

Decomposition of total and within-group wage inequality, 1973-2003

	Women				Men			
	Overall wage inequality* (1)	Between-group inequality** (2)	Within-group inequality*** (3)	Contribution of within-group inequality (3)/(1)	Overall wage inequality* (1)	Between-group inequality** (2)	Within-group inequality*** (3)	Contribution of within-group inequality (3)/(1)
1973	0.478	0.061	0.418	0.873	0.506	0.083	0.423	0.836
1974	0.461	0.057	0.404	0.877	0.500	0.081	0.420	0.839
1975	0.463	0.061	0.402	0.868	0.510	0.090	0.420	0.824
1976	0.461	0.057	0.404	0.876	0.508	0.089	0.419	0.825
1977	0.461	0.053	0.409	0.886	0.516	0.086	0.430	0.833
1978	0.446	0.050	0.396	0.887	0.509	0.083	0.425	0.836
1979	0.446	0.044	0.402	0.901	0.506	0.078	0.428	0.847
1980	0.446	0.046	0.401	0.898	0.511	0.079	0.433	0.846
1981	0.453	0.049	0.405	0.893	0.523	0.083	0.440	0.841
1982	0.476	0.054	0.422	0.887	0.547	0.092	0.455	0.832
1983	0.484	0.060	0.424	0.876	0.566	0.102	0.464	0.820
1984	0.497	0.065	0.432	0.869	0.570	0.105	0.464	0.816
1985	0.509	0.069	0.441	0.865	0.579	0.111	0.468	0.808
1986	0.517	0.072	0.445	0.860	0.584	0.112	0.472	0.808
1987	0.526	0.075	0.452	0.858	0.595	0.112	0.482	0.811
1988	0.530	0.074	0.456	0.860	0.597	0.113	0.485	0.811
1989	0.529	0.082	0.447	0.845	0.579	0.112	0.467	0.807
1990	0.531	0.085	0.445	0.839	0.579	0.116	0.463	0.799
1991	0.531	0.085	0.446	0.841	0.578	0.118	0.460	0.795
1992	0.534	0.088	0.446	0.835	0.583	0.119	0.464	0.795
1993	0.541	0.090	0.450	0.833	0.586	0.118	0.469	0.799
1994	0.567	0.095	0.472	0.833	0.600	0.117	0.482	0.804
1995	0.562	0.095	0.467	0.831	0.595	0.118	0.478	0.802
1996	0.557	0.094	0.463	0.831	0.593	0.116	0.477	0.804
1997	0.556	0.094	0.462	0.831	0.594	0.117	0.477	0.803
1998	0.553	0.094	0.459	0.830	0.587	0.112	0.475	0.809
1999	0.551	0.096	0.455	0.826	0.588	0.117	0.471	0.800
2000	0.552	0.094	0.458	0.829	0.595	0.114	0.481	0.808
2001	0.557	0.094	0.462	0.830	0.597	0.113	0.484	0.810
2002	0.563	0.093	0.469	0.834	0.602	0.113	0.490	0.813
2003	0.566	0.093	0.473	0.836	0.603	0.114	0.489	0.810

* Measured as standard deviation of log wages

** Reflects changes in education, experience, race/ethnicity, marital status and regional differentials.

*** Measured as mean square error from a standard (log) wage regression.

n.a. not applicable because denominator is zero or too small

Source: *The State of Working America 2004-05*, table 2.23.

All of the data are from the ORG CPS data sample described in Appendix B. "Overall wage inequality" is measured as the standard deviation of log wages. "Within-group wage inequality" is the mean square error from log wage regressions. "Between-group inequality" is the difference between the overall and within-group inequalities and reflects changes in all of the included variables: education, age, marital status, race, ethnicity, and region.