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THE NEW LABOR MARKET FOR LAWYERS: WILL FEMALE LAWYERS STILL EARN LESS?

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I. INTRODUCTION

Perhaps the most dramatic change in the labor market for lawyers over the past three decades has been the rapid increase in the number of women in the profession. In 1971, 3% of lawyers in the U.S. were women.¹ By 2000, 28.9% of all U.S. lawyers were female, as were 47% of law students.² Women are expected to become the majority of law students, as more women than men had applied for law school admission for Fall 2001.³

This large and rapid influx of women into the legal profession suggests that law is a profession particularly attractive to women. Lawyers' salaries are among the highest and lawyers have a range of professional options that can accommodate a wide variety of personal preferences. But there has long been widespread concern that women have not found the legal profession welcoming or rewarding. Numerous studies show that women earn less than men and are underrepresented in the senior ranks of the legal profession, even after taking into account their shorter work history in the legal profession. The female-to-male pay ratio for lawyers is actually below that of all workers. As of 1999, the median weekly salary of full-time female lawyers was 73% that of men, with median weekly salaries of \$974 for women and \$1,340 for men.⁴ The corresponding ratio for all full-time workers is 76.5%.⁵

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¹ See Barbara A. Curran, *Women in the Law: A Look at the Numbers*, 1995 A.B.A. COMM'N ON WOMEN IN THE PROF. 8.

² See *A Snapshot of Women in the Law in the Year 2000, Women in the Legal Profession*, 2000 A.B.A. COMM'N ON WOMEN IN THE PROF. 1.

³ See Jonathan D. Glater, *Women are Close to Being Majority of Law Students*, N.Y. TIMES, Mar. 26, 2001, at A1.

⁴ Based on median earnings for full-time wage and salary workers 1999. See BUREAU OF LABOR STATISTICS, U.S. DEP'T OF LABOR, HIGHLIGHTS OF WOMEN'S EARNINGS IN 1999 10 (2000).

⁵ The median weekly earnings for full-time wage and salary workers in 1999 are \$618 for men and \$473 for women. See U.S. CENSUS BUREAU, U.S. DEP'T OF COMMERCE, STATISTICAL ABSTRACT OF THE UNITED STATES 437 (2000) [hereinafter U.S. CENSUS BUREAU, STATISTICAL ABSTRACT 2000].

As of 2000, women in private practice in law firms nationwide accounted for 41.7% of associates but only 15.6% of partners.⁶

Evidence on promotion rates suggests parity in attaining partnership status may be slow. For example, a 1995 study of promotion rates in eight large New York City law firms indicated a gender gap in the rate of promotion to partnership, with the promotion rate of first-year associates hired between 1973 and 1981 equal to 21% for men and 15% for women. The gap widened for associates hired after 1981, with rates of 17% and 5% for men and women respectively.⁷ This relatively low share of female partners is frequently noted as one of the remaining obstacles to women's continued progress in the legal progression.⁸ Potentially even more alarming is the trend among law firms to create non-partnership tracks,⁹ especially if, as a recent lawsuit contends, the non-partnership track is for women only.¹⁰

The 1995 report of the American Bar Association Commission on Women in the Profession noted that the problems faced by women lawyers included "pay inequity, skewed opportunities for advancement, sexual harassment, and hostility to family needs."¹¹ This report discussed the many subtle barriers that limit women's success such as, disproportionately less involvement in important decision-making committees, restricted involvement with key clients or important cases, and stigmatization of women who have families or seek flexible work schedules.

The key problems most pertinent for women seem to be advancing to the status of partner and the conflict between work effort and family life.¹² These difficulties are related if family life is perceived to reduce work effort or limit availability to clients, whether or not it actually has such a consequence. In effect, women will be perceived as less valuable to the firm and thereby less likely to be made a partner.¹³ A recent study of over 1,430

⁶ See National Association for Law Placement, *Women and Attorneys of Color at Law Firms-2000* (2000), at <http://www.nalp.org/nalpresearch/mw00sum.htm> (last visited Nov. 11, 2003).

⁷ See Curran, *supra* note 1, at 27.

⁸ See, e.g., Glater, *supra* note 3.

⁹ See Richard B. Schmitt, *David Boies Finds His Firm Target of Lawsuit*, WALL ST. J., Jan. 16, 2002, at B1. "A growing number of law firms are creating a new strata of lawyers to focus on predominantly routine legal assignments. These lawyers are often paid less than those being groomed for partnership." *Id.*

¹⁰ See *id.* The plaintiffs are two former associates at *Boies, Schiller & Flexner LLP*. See Baird v. Boies, Schiller & Flexner LLP, 219 F. Supp. 2d 510 (S.D.N.Y. 2002).

¹¹ *Unfinished Business: Overcoming the Sisyphus Factor*. 1995 A.B.A. COMM'N ON WOMEN IN THE PROFESSION 5 [hereinafter *Unfinished Business*].

¹² A recent first page article in the New York Times indicated the widespread acceptance of the view that women lawyers are more concerned than their male counterparts with balancing work and family life. See Glater, *supra* note 3.

¹³ Former ABA President William Falsgraf stated that, "[m]en perceive women to be less effective as rainmakers and therefore less likely to advance to the top law firm management positions" He continued by noting that this may stem from men's fear of dealing with

law school graduates conducted by Catalyst found that 67% of women and 49% of men agree or strongly agree that a significant barrier to women's advancement is commitment to personal and family responsibilities.¹⁴

In this article, I examine the impact of gender on earnings and labor supply, paying particular attention to the role of family characteristics. I use data from the 1993 National Survey of College Graduates¹⁵ (hereafter NSCG.) The NSCG is a large national sample of college graduates, from which I extracted data on those with degrees in law. This survey provides data for a large sample of lawyers and contains information on a wide array of demographic and work-related characteristics including earnings and employment status for 1990 and 1993.

The empirical evidence presented here shows that female lawyers who earned their J.D. before 1990 earn substantially less than their male counterparts, even after controlling for gender differences in work-related characteristics such as years of work experience and hours worked. The female-to-male earnings ratio in 1989 was 60%, due to female lawyers' fewer years of work experience and lower pay even controlling for work experience. But among those earning their J.D. between 1990 and 1993 the situation is reversed: female lawyers earn more than their male counterparts.¹⁶ Female lawyers have earnings that are 2% higher than male lawyers of their cohort.¹⁷

Will this female earnings advantage persist as women in the younger cohort continue to advance through their careers, or will they fall prey to the gender earnings shortfall of the older cohort? By examining the sources of the gender pay gap among the older cohort it is possible to draw inferences for the younger cohort.

This article demonstrates three major points. First, the bulk of the gender disparity in earnings can be explained by women's shorter time in the legal profession. Although women are more likely than men to be employed in lower-paying government jobs, a far lesser amount of the pay disparity is explained by gender differences in job type. However, even after

women, for reasons including concern over the appearance of sexual impropriety or the belief that women are difficult to deal with. See *Unfinished Business*, *supra* note 11, at 13. For another view, see Glater, *supra* note 3 (comments of Cynthia Fuchs Epstein). Epstein notes that fewer women are judges, partners or professors because of a "residual amount of prejudice" and because some women may decide "not to go for broke" because they bear a greater share of family responsibilities. *Id.*

¹⁴ See Victoria Rivkin, *Study: Women Less Satisfied With Legal Careers Than Men*, N.Y.L.J., Jan. 31, 2001, at 1.

¹⁵ See National Survey of College Graduates, at <http://www.nsf.gov/sbe/srs/snscg/start.htm> (last modified Apr. 13, 1999).

¹⁶ 1993 is the most recent year of data available for the NSCG that also includes data on lawyers. See National Survey of College Graduates, *supra* note 15.

¹⁷ See *id.*

controlling for an extensive array of work-related characteristics among the older cohort, a large unexplained gender pay disparity persists. A pay gap not explained by work-related characteristics may be due to discrimination.

Second, family has a critical effect on lawyers' earnings and labor supply, and the effect of family differs by gender. Married women and mothers work fewer hours as a lawyer and are less likely to work full-time. Although marital status and children affect women's time in market work, these family characteristics do not have a direct effect on women's earnings after controlling for hours worked or once they choose full-time employment. To reiterate, once a woman chooses how much time to spend on market work, marital status and children have no additional impact on earnings, either positive or negative.

Third, although family status does not affect women's earnings, married men receive a large earnings premium simply by being married. Furthermore, the magnitude of the earnings premium received by married men varies with the employment status of their wives. The earnings premium is greatest for men whose wives do not work outside the home and smallest for men whose wives are employed full-time. It is well known that across occupations married men earn a substantial premium, with much debate about the cause.¹⁸ That the marital premium also arises for lawyers is a new finding, and also informs about the promise of gender parity among the younger cohort.

The findings of this article thereby suggest that the gender parity among the younger cohort is unlikely to persist over the course of their careers. Among the younger cohort, there are virtually no gender differences in marital or parental status, as both male and female lawyers are equally likely to be single and are equally unlikely to have children. But if the male marital earnings premium continues to persist, as it has across all occupations, then women cannot catch up by staying single or childless.

Section II provides an overview of the economic theories that link family responsibilities to women's weaker labor market success. As this section explains, specialization within the household yields economic advantages to the household as a whole but is likely to lead to inferior market outcomes for women. Section III discusses empirical studies that have controlled for individual characteristics in analyzing gender differences in lawyers' earnings. Section IV gives an overview of the data set analyzed in this paper, followed by a description of the variables in Section V. Section VI demonstrates the diversity of employment status of J.D. holders and provides some information on the importance of family responsibilities in influencing

¹⁸ This point and the literature surrounding it will be discussed at length throughout this paper.

employment status. Section VII provides information on earnings and hours worked by gender and sample characteristics are discussed in Section VIII.

The sample characteristics show considerable differences by gender in earnings, labor supply, work history, type of employer and family characteristics. To measure the influence of these characteristics on earnings, I present earning regressions in Section IX. Section X interprets the importance of the various sources of the gender earnings disparity, by dividing the earnings gap into the part due to differences in average work-related characteristics and the part unexplained by differences in characteristics. As the earnings regressions demonstrate, labor supply is an important determinant of earnings. Section XI provides evidence on the determinants of labor supply with a particular emphasis on family characteristics. Section XII concludes by discussing the likelihood that younger cohorts will continue to have gender parity in earnings.

II. HOME PRODUCTION AND LABOR MARKET OUTCOMES

The perception that women earn less than men because of family and home responsibilities is by no means unique to the legal profession.¹⁹ According to economic theories of specialization and exchange, a household maximizes its output if one spouse specializes in home production and the other spouse specializes in market work.²⁰ The outcome of this specialization is a “bigger pie” to be split among the members of the household. Although in principle either spouse could specialize in either home production or market work, for various reasons women have tended to specialize in the home. Thus, some theories find that it is more efficient that women who remain primarily responsible for household responsibilities and childcare do not participate fully in the labor market.²¹ One implication of women’s specialization in home production is that women are less likely to be employed in the market, and women who are employed work fewer hours outside of the home than comparable men. Moreover, according to this line of reasoning, by their own choice, women invest less in market related skills in anticipation of lesser work effort and commitment, and this investment decision is also optimal given their primary role within the household.

There are a vast number of empirical studies that examine gender differences in earnings across a broad range of occupations. Invariably such

¹⁹ See Gillian Hadfield, *Households at Work: Beyond Labor Market Policies to Remedy the Gender Gap*, 82 GEO. L.J. 89, 103. “As every existing theory of the gender gap at least implicitly recognizes, the household organization of labor is a fundamental determinant of the different labor market outcomes experienced by men and women.” *Id.*

²⁰ Gary Becker has written extensively on this theme. See, e.g., GARY BECKER, A TREATISE ON THE FAMILY (Harvard University Press, rev. ed. 1991) (1981).

²¹ See Becker, *supra* note 20.

studies find that women earn less than men, controlling for an extensive array of personal and job characteristics.²² Overall, women have fewer years of work experience²³ and seniority²⁴ with their employers. Men also average more hours worked per week in market employment.²⁵ Although average years of education are the same for men and women, college-educated men tend to major in higher-paying fields.²⁶ Thus, part of any pay gap will be explicable by differences in work history, labor supply and education. However, typically less than half of this pay gap can be attributed to differences in such market-related characteristics.²⁷

Given the theoretical prominence of the family in influencing women's labor market choices, in addition to conventional labor market measures, investigations of the gender pay gap typically control for various family characteristics such as marital status and number of children. Note that these are not necessarily directly related to market work. Instead, they are included as proxies for productivity characteristics deriving from household specialization. These proxies seem only weakly related to the productivity issues of interest. Marriage does not seem to affect women's earnings in either direction,²⁸ and although it is generally assumed that children reduce women's earnings, numerous studies find a significant positive relation.²⁹ However, time spent on household responsibilities lowers earnings, with the impact larger for women than for men.³⁰

²² See, e.g., Joseph G. Altonji & Rebecca M. Blank, *Race and Gender in the Labor Market*, in 3 HANDBOOK OF LAB. ECON. 3156 (O. Ashenfelter & D. Card eds., 1999).

²³ For government statistics documenting women's fewer years of work experience in private business over the period 1968-97 see BUREAU OF LABOR STATISTICS, U.S. DEP'T OF LABOR, REPORT ON THE AMERICAN WORKFORCE 1999, 43 t.2, available at <http://stats.bls.gov/opub/rtaw/pdf/chapter2.pdf> (2000).

