

WAGE DEVELOPMENTS IN THE EU UNDER THE CONDITIONS OF HIGH INFLATION

Prof. Dr. Thorsten Schulten

THE LEFT in the European Parliament

Cost of living crisis: Workers strike back

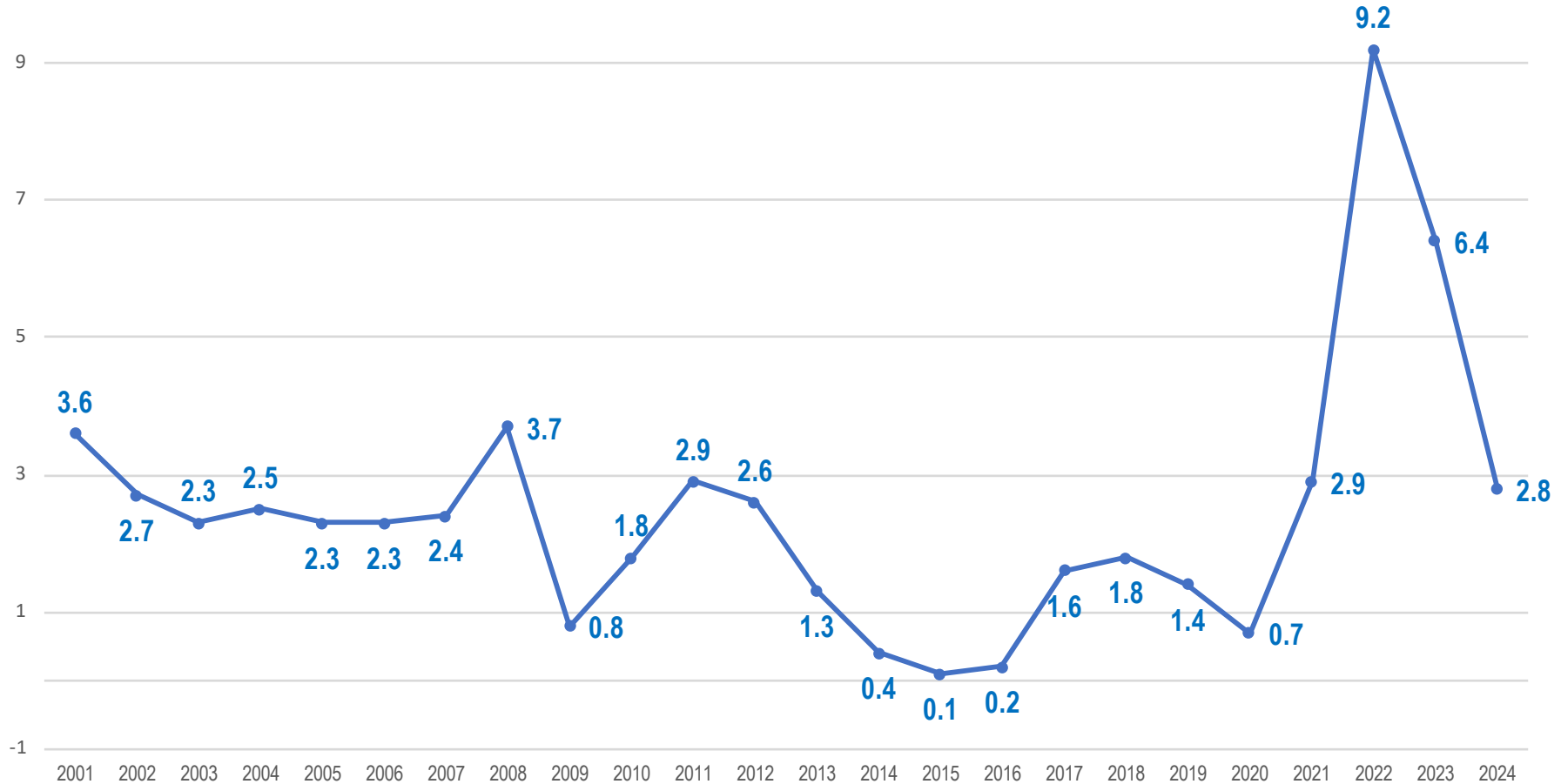
Conference in cooperation with
TUNE (Trade Union's Network)

