February 29, 1988

# THE PSEUDO-SCIENCE OF COMPARABLE WORTH: PHRENOLOGY FOR MODERN TIMES

## INTRODUCTION

America seldom has seen a policy proposal which, though apparently well intentioned, would be as destructive as comparable worth. It is a doctrine that maintains that "fair" wages must be determined by bureaucracies and courts, not markets. Comparable worth wage controls would damage the economy permanently and impede rather than promote the economic and social advance of American women, creating a "separate but equal" status for the female work force by discouraging women from entering non-traditional occupations. Based neither on solid data nor sound principles, comparable worth is a pseudo-science that should not be taken seriously by lawmakers.

Just as the 19th century "science" of phrenology sought to determine an individual's personality by measuring bumps on the skull, modern comparable worth seeks to determine the "true value" of jobs by having "experts" rank them in numeric scales. While the market pays wages according to the objective factors of supply and demand, comparable worth "science" would fix wages ultimately by the subjective judgments of a handful of evaluators. No wage system could be less fair.

Intellectual Beachhead. Recent legislation (S. 552) introduced by Senators-Daniel Evans, the Washington Republican, and Alan Cranston, the California Democrat, would create a commission to examine the issue of equal pay for jobs of comparable worth within the federal government. Similar studies already have been undertaken by some state governments. Proponents of the bill seek to use the proposed commission to popularize and legitimize the notion that market-derived wages "discriminate" against women. Thus the commission is intended to serve as an intellectual beachhead for establishing

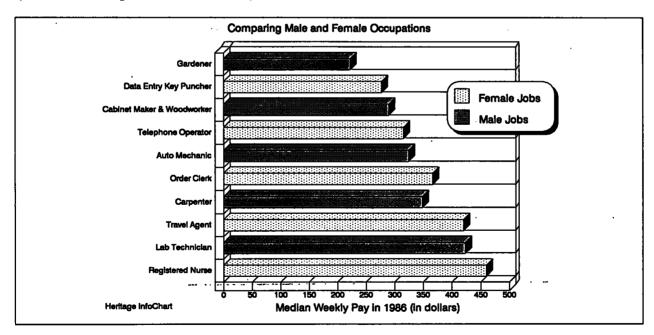
comparable worth wage controls, first within the federal work force and later within the economy in general.

Were this to happen, the economic consequences would be disastrous. Among other things, a comparable worth program would:

- ♠ Reduce American competitiveness by cutting the salaries of engineers and scientists while raising the pay of typists and retail clerks;
- Reduce the gross national product by as much as \$150 billion a year;
- Destroy up to 4 million jobs.

#### ARE WOMEN'S WAGES UNFAIRLY LOW?

On average women work at somewhat less skilled jobs than do men. This is not necessarily the result of discrimination. Nor does it mean that female workers are paid less than is appropriate for the skill levels and economic productivity of the jobs they hold. In fact, evidence indicating that traditionally female jobs are consistently underpaid relative to male jobs is difficult to muster. Example: though comparable worth advocates argue that female clerical workers are underpaid, the fact is that a secretary earns almost the same wage as an auto mechanic. Telephone operators, another female-dominated profession, earn about the same wage as bus drivers and 10 percent more than garbage collectors. (For other comparisons, see chart.)



Source: Earl F. Mellor, "Weekly Earnings in 1986: A Look at More than 200 Occupations," *The Monthly Labor Review*, June 1987, pp. 41-46.

The wages of professional nurses also are cited as "proof" that women are underpaid. But registered nurses make 92 percent of the median wage for professionals. Their pay exceeds the average for skilled blue collar craft workers and is one-third more than the average blue collar worker. To argue that nurses are underpaid suggests that they should be in the top half of paid professional workers. Perhaps they should. But this surely is a decision best left to the market and not to a bureaucrat.<sup>1</sup>

## THEORIES OF WAGE DISTORTION

Free market wages governed by the objective laws of supply and demand are both efficient and fair, since they are determined both by the economic productivity of specific occupations and the choices of millions of workers in selecting the most desirable jobs available. Comparable worth advocates obviously disagree. They offer two theories to bolster their proposition that wages in traditional female jobs are below fair market wages, implying discrimination.