²⁴ For government statistics documenting women's fewer years of seniority (tenure) with current employer, see U.S. CENSUS BUREAU, STATISTICAL ABSTRACT 2000, *supra* note 5, at 414 t.664.

²⁵ For government statistics documenting women's fewer hours worked per week in market employment, see BUREAU OF LABOR STATISTICS, U.S. DEP'T OF LABOR, REPORT ON THE AMERICAN WORKFORCE 1999, 111 t.3-2, available at <http://stats.bls.gov/opub/rtaw/pdf/chapter3.pdf> (2000).

²⁶ See, e.g., Charles Brown & Mary Corcoran, *Sex-Based Differences in School Content and the Male/Female Wage Gap*, 15 J. LAB. ECON. 431 (1997); Thomas N. Daymont & Paul J. Andrisani, *Job Preferences, College Major, and the Gender Gap in Earnings*, 19 J. HUM. RESOURCES 408, 414-15 (1984). For data from the National Center for Education Statistics document gender differences in bachelor's, master's and doctorate degrees earned by field see U.S. CENSUS BUREAU, STATISTICAL ABSTRACT 2000, *supra* note 5, at 194-95 t.320-321.

²⁷ See, e.g., Altonji & Blank, *supra* note 22, at t.5-6.

²⁸ JOYCE P. JACOBSEN, *THE ECONOMICS OF GENDER* 77 (2d ed. 1998) (discussing extensively the male marriage premium with no discussion of a corresponding effect on women).

²⁹ See, e.g., Joni Hersch, *Male-Female Differences in Hourly Wages: The Role of Human Capital, Working Conditions, and Housework*, 44 INDUS. & LAB. REL. REV. 746, 747 (1991); Robert G. Wood et al., *Pay Differences Among the Highly Paid: The Male-Female Earnings Gap in Lawyers' Salaries*, 11 J. LAB. ECON. 417, 439 (1993).

³⁰ See Hersch, *supra* note 29, at 746; see also Joni Hersch & Leslie S. Stratton, *Housework and Wages*, 37 J. HUM. RESOURCES 217, 223 (2002); Joni Hersch & Leslie S. Stratton, *Housework, Fixed*

A separate line of research within the economics literature has examined the puzzling but consistent empirical finding of a marriage earnings premium for men.³¹ Wage equations that control for work-related characteristics show that married men typically receive a wage premium of 10 – 20% relative to their unmarried counterparts. Despite extensive investigation into the cause of this male marriage premium, the reason for this premium is not clear. The two leading explanations are specialization and selection. The specialization argument is that married men who specialize in market work while their wives specialize in home production are genuinely more productive and so have higher earnings.³² The selection explanation is that marriage does not cause productivity differences among men, but instead more productive men are ‘selected’ into marriage.³³ Although Hersch and Stratton (2000) do not find compelling evidence in support of either selection or specialization as the cause of the male marital premium, their analysis includes workers from a broad range of occupations and does not rule out the possibility that selection or specialization influences married men’s earnings among lawyers or other professionals.³⁴ Indeed, if specialization is ever to matter, it is most likely to matter among higher paid individuals who work extensive hours, as such individuals can benefit most from having a spouse who assists with day-to-day household responsibilities or provides networking support.³⁵

III. REVIEW OF PREVIOUS EMPIRICAL LITERATURE ON GENDER DIFFERENCES IN LAWYERS’ EARNINGS

Studies have examined the gender disparity in earnings among lawyers using a variety of data sets and statistical models. This literature is reviewed in detail in the remainder of this section. To summarize this section briefly, most studies find a substantial statistically significant earnings gap between men and women lawyers after controlling for a range of personal and job characteristics, but there are notable exceptions. However, in contrast to the

Effects, and Wages of Married Workers, 32 J. HUM. RESOURCES 285, 301 (1997). It should also be noted that time spent on home production is a more direct measure of household responsibilities than family characteristics.

³¹ See Joni Hersch & Leslie S. Stratton, *Household Specialization and the Male Marriage Wage Premium*, 54 INDUS. & LAB. REL. REV. 78, 78 (2000) and references cited therein.

³² *Id.*

³³ *Id.*

³⁴ *Id.*

³⁵ In a widely publicized divorce case, Lorna Wendt made the argument that her husband, then GE Capital Services CEO Gary Wendt, would not have been as successful without his wife’s contributions to his “two person career.” For a discussion of this case, see Joni Hersch, *Marriage, Home Production, and Earnings*, in MARRIAGE AND THE ECONOMY: THEORY AND EVIDENCE FROM ADVANCED INDUSTRIAL SOCIETIES (Shoshana Grossbard-Shechtman ed., Cambridge University Press 2003). See *Wendt v. Wendt*, 757 A.2d 1225 (Conn. App. Ct. 2000).

widespread perception that women lawyers are disadvantaged because they bear a greater share of family responsibilities, the evidence on the influence of family characteristics on the gender pay gap is quite mixed.

Sherwin Rosen estimated equations for earnings and hours worked by using data from persons classified as lawyers drawn from the annual March Current Population Survey (CPS)³⁶ for the period 1967-87.³⁷ Women worked on average 2.5 hours less per week than men with the same quantified characteristics. Among women, marital status did not affect either hours worked or earnings after controlling for characteristics such as education, experience, sector of employment and time trends. Marital status did, however, affect work hours and earnings for men, with unmarried men averaging 1.4 fewer hours of work per week and 20% lower earnings than married men. Rosen found that women had annual earnings that were 45% less than men on average over the 1967-87 period, with earnings converging at a rate of 1.5% per year. Two-thirds of the gender pay gap was eliminated by the end of the period, with a disparity of 20% remaining by 1987. Noting that the largest increase in women's entry into the law profession occurred before the rate of return to a law degree increased, Rosen posits that the profession somehow "opened up" to women, followed perhaps by a bandwagon effect as more women entered.

In the Wood, Corcoran and Courant study, the authors used highly detailed data from 1972-75 graduates of the University of Michigan Law School reported 15 years after graduation.³⁸ By design, this survey elicited information that was unique to lawyers, as well as extensive information on personal characteristics generally believed to lower women's earnings such as maternity leave and children. This survey therefore provides a rich source of information to allow examination of sources of gender differences in earnings. Further, by using graduates from a single law school, variations in quality of education are not present, and it is likely that men and women who earn their law degree from this prestigious and demanding law school, and spent similar amounts of time, money and effort, are similarly motivated

³⁶ The CPS is a monthly survey of households conducted by the U.S. Bureau of Census for the Bureau of Labor Statistics. This survey is the source of the national unemployment rate reported monthly and provides other information on the labor force. See U.S. BUREAU OF LAB. STAT., U.S. DEP'T OF LAB., *Labor Force Statistics from the Current Population Survey*, at <http://www.bls.gov/cps/home.htm> (last visited Mar. 17, 2002).

³⁷ Sherwin Rosen, *The Market for Lawyers*, 35 J.L. & ECON. 215 (1992). As we shall see later in this article, a number of individuals with a J.D. work in other settings. In using the CPS one should keep in mind that licensed lawyers working in other settings such as management might report their occupation as a manager rather than as a lawyer, and only individuals who are active labor market participants are queried about their occupation. These factors lead to a lower count of the number of lawyers relative to that recorded in the Martindale-Hubbell directory, which includes all licensed lawyers whether or not they are employed as a lawyer or actively participating in the labor market.

³⁸ Wood et al., *supra* note 29, at 417.

and committed to the profession.

Their results indicated that a considerable and statistically significant gender gap in earnings of 13.2% – 18.5% remained even after controlling for a wide range of factors including demographic and family characteristics, law school performance, work experience, hours worked and job setting including type of employment and firm size (but they do not control for partner status). One notable finding is that, contrary to expectations, neither the presence of children nor time away from the market because of them depressed women lawyers' earnings. In fact, the presence of children born since graduation, and being married, were positively related to earnings for both men and women. However, working part-time in order to care for children had a negative impact on earnings, with each year of part-time work reducing women's earnings by 5.6%. The authors noted that this large penalty might be caused by lower partnership rates of those with considerable part-time work experience.

Hours worked was the most important direct determinant of earnings, and women with children worked considerably fewer hours than did men or women without children. The authors note that the usual rationale of a high opportunity cost of working is not applicable for this group of highly paid lawyers, and conclude "tentatively" that women in the sample chose to take care of their children for fundamentally non-economic reasons.³⁹

Foot and Stager used data from the 1971 and 1981 population censuses of Canada to examine male-female differences in lawyers' earnings.⁴⁰ The authors found that the presence of children did not influence women lawyers' decision to work part-time rather than full-time. However, female lawyers without children who worked full time had significantly higher earnings than those with two or more young children. In both years there were large gender gaps in earnings, with women earning 49.3% as much as men in 1971 and 58.8% in 1981. Approximately half of these gaps were explained by differences in characteristics, with the remainder due to omitted characteristics or discrimination. Again using data from the Census of Canada for 1971 and 1981, Stager and Foot found that women earned about \$10,000 less than men in each of these years, controlling for the set of characteristics noted above.⁴¹

³⁹ An economic interpretation is that an increase in family income increases the demand for high quality childcare perhaps best provided by the lawyer/mother.

⁴⁰ David K. Foot & David A. A. Stager, *Intertemporal Market Effect on Gender Earnings Differentials: Lawyers in Canada, 1970-80*, 21 APPLIED ECON. 1011, 1014 (1989).

⁴¹ David A. A. Stager & David K. Foot, *Lawyers' Earnings under Market Growth and Differentiation, 1970-80*, 22 CAN. J. ECON. 150, 158 (1989).

Wynn Huang collected data from students graduating from four law schools in 1969-71, 1980 and 1985.⁴² Controlling for a range of characteristics including labor market interruptions, marital status and children, she found that women lawyers earned less than their male counterparts. Using data culled from the Martindale-Hubbell Law Directory, Stephen Spurr found that women's probability of promotion is about half that of men.⁴³ Similarly, Spurr and Sueyoshi found that women are less likely to be promoted, with the disparity narrowing over time.⁴⁴

In contrast, studies have found that there is no difference in earnings by gender after controlling for extensive work and personal characteristics. Using data from the National Survey of Career Satisfaction/Dissatisfaction, Rebitzer and Taylor did not find a gender difference in associates' earnings controlling for firm size, hours worked, age, tenure, locational characteristics, legal practices and tasks, satisfaction with these tasks and law school performance, although they did find female partners earn significantly less than male partners.⁴⁵ Also using data from the National Survey of Career Satisfaction/ Dissatisfaction, Laband and Lentz did not find a gender difference in earnings or promotion.⁴⁶

In the following sections I will examine the importance of family characteristics using data on lawyers from the National Survey of College Graduates. This data set includes many of the key characteristics pertinent to lawyers that are unavailable in data sets used in previous studies and allow for a more refined test of the importance of family characteristics.

IV. DESCRIPTION OF THE NATIONAL SURVEY OF COLLEGE GRADUATES⁴⁷

The U.S. Bureau of the Census conducts the National Survey of College Graduates (NSCG) for the National Science Foundation.⁴⁸ The primary purpose of this survey is to compile data on the nation's scientists and engineers. The 1993 NSCG is composed of a subset of individuals identified

⁴² Wynn R. Huang, *Gender Differences In The Earnings Of Lawyers*, 30 COLUM. J.L. & SOC. PROBS. 267-68, 276 (1997).

⁴³ See Stephen J. Spurr, *Sex Discrimination in the Legal Profession: A Study of Promotion*, 43 INDUS. & LAB. REL. REV. 406 (1990).

⁴⁴ Stephen J. Spurr & Glenn T. Sueyoshi, *Turnover and Promotion of Lawyers: An Inquiry into Gender Differences*, 29 J. HUM. RESOURCES 813 (1994).

⁴⁵ James B. Rebitzer & Lowell J. Taylor, *Efficiency Wages and Employment Rents: The Employer-Size Wage Effect in the Job Market for Lawyers*, 13 J. LAB. ECON. 678 (1995).

⁴⁶ David N. Laband & Bernard F. Lentz, *Is There Sex Discrimination in the Legal Profession?: Further Evidence on Tangible and Intangible Margins*, 28 J. HUM. RESOURCES 230 (1993). As I describe later, the National Survey of Career Satisfaction/Dissatisfaction reports earnings information in very broad categories, which makes inferences regarding a gender, pay gap sensitive to the construction of the earnings measure.

⁴⁷ I thank Dan Black for providing me with the NSCG data in the form of a Stata data set.

⁴⁸ See National Survey of College Graduates, *supra* note 15.

in the 1990 Decennial Census Long Form sample with baccalaureate-or-higher degrees as of April 1, 1990 who were age 72 or younger. Of the 4,728,000 respondents to the 1990 Census who met these conditions, a sample of 214,643 were selected for the NSCG sample. After omitting cases ineligible for interview (e.g., deceased, errors in original coding of age or education) the NSCG reported a response rate of 78%.

The 1993 NSCG is a longitudinal survey, providing information on individuals from the Census long form in 1990 and additional information in the 1993 re-survey. The survey is ongoing, but after 1993 the sample was restricted to those with degrees in science and engineering, or working in a science and engineering occupation. Only the 1993 NSCG can be used to provide information on lawyers. In addition to labor market information, the survey provides information on educational background and personal characteristics such as marital status and number of children.

