Abstract

Although class-origin pay gaps have been identified in much of Europe, we do not know whether working-class-origin people in top US jobs face a similar class penalty. It could be that the intensity of the United States’ racial hierarchy and its relative lack of strong class-group identities make for racial, but not class-origin, pay gaps. However, this article demonstrates that the upwardly mobile indeed face a significant class origin pay gap in higher professional and managerial occupations in the United States. Using the 2015 wave of the Panel Study of Income Dynamics to link childhood class position to adult occupation and earnings, we describe the racial and class-origin composition of different high-status occupations and the earnings of people within them. We show that when people who are from working-class (EGP X< Y & Z) backgrounds are upwardly mobile into high-status occupations (EGP class I), they earn about $25,000 per year less, on average, than individuals who are themselves from privileged EGP I backgrounds. This pay gap is not explained by differences in the racial composition of class-origin groups (though there also appears to be a racial pay gap). The difference is partly explained by the upwardly mobile being less likely to have college degrees, but it remains substantial even after controlling for a number of important predictors of earnings. These findings extend a growing body of work exploring the “long shadow of class origin” in the US. Specifically, they illustrate that social origins shape not just which occupations people get in to—the focus of most social mobility analysis—but also how well people get ahead in higher professional and managerial occupations.
Introduction

Americans categorize one another into gender and racial groups immediately, consistently, and non-consciously (e.g. Stangor et al. 1992). There is no question in social science or even in most of popular discourse that individuals’ gender and racial group matter for their experiences in their careers. Class origin, on the other hand, is not the kind of characteristic that people immediately use to categorize one another in the United States; in fact, most people tend to think of themselves as normal, average and middle class (Evans and Kelley 2004).

A long history of sociological and related scholarship has established, of course, that class origins affect educational opportunities and achievement from elementary school through college, and that parents’ class position also—largely but not entirely through education—matters for which occupations people enter as adults (see Hout 2015 for an overview). But we do not know much at all about whether and to what extent class origins affect adults’ success once they have begun their careers.

Social scientists have attended to the question of how race and gender (or, more directly, sexism and racism) affect careers beyond occupational entry by identifying the existence, scale, and causes or correlates of racial and gender pay gaps. The metaphor of the glass ceiling has been usefully deployed to highlight the durable yet often invisible barriers that women and racialized groups face in achieving the same rewards as white men in similar positions (Collins 1997; Kanter 1993; Lacy 2007; Wingfield 2009; Woodson 2015; Yavorsky et al. 2019). Scholars of class and mobility, in contrast, have generally been less concerned with whether and how class origin matters for earnings within broad class destinations.
This means that the question of whether there are class-origin pay gaps along the same lines as racial and gender pay gaps has only begun to be addressed, and has not been studied at all in the United States. Recently a number of studies in Europe have shown that the resources that flow from class origin often affect occupational trajectories well beyond occupational entry (Friedman and Laurison 2019; Hällsten 2013; Hansen 2001). Specifically, work in a range of national contexts has demonstrated that even when those from working-class backgrounds are successful in entering a range of elite occupations they go on to receive significantly lower incomes than their privileged colleagues (Falcon and Bataille 2018; Laurison and Friedman 2016; Mastekaasa 2011; Toft and Friedman 2020).

Although we know there are class-origin earnings or income gaps, even among those in broadly similar occupations, in the UK, Spain, France and Norway, there are at least two good reasons to think that class origin might not matter much for earnings, given a particular class destination, in the United States. First, class is widely held to be less socially salient in the United States. Popular narratives – particularly those orientated around the American Dream – doggedly maintain that class matters less in the United States than it does in the United Kingdom and Europe. As DiMaggio (2012) points out, class is “far less institutionalized in the United States than are gender and race;” where the UK, for example, has a government commission on social mobility, the United States political and legal systems rarely if ever deploy class as a social category. Americans are also somewhat more likely than those in many other countries to identify as “middle class,” regardless of their “objective” class origin and destination (Evans and Kelley, 2004), and they consistently underestimate the importance of class in determining life outcomes (Kraus 2015; Kraus and Tan 2015). Americans who achieve upward mobility are also less likely to identify with their class origins (Naudet and George 2018). This downplaying of
class difference may in turn impact many of the potential mechanisms that produce class-origin advantages and disadvantages in workplaces elsewhere. For example, embodied aspects of class-cultural division in the workplace, such as differences in accent, dress and taste, may be more muted and less consequential in the US. While people in the UK readily identify one another’s accents as “posh” or “working-class,” along with any number of regional and even local variations (Donnelly, Baratta, and Gamsu 2019), most people in the United States tend to presume accents are purely regional or sometimes racialized, not classed.