Barriers. First, they argue that female workers are barred from entering a great many traditional male occupations; this causes female labor to be "crowded" into a narrow range of female jobs. The resulting oversupply of female labor causes wages for these jobs to become depressed.

Were this true, there would be evidence of large numbers of women competing for a relatively small number of jobs. But even comparable worth theorists admit that there is little evidence of such queuing.<sup>2</sup> Indeed, often they argue the opposite: that demand outstrips supply in such female jobs as nursing that allegedly are discriminated against.

Cultural Bias. The second theory of wage distortion supposes the existence of "cultural bias." According to this theory, the social upbringing of male employers causes them to undervalue traditional female work. Thus employers pay workers in female jobs less than workers in male jobs of comparable skill and productivity levels. In essence, this theory contends that workers in traditional female jobs are paid less than their actual level of productivity in the economy. But if this were true, employers should be reaping a windfall bonus due to the unpaid productivity they gain from women's labor; profit levels in

<sup>1</sup> Earl F. Mellor, "Weekly Earnings in 1986: A Look at More Than 200 Occupations," *The Monthly Labor Review*, June 1987, pp.41-46.

<sup>2</sup> Paula England, "Explanation of Job Segregation and the Sex Gap in Pay," in Comparable Worth: Issue for the 80's (U.S. Commission on Civil Rights, Washington, D.C.) Vol. 1, 1984, pp. 55-64.

industries with large numbers of traditional female jobs should be unusually high. In fact, profits in such industries are average for all industries. Thus there is no evidence that bias has caused workers in female jobs to be paid below their true rate of economic productivity.<sup>3</sup>

#### **EXAMINING THE WAGE GAP**

Comparable worth advocates enjoy pointing to the gender "pay gap." And it is true that women earn, on average, 25 percent per hour less than men. But up to two-fifths of this pay gap can be explained by obvious differences between men and women in years of education, years of work experience and periods of leaving the labor market.

This leaves an "unexplained" wage gap of roughly 15 percentage points between men and women workers. Comparable worth advocates contend that some or all of this gap is the result of discrimination. Yet the wage gap studies cited by comparable worth advocates exclude many important variables which are difficult or impossible to measure. These include profound differences between men and women in their long-term work expectations, time commitments toward the family, tolerance for difficult working conditions, orientation toward scientific and mechanical work, interests in management positions and financial rewards, and other differences affecting work interests.

Second, methodological deficiencies distort all economic studies of the gender "wage gap." Wage gap analysis contends that workers with equal "human capital" (that is, years of education and years of work experience) should receive equal pay. This approach leads to absurd conclusions. Example: A male worker, Bill, has four years of college and a BS in electrical engineering; a female worker, Anne, has four years of college and a BA in English. Both have been employed for four years; Bill works as an engineer and Anne works as a secretary. Since both workers have identical years of education and work, wage gap models would expect them to be paid equally. Any difference in pay would be attributed to "discrimination" or held to be "unexplained" (and thus suspect). Due to logical flaws of this sort, wage gap analysis inevitably discovers "pay discrimination" against female jobs even though none actually exists.

## Why Male and Female Wages Differ

Males and females historically have performed different roles in society and the economy. Males worked primarily to support families; women's energies were focused

<sup>3</sup> Randy Hodson and Paula England, "Industrial Structure and Sex Differences in Earnings," in *Industrial Relations*, Vol. 25, No. 1 (Winter 1986), p.22.

<sup>4</sup> Mellor, op. cit. The ratio of the median weekly wage for full-time female workers to male full-time workers is 69.2 percent, up from around 60 percent in the mid-1960s. However, female full-time workers work 41.1 hours per week compared to 44.7 hours for men. Adjusted for actual number hours worked per week, the female/male pay ratio is 75.3 percent.

