

## THE LAST WORD

# LIES, DAMNED LIES AND ...

Statistics, such as the '74 cents' factoid used to prove pervasive sex discrimination

BY GEORGE F. WILL

**W**ITH THE DOW AVERAGE NEARING A FIFTH DIGIT, Americans are cheerful. However, soon the women's division of the Great American Grievance Industry will weigh in, saying women remain trapped beneath the "glass ceiling" and in the "pink ghetto." Brace yourself for a blizzard of statistics purporting to prove that women are suffering a "wage gap" primarily caused by discrimination that requires government actions like affirmative action, quotas and set-asides.

But a counterblizzard has blown in from Diana Furchtgott-Roth and Christine Stolba, authors of "Women's Figures: An Illustrated Guide to the Economic Progress of Women in America." Furchtgott-Roth is a fellow at The American Enterprise Institute and Stolba is a historian living in Washington, and both had better mind their manners. Feminists are not famous for their sense of humor and may frown at the authors' dedication of their book to their husbands "who have always appreciated our figures."

The National Committee On Pay Equity and other participants in the theatrics of Equal Pay Day will not appreciate the figures Furchtgott-Roth and Stolba marshal. The premise of Equal Pay Day is that women work from Jan. 1 until early April essentially for no pay because women earn only 74 cents for every dollar men earn. That uninformative number is the basis for the allegation that the average woman loses approximately \$420,000 in wages and benefits during her working life. The 74 cents factoid is *prima facie* proof of "the demeaning practice of wage discrimination," according to President Clinton, who opposes everything demeaning to women.

Furchtgott-Roth and Stolba argue that the 74 cents statistic is the product of faulty methodology that serves the political agenda of portraying women as victims needing yet more government intervention in the workplace. The authors demonstrate that income disparities between men and women have been closing rapidly and that sex discrimination, which has been illegal for 30 years, is a negligible cause of those that remain, which are largely the result of rational personal choices by women.

Between 1960 and 1994 women's wages grew 10 times faster than men's, and today, among people 27 to 33, women who have never had a child earn about 98 cents for every dollar men earn. Children change the earnings equations. They are the main reason that meaningful earnings contrasts must compare men and women who have similar experience and life situations. Earnings differentials often reflect different professional paths that are cheerfully chosen because of different preferences, motivations and expectations.

The "adjusted wage gap," adjusted for age, occupation, experience, education and time in the work force, is primarily the product

of personal choices women make outside the work environment. Eighty percent of women bear children and 25 percent of working women work part-time, often to accommodate child rearing. Many women who expect to have children choose occupations where job flexibility compensates for somewhat lower pay, and occupations (e.g., teaching) in which job skills deteriorate slower than in others (e.g., engineering). And it is not sex discrimination that accounts for largely male employment in some relatively high-paying occupations (e.g., construction, oil drilling and many others) which place a premium on physical strength. (Workers in some such occupations pay a price: the 54 percent of all workers who are male account for 92 percent of all job-related deaths.)

Still, between 1974 and 1993 women's wages have been rising relative to men's in all age groups, and most dramatically among the youngest workers. The rise would be more dramatic if many women did not make understandable decisions to favor family over higher pay and more rapid job advancement purchased by 60-hour weeks on the fast track.

Some victimization theorists say the fast track is pointless for women because they are held down by the "glass ceiling" that limits



their rise in business hierarchies. In 1995 the government's Glass Ceiling Commission (the propagandistic title prejudged the subject) saw proof of sex discrimination in the fact that women were only 5 percent of senior managers at Fortune 1000 industrial and Fortune 500 service companies. But Furchtgott-Roth and Stolba note that typical qualifications for such positions include an M.B.A. and 25 years' work experience. The pool of women with those qualifications is small, not because of current discrimination but because of women's expectations in the 1950s and 1960s. In 1970 women received only 4 percent of all M.B.A. degrees, 5 percent of law degrees.

Which lends support to the optimistic "pipeline" theory: women are rising in economic life as fast as they pour from the educational pipeline—which is faster than men. Since 1984 women have outnumbered men in undergraduate and graduate schools. Women are receiving a majority of two-year postsecondary degrees, bachelor's and master's degrees, almost 40 percent of M.B.A. degrees, 40 percent of doctorates, more than 40 percent of law and medical degrees. Education improves economic opportunities—and opportunities encourage education, which has higher rewards for women than for men because men without college degrees or even high-school diplomas can get those high-paying, physically demanding—and dangerous—jobs.

The supposed "pink ghetto" is where women are, in the Glass Ceiling Commission's words, "locked into" low-wage, low-prestige, dead-end jobs. Such overheated rhetoric ignores many women's rational sacrifices of pay and prestige for job flexibility in occupations in which skills survive years taken off for raising children. Women already predominate in the two economic sectors expected to grow fastest in the near future, service/retail and finance/insurance/real estate.

The 74 cents statistic and related propaganda masquerading as social science are arrows in the quivers of those wagging the American left's unending struggle to change the American premise, which stresses equality of opportunity, not equality of outcomes. Furchtgott-Roth and Stolba have better figures.