Second, the imbrication of historical and ongoing racism and white supremacy with class position in the United States might mean that race simply trumps class. It is certainly true that class position and economic inequality are inextricably tied to racial inequality and racism in the United States, and there is a long history in the United States of white racial identity being used to pre-empt cross-racial working-class identity, and racism being used to obscure class status (Branch and Jackson 2020; Du Bois 1934; Metzl 2019; Roediger 1999). It would be reasonable to think, then, that class origin might not matter above and beyond racial group in predicting who earns more or less in a given occupational class category. In other words, it could be that the benefits of whiteness accrue to all white people in elite occupations regardless of their class origin, so that white people from working class origins fare similarly to white people from privileged origins. And it would certainly not be unreasonable to think that racism reduces or eliminates the advantages that class origin might confer for Black and Brown people, so that we would not expect to see a class-origin pay gap among people of color, either.

On the other hand, there is an extensive, mostly qualitative, literature probing the “long shadow” that class origin casts across people’s experiences of and success in an array of educational settings, from elementary school (Calarco 2018; Lareau 2011) through high school
(Khan 2010), and college (Armstrong and Hamilton 2015; Jack 2016; Richards 2020). There is also extensive qualitative and quantitative work on class origin and occupational access e.g. (Hout 1988; Rivera 2012). There is less work on how and whether class origin continues to matter later in adulthood, but Lareau’s follow-ups with her initial participants (2015) and Streib’s book on cross-class marriages (2015) both show that even in the United States, even (in the case of Streib’s book) when looking only at white people, class origin is meaningful and consequential well into adulthood.

However, there is a striking absence of recent research taking this further to examine whether “class-origin pay gaps” also exist in the US. The question of whether, and to what extent, class origin matters for earnings beyond occupational entry in the United States is fairly open. There are reasons to think the United States might be different in important ways from the European countries where “class ceilings” have been identified, and there are also studies indicating that class origin should matter here as well. Moreover, the scale of inequality is larger in the United States—the rich are richer and the poor are poorer—so it is possible that in fact class pay gaps could be larger in the US than elsewhere.

In this paper we address this question by using the 2015 wave of the Panel Study of Income Dynamics (Brady and Kohler 2019; Survey Research Center 2020) to look at earnings by class origin among those in higher professional and managerial occupations. We show that there is a substantial class-origin pay gap; those from working-class backgrounds have predicted annual earnings around $25,000 less than those from privileged backgrounds, even when they are otherwise similar in terms of educational attainment, individual occupation, hours worked, firm size and level of experience. This analysis demonstrates that class origin, together with race/ethnicity and gender, is important for career success well beyond occupational entry.
People’s class roots do not disappear or cease to matter even when they are working in elite occupations.

**Class, Race, and Earnings**

Sociological analyses of class mobility have consistently demonstrated the unequal opportunity chances that exist in modern capitalist societies. Most of these take a fairly fixed approach to measurement—comparing the absolute or relative rates of mobility between a person’s class of origin (usually measured in terms of parental occupation) and their class of destination (measured in terms of own occupation) in a symmetrical analysis. Economists generally favor similarly symmetrical analyses of income and earnings, looking at parent-child income elasticities.

Notwithstanding the centrality of this work, a growing body of literature has begun to highlight the limitations of this symmetrical approach (Hällsten 2013; Hansen 1996; Laurison and Friedman 2016). In particular this research highlights how conventional approaches to mobility tend to overlook the extent to which class origin continues to shape outcomes throughout the lifecourse. By limiting our understanding of class destinations to simply who enters occupations, standard analysis tends to miss important distinctions within occupations. For example, a number of recent studies have demonstrated that even when those from working-class backgrounds are successful in entering a range of elite occupations they go on to receive significantly lower incomes than their privileged colleagues. Such a class-origin pay gap has now been documented in a range of national contexts, including Britain, France, Norway, Sweden, Spain, and Australia (Bernardi and Gil-Hernández n.d.; Falcon and Bataille 2018; Hällsten 2013;
Hansen 2001; Laurison and Friedman 2016; Mastekaasa 2011). While a few of these studies attribute this inequality to specific differences in educational attainment, most find that class pay gaps remain substantial even after adjusting for class-origin differences in education, demographics, work location, occupational sorting, and supposedly “meritocratic” measures of “human capital” such as experience, training, and hours worked.

