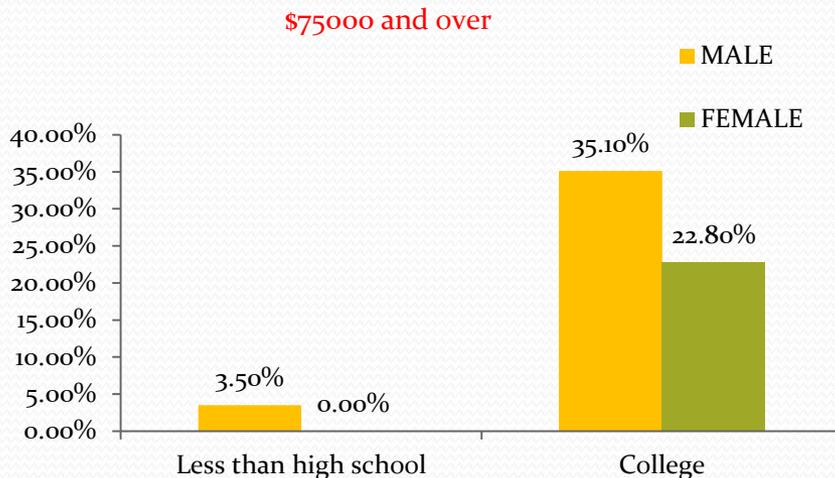
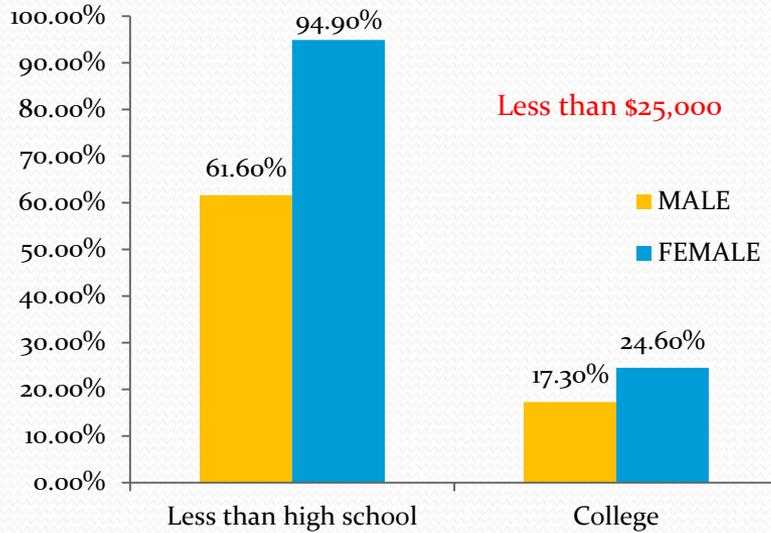
Relationship between income and education for both races is significant and **hypothesis 2 is supported**

# H3- There is a significant relationship between gender and income



- Males have a greater income than females.
- 18.7% of males are earning \$75,000 and over comparing to only 9.1% of females.
- Cramer's  $V$  is .211 and there is a significant relationship between gender and income. **Hypothesis 3 is supported.**

# H4- The relationship between education and income is stronger for males than females.



- The level of education attainment does affect income for both males and females.
- The more educated the person, the greater chance of being in the category of \$75,000 and over compared to their counterparts less than high school.
- 35% of males with college degree are earning \$75,000 and over & 61.6% of males with no high school are earning less than \$25,000
- 22.8% of females with college degree are earning \$75,000 and over & 94.9% of females with no high school are earning less than \$25,000
- Cramer's V is stronger for females (.309) than males (.247). **Therefore Hypothesis 4 is rejected.**

# Discussion & Explanation of Race-income gap

- Race has an impact on income
  - African Americans are less likely to finish high school and college
  - **High unemployment of African Americans 16% compared to 8.7% (US Bureau of Labor 2010)**
  - Even when African Americans & minorities have jobs, they are more likely to work unskilled jobs or non managerial positions
  - African Americans younger population & concentrated in South and Southwest where incomes are lower for everyone (DeNavas-Walt et.,2008:15).
  - **Conflict Perspective:** racial inequality is the result of the subordination of racial groups by dominant group
  - Inequality can only be reduced by political action such as affirmative action.

## Discussion & Explanation of Gender-income gap

- Gender has an impact on income
  - It is seen that in every level of education women's income is less than men.
  - Lack of high school seems to have a greater impact for females.
  - **A patriarchal system** protects the advantages of males.
  - Equal pay for women will help reducing the gender-income gap
  - **Education helps women override male privilege and protect them from poverty**

# Limitations

- Knowledge of field of education, occupation, work experience, hours of work, managerial position and starting salaries by race and gender will shed more light on income inequality.
- Hispanics in the “other” category, we suggest a separation of this group for future research.