<sup>5</sup> Donald J. Treiman and Heidi I. Hartmann, eds., Women, Work, and Wages: Equal Pay for Jobs of Equal Value (Washington, D.C.: National Academy Press, 1981) pp.36-37. See also H. Sanborn, "Pay Differences Between Men and Women," in *Industrial and Labor Relations Review*, Vol. 17, 1964.

inside the home. When the typical woman did enter the work force, it was either for brief periods prior to marriage or as a supplement to the male worker's income. As late as 1950, only 30 percent of middle-aged women were employed outside the home.

This traditional role differentiation produced profound divergence in attitudes and expectations about work. While women's attitudes and roles are changing very rapidly today, substantial differences between men and women still remain. It is these differences in attitudes concerning work, and not discrimination, which explain the differences in male and female pay. Specifically:

- ♦ Men remain more concerned with earning money in the labor market, hence they place a greater emphasis on financially rewarding education and training.
- ♠ Men remain in the work force more consistently, gaining increased experience resulting in higher levels of productivity. Women are more likely to move in and out of the work force.
- ♦ When seeking employment, women tend to place greater emphasis on the non-monetary aspects of jobs; thus when compared to men they tend to choose jobs with lower pay but higher non-monetary rewards.

A number of studies support the existence of these critical differences.

Work Expectations. Young women were asked in 1968 whether or not they expected to be in the labor force at age 35. Only 28 percent of white women answered yes; by contrast, nearly all males expected to be working at age 35. Because they did not expect to spend much of their lives working, women in this age group placed little emphasis on vocational preparation. Such differences help to explain today's low number of professionals among older women workers.

Career and Educational Orientation. Women pursue different goals in education and work from those of men; they are less interested in making money and becoming leaders, more interested in helping others and working with people. This lower interest in financial rewards can be seen in the selection of college majors, an area where discriminatory barriers clearly no longer play a role. Women graduating from college in 1985, for instance, were far more likely than men to major in such traditionally female areas as education, health sciences, and home economics, and far less likely than males to major in financially lucrative fields such as computer science, engineering, and physical science. Among female high school seniors "academically prepared" for science careers with course work including calculus and physics, only 18 percent expressed a career interest in engineering, science, or technology. Of similarly prepared males, 64 percent expressed such interest.

<sup>6</sup> Economic Report of the President (Washington, D.C.: U.S. Government Printing Office, 1987), p. 215.

<sup>7</sup> Manpower Comments, June 1987, p.17.

Work Experience and Work Interruptions. Women workers on average will have nine fewer years in the work force than men and are more likely to work part time. Women move in and out of the labor force much more frequently than men, with periods of unemployment often linked to child-rearing responsibilities. At the end of their careers, women workers will have twice as many breaks in employment as comparably aged men. For both males and females, employment interruptions have a profound effect in lowering future wages. Surveys show that a worker leaving the labor force for five years (for example to care for small children) upon returning to the work force would earn one-third less than an identical worker who was employed continuously through the five-year period. Even five years after reentering to the work force, the returning worker still would earn 15 percent less than the continuously employed worker.

Less Career Emphasis. Despite their rapidly increasing presence in the labor force, women continue to bear a greater share of family responsibilities than do men. Consequently, they tend to place a lower emphasis on their careers than do men. Women working full time spend fewer hours in the work place than men. One survey asked working women if they would like to be promoted; only 49 percent said yes, compared with 63 percent of men. Another survey found that 52 percent of women are willing to give up their jobs to follow a spouse who has obtained a better job in another city, compared with 14 percent of men. 11

Non-monetary Benefits and Job Preferences. The employment preferences of men and women and the influence of these on occupational choices are also crucial to understanding the "wage gap." Research confirms that female jobs offer higher levels of such non-monetary benefits as pleasant working conditions, flexible work schedules, agreeable working relationships, and interesting work. Women tend to place a higher value on non-monetary job benefits than do men and thus are drawn to jobs which offer these benefits. The available data on female preferences indicate that the low representation of women in high paying blue collar craft occupations may be due largely to such differences in female preferences rather than discrimination. 12

Moreover, because of their greater interest in non-monetary rewards, it should be no surprise that women workers will tend to receive somewhat lower wages than men. In one controlled experiment, male and female workers occupying the same blue collar jobs in a manufacturing firm were offered new jobs on the production line. The production jobs would be better paying but would involve more physical exertion, unpleasant working conditions, and extra hours of work. Male and female workers were asked how much added

<sup>8</sup> Shirley J. Smith, "Revised Worklife Tables Reflect 1979-80 Experience," Monthly Labor Review, August 1985.

