

## **Gender polarization and gender inequality in globalized economies: recent insights from a MRIO perspective**

Topic: Gender issues in Input-Output Analysis: New challenges and new perspectives - II

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Economic literature has extensively documented the skill-biased technical change in advanced economies showing a “U” shape skill-labour demand distribution, meaning employment polarization. Thus, 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 have involved significant consequences on wages and income distribution linked to the technical change and the development of ICT technologies in the eighties and nineties of the last century. The contribution to this process of the involvement of countries and regions in global value chains has been less explored and, significantly, the potential implications of the 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.

This paper goes deeper into these questions, approaching from a multisectoral and multiregional perspective, the implications of recent economic trends on gender polarization and gender inequality. More specifically, the European economy has experienced important changes in labour markets in the last decades, and particularly from the irruption of the international economic crisis in 2008 and the subsequent recovery processes to the most recent crises associated to the COVID pandemic and the international instability. These changes affect the employment distribution among sectors and countries. The internationalization of supply chains has also contributed to the current configuration of sectoral structures, employment attribution to sectors and occupations and, in consequence, to gender gaps. The distribution has been unequal among countries, finding certain patterns of regional-sectoral specialization with effects on labour composition.

The incidence of economic crisis has been also largely different by age groups, affecting notably to young and elder employees. Interesting gender differences can be found by age and skill groups, which help to understand the current nature of European pay gender gaps.

In this paper, 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 and in a group of advanced economies. The relationships of these indexes with the performance of countries and sectors in GVCs, country specialization, and economic closeness are empirically tested by way of econometric analysis.

Our results point at a type of gender polarization, with different characteristics than those observed for the US economy in previous decades, with heterogeneous composition by countries and regions in Europe (Northern, Mediterranean, central Europe), age groups and sectors. Our preliminary results also provide some evidence of the relationship between these factors and the country specialization and export orientation over the period studied.