These studies not only demonstrate how standard approaches to mobility tend to obscure the stickiness of class origin but they also reveal a powerful and previously unobserved aspect of earnings inequality. Indeed class-origin pay gaps imply profound inequities in life chances, and possibly also class discrimination in the workplace.

They may also point to “class ceiling” effects in elite occupations. For example, Friedman and Laurison (2019) find patterns of horizontal and particularly vertical segregation (by class background) within their case studies of a large multinational accountancy firm and a national television broadcaster in the UK. Similarly, Toft (2019) shows that the socially mobile in Norway tend to have much less stable careers when they reach the highest rungs of the occupational hierarchy, arriving later than their privileged colleagues and being less likely to “stay up.”

One notably underexplored national context in this emerging literature on class pay gaps and ceilings is the US. This is particularly surprising considering Torche’s (2011) influential work found a significant within-occupation earnings gap by social background among highly-educated “professionals” and went on to call specifically for further interrogation of such “ascriptive sources of labour market inequality.” However, we know of no US study that has
subsequently taken up this call to look at how class origin shapes earnings in high-status occupations.¹

Of course there is a voluminous literature in the US probing the wider topic of the “long shadow” of class origin (Lareau 2015). There is a large body of research pointing to various ways that privileged origins shape labor market outcomes. Early touchstones in this regard include the work of Jencks et al (1972), who detected a significant direct effect of class origin on pay across all US workers, Pfeffer’s (1977) work on class-origin pay gaps among graduates from the same business school, and Useem and Karabel’s work on corporate executives (1986). More recently, the pioneering work of Rivera (2011, 2015) has shown the barriers that those from working-class origins (along with women in all racial groups and people of color from all class origins) face at every step of the recruitment and hiring process at elite professional service firms. First, top firms eliminate nearly every applicant who did not attend an elite college or university. They then put applicants through a series of “informal” recruitment activities, such as cocktail parties and mixers, that are generally uncomfortable and unfamiliar to those from working-class backgrounds. Finally, when formal interviews happen, selectors often eschew official criteria and evaluate candidates more on how at ease they seem, whether they build rapport in the interview, and whether they share common interests. Rivera describes this process as “cultural matching.” Alongside this, other innovative work has also probed the way cultural signals of class origin, such as accent (Kraus et al. 2019) or highbrow omnivorous taste

¹ It is worth noting that a recent working paper (Lundberg 2020) does identify a class-origin pay gap in the US. However, the paper uses General Social Survey data pooled over 30 years (to get a large enough sample size), meaning it is hard to draw reliable conclusions about whether the pay gap identified remains today.
(Koppman 2015) can affect hiring decisions in a range of high-status US occupations, and particularly work against women (Rivera and Tilcsik 2016; Thomas 2018).

Another thread of research, largely running in parallel to work on class origin and destination, has looked at how earnings vary by race and gender. These two threads are rarely connected. We have plenty of evidence that Black people and other people of color, and women of all racial-ethnic groups, face barriers to both entering and advancing within occupations that were historically reserved for privileged white men (Wingfield and Chavez 2020). A rich body of research demonstrates that glass ceilings and gender and racial-ethnic pay gaps pervade the labor market as a whole and professional and managerial occupations specifically (e.g. Collins 1993; Gorman and Kmec 2009; Lacy 2004; Wingfield and Wingfield 2014; Woodson 2015; Yavorsky et al. 2019).