<sup>9</sup> Mary Corcoran, Greg Duncan, and Michael Ponza, "A Longitudinal Analysis of White Women's Wages,"

Journal of Human Resources, Fall 1983, p. 516.

<sup>10</sup> Polling data from USA Today, June 16, 1987.

<sup>11</sup> Carl C. Hoffman and Kathleen P. Hoffman, "Does Comparable Worth Obscure the Real Issues?" *Personnel Journal*, January 1987, p. 92.

<sup>12</sup> Randall K. Filer, "The Role of Personality and Tastes in Determining Occupational Structure, *Industrial and Labor Relations Review*, April 1986, p. 423. See also, Randall K. Filer, "Male-Female Wage Differences: The Importance of Compensating Differentials," *Industrial and Labor Relations Review*, April 1985.

pay they would require to accept these more demanding new jobs. Both males and females sought extra pay for the more difficult work, but females demanded \$1,200 more per year than did the men for the new job. Moreover, nearly half the women said that would not take the new jobs under any circumstances. Not surprisingly, few women moved into the higher paying production jobs. As this study indicates, women are more inclined than men to accept lower paying jobs in order to avoid arduous or otherwise undesirable working conditions — a fact of enormous importance in explaining the current "wage gap." 13

#### THE PROGRESS OF WOMEN IN THE U.S. ECONOMY

Despite continuing differences between men and women, women's attitudes toward work are changing dramatically, and the wage differential reflects this change. While in 1968 only 28 percent of young white women expected to be in the labor force at age 35, today 70 percent of young white women expect to be working when they reach the age of 35. Because of this, American women are more likely today than in the past to enter skilled occupations, more likely to obtain post-secondary degrees, and more likely to enter traditionally male fields. 15

In 1965, women received only 3 percent of all professional degrees; by 1985, they received one-third. Specifically, women earned 30 percent of all degrees in medicine, 21 percent of degrees in dentistry, and 38 percent of degrees in law.

Narrowing Wage Differential. As women have changed their career goals and acquired more education, training, and work experience, their earnings have increased at a rapid pace. In 1976, female full-time workers earned 69 percent of what male full-time workers earned. By 1986, female earnings increased to 75 percent of male earnings. If change continues at its present pace, by 1995 women will receive 85 percent of male earnings.

This narrowing of the average wage differential is the result of dramatic improvements in female labor productivity, not the result of arbitrary political or court-imposed restructuring of wage levels. Female wages will achieve parity with male wages only when women have become identical with men in work experience and continuity, education levels and orientation, technical skills, and non-monetary job preferences. Any policy that seeks to establish an artificial "equity" between men and women before these underlying factors which determine productivity are equalized will retard the long-term advancement of women in the economy by providing increased financial incentives for women to remain in lower-skilled "pink collar" occupations.

<sup>13</sup> Hoffman and Hoffman, op.cit., pp. 83-95.

<sup>14</sup> Economic Report of the President, op. cit., p. 220.

<sup>15</sup> In 1965, women received 42 percent of all bachelor's degrees awarded; one-third of all masters degrees; and 10 percent of all doctoral degrees. By 1985, they received about half of all bachelor's and master's degrees and 30 percent of doctoral degrees.

<sup>16</sup> Calculated from data in U.S. Office of Personnel Management, Comparable Worth for Federal Jobs (Washington, D.C., September 1987), p.36. Figures are adjusted for the actual number of hours worked per week. Projected future earnings are based on a five-year rolling average.

## Good-bye to the Pink Collar Ghetto

Examination of the American labor force provides no evidence for the argument that discrimination crowds women into a narrow "pink collar ghetto" of traditional female jobs. Far from being barred from most jobs, women now comprise a substantial part of the work force in the overwhelming majority of occupations across the economy. For example, women now constitute 20 percent or more of the workers in every single professional and managerial occupation except engineering and the ministry; and these-last two occupations comprise less than 10 percent of professional and managerial employment in the U.S. Overall, women are well represented in virtually every job category except such blue collar craft occupations as auto mechanics, bulldozer operators, and roofers. The absence of women in these jobs is more likely to be explained by female tastes and preferences and not large scale labor discrimination.