The 1993 data was collected by a self-administered mail survey, with telephone and in-person follow-up as needed. Those selected for the sample were sent an initial notification letter, followed by the survey, a reminder letter and a second mailing. Those failing to respond to the mail survey were surveyed by telephone; non-respondents to both the mail and phone survey were surveyed in person. Respondents who failed to include information on their most recent degree and field of study, occupation or labor force status in the 1993 survey were re-contacted to obtain the missing information.

Respondents reported their level and year of degree (bachelor's, master's, doctorate, professional degree) for up to 3 degrees as well as the field of specialization associated with each degree. The field of specialization information is highly detailed, allowing respondents to choose from about 150 fields of study. To identify the sample with a J.D., I select those respondents reporting a professional degree in the field of law/legal studies.⁴⁹ Although most of this paper addresses labor market outcomes for lawyers, in contrast to previous studies, I do not initially restrict my sample only to those employed as a lawyer.⁵⁰ Instead, I begin by selecting from the full NSCG sample respondents with a professional degree in law regardless of whether they are employed as a lawyer, are in some other occupation, or are unemployed. Since some of the concern over women's lesser success as lawyers stems from the fact that women are less likely to be in the labor force

⁴⁹ All survey respondents have at least a bachelor's degree. Therefore, any professional degree is post-baccalaureate. It is possible that some individuals will be wrongly classified as a J.D. by my method, but any such problem should be small, and if it exists, limited only to the individuals not employed as a lawyer. For convenience, I refer throughout to the J.D. sample.

⁵⁰ A unique advantage of the NSCG is that it allows me to identify those with a J.D. on the basis of education and not on the basis of occupation. Studies such as Rosen's (1992), which used the Current Population Survey, identify lawyers by their current occupation. See Rosen, *supra* note 37, at 218-19.

or less likely to continue to be employed as attorneys, this first stage allows me to examine the validity of this perception. Evidence on labor market status and gender is provided in Section VI.

There are 2849 individuals, of whom 715 (25.1%) were women, who reported earning a professional degree in the field of law/legal studies by 1989 in the 1990 survey, and 3274 individuals, of which 899 (27.5%) were women in the 1993 survey. All of the respondents to the NSCG are in the sample in both 1990 and 1993, although not all had completed their J.D. by 1990, nor were all employed in either year or in both years. As the 1990 survey requests earnings and hours information for the job held in 1989, I require that the J.D. be earned by 1989 in the analyses using the 1990 survey data so that the reported information corresponds to a job held after graduating from law school. The 1993 survey requests 1993 information on earnings. In some of the analyses that follow, I stratify the sample by year of J.D. I refer to the sample composed of those who received their J.D. by 1989 as the "older cohort," and the sample that received their J.D. between 1990 and 1993 as the "new cohort." For some analyses, I further stratify the older cohort into 3 groups: those who earned a J.D. up to 1980, between 1981 and 1985, and between 1986 and 1989.

V. DESCRIPTION OF THE DATA

In this section, I describe the information available on at least one of the surveys that will be used in the following empirical analyses. The information available differs between the surveys in a number of ways and is summarized briefly in this paragraph. One key difference is that the 1990 survey reports hours and weeks worked as well as earnings for all respondents with earnings being broadly defined and inclusive of all sources. The 1993 survey reports earnings only for those employed full-time, does not elicit information on the specific number of hours or weeks worked but only whether the individual is employed full-time, and defines earnings narrowly. A large number of 1993 respondents have earnings at the maximum earnings the survey reports, and as we see later, the proportion at the maximum differs by gender and thereby may affect inferences about the gender pay disparity. Although the earnings and work hours information available in 1990 are more comprehensive than those in 1993, in most other ways the 1993 survey provides more detailed individual information on work history, work environment and family characteristics. Particular shortcomings of the 1990 data are a lack of information on work history for any respondents and on parental status for men. Furthermore, the 1993 survey provides information on such matters as supervisory responsibilities that should have an impact on earnings.

A. Earnings and Hours Worked

The key variables of interest are earnings and labor supply. The 1990 earnings information is that reported on the Census Decennial Long Form. All respondents, including part-time and self-employed individuals, separately reported their annual 1989 wage and salary income (including bonuses and other compensation) and their net self-employment income (after deducting business expenses.) Annual earnings are top-coded at \$999,999, and within the sample, there were no respondents with earnings at the top-code.⁵¹ Twelve percent of the sample reported receiving both wage and salary income and self-employment income. Respondents also reported weeks worked and usual hours worked per week in 1989. I add the two earnings values, and to account for differences in weeks worked over the year, divide the sum by weeks worked in 1989.⁵² I restrict the sample to those reporting earnings of at least \$50 per week to eliminate those with either negative summed earnings or implausibly low weekly earnings.⁵³ This restriction yielded a sample of 453 female and 1375 male lawyers.

In the 1993 survey, respondents were not asked to report the number of hours or weeks worked. Instead the survey asked only whether they worked full-time,⁵⁴ and only individuals who were employed full-time were asked to report their salary or earned income from their main job.⁵⁵ Respondents were instructed to exclude bonuses, overtime and additional compensation. The survey administrators recoded reported salary to an annual measure based on the unit of time (hour, month, etc.) reported by the respondent, and then top-coded annual salary at \$150,000.⁵⁶ For consistency with the 1990 data, I divide annual salary by fifty-two (weeks) to

⁵¹ Respondents with self-employed losses were bottom-coded at losses of \$9,999.

⁵² Weeks worked information was missing for three women and nine men making it impossible to construct their weekly earnings, and so these observations are not included in the analyses.

⁵³ The dependent variable in the earnings equations is the log of weekly earnings. The log of negative values is not defined, so it is not possible to include those with negative earnings in the earnings equation. Of course, \$50 per week is low but as the sample includes part-time lawyers, not entirely implausible. As most lawyers do work full-time, there were relatively few sample members with low earnings. For example, 95 percent of the sample earned more than \$333 per week in 1989 (including part-time workers.).

⁵⁴ The U.S. Bureau of Labor Statistics defines full-time employment as 35 or more hours worked per week. See U.S. Bureau of Labor Statistics website at <http://www.bls.gov/bls/glossary.htm> (last modified Apr. 1, 2003).

⁵⁵ Respondents who were self-employed or temporarily absent from a job reported salary information, including those on unpaid leave, as long as they usually work 35 or more hours a week.

⁵⁶ There is an issue of how to deal with the respondents with earnings at the top-code. In the economics literature, the convention is to replace earnings values at the top-code by 1.5 times their top-coded value. See David H. Autor et al., *Computing Inequality: Have Computers Changed the Labor Market?*, 113 *QUARTERLY J. ECON.* 1169 (November 1998); Daniel S. Hamermesh, *Changing Inequality in Markets for Workplace Amenities* 114 *QUARTERLY J. ECON.* 1085 (November 1998).

get weekly salary. There are 514 female and 1534 male lawyers surveyed for their earnings information.⁵⁷

B. *Work History and Employer Setting*

Using information on the year the professional degree in law was earned, I define a variable for years since gaining a J.D. for both the 1990 and the 1993 surveys. The 1993 survey provides several measures of work history not available on the 1990 survey. Respondents to the 1993 survey reported information on years of professional full-time experience and years of professional part-time experience. These questions did not restrict respondents to report only experience acquired as a lawyer and as a consequence time spent in other professional occupations may be included. Respondents also reported their employment status five years earlier on three dimensions: whether they were working, whether they were with the same employer, and whether they were in the same occupation.

In both survey waves, respondents reported whether their job was in the private sector,⁵⁸ with the government,⁵⁹ or whether they were self-employed.⁶⁰ In 1993, the survey allowed an answer to the question of whether the respondent's job was in the private, public, government or 'other' sector.⁶¹ In 1990, individuals reported their industry and I define an indicator for employment in the legal industry. In addition, the 1990 data records separate categories for employment as a lawyer or as a judge.

⁵⁷ Despite the limitations of the earnings information available on the NSCG, it is worthwhile noting that this information is better than any alternative that also provides individual-specific information for a large sample. The only other data set that provides broad information on a national sample of individual lawyers is the National Survey of Career Satisfaction/Dissatisfaction of 1984 and 1990. That data set has a wealth of individual-specific information on lawyers but the information on earnings is restricted to a single question asking respondents to report their annual earnings as one of 8 broad categories, ranging from 'less than \$15,000' to the maximum (top-code) category of 'more than \$200,000.' The earnings categories used in the National Survey of Career Satisfaction/Dissatisfaction are: less than \$15,000; \$15,000-24,999; \$25,000-39,999; \$40,000-54,999; \$55,000-74,999; \$75,000-99,999; \$100,000-199,999; and \$200,000 or more. Such imprecise information would lead to errors in measuring the sources of the gender gap in earnings.

⁵⁸ The private sector includes private for-profit and private not-for-profit organizations. Few respondents work for a private not-for-profit organization.

⁵⁹ Government employers include local, state, U.S. government and U.S. military service.

⁶⁰ Self-employed include those in their own business or professional practice whether or not incorporated.

⁶¹ Those working for an educational institution were instructed to answer a different question and did not respond to whether their job was in the private sector, government or self-employed. In addition to the 16 respondents who report "other" I include in this category the 7 lawyers who work for an educational institution as a lawyer (not as a law professor).

C. *Professional Activities and Supervisory Responsibilities*

The 1993 survey provides information on supervisory responsibilities and some indicators of the extent of professional involvement. Respondents were instructed to answer that they supervise other workers only if they “assign duties to workers and recommend or initiate personnel actions such as hiring, firing or promoting.”⁶² Those who report they supervise others also report the number they directly supervise and the number they indirectly supervise through subordinate supervisors. Although imperfect, such information on supervisory status provides information on the size of the establishment and the level of the respondent’s position. As an indicator of professional involvement, respondents reported whether they attend professional society meetings or conferences and the number of professional associations in which they are members. These variables provide some information on networking activities.

D. *Family Variables and Demographics*

The surveys provide information for all sample members on marital status, gender, race, ethnicity and age. The marital status options include married, never married, divorced, separated, and widowed. I group the latter three categories into a single category for previously married. I define indicator variables for the largest race/ethnicity categories of white, black and Hispanic.⁶³ In 1990, respondents reported whether they lived in an urban or rural area.

In the 1990 survey, only female respondents were asked about their parental status. Specifically, women were asked to report the number of children to whom they had given birth, including any who had died. In the 1993 survey wave, all respondents were asked to report the number of children living with them at least fifty percent of the time, requesting information on the number of children under age 6, age 6 – 11, age 12 – 17, and age 18 or older. The reported number of children for 1993 may include adopted children and stepchildren. The 1990 question is not limited to children living in the household, and specifically excludes adopted children and stepchildren. The reported number of children is not directly comparable between the two waves, although descriptive statistics reported later show a great similarity between women’s reports in the two surveys. In 1993, married respondents reported whether their spouse worked full-time, part-time, or was not working. Those reporting that their spouse worked full-

⁶² National Survey of College Graduates, at <http://sestat.nsf.gov/docs/nsrcg93.pdf> (Apr. 30, 1994).

⁶³ Those reporting their race/ethnicity as Hispanic may be of any race making the categories of black or white and Hispanic not mutually exclusive.

time or part-time were asked if their spouse's duties require technical expertise equivalent to at least a bachelor's degree. I define an indicator variable equal to denote the respondent's employed spouse has a job requiring expertise at the bachelor's level or above.

VI. LABOR MARKET STATUS OF THOSE WITH A J.D.

I start in Table 1 by providing information on employment status for all sample members who had a J.D. by either 1989 (for the 1990 survey data) or by 1993.⁶⁴ The 1990 survey provides information on labor market status (employed, unemployed, not in the labor force⁶⁵) as well as detailed industry and occupation.⁶⁶ In 1993, respondents reported their labor market status and were instructed to choose the category that best described their job from a list of 126 job categories. The 1990 data records separate categories for lawyers and judges, while the 1993 survey combines lawyers and judges into a single category, and it is not possible to ascertain whether an individual is a lawyer or a judge. Analysis of the 1990 data indicates that of the total number of lawyers and judges, 95.7% are lawyers.⁶⁷ For convenience I refer throughout to "lawyers."

I stratify the sample into four disjointed categories: employed as a lawyer, employed but not as a lawyer, unemployed, or not in the labor force. As the professional environment and compensation structure for academic lawyers differs considerably from practicing attorneys, for the purposes of this analysis law professors are categorized as employed, and not as lawyers.⁶⁸

⁶⁴ See *infra* Table 1.

⁶⁵ Individuals are unemployed if they do not have a job and are looking for and available for work. Those not in the labor force are those who are not looking for and/or not available for work for reasons such as retirement, keeping house or attending school.

⁶⁶ The survey uses the 3-digit classification system developed for the 1990 Census of Population and Housing. Lawyers are assigned code 178, judges are assigned code 179, and law professors are coded as 145.

⁶⁷ This share is corroborated by statistics reported by the U.S. Census Bureau that indicate that in 1999, 95.7 percent of the total number of lawyers and judges were classified as "lawyers." U.S. CENSUS BUREAU, STATISTICAL ABSTRACT 2000, *supra* note 5, at 416 t.699.