8 March 2023, Brussels



Inflation, EU 27, 2001-2024

in % to the previous year

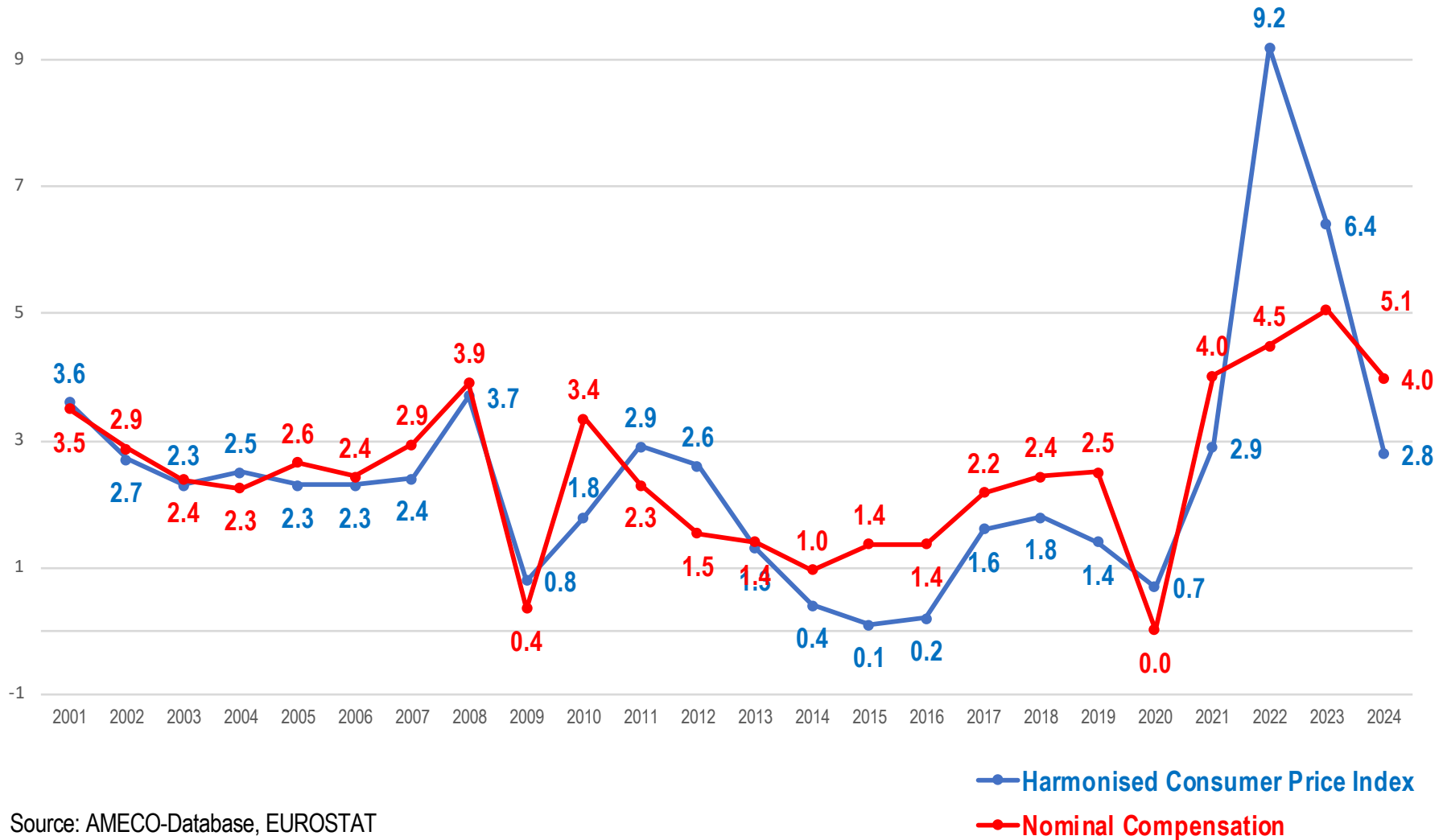


Source: AMECO-Database, EUROSTAT

—●— Harmonised Consumer Price Index

Inflation & Wages, EU 27, 2001-2024

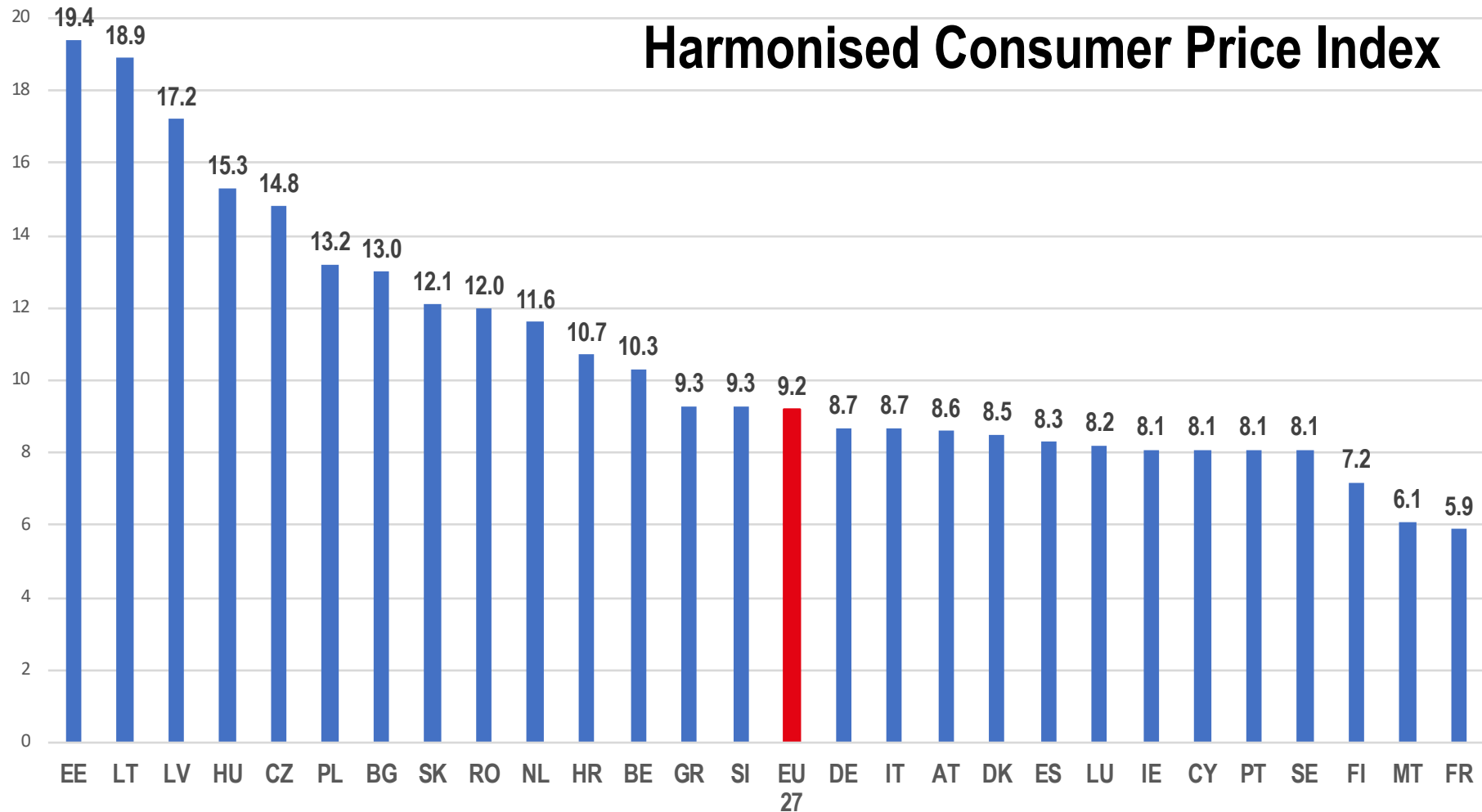
in % to the previous year



Source: AMECO-Database, EUROSTAT

Inflation, EU 27, 2022