Despite both these streams of research, there has also long been a narrative in US stratification research that education represents the “great equaliser,” and often very effectively irons out class inequalities in the workplace. This belief was strongly informed by Hout’s (1984, 1988) classic studies, which showed that the direct effect of class origin on occupational attainment in the US was almost entirely eliminated once people have obtained a bachelor’s degree. As Hout (1988: 1391) famously asserted: “This finding provides a new answer to the old question about overcoming disadvantaged origins: A college degree can do it.” This equalisation thesis has largely been supported by subsequent work (see Pfeffer and Hertel 2015), although important recent caveats have highlighted that the relationship between origins and destinations reappears among advanced degree holders (Torche 2011), when accounting for more fine-grained types of university (Zhou 2019) and when looking at intergenerational earnings (rather than occupational) mobility (Witteveen and Attewell 2017). Nonetheless, Torche (2018) has
recently reintroduced the notion that education can act as an equaliser, showing that among the highest academic attainers – PhD holders – there is very little relationship between social origin and future earnings.

In sum, then, there remains some ambivalence within US scholarship about the long shadow of class origin, and a striking absence of work probing this in the specific context of who gets ahead in America’s higher professional and managerial occupations. In this paper we therefore address this issue, asking: do upwardly mobile individuals attain the same levels of earnings as people from more privileged backgrounds in high-status occupations? And if not, can this be explained by differences in educational attainment, occupation, or work context between the two groups, or does a “class ceiling” persist when we compare otherwise similar people from different class backgrounds?

Data and Methods

We draw here on data from the 2015 wave of the US Panel Study of Income Dynamics. We combine the WZB PSID File (Brady and Kohler 2019; see also Brady, Finnigan, and Hübgen 2017) with the more detailed occupational information about respondents’ current main job available in public PSID files (Survey Research Center 2020).²

The PSID is a well-known long-running panel study which oversamples families who are Black and/or low income. While it is a panel study and therefore not a representative sample, it is possible to use the weights provided to approximate a nationally representative sample.

² More details on the data and variables in this analysis are in the supplemental material. We are very grateful for the work that went into creating the WZB file. Any errors here are of course our responsibility.
We have done parallel analyses with and without using the survey weights; following Hertel and Groh-Samberg (Hertel and Groh-Samberg 2014) we generally report unweighted results, as the cross-sectional individual weight provided by the PSID gives a weight of zero to some respondents; analyses using weights generally return even larger effect sizes than those we report below. We include in our analyses all original respondents, their spouses, their descendants, and their families who participated in the 2015 wave, and who were between the ages of 25 and 69 (inclusive) in that year. This gives us an initial sample size of 11,786.

In our analyses, we exclude all those who do not have information on parental occupation (1182 people) and/or who are not currently employed (2166 people). This leaves us with 8,721 respondents, 778 in higher managerial and professional occupations (EGP I). Most of our analyses examine earnings for those in EGP I; for these, we also exclude 32 respondents with reported earnings under $10,000, leaving us with 746 respondents with valid earnings to analyze; for the regression analyses we use listwise deletion across all covariates in the models and are left with N=615.

The PSID asks respondents what each parent’s “usual occupation” was when they were “growing up” and codes both parents’ occupations and individuals’ occupations to the US SOC 2000 occupational codes (until 2017, when they began using the 2010 codes instead). We used Morgan and Lee’s supplemental table (2017) to assign each occupation to one of the ten standard

3 This is the exclusion most likely to produce bias in our results; however, when we examine those with missing origins, their earnings patterns are most like those with working class backgrounds; so we may actually be somewhat underestimating the strength of the relationship between class origin and earnings.

4 We also exclude the one respondent who had reported class origin and destination, but not racial group.
Erickson-Goldthorpe-Portocarero (abbreviated “EGP”--Erikson, Goldthorpe, and Portocarero 1979) categories. Focusing on the parental occupations of those currently employed in EGP I (higher professional and managerial occupations), we consolidate EGP into four origin groups. The first two are simply the top two classes, EGP I (which we also call intergenerationally stable) and EGP II (lower professional and managerial or short-range upwardly mobile). We next constructed an “Intermediate” group including those with parents in EGP IIIa (higher routine nonmanual & service), IVc (agricultural owners & managers), V (higher technicians & supervisors), and all military occupations. Finally, the group we call “Routine/Manual” or “Working Class” is made up of EGP Classes VI (skilled manual workers), IIIb (lower routine nonmanual & service), VIIa (semiskilled & unskilled workers), and VIIb (agricultural workers).