⁶⁸ It is possible that individuals who are largely working as a lawyer report a non-lawyer category, but the occupational options on each of the surveys suggest that the likelihood of such assignments should be small. For example, a partner in a law firm may report that they are a manager rather than a lawyer. However, the 1990 data provides detailed categories of managers such as financial managers, purchasing managers, and so forth. Although none of the specific categories correspond to a category that identifies a partner at a law firm, a partner may report their status in the catchall category of "managers, not elsewhere classified." But an analysis of the 1990 data indicates that there are only 68 respondents with a J.D. who report their occupation as manager not elsewhere classified, and only 5 of these 68 individuals are employed in the legal industry. It thus seems likely most partners report their occupation as lawyer rather than manager. Similarly, the 1993 survey was designed so that respondents reported their field of work, specifically instructing managers and the self-employed to use the code that came closest to the field that they manage. As we see below, many lawyers have considerable supervisory responsibilities, which also suggests that partners report their job as lawyer. There is a code, however, for top and mid-level managers, executives and administrators, but as the 1990 data

The statistics on employment status in 1990 and in 1993 reported in Table 1 demonstrate several notable points. First, a surprisingly substantial share of employed individuals who have earned a J.D. are not employed as lawyers, ranging from 26% in 1990 to 20% in 1993. Second, neither the proportion of employed lawyers nor the distribution across categories differs significantly by gender at the 99% level of significance.⁶⁹ Third, although the overall distribution of employment status does not differ significantly by gender, the reason that an individual is not in the labor force differs starkly by gender. Only the 1993 data provides the reason an individual is not in the labor force. To generalize, men who are not in the labor force report that they are retired, while women who are not in the labor force report the reason as family responsibilities. The statistics noted at the bottom of Table 1 indicate that of those not in the labor force, almost three-quarters of men but only 16% of the women, are retired. In contrast to nearly half of the women who are not in the labor force reporting family responsibilities as the reason, only two of the 229 men reported this same reason as their rationale for being out of the labor force.

Fourth, unemployment is relatively rare among people with a J.D. and those with a J.D. are less likely to be unemployed than the general population, although increased unemployment among this population between 1990 and 1993 followed national trends. The percent unemployed reported in Table 1 is not the unemployment rate, as the calculation of the unemployment rate excludes those not in the labor force. The corresponding unemployment rates for female and male lawyers in 1990 are 1.9% and 1.3% respectively; in 1993 these values are 3.9% and 2.4%.⁷⁰ For comparison, the unemployment rates for the general population were 5.6% and 6.9% in 1990 and 1993 respectively.

As Table 1 indicates, women and men with a J.D. are equally likely to be employed as a lawyer, although family responsibilities are largely responsible for women's decisions not to seek employment. This similarity in employment status by gender suggests that access to employment as a lawyer is not restricted by gender, so it is sufficient to examine gender disparities among lawyers. The remainder of the paper analyzes the sample of employed lawyers with information available on earnings and hours.

suggests, few of these managers are likely to be employed in the legal industry.

⁶⁹ The t-test of the null hypothesis that the proportion of lawyers does not differ by gender yields p-values of 0.51 in 1990 and 0.43 in 1993. The chi-squared test of the null hypothesis that the distribution of employment status does not differ by gender yields p-values of 0.04 in 1990 and 0.11 in 1993.

⁷⁰ The unemployment rates can be calculated using the number reported in the table. For example, using the values for women in 1990, the number in the labor force is $458 + 176 + 12 = 646$. The unemployment rate is then $12/646 = 1.9\%$.

VII. EARNINGS, HOURS WORKED, AND GENDER

In this section I give a broad overview of the earnings and hours worked by lawyers. As this section demonstrates, female lawyers in the older cohort earn considerably less than their male counterparts, although the situation is reversed in the younger cohort, with female lawyers earning 2% more than male lawyers. But female lawyers spend less time than men in paid market labor by any measure of work and there is evidence that family responsibilities affect women's labor supply. The influence of work time on earnings, and of family status on work time will be explored in regression analyses later.

A. *Earnings and Gender*

Table 2 provides detailed information on earnings and the sources of earnings for the sample of lawyers. It is clear that male lawyers earn considerably more than female lawyers no matter how earnings are measured. In 1989, male lawyers' weekly earnings averaged \$1864 while female lawyers averaged \$1120. In 1993 weekly earnings averaged \$1568 for male lawyers and \$1230 for female lawyers.

An examination of this table reveals noteworthy differences in the earnings pattern by gender and by year of survey. First, in 1990, the female/male weekly earnings ratio is 60%. However, the ratio of the log of weekly earnings was 94%.⁷¹ We see a similar pattern using the 1993 data. The female/male weekly earnings ratio was 78.5% while the ratio of the log of weekly earnings was nearly 97%. Since the non-linearity of the log function compresses the high values, the narrower pay disparity based on logs indicates that men are more likely to have extremely high earnings,⁷² an implication clearly substantiated in the second panel of Table 2 which reports the distribution of earnings by grouped earnings levels. As the table shows, women are concentrated in the lower earnings categories while men are concentrated in the higher categories. Note that despite the narrowness of the gap in log earnings in both years, the differences by gender in average log earnings are statistically significant, as are, of course, the differences in average levels.

Now compare the 1990 earnings levels and ratios to the 1993 data. Average 1993 earnings for men are \$3000 below the 1990 value. The lower mean for men and the higher female-to-male ratio than calculated using the

⁷¹ The mean of the log of earnings is reported in the tables, as the dependent variable in the earnings equations is the log of weekly earnings.

⁷² A numerical example makes this clear. Consider weekly earnings of \$1000, \$2000, and \$3000. The logs of these values are 6.91, 7.60, and 8.01 respectively. As these numbers demonstrate, although the difference between \$1000 and \$2000 is the same as the difference between \$2000 and \$3000, the disparity in the log values decreases as earnings increase.

1990 data reflect several things. First, the 1993 data caps earnings at \$150,000 annually, and as Table 2 shows, almost 15% of the men in the sample have top-coded earnings, in contrast to 6% of the women. Second, the 1993 earnings data explicitly excludes bonus income, overtime pay, and additional compensation, requesting that only salary information be reported. Exclusion of such supplemental income will lower the average earnings values to the extent bonuses and so forth are a large part of compensation. In addition, exclusion of such earnings will compress the gender pay gap if men are more likely to receive a large bonus. Third, the 1993 data includes only full-time workers, and generally full-time workers earn more than part-time workers. Since more women work part-time, excluding part-time workers from the sample may narrow the pay gap. However, the exclusion of part-time workers apparently has only a small effect on the gap, as the earnings ratio for the sample of full-time workers using the 1990 data is similar to that overall, at 60.4%. The combination of these three factors is reflected in the increased average of women's earnings relative to men, which shows women's earnings as 78.5% of men's.

A closer look at the distribution of earnings by cohort, reported in Panel C of Table 2, shows that the average values and the distribution of earnings mask important variation by cohort. Since, as we shall see later in the regressions, much of any wage disparity is explained by years of experience, we expect that the wage disparity by gender will be narrower when comparing earnings within a cohort. And indeed it is. Earnings clearly grow with more time in the profession. Compared to the overall female-male pay ratio, the ratio by gender is greater within a cohort, and demonstrates that the lower overall female/male ratio is caused by a combination of women's lower earnings relative to men as well as their more recent entry into the legal profession. For example, the overall female to male earnings ratio in 1989 was 60%, while the ratios for those with J.D. before 1981, between 1981 and 1985, and after 1985 were 68%, 67% and nearly 89%, respectively. The overall ratio is brought down by the disparity in year of J.D.; a far greater proportion of women received their J.D. recently and are correspondingly concentrated in the lower earnings categories. The 1993 data demonstrate a similar narrowing of the gap within cohort, as well as demonstrating that the likelihood that earnings will reach the top-code is higher for those who received their J.D. earlier.

The most striking finding is provided on the last line of Table 2. For lawyers earnings their J.D. between 1990 and 1993, women lawyers actually earned more on average than did men. Women of this cohort average weekly earnings of \$942 while men's earnings average \$923. Women therefore have average weekly earnings that are 2% higher than those of men. The data also demonstrates that this female earnings advantage is new

to the 1990s. Although the gender pay gap on average narrowed for more recent cohorts, those earning their J.D. in the 1986 to 1989 period had average earnings of only 89–90% of men's. An important objective of this article is to use information on the earlier cohorts to analyze whether this parity (or superiority) is likely to persist as the new cohort of women lawyers advance through their careers.

The shift from a pay deficit for women lawyers to a pay advantage for recent J.D.'s suggests that the determinant of earnings of the two groups should be analyzed separately. In the following sections, I examine separately the sample of lawyers receiving their J.D. before 1990 (the older cohort) and those receiving their J.D. between 1990 and 1993 (the younger cohort). Of the total sample of 514 women and 1534 men who were employed as lawyers in 1993, 407 women and 1397 men had earned their J.D. before 1990, with the remaining 107 women and 137 men having earned their J.D. between 1990 and 1993.

B. *Work Time and Gender*

Table 3 provides detailed information on hours of work, weeks worked, and full-time employment status of lawyers from both the 1990 and 1993 surveys. As Table 3 indicates, there are substantial and statistically significant differences by gender in labor supply by all measures.⁷³ In 1989, employed female lawyers worked on average 2.3 weeks fewer than male lawyers, and only 80% worked full-year, in contrast to 89% of male lawyers.⁷⁴ Women averaged 4.5 fewer hours worked per week than men in 1989. Female lawyers were less likely than male lawyers to work full-time in each of the survey years, with 85% and 87% of the female lawyers working full-time in 1989 and 1993 respectively, in contrast to 96% of the men in each year. Even among lawyers who worked full-time, women averaged two hours less per week in 1989, a difference that is statistically significant at the 1% level. Once again, the 1993 survey provides evidence that family responsibilities are an important factor in the decision of women lawyers to work full-time, with 62% of the women employed part-time reporting the reason as family responsibilities.

But as we saw with the trend in earnings, all of the disparity in full-time employment occurs among the older cohort. Since most men work full-time, the percentage of men employed full-time varies little by cohort. But among women we see a large disparity by cohort in full time employment, with 85%

⁷³ As noted earlier, earnings information in the 1990 survey refers to 1989. Thus, I report usual hours worked per week and weeks worked per year in 1989 to correspond to the same time period as reported earnings.

⁷⁴ Respondents who worked year round would report 52 weeks regardless of time spent on vacation, paid leave and so forth.

of the women in the older cohort working full-time in 1993, in contrast to 93% of the women in the younger cohort.⁷⁵ In fact, male and female lawyers of the younger cohort are statistically equally likely to be employed full-time.⁷⁶

VIII. SAMPLE CHARACTERISTICS

Tables 4 – 6 provide statistics on the characteristics of the samples of lawyers with reported earnings information. Tables 4 and 5 provide statistics for members of the older cohort who were employed as lawyers in 1990 and 1993 respectively, and Table 6 presents statistics for the younger cohort in 1993. To summarize, within the older cohort, there are considerable and statistically significant differences by gender with respect to work history, job setting and family characteristics. Men are older, have more years of work experience, work more hours, are more likely to be self-employed, less likely to be employed by the government, and more likely to be married and to have children. Married men are also far more likely than married women to have a spouse who does not work outside the home. As the earnings regressions that follow demonstrate, these characteristics influence earnings and explain much of the gender pay disparity.

In contrast, there are virtually no differences by gender among the younger cohort in work experience, job setting, or personal characteristics. The similarity by gender in characteristics that influence earnings is consistent with the similarity in earnings reported in Section VII. The remainder of this Section discusses the sample characteristics in more detail.

A. *Characteristics of Older Cohort*

First look at the statistics for the older cohort who received their J.D. before 1990 reported in Tables 4 and 5. The asterisks denote statistically significant differences in the means or percent of the various characteristics, and as the numerous asterisks indicate, female and male lawyers differ on a number of dimensions. On average, women lawyers are about five years younger than male lawyers in both survey waves, and have had their J.D. on average six to seven fewer years than men. The gender differences in work history can be addressed by referring to 1993 data reported in Table 5, as the 1990 data lack such information. On average women have 5.5 fewer years of

⁷⁵ This difference by cohort among women is statistically significant with p-value equaling 0.03.

⁷⁶ The similarity by gender in the probability of full-time employment in the younger cohort does not rule out a gender differences in hours worked. The 1990 data demonstrates that full-time women in the older cohort work significantly fewer hours than men. But as the 1993 data does not provide information on hours there is, unfortunately, no way to test for differences in actual hours.

full-time experience. For the sample overall, the average amount of professional part-time experience does not differ significantly by gender. But women are significantly more likely to have had a period of professional part-time experience, with 24% of the women and 16% of the men reporting such part-time experience. However, even among the samples that report any such experience, men spent slightly more years working part-time, with the difference not statistically significant.

In addition to having fewer total years of professional experience and years since obtaining a J.D., women also have significantly less tenure with their current employer and duration of time within the legal profession. Restricting the sample to those who were employed five years earlier and had received their J.D. by 1988, 74% of the men but only 60% of the women had the same employer in 1988 and 1993. The lower years of tenure reflect a combination of women's more recent entry into the legal profession,⁷⁷ possibly less total experience after entering the profession, and the possibility that women change jobs more often, thereby losing tenure with their firm. While most men and women with a J.D. by 1988 and employed as lawyers in 1993 had also been employed as lawyers in 1988, women were statistically more likely than men to have been in a different occupation in 1988. Occupational changes among lawyers are rare, however, as nearly 95% of the men and 90% of the women were lawyers in both periods.

