

Ф. Слонимчик (ГУ-ВШЭ)

Skill Mismatch and Earnings: A Panel analysis of the U.S. Labor Market

This article examines the effect on earnings induced by a mismatch between workers' skills and the skills actually required on the job. It uses the Current Population Survey (CPS) for the period 1983–2002. The special re-interview methodology of the CPS is used to create a large panel, so that individual heterogeneity can be controlled for. Cross-sectional analysis confirms the findings in the recent literature. Returns to required schooling are higher than the returns to attained education in standard earnings regressions. Also, for workers with similar educational attainment, over-education reduces earnings and under-education increases them. These results are confirmed after controlling for individual fixed effects.