Table 1 shows the distribution of respondents in our analyses from each class origin group.

In addition to dropping those with very low or zero earnings from our analyses, we also top-code earnings so that anyone with an annual income at or above the 95th percentile of those in EGP I destinations is coded as earning $244,000. This ensures that our results are not driven by a few respondents with extremely high earnings.5

Access to EGP I

It is well-established in literature on class mobility, but worth stating clearly here, that there are big differences in access to EGP I by class origin. Figure 1 illustrates this: respondents from advantaged EGP I origins are significantly overrepresented in EGP I destinations (they constitute less than 14% of the workforce but 30% of those in top occupations) and those from

5 When we include the full range of earnings, we see similar overall patterns but much larger confidence intervals. For more alternative specifications of earnings, see the supplemental material.
working-class origins are deeply under-represented (they make up 30% of the workforce but only 13% of those in EGP I).

**Figure 1**

*Note:* Data from the Panel Study of Income Dynamics, 2015 wave. N=8721 if they were between the ages of 25 and 69 in 2015, reported a current or recent occupation for themselves, and reported at least once parent’s occupation. Based on tables created using cross-sectional weights. Numbers to the left of each origin and destination group indicate the (weighted) proportion of respondents in each class group; for example, the .3 on the bottom left corner indicates that 30% of employed Americans are from families in routine/manual work (because of rounding, these do not all sum to exactly 1). The numbers to the right of each class origin and destination give the proportion in each flow or trajectory; for example, the 0.14 at the bottom right corner indicates that 14% of employed people are from Routine/Manual origins and continue to work in similar jobs as adults; the .01 at the bottom of the Higher Prof/Manager destination on the left indicates that only about 1% (actually just under 1.5%) of all employed Americans have experienced the steepest upward trajectory, from working class origins to a job in the top occupational category.
One important explanation of the under-representation of working-class origin people in top jobs is systemic and interpersonal racism. So, to understand the results in Figure 1 it is imperative to consider the intersections between class origin and race. Historical and ongoing white supremacy throw up barriers for Black people and other people of color in every aspect of their lives, from discrimination in housing (e.g. Roscigno, Karafin, and Tester 2009) to excessive policing (e.g. Kramer, Remster, and Camille Z. Charles 2017) to deep and persistent inequalities in health and health care (e.g. Sewell 2016). All of this, combined with both overt and subtle employment discrimination (e.g. Pager 2003), mean that Black Americans and other people of color are disproportionately from poor and working class families, and working in routine and manual jobs.

In other words, the distribution of access to all valuable resources is tied to white supremacy, and so (among many other inequities) Black, Indigenous, and Latinx people in the US are disproportionately relegated to lower-pay and lower-status work (e.g. Branch and Jackson 2020; Omi and Winant 2014).

Figure 2 shows the racial identity of those in each class origin group and compares how this differs between those in in higher managerial and professional destinations and those in all other parts of the workforce.
Figure 2

Note: Percentages calculated using weights, all employed adults ages 25-69, 2015 PSID

Figure 2 illustrates that higher professional or managerial occupations are disproportionately white, in addition to being disproportionately privileged-origin. It also shows that this is not simply about classed barriers to access; those in EGP I from routine/manual origins are disproportionately white. Or, to put it more directly, every class origin group in EGP I has a lower percentage of Black and Hispanic people than the same class origin group in the rest of the workforce. Relatedly, Black people in EGP I jobs are more likely to be from working class backgrounds than white people are. These are not novel findings (e.g. Laurison, Dow, and Chernoff forthcoming; Wilson 2011), but provide important context for understanding our results.

Of course, in the process of aggregation to large EGP classes, the detailed dynamics of occupational contexts are underspecified (Weeden and Grusky 2005). It is often at the localized level of disaggregated occupational groups or “microclasses” that the key processes of class
formation—social closure and reproduction, identification and awareness, collective mobilization and exploitation—can most clearly be seen to emerge (Jonsson et al. 2009). To tap this, Figures 3 and 4 show the class-origin and racial composition, respectively, of each of the eleven “microclasses” that comprise EGP I (details on the specific occupational codes in each of these are in the supplemental material).