The statistics on work setting show that male lawyers are far more likely than female lawyers to be self-employed, while female lawyers are far more likely to work for the government. These differences are considerable, with the share of male self-employed lawyers being almost double the share of female self-employed lawyers in each year, and the share of female government lawyers about double the share of male government lawyers. Female lawyers are also more likely than men to work for a private employer, with the difference statistically significant only in 1990. Using the 1990 data which reported separate categories for lawyers and judges, we see that about 96% of those employed as either a judge or a lawyer are indeed employed as lawyers, with the difference by gender not significant. Again using 1990 data, while most lawyers are employed in the legal industry, men are significantly more likely to be so employed.

Despite the differences in job setting, the 1993 data indicate that male and female lawyers have similar levels of professional responsibilities and involvement. Although men are significantly more likely to supervise others, with 75% reporting supervisory responsibilities in contrast to 64% of the

⁷⁷ Job changing is more frequent among younger workers. See Kristen Keith & Abigail McWilliams, *The Returns to Mobility and Job Search by Gender*, 52 INDUS. & LAB. REL. REV. 460 (1999).

women, the number of workers supervised does not differ significantly by gender regardless of the measure of supervision. Men and women have an equally high likelihood of attending professional society meetings at 84% and both men and women report membership in an average of two professional associations.

There are substantial differences in family characteristics between men and women. Men are more likely to be married than women, with nearly 80% of the male lawyers married, in contrast to 56 – 57% of the female lawyers. Women are more likely than men to have never married or to have been previously married. Consistent with their age and marital status, the 1993 data shows that men have more children on average than women. This difference holds by any measure of the presence of children. As only women were asked about fertility in 1990, it is not possible to compare the presence of children by gender in that year. Still, the general similarity of the proportion with children and the number of children for women between 1990 and 1993 suggests that despite differences in the definitions, parental status in 1990 should have been fairly similar to parental statute in 1993. Hence, we would expect that men in 1990 also had more children than women.

The 1993 data also reveals striking differences regarding the employment status of spouses; 90% of female lawyers' husbands are employed full-time, and another 3% are employed part-time. The jobs held by these employed husbands typically require knowledge at the level of a B.A. or higher, with 82% of the employed husbands in jobs requiring such knowledge. In contrast, only 40.3% of male lawyers' wives are employed in a full-time job of any kind, with another 20.4% employed part-time. A full 39.3% of lawyers' wives are not employed outside the home at all. Of the employed wives, only 69% are in jobs requiring knowledge at the B.A. or higher level. As discussed earlier, there is active economics literature that examines whether a spouse's employment affects earnings, since spousal status in part provides information on household opportunities to specialize in either market or home production. The effect on earnings of a spouse's employment status is investigated in the regressions that follow.

The share of black lawyers is significantly higher for women than for men in both survey years.⁷⁸ While there are more female than male Hispanic lawyers, the difference is not statistically significant, nor is the difference by gender in residence, with 90% of lawyers of both genders residing in an urban area.⁷⁹

⁷⁸ See *infra* Table 4.

⁷⁹ *Id.*

B. *Characteristics of Younger Cohort*

Turning now to Table 6 reporting descriptive statistics for the younger cohort, we see a virtual absence of gender differences. Women are slightly but not significantly older than men. Men and women have on average the same years of professional experience and years since acquiring their J.D. Over half of the sample (63 – 65%) were employed five years earlier, but unsurprisingly, law school led to a change in employer and occupation for most of the newly minted lawyers. At this early stage of their careers, self-employment is relatively rare for both genders, with 14% of the female lawyers and 18% of the male lawyers identifying themselves as self-employed. Private employment is most common at 56 – 58%. Many lawyers in the younger cohort have supervisory responsibilities, with 37% of the women and 44% of the men reporting they supervise others, but the number supervised is far below that of the older cohort.

The differences by gender in family characteristics that were so pervasive in the older cohort are nearly absent among the younger cohort. Fewer than half of the sample is currently married and about half have never married.⁸⁰ The only characteristics that differ significantly by gender are the employment status of the spouse among those who are married, and the number of children under age 6 in their household. Relative to married men, married women are more likely to have husbands who are employed full-time and less likely to have husbands who are not employed. Only 18% of women and 23% of men have any children in their household, and among households with children, the average number of less than two children does not differ by gender. There is some evidence of a difference in the age distribution of children with men averaging significantly more children under age 6.

IX. EARNINGS REGRESSIONS FOR THE OLDER COHORT

Tables 7 and 8 report earnings regressions for the older cohort using the 1990 samples and the 1993 samples respectively. In all equations, the dependent variable is the log of weekly earnings. The equations for each year are stratified by gender. To summarize the results in both years of data, earnings increase with years since J.D. at a decreasing rate. Lawyers of both genders working for private firms as well as self-employed men have considerably higher earnings than those employed by the government.

⁸⁰ The marital status of these young lawyers differs greatly from national statistics for their age. In 1999, among individuals ages 30 – 34 (the age range corresponding to the sample average age), 62% of men were married and 30.7% were never married, with the corresponding values for women were 67.5% and 22.1%. See U.S. CENSUS BUREAU, STATISTICAL ABSTRACT 2000, *supra* note 5, at 52 t.55.

Black men earn less than their white counterparts, but race does not influence women's earnings.

The most noteworthy findings regarding family status can be simply stated. Women's earnings are not lowered because they are married or because they have children. But married men receive a substantial earnings premium. Furthermore, the marriage premium for men depends on his wife's employment status, with men whose wives do not work outside of the home receiving the largest premium and men whose wives work full-time receiving the lowest premium. The regression results are discussed in more detail below.⁸¹

A. *Regression Results Using the 1990 Survey*

Table 7 presents regression results stratified by gender for the older cohort using 1990 data. The results indicate that earnings are higher for those who work more hours per week, with each extra hour raising weekly earnings by 2.2% for women and 1.3% for men. Earnings rise with years since J.D. at a decreasing rate, peaking at around twenty-five years for women and forty years for men. In other words, men's earnings steadily rise over the course of their entire career. Self-employment has significant effects of opposite directions on the earnings of female and male lawyers. Relative to government employees, self-employed female lawyers have earnings that are 18.6% lower, all else equal, while male lawyers have earnings that are 17.7% higher.⁸² Female and male lawyers with private employers both earn more relative to government employees, with earnings advantages of 23.6% and 31.8% for women and men respectively.

Turning to the demographic variables, the results show the importance that marital status holds for men. All else equal, married men earn a 19% premium for being married. Marriage simply has no statistical effect on women's earnings. Race has an effect on earnings only for men, with black men earning a whopping 25.6% less than their white counterparts. Urban residence increases earnings relative to non-urban residence. In the absence of information on years of work experience, age is an acceptable proxy for men, who tend to have high and continuous labor force participation over time. Age is less acceptable as a proxy for experience for women. However, the high correlation between age and years since J.D. for both men and women lead to a problem interpreting their separate influences due to

⁸¹ Preliminary regressions for both 1990 and 1993 determined that whether a lawyer was Hispanic had no effect on earnings, nor did the distinction between being never married and previously married. Therefore the indicator variable for Hispanic is not included in the regressions and only one marital status indicator is included.

⁸² Since the dependent variable is the log of earnings, the percentages are calculated as $(e^b - 1) \times 100$ where b is the estimated coefficient on the indicator variable.

multicollinearity.⁸³ This is less of a problem for the larger sample of men as the estimates show that for men, earnings increase with age at a decreasing rate.

As information on children as of 1990 is not available for men, I am not able to estimate an equation for both men and women including this information. But to examine the impact of children for women, I estimated the earnings equation reported in Table 6 for women only by the number of children. The results (not reported in the table) indicate that children do not have a significant effect on women's earnings.⁸⁴

B. Regression Results Using the 1993 Survey

Table 8 presents regression results for the older cohort using data from the 1993 survey. In comparing the results between the two years of data it is important to keep in mind differences in the definitions of earnings and in the sample composition. The 1993 sample is composed of lawyers employed full-time. Earnings in 1993 are defined narrowly relative to 1990, and are limited to salary or income from the respondent's main job, excluding extra sources of income such as bonuses. Furthermore, recall that a number of respondents had earnings values at the top-code. To address the top-code issue, I adopt the conventional practice in economics of multiplying earnings at the top-code by 1.5 in the calculation of the dependent variable.⁸⁵

Consistent with the 1990 results, the estimates show that earnings increase with years since J.D. at a decreasing rate, peaking at twenty-four years since J.D. for both men and women.⁸⁶ The return to experience is captured entirely by years since J.D. Years of professional experience do not have an independent effect on earnings. Those who have not changed employers over the five-year period have considerably higher earnings, with earnings advantages of 16.5% and 9.4% for women and men respectively. To some extent, duration with employer of at least five years is correlated with partnership status and correspondingly higher earnings. Relative to

⁸³ "Multicollinearity is the term used to describe the problem when an approximate linear relationship between explanatory variables leads to unreliable regression estimates." CHRISTOPHER DOUGHERTY, INTRODUCTION TO ECONOMETRICS 157-58 (Oxford University Press 1992).

⁸⁴ Specifically, the coefficient and standard error are: 0.031 and 0.030, resulting in a p-value of 0.297, not significant at any meaningful level.

⁸⁵ See Autor, *supra* note 56; Hamermesh, *supra* note 56. Of course, this simple transformation is far from ideal, since as the 1990 data demonstrates that men are far more likely than women to have extremely large earnings. On the other hand, the alternatives such as omitting respondents with earnings at the top-code are even worse, as by eliminating more men than women, the gender disparity is artificially compressed. But as a sensitivity check, I found that estimates omitting values at the top-code yielded similar results, and are not reported here for the sake of brevity.

⁸⁶ The peak estimated for men is lower using the 1993 data than the 1990 data and is doubtlessly caused by the top coding that is more prevalent for men than for women.

government employees, self-employed individuals have earnings that are 23% and 13% higher for women and men respectively. Lawyers in private firms have even higher earnings relative to government employees, at 34% and 29% for women and men respectively. As we found using 1990 data, there is a huge earnings penalty for black men of 16.5%, with no such penalty for black women.

The influence of supervisory responsibilities and professional activities vary by gender and for the most part in a manner unfavorable to women. Men's earnings are positively and significantly related to the number they supervise directly, with each extra person supervised directly increasing earnings by 0.3%. The maximum number of people supervised directly by men is 425,⁸⁷ so although the average number supervised is low, supervision can result in a healthy increase in earnings for some lawyers. Likewise, women's earnings are positively related to the number of people directly supervised, with each extra person supervised raising women's earnings by 1.2%, although this estimate is only marginally statistically significant. But as the maximum number of individuals supervised by women is thirty, direct supervision does little to raise women's earnings. In contrast, indirect supervision actually lowers women's earnings by a small but statistically significant amount.

Attending professional association meetings raises earnings by 9%, and membership in professional societies raise men's earnings by 4%. However, despite men and women both having similar participation in these activities, women's earnings are not affected by them. These activities are not likely to directly influence earnings but instead are a proxy for visibility, involvement, networking and so forth, which apparently favor men.

The demographic variables available in 1993 are more extensive than in 1990 and tell a fascinating story. Once again we see that marriage does not significantly affect women's earnings. The presence of children also has no affect on women's earnings. But married men earn a large premium, and the magnitude of the premium is related to their wives' employment status. Men whose wives do not work outside the home earn a premium of 28%. But the premium is lower for men whose wives work outside of the home, with the premium being even lower for men whose wives work full-time. Specifically, husbands of wives employed full-time earn a premium of 11% while men whose wives work part-time earn a premium of 16%. Having young children is actually associated with higher earnings for men, with each child under age 6 increasing earnings by 5%.

These results with respect to the premium for marital status and children are consistent with the specialization interpretation discussed in

⁸⁷ Calculation uses the same data set used throughout this analysis.

Section II. Men with wives that do not work outside the home are better able to specialize in market work and so garner higher earnings. As so few women lawyers have husbands who are not employed, there is insufficient variation within the sample to determine whether women lawyers would likewise benefit from a non-employed husband.

X. DECOMPOSING THE GENDER PAY DISPARITY INTO EXPLAINED AND UNEXPLAINED SHARES

In this Section I provide an interpretation of the importance of the various determinants of earnings in explaining the gender earnings disparity. As the results discussed below show, a large share of the pay disparity is due to women's more recent entry into the legal profession. But a substantial unexplained gap remains after controlling for various characteristics. Furthermore, as discussed below, a large component of the pay gap is attributed to marital status in a manner that resoundingly favors men and is astonishingly large.

A method to systematically examine sources of pay disparities is known as the Oaxaca decomposition, described more fully in Appendix A.⁸⁸ Briefly, the Oaxaca Decomposition is a procedure that can be used to divide the observed gender pay disparity into two components: the component of the gap that is attributable to differences in characteristics, and the remaining part that cannot be explained by characteristics and is therefore potentially due to discrimination.⁸⁹ Male and female lawyers differ in their average values of individual and work-related characteristics, such as years of work experience. Part of any gender earnings gap can be attributed to such differences. For example, the regression results in Tables 7 and 8 demonstrate that earnings increase with years since obtaining a J.D., and because women have fewer years since obtaining a J.D., part of the gender wage disparity is due to this difference in average characteristics.

