



Research Working Papers

Assessing Differences in Labor Market Outcomes Across Race, Age, and Educational Attainment

by: Economic Research Department

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Broad indicators often are used to evaluate the health of the labor market, though they do not necessarily reflect large disparities that exist in outcomes across age, education, gender and race.

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Broad indicators are often used to evaluate the health of the labor market but may mask disparities in outcomes across age, education, gender, and race. Understanding these disparate outcomes is part of the process of monitoring the labor market. As such, this paper summarizes work the research staff of the Federal Reserve Bank of Kansas City has done to better understand differences in labor market outcomes. Some of these findings reinforce earlier work, while others offer novel perspectives. First, differences in outcomes across race remain substantial. Despite a significant increase in educational attainment among black individuals, their wages are lower and their unemployment rate significantly higher than for white individuals, even after controlling for education. Second, black individuals are nearly two times more likely to become long-term unemployed than white individuals. This difference, however, explains only a modest amount of the difference in the overall unemployment rates for these groups. Third, job polarization has affected black individuals relatively more due to an education gap that has made it more difficult for those without a college education to secure high-skill employment.

JEL Classification: J1, J15, J24, J3, J7

Article Citations

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Related Research

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