**Figure 3**

Note: Percentages calculated using weights, all employed adults ages 25-69, 2015 PSID. Dollar figures are weighted average annual earnings for each occupation group (for those earning at least $10,000/year and with earnings over $244,000 coded as $244,000).

One key take-away from Figure 3 is that there is a fair amount of variation in the class-origin composition of different microclasses. People from higher (but not lower) managerial & professional backgrounds are actually somewhat underrepresented in public sector jobs, relative to their prevalence in the workforce overall. People from working class backgrounds are underrepresented in every microclass, but they are more than three times as common in business analysis positions (24% ) as among doctors (less than 8%).
Moreover, doctors are the highest paid group, and have the largest proportion of people from privileged origins. Two of the three lowest paid occupation groups (accountants and related, and public sector workers—though not academics) also have by far the smallest proportion of people from EGP I origins. While earnings and class composition do not line up perfectly, the overall trend is for higher-paying occupations to have larger proportions of people from professional and managerial origins.

Similarly, Figure 4 shows that while all higher managerial and professional occupations are disproportionately white, there is real variation in the racial composition of the microclasses that make up EGP I. Notably, public sector and management roles are markedly more racially diverse, whereas law, CEOs, medicine and academia are especially white. It is worth noting here as well that the most class-inclusive occupations are not always the most racially diverse – accounting, for example, has relatively high proportions of working-class and intermediate-origin people, but one of the lowest percentages of people of color.
Class Pay Gap

We now turn to the question of whether, once employed in higher professional and managerial occupations, the upwardly mobile attain the same levels of earnings as people from more privileged backgrounds. Our analysis demonstrates that there is a substantial class-origin pay gap in America’s most prestigious occupations. As Figure 5 demonstrates, there are large gaps between the earnings of those in EGP I jobs who are themselves from higher managerial and professional backgrounds, and all others in these occupations. Those from class-privileged backgrounds, for example, report average annual earnings of $108,614, a figure nearly 50% higher than the $72,766 reported by their colleagues from working-class routine/manual origins. This is a gap of nearly $36,000—a difference close to the total earnings of the median individual in the United States.

Figure 5
This class pay gap is not simply driven by a small number of very high earners from privileged origins. As mentioned above, everyone earning above $244,000/year is coded as earning exactly $244k, so extremely high earnings are already kept from influencing these results. But even among those with earnings below that level, Figure 6 demonstrates that there is a systematic class pay gap within EGP I, with those from working-class backgrounds disproportionately located in the lowest earnings quartile and those from higher professional or managerial backgrounds significantly over-represented in the top half (above $75,500) and especially the top quartile (above $116,000) of the EGP I earnings distribution.

Figure 6

Note: Unweighted proportions for four quartiles of earnings in EGP I (for those earning at least $10,000/year and with earnings over $244,000 coded as $244,000), all employed adults ages 25-69, 2015 PSID. The lowest quartile of earnings in EGP I is up to $49,203; the 2nd quartile is earnings above that up to $75,200; the 3rd quartile ends at $115,620.
Given both the extreme racial inequality in the United States, and the relatively high proportion of people of color from working-class backgrounds in EGP I, it would be reasonable to expect that the “class” differences reported here are driven by race rather than class. However, when we look at class and race together in Figure 7, it is clear that there are substantial class pay gaps among white people in our top jobs. We also see some evidence of a double earnings disadvantage for socially mobile blacks—both a class and a racial pay gap in top jobs. But it is important to note here that any meaningful intersectional analysis of class and race is hampered by the very small number of non-white individuals in EGP I—even with the Black oversample in the PSID there are only 88 Black EGP I respondents in our data, and only 81 from other racial-ethnic groups. 6 This, of course, is sociologically significant in itself and echoes a wide range of literature highlighting the systemic barriers that prevent many Black people and other people of color from entering these top occupations in the first place (Pattillo 2013; Wilson, Saka-Lemessy, and West 1999).

6 Using the survey weights, the PSID data indicates that EGP I is only 4.5% Black; because of the oversample of African-Americans, there are 88 Black people in our analytic sample of 746 people in EGP I. There are only 53 Hispanic people and 28 identified as “any other race”—not enough for meaningful analyses by specific racial group.
Figure 7

Note: Unweighted estimates of average earnings for each group (for those earning at least $10,000/year and with earnings over $244,000 coded as $244,000), all employed adults ages 25-69, 2015 PSID. Dots represent the point estimates; lines indicate the 95% confidence interval for each estimate.