In addition to differences in average characteristics, there may also be differences in *returns*, or payoffs, to characteristics. The returns to characteristics are measured by the estimated coefficients from the earnings equations. Typically the coefficients will differ by gender, and can be lower or higher for either gender. For example, men and women are equally likely to attend professional meetings. But only men receive an earnings premium to attending professional meetings, so part of any earnings disparity is due to this unexplained advantage in the return to men attending profession

⁸⁸ Ronald Oaxaca, *Male-Female Wage Differentials in Urban Labor Markets*, 14 INT'L ECON. REV. 693 (1973). Although there are more recent variations on the Oaxaca Decomposition that have come into use, the original version is appropriate for this article.

⁸⁹ *Id.*

meetings.

Most of the technical details of the decomposition are relegated to Appendix A, but some background information is helpful. Mathematically, the difference in the log of earnings is separated into two parts. The first part takes the gender difference in average characteristics and multiplies this difference in characteristics by the coefficients from the male earnings equation.⁹⁰ This is the part that is “explained” by differences in characteristics. The second part multiplies the difference in the coefficient between the male and female equations by the average value of characteristics for women. This is the part that is considered “unexplained” since it does not result from differences in work-related characteristics, but instead from gender differences in the payoff to characteristics. If men (women) have higher average values of characteristics that receive a positive payoff, then the share of the pay disparity explained by these characteristics will be indicated by a positive (negative) value in the decomposition procedure.

Table 9 presents the results for the decompositions of the gender earnings gap implied by the regression results reported in Tables 7 and 8. Beginning with the results using the 1990 survey, we see that the overall disparity in log earnings to be explained is 0.4194. Of this total disparity, 73% is explained by all of the variables in the regression equations. This means that 27% of the wage disparity is unexplained and therefore potentially attributable to discrimination. However, omitted variables may erroneously suggest a larger unexplained gap and it is therefore valuable to repeat this analysis with the more inclusive information available in the 1993 survey.

The breakdown in 1990 of the pay gap by the source is quite informative. The results show that by far the bulk of the explained component is explained by women’s lower years since J.D. combined with the considerable return to years since J.D. The amount explained by all of the other variables in the regression is dwarfed by years since J.D. The gender pay disparity explained by years since J.D. alone is 61%. This is an extremely important point. Despite wide differences in such factors as employment setting and hours worked, these differences are not the primary reason female lawyers earn less than male lawyers. However, the importance of marriage looms alarmingly large in the decomposition using the male coefficients. The marriage premium for men in combination with the

⁹⁰ Multiplying the difference in characteristics by the coefficients from the male earnings equation assumes that the male earnings equation would prevail in the absence of discrimination. Alternatively, the decomposition can be performed under the assumption that the female earnings equation characterizes the non-discriminatory state of the world. See Appendix A for details.

greater share of married men relative to women explains 9% of the gap.

Second to years since J.D. in explaining the gap is hours worked. The analysis of the next section shows that there is a larger gender difference in hours worked but that it is largely restricted to married women. Thus marriage has a secondary effect on the pay gap in addition to the direct effect noted in the table. Type of employer – self-employed or private – explain a relatively small share of the gap, despite the large disparities in proportions and returns, and tend to cancel out. The net effect of race, urban residence, and age actually favors women, which is indicated by the negative sign on this group of characteristics. This female advantage arises largely because the negative effect on earnings of being nonwhite is restricted to men.

The decomposition based on the 1993 data is reported in the bottom half of Table 9. Note first that the gap to be explained of 0.2619 is much smaller than the 1990 gap reflecting the top coding in 1993 and the narrower definition of earnings that compressed the measured gender pay gap. The combination of more information available in 1993 and the compressed pay gap results in nearly 89% of the pay gap explained by differences in characteristics. Similar to the results using the 1990 data, the decomposition shows that gender differences in work history explain the largest share or 50.5% of the pay gap. Relative to the 1990 results, the more extensive information on family characteristics increased the share explained by marital status and children to a surprising 28.5%.

XI. THE LABOR SUPPLY OF LAWYERS

As we saw in Table 3, there are considerable gender differences in hours worked and full-time employment among the older cohort, although men and women in the younger cohort are equally likely to be employed full-time. As the earnings regressions for 1990 demonstrate, hours worked is an important determinant of earnings. Therefore, although marital status and the presence of children do not have a direct effect on earnings, family status may affect earnings indirectly by affecting labor supply. This section presents information on the factors that affect lawyers' labor supply, with a particular focus on family characteristics.⁹¹ The evidence in this section

⁹¹ Recall that earnings information is available in 1993 only for those employed full-time. Thus the sample used in the earnings equation is smaller than the overall sample employed as a lawyer in 1993. For 1993, we cannot use only the sample used in the earnings equations to investigate whether there are differences by gender in labor supply. The 1990 survey provides labor supply and earnings for all respondents, so the samples used here for the labor supply statistics and for the earnings analysis differ slightly and only due to missing or invalid earnings data. For this analysis I do not stratify the sample into the older and younger cohort. Restricting the sample to the older cohort indicates even larger negative effects on labor supply of marriage and children.

indicates that marriage and children reduce hours worked and the likelihood of full-time employment for female lawyers.

Table 10 provides information on hours and full-time status, stratified by gender, marital status, and the presence of children. The regression analyses, reported in Tables 11 and 12, demonstrate that the general patterns observable in the sample means also hold when controlling for other determinants of labor supply such as type of employment and age.

Table 10 demonstrates that labor supply varies not only by gender, but also by marital status and the presence of children. To generalize, men's labor supply varies somewhat but within a narrow range by marital status and the presence of children. In contrast, women's labor supply varies considerably by marital status and presence of children. There are a number of comparisons that can be made using Table 10, some of which are summarized in Panel B following the means and percents. Recall that information on children is not available for men in the 1990 survey, so it is impossible to examine whether the presence of children influences market hours or full-time employment for men in 1989.

For the most part labor supply varies predictably by gender, marital status, and the presence of children. Generally married women work fewer hours and are less likely to work full-time than non-married women and men. The data show that most of the gender disparities in labor supply occurs between married men and married women. On average, in 1989 married men worked forty-eight hours per week, exceeding married women's average by seven hours per week. But non-married men and women averaged nearly as many hours per week as married men, at 46 – 47 hours. Of employed lawyers, fewer than 80% of married women were employed full-time in either year, in contrast to 96% – 97% of married men. The presence of children reduces labor supply for married women but has less of an effect for non-married women. The 1993 data which reports information on children for men as well as for women demonstrates that there are no significant differences in labor supply among non-married men and women overall, or of the same parental status. Indeed, although the differences are not significant, non-married women are more likely to work full-time than non-married men, even among non-married persons with children.

The descriptive statistics of Table 10 help motivate the specification of the labor supply equations reported in Tables 11 and 12. The dependent variables are hours worked in 1989 and full-time status in 1989 and 1993. The equations control for type of employer (private and self-employed; government employer is the omitted category), an indicator variable for those who are married, and age and its square. As information on number of children is available only for women in 1989, I report estimates for the

sample of women alone that controls for children followed by a second set of estimates for the full sample of employed lawyers that excludes children.

Table 11 reports the estimates of hours worked in 1989. Preliminary tests for the equation for women alone indicate that the effect on hours worked of raising children does not differ significantly by marital status, so the equation does not include a term interacting marriage with children. As for the equations excluding children, preliminary tests indicate that the male and female equations differ significantly only in the coefficients on self-employment status and marriage. Therefore, I pool the male and female samples and estimate the hours equation with variables interacting self-employment and married with female.

The results reported in the first column of Table 11 for women support the descriptive statistics of Table 10. Married women worked on average of four fewer hours per week than non-married women with the same characteristics. Each child reduced hours worked by 1.6 hours. Private employment increased hours worked on average by 3.6 hours relative to government employment, while self-employment, work limitations, and age do not affect hours worked by female lawyers.⁹²

The second column, which reports the results for the pooled sample of men and women, likewise supports the descriptive statistics with respect to marital status. To see the net effect of marital status and gender, look at the coefficients for married, married interacted with female, and female. The results indicate that marital status has a significant effect on hours worked only for married women. The net effect of being married and female on hours worked is to reduce these hours by 5.2 per week, all else being equal.⁹³ The insignificant coefficient on the female indicator variable demonstrates that the lower average hours worked among women is attributable solely to those women who are married.

As for the effect of type of employer on hours worked, individuals who work for private employers average 4.4 hours more per week than government employees. The effect of self-employment differs significantly by gender. Self-employment raises hours worked per week on average by 4 hours, which is offset for women by the coefficient on the interaction of self-employment with female. This result suggests that women use self-employment as an opportunity to reduce their work time relative to private employment and comparable to government employment. The pooled

⁹² Self-employment offers the opportunity for more flexibility as well as on average fewer work hours, and seemingly would be attractive to women with family responsibilities. However, estimates do not suggest a direct link between marital status and the presence of children and the probability of self-employment for women, although the results using the 1993 data indicate that men with older children are more likely to be self-employed.

⁹³ The net effect on hours for a married female is the sum of the coefficients on those three dichotomous variables, that is, $0.968 - 6.415 + 0.202 = -5.245$.

results indicate that hours worked increases with age at a decreasing rate, peaking at forty-one years of age.

Table 12 presents probit estimates of the probability of working full-time in 1989 and 1993.⁹⁴ Again as information on the number of children is available only for women in 1989, I present estimates for full-time employment for women only in Column 1, followed by estimates pooling men and women in 1989 but excluding children. As the 1993 data includes information on children for all respondents, the final column controls for the number of children in each of the three age groups. Preliminary estimates indicate that the male and female equations for full-time employment in 1989 differed significantly only in the coefficients on those married, so I pool the male and female samples including an interaction term for married with female. Similarly, preliminary estimates for 1993 indicate that gender differences in the coefficients were limited to married, children under six, and children 6 – 11, so I include the relevant interaction terms in the equation for full-time employment in 1993.

The results reported in Table 12 show that in general, self-employment reduces the probability of full-time employment relative to government employment, with no significant effect of private employment on the probability of full-time employment.⁹⁵ The probability of full-time employment increases with age at a decreasing rate, peaking at around age 41 – 43 in the pooled estimates.

As with the hours estimates for 1989, the results indicate that marital status and presence of children are important deterrents to women's full-time employment. In the 1989 estimates for women, married women were 10% less likely to work full-time than non-married women, and each child reduced the probability of full-time employment by 4%. The pooled estimates show a similar story. Only married women are less likely to be employed full-time relative to all men and to non-married women.

⁹⁴ The probit regressions estimate the probability that an individual with given characteristics will be employed full-time versus employed part-time. I report both the probit coefficients as well as the marginal effects. The marginal effects for continuous variables such as the number of children are interpreted as the change in the probability associated with a change in the variable of interest evaluated at the means of the variables. Specifically, the marginal effects for continuous variables are calculated as the slope of the probability function (that is, an infinitesimal change) extrapolated to a one-unit change. The marginal effects for dichotomous variables, such as married, are interpreted as the change in the probability of working full-time for a discrete change in the dichotomous variable from zero to one.

⁹⁵ In contrast to the results for hours worked in 1989, the effect of self-employment on the probability of full-time employment is negative for both men and women and the effect does not differ significantly by gender. Although this may seem counterintuitive, while most men work full-time, an examination of the sample means by type of employer shows that fewer self-employed men work full-time, and an analysis stratified by gender shows that the probability of full-time employment is lower for both men and women relative to government employment, with the magnitude greater for women. Nonetheless, the difference by gender is not significant.

The influence of the age of children can be examined using the 1993 results. The results show that for women, each child under age six reduces the probability of full-time employment by 3.3% and each child age 6 – 11 reduces the probability of full-time employment by the lesser amount of 2.3%. Older children slightly increase the probability of full-time employment for all individuals, with each child age 12 – 17 raising the probability of full-time employment by 1.5%.

XII. IMPLICATIONS OF THIS STUDY

There is a large gender gap in earnings among lawyers. Much of the pay gap arises from gender differences in work experience. Only recently have large numbers of women entered the legal profession, and parity will be delayed until older male lawyers retire and women catch up to men in terms of work experience. In fact, evidence in this article demonstrates that among lawyers receiving their J.D. in the early 1990s, female lawyers have slightly higher earnings than their male counterparts. Whether this equality or superiority will persist, however, is problematic. There are real differences by gender in factors that affect sustained success throughout one's career, and there is no evidence that these differences have abated.

After accounting for differences by gender in experience as a lawyer, marital status and children do not have a direct effect on women's earnings. But family status is nonetheless the source of much of the gender pay disparity. Economic theory predicts that specialization by gender within the household will result in greater earnings for the spouse who concentrates on market activities. Usually specialization occurs among traditional sex lines, with the wife, whether employed or not, taking primary responsibilities for home production, allowing the husband to concentrate on labor market activities.⁹⁶ Consistent with theories of specialization, this article demonstrates that married women and mothers are less likely to work full-time and work fewer hours relative to women who are not married, as well as to men. Furthermore, the husband of a female lawyer will generally be employed full-time, while the wife of a male lawyer is likely to work part-time or not work outside the home at all. The lawyer whose spouse has a lesser labor market commitment has a greater opportunity to specialize. The evidence in this article is consistent with rewards accruing to specialization. Married men receive a substantial earnings premium, and the magnitude of this premium is greatest for men whose wives do not work outside of the home and smallest for men whose wives work full-time. In contrast, virtually all of the husbands of female lawyers work full-time, thus limiting the female

⁹⁶ Hersch, *supra* note 35, at 28 (summarizing the statistical evidence that overwhelmingly demonstrates a vast gender disparity in time spent on home production).

lawyer's opportunity to specialize.

