

Comments on Ekkehart Schlicht's Paper: "Selection Wages and Discrimination" (July 27, 2009)

I read the paper and enjoyed it very much. It is clear, convincing and formally consistent, and excellent in showing the author's point.

However, I have a problem with the main idea. The paper is about "discrimination" which is caused by women's reaction (supply) function. The bottom line is that *women's preferences* for "non-monetary job attributes" *are the cause of discrimination*. But what are these "non-monetary job attributes"? The answer to this question is unclear. In the introduction and "discussion" parts, "non-monetary job attributes" are meant as the *specific sexual division of labor* that "tie women more closely to the home than men" (p. 2 as well as p. 10). However, in p. 8 as well as p. 13, the author gives two indications: "proximity to home and reasonable working hours" to specify these "non-monetary job attributes". Which one of these two lines of interpretation should be followed: pure family considerations or a more general category of "non-monetary job attributes"?

It seems that the author is more concerned with family considerations in the context of gender discrimination, since he argues in the discussion part that women's preferences are not *private* and are shaped by a specific *social norm* which is the outcome of "traditional sexual division of labor". The only problem is that this social norm is explained *exogenously* as a given fact and the model does not show how it is shaped *endogenously*. To put it differently, the model does not assume two different groups of women, one with strong "family considerations" (more responsive to non-monetary job attributes) and the other with weak "family considerations" (more responsive to monetary attributes) and does not demonstrate how the selection mechanism would work. Would we have a gradual disappearance of discrimination or would we have a segregated women's market? For example, do highly qualified women in developed countries show the same lack of responsiveness to monetary job attributes? If not, what is the result of this difference among women with regard to the selection mechanism and discrimination?

Furthermore, this difference in women's behavior is worth considering in the light of social differentiations among women. For instance, poorer layers of working women (female domestic workers in homes, nurseries, hospitals, hotels, etc.) are particularly concerned with monetary job attributes, and the amount of time they could devote to their families and child care-taking is often the adjustment variable. Conversely, the responsiveness to non-monetary job attributes is more germane to middle-class women or women married to middle-class men. For them, to be more "family concerned" or more "job-oriented" is a choice and not necessarily a constraint.

Although the author cites a few empirical works, I think the paper could be more explicit with regard to a) the meaning of "non-monetary job attributes" within the context of gender discrimination; b) the empirical evidences especially in sectors in which the theory applies more closely.

Finally, at the end of his paper, Schlicht aptly notes in a footnote that “firms may use such non-monetary job features to attract women, giving rise to another selection mechanism. This idea is not pursued here in order to establish the argument that differential pay of equally productive workers is a possibility.” (p. 13) But this argument could be questioned for two reasons.

First, if women’s preferences for non-monetary job attributes entail a negative discrimination with regard to pecuniary remuneration, they may also imply a positive discrimination or an advantageous position for women in certain markets. One cannot deem about the discriminatory consequences of their preferences without comparing the advantages and disadvantages of their higher level of responsiveness to non-monetary job attributes.

Second, how would the remuneration differential vary in case of industries where non-monetary job features are given the pride of place? For instance, what are the consequences of such a discrimination on differential remuneration with regard to proto-industrialization especially in sectors like hand-made carpet industry with a high rate of women’s and children’s participation (for example, in Iran, Pakistan, India) ?

For sure, these remarks do not undermine the paper’s excellent qualities that remains a coherent piece even without incorporating the above-mentioned suggestions for further clarifications and discussion.

At a formal level, there are a few dactylographic errors in the text.

p. 2, third paragraph, line 4: “Such stereotypes, shared by men and women alike”

p. 5, first paragraph after the equation 7, line 4, “This implies the third and fourth inequalities”

p. 5, fourth paragraph, line 1, “Given the product....will maximize the difference”

p. 7, explanation concerning figure 3, second line “the wage above that level permits a tightening of the hiring standard”

p.9, second paragraph, first line “...are identical for men and women, condition (16)”