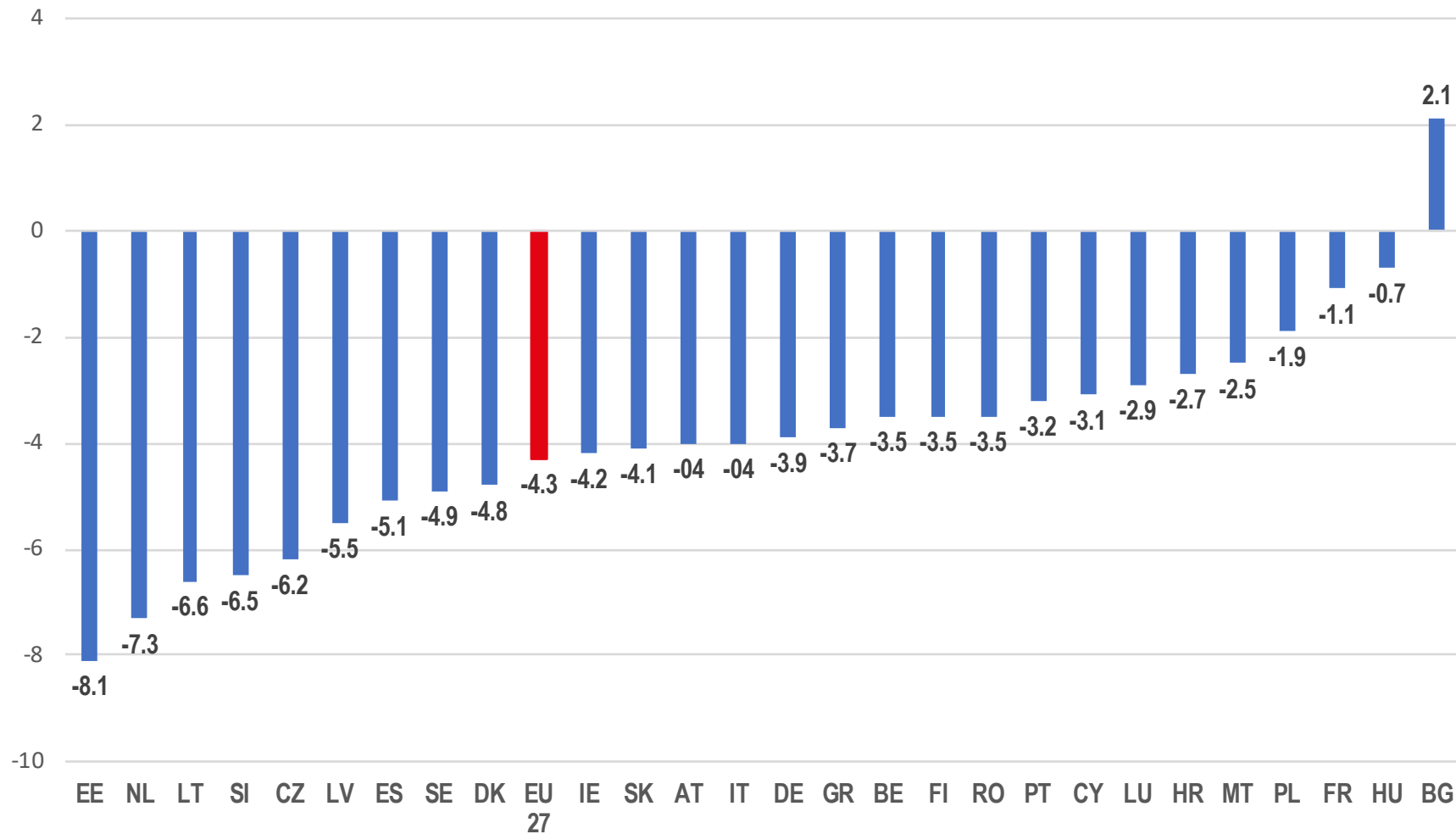
in % to the previous year



Source: EUROSTAT

Real Wages in the EU 27, 2022

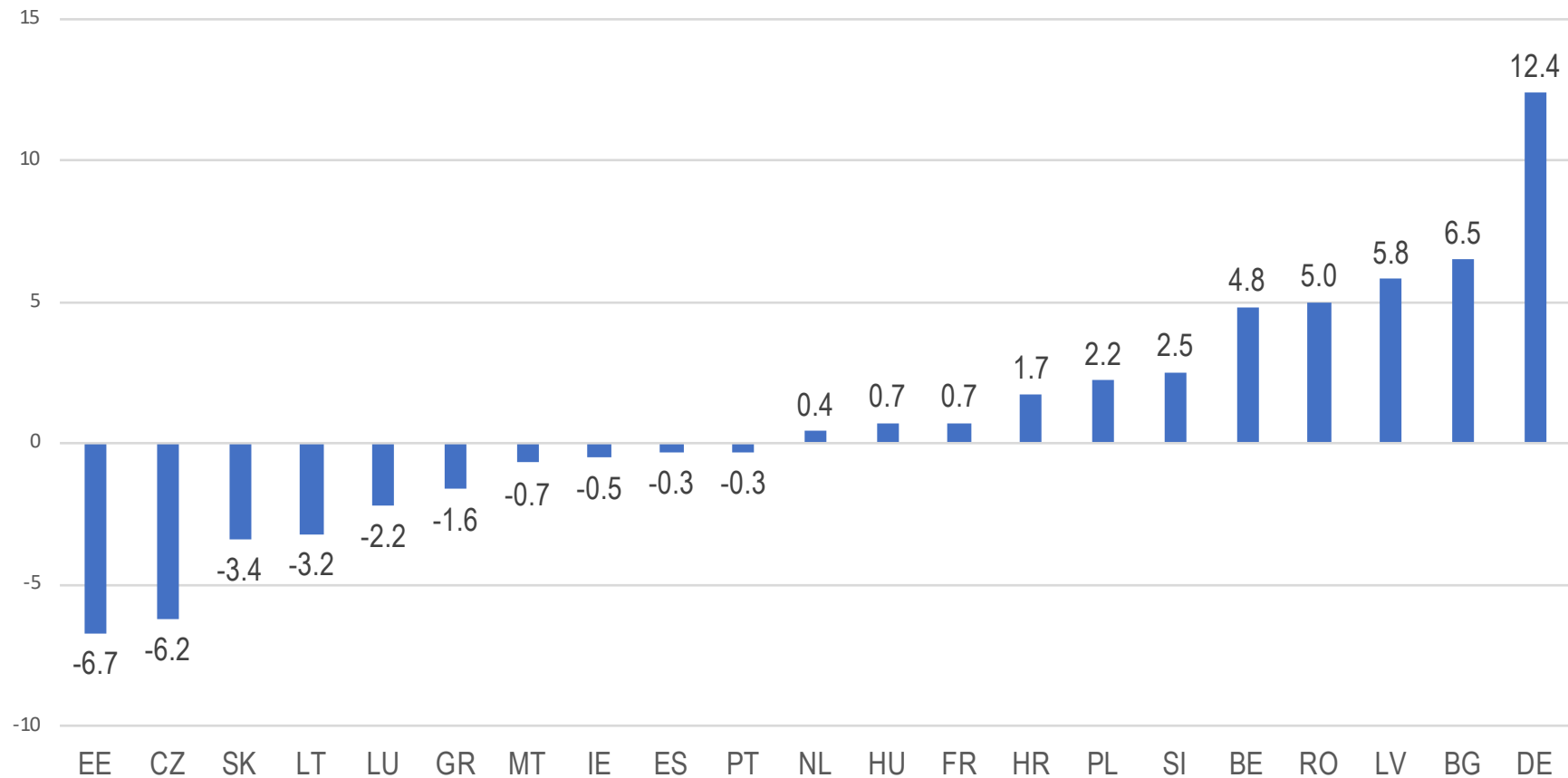
in % to the previous year



Source: AMECO-Database (Autumn 2022), EUROSTAT, own calculations

Real Minimum Wages in EU 27

change from Jan 2022 to Jan 2023 in %



Source: WSI Minimum Wage Database

