

**AN ECONOMETRIC ANALYSIS OF EMPLOYMENT , WAGES AND PRODUCTIVITY IN EUROPE
IN COMPARISON WITH THE US AND JAPAN, 1964-2000**

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Abstract

European Union needs to have more clear policies of employment at national and regional level, in order to bridge the gap existing, in comparison with the USA and Japan, on real levels of Gdp per inhabitant in purchasing power parities. We present an econometric model which explain why both the rates of employment and real wages at lower in EU15 in comparison with the United States and Japan, in apparent contradiction with some theories which relate negatively the levels of wages and employment. In comparison with the USA, European countries have lower productivity per worker and lower rates of employment, while in comparison with Japan EU present higher levels of productivity but lower rates of employment. We also analyse the problems of low salaries and low rates of non agrarian employment in several countries of EU enlargement, as well as the. Finally we present some recommendations of political economy focused to increase the rates of employment, not based in wages reduction but in increases of production and productivity.

Key words: Econometric Models of Employment, Econometric Models of Wages, European Union, OECD countries, USA, Japan, International Comparisons of Productivity.

JEL classification C51, J3, J4, O52, O57

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