Next we examine intersections between class and gender. There is strong evidence that the experience of upward mobility is distinct, and often particularly difficult, for women (hooks, 1993; Lawler, 2009). Figure 8 thus shows that women not only earn less than men, but working-class women clearly face a double disadvantage—earning about $20,000 on average less than privileged origin women, who in turn earn close to $40,000 less than privileged-origin men.
Figure 8

Note: N = 746. Unweighted estimates of average earnings for each group (for those earning at least $10,000/year and with earnings over $244,000 coded as $244,000), all employed adults ages 25-69, 2015 PSID. Dots represent the point estimates; lines indicate the 95% confidence interval for each estimate.

Of course, the distributions of earnings averages we have shown so far do not necessarily tell us whether the upwardly mobile face a “class ceiling” in top occupations. The mobile may, for example, simply be different from their intergenerationally stable colleagues in other respects; maybe they are younger on average than those from privileged backgrounds and therefore less far along in their careers? Or perhaps the privileged have higher rates of educational attainment? Maybe they are just more experienced or work longer hours? In order to disentangle potential sources of class-origin income difference, we next perform a series of nested ordinary least squares regressions to control for four sets of factors that previous literature has identified as pertinent sources of earnings inequality. The coefficients for class origin for

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7 We choose OLS on untransformed annual earnings for simplicity of presentation and interpretation; we have run robustness checks (available in the supplemental material) on these
each of these models are presented in Figure 9; the full regression table is part of the supplemental material.

Model 1 has only class origin in the model, with higher professional & managerial origins as the reference category; the coefficients are essentially the same as the class-origin pay gaps identified in Figure 3. In Model 2 we add demographic controls for age, racial/ethnic group, and gender. Taking into account these factors leaves the predicted class origin earnings gap between working class-origin and EGP I-origin respondents essentially the same, at close to $30,000/year. While there are differences in the racial/ethnic and age composition of each class origin group, they do not explain the class-origin pay gap.

![Graph showing Predicted Pay Gaps in EGP I](image)

analyses using the log of income as the dependent variable, and using the PSID weights, and see fundamentally the same pattern regardless.

8 These analyses are on a smaller sample than those in Figures 3 through 8 because 131 people who have valid responses to all the other the other questions do not have valid answers to the firm size and/or work experience questions in Model 5. If we include those with this missing information on Models 1-4, we see essentially the same pattern; shown in the supplemental material.
In Model 3 we add educational attainment; specifically whether the respondent completed high school or less, has some college or an Associate’s degree, a Bachelor’s degree, or a Master’s degree or more. As outlined in the introduction, education is still considered by some US scholars as the “great equalizer” when it comes to class inequalities in the workplace (Hout 1988). However, as Figure 9 shows, while controlling for education reduces the predicted size of the class-origin pay gap by about 10% for both routine/manual and intermediate origin groups, a substantial gap remains even when comparing respondents from different class origins with similar educational credentials. Intermediate and routine/manual origin respondents’ predicted earnings are $14,700 and $27,400 lower, respectively, than similarly-educated higher professional/managerial origin respondents’.

In Model 4 we add occupational “sorting.” Specifically, we identify 11 professions or occupational groups within EGP I. Again we see little change in the coefficients for class origin. Finally, in Model 5 we add other aspects of the employee’s work situation: the number of years they have been with their current employer, the hours they work, and the (log of the) size of their current firm. We still see a large class-origin pay gap even with these controls.
Figure 9 shows that even when we account for a person’s educational credentials, their individual occupation, the hours they work, and their level of experience, a significant class-origin pay gap remains for both the mid- and long-range upwardly mobile. Those from intermediate and working-class origins who are otherwise similar—in every way we can measure—to those from privileged origins are still earning, on average, $11,000 and $25,000 less (respectively) per year within America’s top occupations.