Causes of **historically high inflation rates**



Covid-19 Crisis:
Supply Chain Disruption



War in the Ukraine
Increase of Energy and Food Prices



Causes of **historically high inflation rates**



Wage-Price-Spirale?

Inflation as the result
of a distributional conflict



← Thread



Olivier Blanchard
@ojblanchard1

1/8. A point which is often lost in discussions of inflation and central bank policy. Inflation is fundamentally the outcome of the distributional conflict, between firms, workers, and taxpayers. It stops only when the various players are forced to accept the outcome.

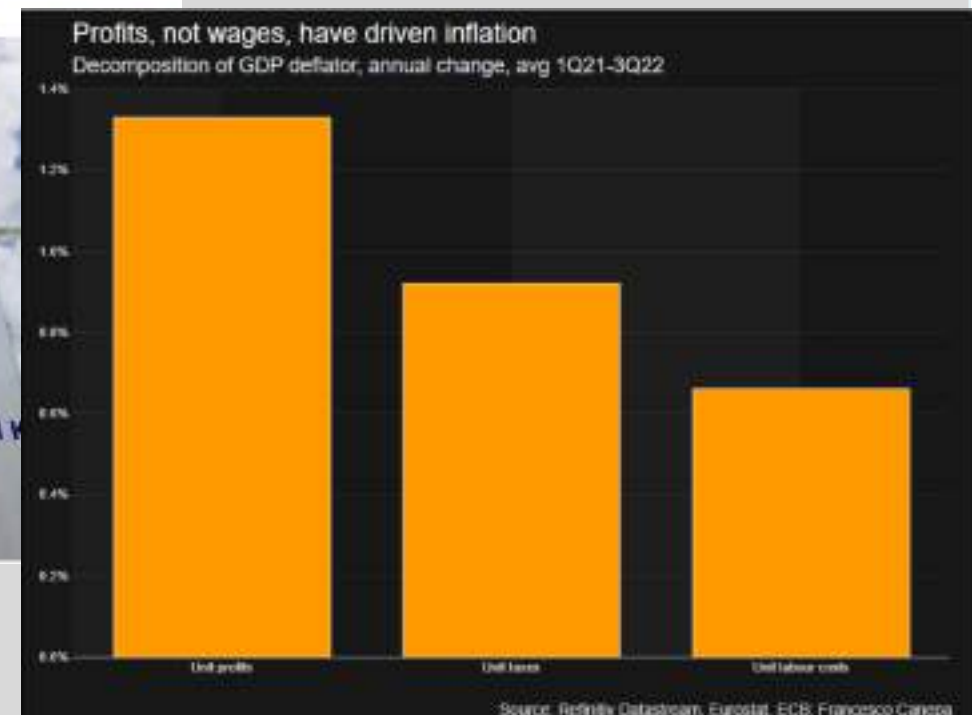
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12:24 vorm. · 31. Dez. 2022 · **3,2 Mio.** Mal angezeigt

Causes of historically high inflation rates



<https://www.reuters.com/markets/europe/ecb-confronts-cold-reality-companies-are-cashing-inflation-2023-03-02/>



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Many Thanks
for your **Attention!**



Prof. Dr. Thorsten Schulten
Thorsten-Schulten@boeckler.de
 Twitter: @ThorstenSchult6

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