## THE PSEUDO-SCIENCE OF COMPARABLE WORTH

Comparable worth advocates sought initially to establish standardized wages for "comparable" jobs in different firms and industries. However, even the most ardent supporters by now have admitted that, by bureaucratizing and controlling the entire labor market, such a policy would result in economic disaster. More recent proposals have called for wage controls within individual firms. While the government would not set a single nationwide wage level for each occupation, it would, through regulation and court action, dictate acceptable "wage ratios" between, say, engineers and secretaries within each firm.

But government intrusion would not end with these wage controls. If comparable worth, for example, determined that a computer programmer, grade 3, and a typist, grade 5, should be paid the same wage, the government would then have to assure that typists and programmers are all "correctly" graded in order to prevent employers evading its policy. To prevent over or undergrading the government would have to monitor, regulate, and ultimately control all aspects personnel administration within the private sector, including job description, classification, and promotion. Thus comparable worth effectively calls for the largest regulatory expansion in the history of the American economy.

No Objective Means. Comparable worth advocates claim that they merely seek an "objective, bias free" job evaluation system to determine the value of jobs nation wide, thereby avoiding arbitrary government wage-setting. This, they claim, simply would be a variation of standard job evaluations already used by many private sector firms. This claim is untrue. Traditional job evaluation in the private sector seeks to mirror market-derived wages. It is often used as an alternative to market-based wage-surveys, not because it will give different results, but because it is faster and cheaper. Comparable worth job

<sup>17</sup> Mellor, op. cit.

evaluation, on the other hand, seeks to "rectify" alleged biases in market wages. It seeks to determine the "true value" of jobs and rejects the market as a standard for evaluation. 18

But there simply is no objective means of determining proper wages independent of supply and demand. Unhinging job evaluation from its foundations in the market place inevitably would lead to pure subjectivity. Comparable worth job evaluations systems not only are not objective, their methods of determining worth are so arbitrary and capricious that proponents cannot even agree among themselves.

## What is Objective?

A study by Richard Burr of the University of Washington compared the Iowa, Minnesota, Vermont, and Washington State comparable worth systems and found that these systems had "objectively" rated the same jobs quite differently. Indeed, the order of ranking of specific jobs was often inverted. Example: While Minnesota ranked a registered nurse, a chemist, and a social worker equally, Iowa found the nurse worth 29 percent more than the social worker, who in turn was worth 29 percent more than the chemist. Vermont reversed these ratings, paying the social worker 10 percent more than the nurse, who was paid 10 percent above the chemist. Burr concluded "comparable worth evaluations of jobs are anything but 'comparable' in practice."

"Mandate for Arbitrariness." Such diverse rankings are generated under the camouflage of pseudo-scientific procedures in which a job is scored on a number of factors, such as "mental demands," "accountability," and "working conditions." These factors then are "weighted" subjectively to determine their relative importance and the factor scores are combined to determine an overall pay level for the job. Writing in *The New Republic*, columnist Charles Krauthammer describes comparable worth "science" in operation:

There is no need to belabor the absurdity of this system, so I'll stick to the high points. It is above all, a mandate for arbitrariness: every subjective determination, no matter how whimsically arrived at, is first enshrined in a number to give it an entirely specious solidity, then added to another number no less insubstantial, to yield a total entirely meaningless.... Who is to say that a secretary's two years of college are equal in worth to--and not half or double--the trucker's risk of getting killed on the highways?<sup>20</sup>

<sup>18</sup> For a discussion of the differences between traditional and "comparable worth"-job evaluation, see U.S. Office of Personnel Management, op. cit., pp. 37-40.

<sup>19</sup> Richard E. Burr, Are Comparable Worth Systems Truly Comparable? Center for the Study of American Business, Washington University, St. Louis, Formal Publication Number 75, July 1986.

