

Determining Gender Differences in Education and Labor Market Outcomes (joint with Carla Varona Cervantes)

**Abstract**

This paper studies gender differences in educational attainment and labor market outcomes. Across 21 OECD countries, though men are paid more than women, the college attainment rates and college premia are (mostly) higher for women. This paper explains these patterns through the quantitative analysis of a dynamic choice model of education and labor market outcomes. Using the estimated model, we decompose the observed gender gaps through a series of counterfactual exercises. One finding is that these gaps are driven mainly by gender differences in the average compensation at non-college jobs. The estimated lower compensation for non-college women generates for them larger college premia and higher incentives to attend college relative to men. A second finding, through the lens of the estimated model, is that observed gender wage gaps for college workers are largely driven by differences in the gender specific distributions across signals of ability rather than wage differences across genders given a signal