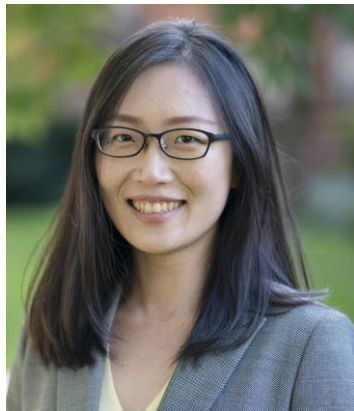
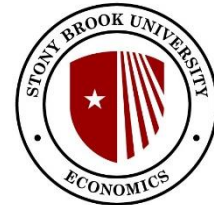


Department of Economics
2024-2025
Seminar Series



Monday, November 18, 2024
12:30 PM-1:50 PM
SBS, Room N603

Pengpeng Xiao

Assistant Professor,
Duke University

Equilibrium Sorting and the Gender Wage Gap

Abstract: Women face a “glass ceiling” in career advancement, with considerable underrepresentation in high-paying, high-status positions. This may arise because employers who anticipate women to have more career interruptions might sort them into low-productivity jobs where turnover is less costly. This paper develops an equilibrium search model to quantify the extent to which the “glass ceiling” could be attributed to employers’ job allocations decisions on one hand, and women’s experience accumulation and preference for family-friendly amenities on the other hand. Estimating the model on administrative employer-employee data from Finland, I find that employers’ differential wage-setting and job allocations account for a substantial proportion of the gender wage gap in early career, whereas gender differences in labor force attachment explain most of the wage gap in late career. The model reveals that sharing parental leave more equally between men and women closes gender gaps both before and after having children.

All in-person seminars will be held in the Social and Behavioral Sciences Building, Room N603. For additional information, contact the seminar organizers: Profs. Chang Liu & Eva Carceles-Poveda. Visit our webpage for additional information: stonybrook.edu/economics.

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