<sup>20</sup> Charles Krauthammer, "From Bad to Worth," The New Republic, July 30, 1984, p. 17.

The comparable worth "experts," of course. But the experts produce bizarre results. In Minnesota, for instance, some entry-level positions were ranked higher than senior positions, while some supervisors were ranked lower than their subordinates. Typists were given higher ratings than aircraft pilots on the "consequences of error" factor.<sup>21</sup>

Because pseudo-scientific comparable worth wage systems are purely subjective, it should not be surprising that they can produce wage rates widely at variance with market wages-set by supply and demand. In the famous Washington State comparable worth case which gave such an impetus to the movement, "worth experts" determined the following:

- ♦ A registered nurse was assigned 573 points, the highest for any job rated; in contrast, a computer systems analyst received only 426 points. In the market, however, computer systems analysts are among the highest paid professionals, earning 56 percent more than registered nurses.
- ♦ Clerical supervisors received more evaluation points than chemists, even though the market pays chemists 41 percent more.
- Truck drivers were rated below retail clerks although the market pays them 30 percent more. 22

# The Likely Impact of Comparable Worth Legislation

Economic models have indicated a nationwide comparable worth wage control policy could close the "pay gap" between men and women by 6 percentage points. These estimates are too high. They require eliminating inter-industry and inter-firm variation in wages. Proposed comparable worth policies call only for adjusting male and female wages within single firms. A recent study by George Johnson and Gary Solon of the University of Michigan attempts to predict the impact of intra-firm comparable worth wage adjustments. Johnson and Solon determined that comparable worth policy would close the pay gap by

<sup>21</sup> Cited in testimony of the Honorable Susan Vergeront, member, Wisconsin State Assembly, on behalf of the National Association of Manufacturers before the Senate Subcommittee on Federal Services, Post Office and Civil Service on S. 552, Federal Employee Compensation Study Act of 1987, April 22, 1987, p. 1.

<sup>22</sup> June O'Neill, "An Argument Against Comparable Worth," in Comparable Worth: Issue for the 80's, op. cit., pp. 177-186.

<sup>23</sup> Mark Aldrich and Robert Buchele, *The Economics of Comparable Worth* (Cambridge Mass.: Ballinger Publishing Company, 1986), pp. 119-129.

just 2 percentage points.<sup>24</sup> Thus comparable worth might raise the female/male pay ratio today from 75 to 77 percent. Market forces alone, however, have narrowed the pay ratio from 69 to 75 percent over the last 10 years. The authors advise that even their modest estimate could be too high, because it reflects only the direct effects of wage regulations. They warn that artificially raising wages in traditional female jobs such as clerical and service work in the long run could reduce the number of such jobs available. The result: mounting female unemployment.<sup>25</sup> The income loss for women workers who lose jobs might well exceed the net income gain from higher wages among those who remain employed.<sup>26</sup>

Maintaining Job Segregation. Ironically, comparable worth legislation would tend to "crowd" women workers into traditional female-dominated occupations. The reason: Mandating higher wages for traditional female jobs would discourage better educated women from entering professional and managerial positions. Meanwhile, artificially hiking wage rates would cause employers to reduce their hiring. Comparable worth would thus slow down the upward flow of talented women into competitive professional fields, increase competition for a diminished number of traditional female jobs, and reduce employment opportunities for less-skilled female workers. Less-skilled female workers displaced from clerical and service positions will be unqualified for professional and technical jobs and unlikely to obtain better paying blue collar jobs because of a lack of skills and their own job preferences.

While comparable worth would bestow few if any benefits on the female work force, its impact on the overall economy would be devastating. A recent study by the National Bureau of Economic Research estimated that an economy-wide comparable worth policy would destroy between 2.8 million and 4 million jobs and slash the gross national product by up to \$150 billion per year.<sup>27</sup>

## COMPARABLE WORTH LEGISLATION AND THE FEDERAL GOVERNMENT

The recent legislation introduced by Senators Evans and Cranston would create a commission to study comparable worth wages for the federal work force. Its proponents apparently see the study as a way to legitimize the principle of comparable worth and to popularize the notion that the market pays women unfairly.

