Earnings Mobility Traps in the Work-Life Cycle –
Empirical Evidence from Selected Countries

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Abstract

Based on representative longitudinal data (CNEF 1980-2011) the paper aims to contribute to the literature in quantifying the degree and the determinants of earnings dynamics of men and women in their work-life course in European countries and the United States. We analyze to what extent the initial status and the change of human capital characteristics as education and job experience, occupation, job, employment status, and employer related attributes explain heterogeneous earnings dynamics in the work-life course. We employ mobility measures which are sensitive at different parts of the earnings distribution. We apply regression approaches to quantify the influencing factors of earnings dynamics in the work-life course. Finally, we employ decomposition routines to evaluate the contribution of between and within group earnings mobility (Ayala and Sastre 2008, Buchinsky and Hunt 1999, Fields and Ok 1999, van Kerm 2003). The paper is organized as follows. Section 1 provides the theoretical background and the related literature. Section 2 presents the data and the methodology used. Section 3 discusses the empirical results, and section 4 concludes with a summary of findings and future prospects for economic and social policy.

References:


