Economic crisis and gender polarization in Europe? Insights from a MRIO

Employment polarization has been one of the most relevant consequences of technological change in advanced economies late in the XX century. Economic literature has extensively documented the skill-biased technical change in advanced economies showing a ‘U’ shape skill-labour demand distribution. The increase in the upper and bottom tails of the skill-labour demand distributions and the significant reduction in the medium skill categories of workers involved significant consequences on wages and income distribution. However, the potential implications of this skill-labour distribution by gender remain largely unexplored in the literature. Moreover, recent studies in feminist economics highlight the relevance of sectoral feminization or horizontal segregation in the persistence of gender gaps. Both facts suggest a relationship between employment polarization and gender dimension, which is closely related with the sectoral composition of the economy, the specialization patterns and the drivers of growth.

In this paper, we explore the role of gender in job polarization and wage inequality for Europe from 2008 to nowadays. We provide evidence on the evolution of these indicators, as well as the structural, technological and specialization factors underlying. We particularly focus the analysis on the effect of the stylized facts found on the persistence of gender gaps and gender pay inequality. Methodologically, we depart from a multisectoral and multiregional input-output (MRIO) model to develop several indexes accounting for employment polarization, gender dimensions, gender pay gap and structural change in Europe. Decomposition of gender inequality is first explored on the basis of these indexes. Then, we econometrically contrast the relevance of these factors to explain sectoral, country and regional gender differences in Europe.