<sup>24</sup> George Johnson and Gary Solon, Pay Differences Between Women's and Men's Jobs: The Empirical Foundations of Comparable Worth Legislation, National Bureau of Economic Research, Inc., Working Paper No. 1472.

<sup>25</sup> For example, raising wages in traditional female occupations will raise prices for goods and services produced in industries where those occupations predominate. The price increase-will-reduce-consumer demand for those goods and services, resulting in a loss of employment. Artificial wage hikes also will cause employers to alter production modes, for example, using more capital equipment while hiring fewer female laborers.

<sup>26</sup> Net income loss would exceed income gain if the elasticity of demand for workers in traditional female jobs in regulated firms exceeds unity. See Johnson and Solon, op. cit., p. 16.

<sup>27</sup> Perry C. Beider, Douglas Bernheim, Victor Fuchs, and John B. Shoven, Comparable Worth in a General Equilibrium Model of the U.S. Economy, National Bureau of Economic Research, Working Paper No. 2090.

Wave of Litigation. If the "study commission" is created and if it declares, as it is likely to do given its expected political complexion, that market wages are discriminatory, the next step will be to impose comparable worth on the private sector. A bill doing this (S. 5) in fact already has been introduced in the Senate. Explains Representative Mary Rose Oakar, an Ohio Democrat and a fervent backer of the Evans-Cranston S.552: "private corporations and small businesses will not feel compelled to reexamine their pay and classification systems if the Federal government is not committed to eliminating sex-based discrimination." Even if second-phase bills do not pass immediately, the declaration by a federal commission that market-based wages are discriminatory will trigger an explosive wave of litigation against private sector employers across the country.

Knowing the controversy which surrounds the concept of "comparable worth," S.552 actually avoids the term altogether, instead calling vaguely for a study "to promote equitable pay practices in the federal government." Supporters make deliberate efforts to confuse their proposal with the widely endorsed "equal pay for equal work" concept, which assures, for example, that male and female lawyers who perform identical work are paid the same wage. But no one should be fooled. S.552 is a comparable worth bill and has nothing to do with equal pay for equal work, which already is the law.

The Evans-Cranston bill directs the commission to study federal pay rates on the basis of two flawed methodologies, both rooted in the comparable worth doctrine. The first is "wage gap" analysis. The second involves comparable worth job evaluation of the sort utilized in Washington State. This type of job evaluation deliberately eschews objective market wages, allowing evaluators to assign any subjective value they wish to female jobs. It would not be difficult for a commission of carefully selected comparable worth proponents to "prove" that the existing federal salary system underpays women. To guarantee that outcome, S.552 carefully specifies that a majority of the members of the study commission will represent groups which already support comparable worth ideology.

## CONCLUSION

A time when the U.S. seeks to compete more effectively with the goods and services of other countries is no time to flirt with a national policy designed to cut the salaries of "overpaid" engineers, scientists, and skilled manufacturing workers to raise the pay of typists and retail clerks. Yet this is precisely what comparable worth policy proposes to do.

At the heart of the debate over comparable worth are questions concerning the basic structure of the American economy. As its proponents contend, "comparable worth as public policy would transfer the power to set wages for individual jobs from the business to the regulatory arena." But the foundations of the comparable worth doctrine are brittle. The claim that the market systematically undervalues wages for traditional female jobs is unsupported by the evidence. Moreover, the results for women would be very different

<sup>28</sup> Aldrich and Buchele, op. cit., p. 175.

from those forecast by comparable worth advocates. The advance of women into professional and technical careers would slow, and female unemployment would rise.

Even if discriminatory "crowding" does occur at present in the labor market, comparable worth would exacerbate the problem and cause the status of women in the work force to deteriorate. Congress should shun the phony economics of comparable worth and its reliance on bureaucratically determined wage controls.

Robert Rector Policy Analyst

All Heritage Foundation papers are now available electronically to subscribers of the "NEXIS" on-line data retrieval service. The Heritage Foundation's Reports (HFRPTS) can be found in the OMNI, CURRNT, NWLTRS, and GVT group files of the NEXIS library and in the GOVT and OMNI group files of the GOVNWS library.