

New Perspectives for Learning - Briefing Paper 59

Education and Wage Inequality in Europe

This is an Interim Briefing Paper of the project that started in November 2002

Context of the Research

The EU and most national governments consider educational expansion as an important policy tool when trying to reverse or slow down the rise in inequality observed in a growing number of European countries. At the same time, emerging evidence reveals that aggregate wage inequality is due not only to differences between educational groups but arises from differences within these groups as well. This project aims at deepening the understanding of the interplay between educational expansion and wage inequality in Europe based on comparative research on nine European Countries (Finland, France, Germany, Greece, Italy, Norway, Portugal, Sweden, and the UK).

Key Issues

The project is addressing: -

1. European wage inequality in order to provide a broad-based European-wide understanding of the static and dynamic nature of overall wage inequality.
2. The between-group and within-group dimensions of wage equality with respect to three key characteristics: education, age and gender.
3. The relative importance of the education-wage link *between* as well as *within* cohorts, and its evolution over time within and between the European countries.
4. The impact of existing policy on education-wage links in order to make recommendations for future policy by looking at labour market flexibility; educational, skill and institutional quality differences; over-education and job competition; gender differences; and experience and training.

Further Information

The full title of the project is: "Education and wage inequality in Europe". The final report is due in June 2005.

Interim results will be reported at two policy-oriented workshops in May or June 2004 and in April 2005.

The project web site at <http://www.etla.fi/edwin/> will be continuously updated with information on events, reports and results.

Research Institutions

The Research Institute of the Finnish Economy (ETLA), Finland
Université Panthéon-Assas (Paris 2), Equipe de Recherche sur le Marchés, l'Emploi et la Simulation (ERMES), France
Zentrum für Europäische Wirtschaftsforschung (ZEW), Germany
Centre for Economic Research and Environmental Strategy (CERES), Greece
Fondazione Eni Enrico Mattei (FEEM), Italy
Institute for Social Research, Norway
Universidade da Madeira, Portugal
Stockholm University, Swedish Institute for Social Research (SOFI), Sweden
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