The findings of this article predict that although the gender disparity will narrow as women gain experience in the legal profession, a gap due to family status is likely to persist. First, men receive a large premium for being married. To the extent this premium derives from specialization, women lawyers may likewise benefit from marital specialization if more women have spouses who specialize in the home rather than the labor market. But the evidence from the younger cohort does not bode well, as traditional patterns of spousal employment status persist.

Second, although marital status and children do not directly affect women's earnings, they do have an impact on hours worked. More generally, women are likely to undertake a greater share of household responsibilities than their husbands. As discussed earlier, women's earnings are directly lowered by time spent on household responsibilities, and the possibility that household responsibilities likewise interfere with women lawyers' labor market success cannot be overlooked. One reason that household responsibilities may influence labor market outcomes is that home production presents scheduling conflicts. This conflict may be most pressing for lawyers who work long hours and are under pressure to be available to clients at all times.

Finally, one cannot rule out the subtle sorts of discrimination against women lawyers noted in the Introduction. Marital status and children may affect perceived productivity even in the absence of any effect on actual productivity. Employers may simply just discriminate against women demonstrating a commitment to home responsibilities, in favor of married men who are perceived to possess desirable qualities such as stability and ambition.

APPENDIX A. THE OAXACA DECOMPOSITION⁹⁷

Although the Oaxaca Decomposition method has not been widely used within legal literature, the method of decomposing an earnings gap into the component attributable to characteristics and the component attributable to returns to characteristics has been widely used in labor economics since the method was published by Ronald Oaxaca (1973). The decomposition is performed as follows. Begin by estimating separate earnings equations for men and women. The earnings equations for men and women can be written as

$$(1) \ln S^m = X^m B^m$$

$$\text{and } (2) \ln S^f = X^f B^f$$

where $\ln S^m$ and $\ln S^f$ are the average log earnings for men and women respectively, X^m and X^f are vectors of average values of the independent variables, and B^m and B^f are the vectors of estimated coefficients from earnings equations (1) and (2).

Subtracting (2) from (1) yields

$$(3) \ln S^m - \ln S^f = X^m B^m - X^f B^f$$

By adding and subtracting to equation (3) the term $X^f B^m$, and grouping the terms, we can rewrite equation 3 as

$$(4) \ln S^m - \ln S^f = (X^m - X^f) B^m + X^f (B^m - B^f)$$

Equation (4) decomposes the total earnings gap (e.g., $\ln S^m - \ln S^f$) into two parts. The first term on the right hand side of the equation represents the gender difference in average characteristics (e.g., $X^m - X^f$) valued at the male coefficients (e.g., B^m). The second term on the right hand side of equation 4 represents the gender difference in returns to characteristics (e.g., $B^m - B^f$) valued at the female means of characteristics (e.g., X^f). The second term, $X^f (B^m - B^f)$ is the portion of the earnings gap not explained by differences in average characteristics and is thereby frequently interpreted as a measure of discrimination.

Note that the decomposition in (4) is not unique. By adding and subtracting $X^m B^f$ to equation (3), the earnings gap can alternatively be written as

$$(5) \ln S^m - \ln S^f = (X^m - X^f) B^f + X^m (B^m - B^f)$$

Equation (5) decomposes the earnings gap into differences in the means of characteristics valued at the female coefficients and differences in coefficients valued at the male means of coefficients. It is clear that the decompositions differ only in the choice of weights on the disparities $(X^m - X^f)$ and $(B^m - B^f)$. Equation (4) assumes that the male wage structure is the non-discriminatory structure, while equation (5) assumes the female structure is the non-discriminatory structure.

⁹⁷ See Oaxaca, *supra* note 88.

**TABLE 1:
EMPLOYMENT STATUS OF J.D.S**

	<u>Female</u>		<u>Male</u>	
	Percent	N	Percent	N
1990: ^a				
Employed as lawyer	64.1	458	65.4	1396
Employed, not lawyer	24.6	176	26.7	570
Unemployed	1.7	12	1.2	26
Not in labor force	9.7	69	6.7	142
Total	100.0	715	100.0	2134
1993: ^b				
Employed as lawyer	66.1	594	67.5	1604
Employed, not lawyer	19.5	175	20.6	490
Unemployed	3.5	31	2.2	52
Not in labor force	11.0	99	9.6	229
Total	100.0	899	100.0	2375
Reason not in the labor force in 1993:^c				
	<u>Female</u>		<u>Male</u>	
	Percent	N	Percent	N
Retired	16.2	16	73.8	169
Family responsibilities	48.5	48	0.9	2

* Column numbers reported in the table may not add to 100% because of rounding.

^a Sample is composed of the 2849 individuals who earned their J.D. by 1989.

^b Sample is composed of the 3274 individuals who earned their J.D. by 1993.

^c Sample is composed of the 99 women and 229 men not in labor force in 1993. Multiple reasons were permitted. Five women (zero men) reported they were not in the labor force because of both retirement and family responsibilities.

TABLE 2:
EARNINGS INFORMATION FOR 1990 AND 1993 SAMPLES OF LAWYERS^A

Panel A: Mean (standard deviation) or percent

<u>Variable</u>	<u>Female</u>	<u>Male</u>	<u>Female – Male Ratio</u>
1990 Earnings Information			
Earnings per week	\$1120.18 (1019.25)	\$1864.28** (2195.27)	60.1
Ln (weekly earnings)	6.78 (0.70)	7.20** (0.78)	94.2
Earnings at topcode (%)	0.00	0.00	
Wage & salary and self- employment income (%)	9.93	12.36	
Wage and salary income only (%)	76.38**	59.85	
Self-employment income only (%)	13.69	27.78**	
Annual wage and salary income if > 0	\$49,592.38 (1,692.18)	\$79,072.13** (2,341.27)	62.7
Annual Self-employment income wage and salary income if > 0	\$40,781.16 (5,887.70)	\$88,547.68** (5,123.57)	46.1
Earnings per week if full time	\$1133.86	\$1876.41**	60.4

	(723.47)	(2165.09)	
Number of observations	453	1375	
1993 Earnings Information	\$1229.92	\$1567.74**	78.5
Earnings per week	(646.03)	(767.13)	
Ln (weekly earnings)	6.98	7.22**	96.7
	(0.53)	(0.54)	
Earnings at top-code (%)	5.84	14.86**	
Number of observations	514	1534	

Panel B: Distribution of earnings	<u>Female</u>	<u>Male</u>	<u>Female-Male Ratio</u>
Median earnings per week in 1989	\$896.92	\$1293.17	69.4
<i>Percent with weekly earnings in 1989: less than \$500</i>	16.34	7.93	
\$500.01 - \$1500	65.56	50.84	
\$1500.01 - \$2500	12.36	23.13	
\$2500.01 - \$5000	4.86	13.60	
greater than \$5000.01	.88	4.51	
Median earnings per week in 1993	\$1057.69	\$1442.31	73.3

Percent with weekly earnings in

1993: Less than \$500	7.20	4.56
\$500.01 - \$1500	66.54	48.24
\$1500.01 - \$2500	19.26	30.38
\$2500.01 - >= \$2885 (top-code)	7.00	16.82

Panel C: Earnings by cohort**Mean 1989 earnings by cohort**

<u>J.D. year</u>	<u>Female</u>	<u>Male</u>	<u>Female- Male ratio</u>
by 1980	\$1468.66	\$2163.76	67.9
1981 - 1985	\$938.12	\$1405.18	66.8
1986 - 1989	\$862.46	\$974.14	88.5

Mean 1993 earnings by cohort

<u>J.D. year</u>	<u>Female</u>	<u>Male</u>	<u>Female- Male Ratio</u>	<u>% at top-code</u>	
				<i>Female</i>	<i>Male</i>
by 1980	\$1514.27	\$1769.07	85.6	10.4	20.8
1981 - 1985	\$1295.82	\$1487.10	87.1	5.2	9.7
1986 - 1989	\$1048.61	\$1161.30	90.3	3.1	3.2
1990 - 1993	\$942.21	\$923.04	102.1	2.8	1.5

^a Sample for 1990 is composed of lawyers reporting earnings of at least \$50 per week in 1989; sample for 1993 is composed of lawyers employed full-time reporting positive annual earnings in 1993.

**(*) indicates female (male) value is significantly greater than male (female) value at 1% (5%) level, 2-sided tests.

**TABLE 3:
LAWYERS' LABOR SUPPLY BY GENDER**

	MEANS (STANDARD DEVIATIONS) OR PERCENT	
	<u>Female</u>	<u>Male</u>
1990 Survey: ^a		
Weeks worked in 1989	47.9 (10.1)	50.2** (6.5)
Percent working at least 50 weeks in 1989	79.8	88.8**
Usual hours worked per week in 1989	43.0 (11.7)	47.5** (10.4)
Percent full-time in 1989	85.1	95.7**
Usual hours worked per week if full-time	46.7 (7.8)	48.7** (8.8)
1993 survey: ^b		
Percent full-time	86.9	95.9**
Percent reason for part-time is family responsibilities ^c	61.5**	3.1
<i>Older cohort:</i>		
Percent full-time	85.4	96.2**
Percent reason for part-time is family responsibilities	65.7**	3.6
<i>Younger cohort:</i>		
Percent full-time	93.0	93.8

Percent reason for part-time is family Responsibilities	25.0	0.0
------------------------------------------------------------	------	-----

a. Sample is composed of those employed as a lawyer in 1989. Missing values on hours and weeks worked reduce the sample size to 455 women and 1387 men.

b. Sample is composed of those employed as a lawyer in 1993.

c. Sample is composed of the 78 women and 65 men who worked part-time in 1993.

d. Sample is composed of the 70 women and 56 men in the older cohort who worked part-time in 1993.

e. Sample is composed of the 8 women and 9 men in the older cohort who worked part-time in 1993.

**(*) Indicates female (male) value is significantly greater than male (female) value at 1% (5%) level, 2-sided tests.

TABLE 4:
1990 SAMPLE CHARACTERISTICS: OLDER COHORT OF LAWYERS^A

<u>Variable</u>	<u>MEAN (STANDARD DEVIATION) OR</u>	
	<u>PERCENT</u>	
	<u>Female</u>	<u>Male</u>
Earnings	\$1120.18	\$1864.28**
Earnings per week	(1019.25)	(2195.27)
Labor supply	43.08	47.65**
Hours per week	(11.58)	(10.13)
Full-time (%)	85.21	96.29**
Weeks per year	47.95	50.18**
	(10.01)	(6.53)
Education and professional experience	7.75	14.54**
Years since J.D.	(6.51)	(10.26)
Work setting		
Self-employed (%)	22.52	44.51**
Private employer (%)	50.33**	38.91

Government (%)	27.15**	16.58
Legal industry (%)	78.37	86.76**
Lawyer (%)	96.91	95.27
Judge (%)	3.09	4.73
Family characteristics		
Married (%)	57.17	78.25**
Never married (%)	29.14**	13.96
Divorced, separated or widowed (%)	13.69**	7.78
Number of children	0.83 (1.15)	n.a.
<hr/>		
Any children (%)	44.15	n.a.
Number of children if > 0	1.88 (1.02)	n.a.
Demographics		
Black (%)	7.95**	4.51
Hispanic (%)	8.17	6.18
Urban residence (%)	90.73	90.91
Age	37.30 (8.09)	42.55** (10.54)
Number of observations	453	1375
<hr/>		

**TABLE 5:
1993 SAMPLE CHARACTERISTICS: OLDER COHORT OF LAWYERS^a**

<u>Variable</u>	MEAN (STANDARD DEVIATION) OR PERCENT	
	<u>Female</u>	<u>Male</u>
Earnings		
Earnings per week	\$1305.56 (650.75)	\$1630.97** (762.39)
Ln (weekly earnings)	7.05 (0.52)	7.27** (0.53)
Earnings at top-code (%)	6.63	16.18**
Education and professional experience		
Years since J.D.	11.82 (6.99)	17.83** (9.62)
Years professional full-time experience	12.62 (7.40)	18.16** (9.60)
Years professional part-time experience	1.06 (2.75)	0.75 (2.72)
Any professional part-time experience (%)	24.32**	15.96
Years professional part-time experience if > 0	4.35 (4.10)	4.87 (5.15)
Employed 5 years ago (%)	89.93	95.63**
Same employer 5 years ago (%)	50.12	68.58**
Same occupation 5 years ago (%)	75.43	88.40**
Same employer 5 years ago (if employed and had J.D. 5 years ago) (%)	59.82	73.95**
Same occupation 5 years ago		

(if employed and had J.D 5 years ago) (%)	89.88	94.70**
Work setting		
Self-employed (%)	23.83	48.17
Private employer (%)	39.80	35.15
Government (%)	34.40**	15.75
Other (%)	1.97	0.9
Supervisory responsibilities and professional activities		
Supervises others (%)	63.88	75.09**
Number directly supervises	2.62 (4.33)	3.34 (12.87)
Number indirectly supervises	8.28 (66.73)	6.41 (56.50)
Number directly supervises if > 0	4.10 (4.83)	4.45 (14.69)
Number indirectly supervises if > 0	44.32 (149.97)	31.18 (121.69)
Attends professional society meetings (%)	84.28	84.25
Number of professional societies	2.04 (2.21)	1.99 (1.85)
Family characteristics		
Married (%)	56.02	79.60**
Never married (%)	27.27**	10.95
Divorced, separated or widowed (%)	16.71**	9.45
If married, spouse employed full-time (%)	89.91**	40.29
If married, spouse employed part-time (%)	3.07	20.41**

If married, spouse not employed (%)	7.02	39.30**
If married and spouse employed, spouse's job at BA level or higher (%)	82.08**	69.04
Total number of children in household	0.73 (0.92)	1.24** (1.26)
Total number of children under 18	0.63 (0.89)	1.05** (1.19)
Number of children under age 6	0.28 (0.58)	0.39** (0.72)
Number of children age 6 – 11	0.21 (0.55)	0.37** (0.70)
Number of children age 12 – 17	0.15 (0.43)	0.30** (0.63)
Any children (%)	46.44	59.84**
Number of children if > 0	1.58 (0.68)	2.07** (0.96)
Demographics		
Black (%)	10.32**	4.94
Hispanic (%)	8.35	6.59
Age	41.15 (8.02)	45.48** (9.83)
Number of observations	407	1397

^a Sample is composed of lawyers employed full-time in 1993 reporting positive annual earnings with J.D. received before 1990.

