

The Causes of Falling Wage Share and Prospects for Growth with Equality in a Globalised Economy

This [INET](#) funded research project analyses the determinants of the wage share and contributes to the theory and empirical analysis of income distribution, combining insights from political economy, institutional economics, and industrial relations.

There has been a significant decline in the share of wages in GDP in both developed and developing countries since the 1980s. Empirically, this project estimates the effects of technological change, globalisation, labour market institutions, financialisation, changes in the composition of government spending, rise in personal income inequality, and market concentration on the wage share, using both firm- and sector-level data. The research fills the gaps in the literature by identifying and testing the key hypothesis in the literature simultaneously, with new and more detailed measures of welfare state retrenchment, financialisation, globalisation, and bargaining power.

Research and policy related output

Policy Briefs

Onaran, Ö. and Guschanski, A. (2018) "The causes of falling wage share: sectoral and firm level evidence from developed and developing countries – what have we learned?", GPERC Policy Briefs, University of Greenwich, [#PB23-2018](#).

Onaran, Ö. and Guschanski, A. (2018) "What drives the four decades-long decline in labour's share of income?", GPERC Policy Briefs, University of Greenwich, [#PB22-2018](#).

Onaran, Ö. and Guschanski, A. (2016) "Rising inequality in the UK and the political economy of Brexit: lessons for policy", GPERC Policy Briefs, University of Greenwich, [#PB10-2016](#).

Technical Reports

Guschanski, A. and Onaran, Ö. (2018), "The labour share and financialisation: Evidence from publicly listed firms", Greenwich Papers in Political Economy, University of Greenwich, [#GPERC59](#)

Guschanski, A. and Onaran, Ö. (2017), "Why is the wage share falling in emerging economies? Industry level evidence", Greenwich Papers in Political Economy, University of Greenwich, [#GPERC52](#)

Guschanski, A. and Onaran, Ö. (2017), "The political economy of income distribution: industry level evidence from 14 OECD countries", Greenwich Papers in Political Economy, University of Greenwich, [#GPERC51](#)

Guschanski, A. and Onaran, Ö. (2016), "Determinants of the wage share: a cross-country comparison using sectoral data", Greenwich Papers in Political Economy, University of Greenwich, [#GPERC41](#).