Abstract for “Occupation, field of study and the earnings gap by race for workers with College degree in Brazil”

Mauricio Reis (Instituto de Pesquisa Economica Aplicada, Brazil)

The aim of this paper is to investigate the labor earnings differential between white and black individuals with college degree in Brazil. In particular, the analysis intents to decompose the earnings gap between whites and blacks into components accounted for by observable differences across workers, like individual’s distribution across fields of study, mismatch between degree field and occupation, attainment of a postgraduate degree and demographic variables. The empirical analysis uses data from the 2010 Brazilian Census. The evidence presented in this paper indicates that differences in the choice of degree field between white and black workers represent an important share of the racial earnings gap among college graduates in Brazil. Although part of the distribution of individuals across fields of study reflects their preferences, the results suggest that black workers are underrepresented not only in the group of workers with college degree but also in fields of study where labor earnings are usually higher.