**Discussion/conclusion**

Even when those from working-class backgrounds successfully enter America’s higher professional and managerial occupations, they face a powerful “class ceiling” in terms of earnings. This pay gap persists even after controlling for age, gender, race and ethnicity, education, occupation, and various aspects of work context. This inequality is also comparatively large. It is substantially higher than the class-origin pay gap (in similar occupations) in the UK and France—societies normally considered the exemplars of class inequality (Falcon and Bataille 2018; Laurison and Friedman 2016).
This pay gap may reflect two distinct inequality-generating mechanisms. First, it may indicate that those from working-class backgrounds are earning less for doing the same work (that is, for doing jobs at the same level, in the same company and same department). Here a number of mechanisms that we cannot measure may be at work; those from working-class origins may be more reluctant to ask for pay raises, be less likely to leverage promotions by threatening to leave, or face forms of class discrimination, snobbery or “microaggressions” in elite workplaces (Rivera, 2016; Lee, 2017).

Second, class pay gaps may indicate patterns of workplace segregation, that is, those from working-class backgrounds may receive lower incomes because they are less likely to enter the most prestigious specialties or departments (horizontal segregation) or because they are less likely to reach the most senior or lucrative positions (vertical segregation). In short, the upwardly mobile may face a distinct “class ceiling.” Indeed, while our analysis accounts for whether people sort into certain occupations or larger or smaller firms, we are not able to see other potentially pertinent sources of workplace segregation. However, following the work of Ho (2009), Rivera (2015), Friedman and Laurison (2019) and Tomaskovic-Devey and Avent-Holt (2019), it is likely that key mechanisms underpinning the US class pay gap are the filtering of the class-privileged into the most elite high-paying firms, the most lucrative specialties or departments within firms, and the most senior positions.

These two processes are also sociologically distinct. Unequal pay for equal work is significant in that it indicates clear-cut discrimination in the labour market, whether directly (e.g. class prejudice) or indirectly (e.g. inclination toward pay negotiation). Segregation or sorting, on the other hand, implies that the upwardly mobile face certain threshold or “class ceiling” effects in their career progression. Such “class ceilings” also contain a wider theoretical significance.
This is because when elites are drawn from narrow social origins, sociologists have long argued they are more likely to develop “a unity and cohesion of consciousness and action” (Scott 2008:35) which, in turn, may have profound implications for the exercise of power (Domhoff 2002; Reeves et al. 2017). This “elite closure” thesis is most prominently associated with Mills, who argued that shared class origins played a key role in “fusing psychological and social affinities” among the U.S. “power elite.” This commonality, he argued, “tends to make members of the power elite more readily understood and trusted by one another,” to “sympathize with one another’s point of view;” in short, “to say to one another: he is, of course, one of us” (Mills 1999:64–67; 278–83).

Clearly, follow-up work is needed to distinguish between these two different dimensions of class pay gaps, and to interrogate the mechanisms driving each. However, drawing on work on the UK class ceiling (Friedman and Laurison, 2019), we would encourage future research to focus on the numerous resources associated with class origin that we cannot measure here, such as the sponsorship networks forged on class-cultural homophily and elite work cultures where classed self-presentation is routinely misrecognized as merit. Further, while our analysis demonstrates that educational attainment only acts as a limited equalizer, it is worth acknowledging that more fine-grained measures of attainment such as GPA, or “sorting” into more prestigious universities and subject-areas, may explain a further portion of the class pay gap.

Finally, we believe these findings have implications for US scholars of class and mobility. In particular, we see our work as extending the reach of a growing body of research exploring the “long shadow of class origin” (Lareau 2015). This work has long elucidated the stickiness of class background in shaping people’s experiences of US schooling from elementary
school through college (Armstrong and Hamilton 2015; Calarco 2018; Jack 2019; Khan 2010; Lareau 2011). More recently, a series of studies has shifted the focus to the labor market, and specifically, how the hiring practices of elite firms work to advantage those from privileged backgrounds (Koppman 2015; Kraus et al. 2019; Rivera 2015; Thomas 2018). While these studies are illuminating, their analysis starts and finishes with the issues of occupational admission. This reflects the longstanding sociological conceptualization of social mobility as a process that finishes at the point of occupational entry. Yet we see our distinct contribution here as illustrating the ways in social origin systematically shapes how well people get ahead in America’s higher professional and managerial occupations, not just which occupations they are able to get in to.

References


