Ethnic Earnings Gap in Colombia

Seminarios y talleres

We study the earnings gap against indigenous and afro-descendants, separately, and use the non-parametric decomposition approach proposed by Nopo (2008) to understand the role of observable characteristics and historical legacies in explaining it. The earnings gap against indigenous workers is about 70%, over three times higher than the one against afrodescendants. For indigenous populations, the unexplained portion of the gap is almost one third of the total gap, while for afro-descendants it is either low or insignificant. Minorities are underrepresented in formal jobs and some types of employment; region and housing surroundings are important in explaining the gap.

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