**(*) indicates female (male) value is significantly greater than male (female) value at 1% (5%) level, 2-sided tests.

TABLE 6:
1993 SAMPLE CHARACTERISTICS: YOUNGER COHORT OF LAWYERS^a

<u>Variable</u>	<u>Mean (standard deviation) or percent</u>	
	<u>Female</u>	<u>Male</u>
Earnings	\$942.21	\$923.04
Earnings per week	(540.68)	(455.43)
Ln (weekly earnings)	6.72 (0.49)	6.73 (0.43)
Earnings at top-code (%)	2.80	1.46
Education and professional experience		
Years since J.D.	1.99 (0.83)	1.78 (0.89)
Years professional full-time experience	5.50 (5.32)	5.04 (5.86)
Years professional part-time experience	1.27 (2.71)	1.58 (3.01)
Employed 5 years ago (%)	64.49	62.77
Same employer 5 years ago (%)	3.74	8.76
Same occupation 5 years ago (%)	4.67	8.03
Same employer 5 years ago (if employed 5 years ago) (%)	5.80	13.95
Same occupation 5 years ago (if employed 5 years ago) (%)	7.25	12.79
Work setting		
Self-employed (%)	14.02	18.25
Private employer (%)	56.07	57.66
Government (%)	28.04	24.09

Other (%)	1.87	0.00
<hr/>		
Supervisory responsibilities and professional activities	37.38	43.80
Supervises others (%)		
Number directly supervises	0.86 (1.51)	1.05 (1.65)
Number indirectly supervises	0.42 (3.00)	0.55 (1.98)
Number directly supervises if > 0	2.30 (1.68)	2.40 (1.72)
Number indirectly supervises if > 0	9.00 (11.90)	5.85 (3.31)
Attends professional society meetings (%)	66.36	72.26
Number of professional societies	1.75 (1.36)	1.91 (2.02)
Family characteristics		
Married (%)	42.06	46.72
Never married (%)	50.47	48.18
Divorced, separated or widowed (%)	7.48	5.11
If married, spouse employed full-time (%)	86.67**	60.94
If married, spouse employed part-time (%)	6.67	7.81
If married, spouse not employed (%)	6.67	31.25**
If married and spouse employed, spouse's job at BA level or higher (%)	71.43	77.27

Total number of children in household	0.29 (0.74)	0.39 (0.86)
Total number of children under 18	0.21 (0.60)	0.38 (0.85)
<hr/>		
Number of children under age 6	0.08 (0.31)	0.30** (0.72)
Number of children age 6 – 11	0.06 (0.23)	0.04 (0.19)
Number of children age 12 – 17	0.07 (0.33)	0.04 (0.29)
Any children (%)	17.76	22.63
Number of children if > 0	1.63 (0.96)	1.74 (0.96)
Demographics		
Black (%)	8.41	3.65
Hispanic (%)	7.48	10.22
Age	32.50 (6.66)	31.37 (5.95)
Number of observations	107	137

^a Sample is composed of lawyers employed full-time in 1993 with J.D. received 1990 - 1993.

**(*) indicates female (male) value is significantly greater than male (female) value at 1% (5%) level, 2-sided tests.

TABLE 7:
REGRESSION RESULTS FOR 1990 SAMPLE OF LAWYERS^A

Explanatory Variables	Dependent variable: log of weekly earnings	
	Coefficient (standard error)	
	<u>Female</u>	<u>Male</u>
Hours per week	0.022** (0.003)	0.013** (0.002)
Years since J.D.	0.069** (0.013)	0.063** (0.010)
Years since J.D. squared x 100	-0.137** (0.041)	-0.079** (0.026)
Self-employed indicator	-0.171* (0.082)	0.163** (0.056)
Private employer indicator	0.212** (0.069)	0.276** (0.057)
Married indicator	0.017 (0.059)	0.175** (0.048)
Black indicator	-0.062 (0.106)	-0.228** (0.092)
Urban residence indicator	0.298** (0.098)	0.252** (0.066)
Age	-0.013 (0.034)	0.064** (0.023)
Age squared x 100	0.021 (0.042)	-0.085** (0.025)
Constant	5.316** (0.654)	4.297** (0.483)
Adjusted R-squared	0.28	0.21

Number of observations

453

1375

^a Sample is composed of lawyers reporting earnings of at least \$50 per week in 1989.

**(*) indicates coefficient is significantly different from zero at 1% (5%) level, 2-sided tests.

TABLE 8:
REGRESSION RESULTS FOR
1993 SAMPLE OF LAWYERS WITH J.D. BEFORE 1990^a

<u>Explanatory Variables</u>	<u>Dependent variable: log of weekly earnings</u>	
	<u>Coefficient (standard error)</u>	
	<u>Female</u>	<u>Male</u>
Years since J.D.	0.040** (0.012)	0.052** (0.008)
Years since J.D. squared x 100	-0.082** (0.026)	-0.107** (0.014)
Years professional full-time experience	0.010 (0.006)	0.007 (0.004)
Years professional part-time experience	-0.014 (0.010)	-0.008 (0.006)
Same employer 5 years ago indicator	0.153** (0.059)	0.090** (0.037)
Self-employed indicator	0.207** (0.072)	0.121** (0.045)
Private employer indicator	0.289** (0.062)	0.253** (0.047)
Number directly supervise	0.012 (0.006)	0.003** (0.001)

Number indirectly supervise	-0.0008* (0.0004)	0.0005 (0.0003)
Attends professional society meetings indicator	-0.076 (0.075)	0.087* (0.043)
Number of professional societies	0.015 (0.013)	0.040** (0.009)
Married indicator	-0.220 (0.139)	0.249** (0.051)
If married, spouse employed full-time indicator	0.237 (0.139)	-0.141** (0.040)
If married, spouse employed part-time indicator	0.302 (0.240)	-0.102* (0.047)
Number of children under age 6	0.059 (0.050)	0.050* (0.025)
Number of children age 6 – 11	-0.014 (0.050)	-0.022 (0.024)
Number of children age 12 – 17	0.007 (0.062)	0.019 (0.027)
Black indicator	0.020 (0.088)	-0.153* (0.072)
Constant	6.392** (0.111)	6.209** (0.081)
Adjusted R-squared	0.17	0.17
Number of observations	407	1397

^a Sample is composed of lawyers employed full-time. Earnings at the top-code are multiplied by 1.5. See text for explanation.

**(*) indicates coefficient is significantly different from zero at 1% (5%) level, 2-sided tests.

TABLE 9:
DECOMPOSITION OF GENDER EARNINGS GAP ATTRIBUTABLE TO DIFFERENCES IN
AVERAGE CHARACTERISTICS

1990: Log earnings gap to explain =
0.4194

<u>Variables</u>	<u>Magnitude</u>	<u>Percent</u>
All	0.3068	73.15
Years since J.D. and years since J.D. squared	0.2575	61.40
Hours	0.0581	13.85
Married	0.0368	8.77
Employer type (self-employed, private)	0.0044	1.05
Race, urban, age, age squared	-0.0500	-11.92

1993: Log earnings gap to explain =
0.2619

<u>Variables</u>	<u>Magnitude</u>	<u>Percent</u>
All	0.2320	88.58
Years since J.D., years since J.D. squared, work history	0.1323	50.52
Professional activities and	-0.0009	-0.034

supervisory responsibilities		
Marital status, children, spouse employment status	0.0745	28.45
Race	0.0082	3.13
Employer type (self-employed, private)	0.0178	6.80

**TABLE 10:
LAWYERS' LABOR SUPPLY BY GENDER,
MARITAL STATUS AND PRESENCE OF CHILDREN**

Panel A.

Mean (standard deviation) or percent

	Hours		Percent full-time			
	1989		1989		1993	
	<u>Female</u>	<u>Male</u>	<u>Female</u>	<u>Male</u>	<u>Female</u>	<u>Male</u>
All Married	40.9 (11.8)	47.9 (10.0)	79.5	96.8	79.9	96.3
N	259	1076	259	1076	344	1227
Married with children	39.5 (12.0)	n.a.	75.9	n.a.	72.4	98.9
N	158		158		225	843
Married, no children	43.0 (11.2)	n.a.	85.1	n.a.	94.1	90.4
N	101		101		119	384
All Not- married	46.0 (10.6)	46.6 (10.4)	92.8	94.3	96.4	95.0
N	194	299	194	299	250	377
Not-married with children	42.5	n.a.	90.5	n.a.	97.9	92.5

N	(10.1) 42		42		47	40
Not married, no children	47.0	n.a.	93.4	n.a.	96.1	95.3
	(10.5)					

**Panel B. Tests for significant differences in means or percent
by gender, marital status and children**

<u>Comparison Group</u>		<u>Higher Group (1 or 2) (p-value)</u>		
Group 1	Group 2	1989 hours	1989 full-time	1993 full- time
Married female	Married Male	2(.00)	2(.00)	2(.00)
Not-married female	Not-married male	2(.54)	2(.49)	2(.39)
Married female	Not-married female	2(.00)	2(.00)	2(.00)
Married male	Not-married male	1(.04)	1(.04)	1(.27)
Married female, child	Married female, no child	2(.02)	2(.07)	2(.00)
Not-married female, child	Not-married female, no child	2(.01)	2(.52)	1(.55)
Married female, child	Not-married female, child	2(.15)	2(.07)	2(.00)
Married female, no child	Not-married female, no child	2(.01)	2(.03)	2(.43)
Married female, child	Married male, child			2(.00)
Married female, no child	Married male, no child			1(.21)
Not-married female, child	Not-married male, child			1(.24)
Not-married female, no child	Not-married male, no child			1(.66)

Married male, child	Married male, no child	1(.00)
Not-married male, child	Not-married male, no child	2(.45)

TABLE 11:
OLS REGRESSION OF LAWYERS' LABOR SUPPLY

Dependent variable: Hours worked per week in 1989

<u>Explanatory variables:</u>	<u>Coefficient (standard error)</u>	
	<u>Female</u>	<u>Pooled</u>
Private employer	3.646** (1.258)	4.408** (0.0670)
Self-employed	-0.267 (1.519)	4.078** (0.729)
Self-employed x female		-3.711** (1.282)
Married	-4.030** (1.147)	0.968 (0.688)
Married x female		-6.415** (1.186)
Age	0.495 (0.458)	0.712** (0.175)
Age squared x 100	-0.434 (0.545)	-0.875** (0.189)
Total children	-1.638** (0.534)	
Female		0.202 (0.982)
Constant	32.809**	29.866**

	(9.236)	(3.883)
Adjusted R squared	0.08	0.09

Number of observations	453	1828
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**(*) indicates coefficient is significantly different from zero at 1% (5%) level, 2-sided tests.

TABLE 12:
PROBIT ESTIMATES OF LAWYERS' FULL-TIME
EMPLOYMENT STATUS^a

Explanatory variables	Dependent variable: Employed full-time		
	1989 Female	1989 Pooled	1993 Pooled
Private employer	-0.018 (0.196) [-0.004]	-0.083 (0.149) [-0.008]	-0.504** (0.155) [-0.029]
Self-employed	-0.686** (0.214) [-0.171]	-0.543** (0.152) [-0.055]	-0.691** (0.154) [-0.041]
Married	-0.508** (0.180) [-0.100]	0.374** (0.150) [0.039]	0.132** (0.158) [0.007]
Married x female		-1.054** (0.222) [-0.175]	-0.741** (0.249) [-0.062]
Age	0.130 (0.068) [0.027]	0.146** (0.033) [0.013]	0.140** (0.031) [0.007]
Age squared x 100	-0.132 (0.080) [-0.027]	-0.171** (0.035) [-0.015]	-0.171** (0.031) [0.008]
Total children	-0.193**		

	(0.071)		
	[-0.039]		
Children under 6			0.609 (0.326) [0.030]
Children under 6 x female			-1.276** (0.339) [-0.063]
<hr/>			
Children 6 – 11			0.572 (0.342) [0.028]
Children 6 – 11 x female			-1.027** (0.359) [-0.051]
Children 12 – 17			0.302* (0.151) [0.015]
Female		-0.246 (0.185) [-0.025]	0.115 (0.200) [0.005]
Constant	-1.167 (1.373)	-1.039 (0.732)	-0.452 (0.728)
Pseudo R squared	0.11	0.15	0.28
N	453	1828	2198

^a. Table reports probit coefficients with standard errors in parentheses and marginal effects in brackets.

**(*) indicates coefficient is significantly different from zero at 1% (5%) level, 2-sided tests.

