

Earnings differences between employees and the self-employed in Peru, 2008-2009

Researcher: José S. Rodríguez

Department of Economics – CISEPA

The main purpose of this paper is to test the existence of income differences between employees and the self-employed in the labor markets of Peru.

For this purpose, information from household surveys, 2008 and 2009, and two semiparametric methods are used to make comparisons: propensity score matching and double difference

The results suggest the existence of segmentation between the two types of jobs studied (employees and self-employed), as the two methods applied reveal differences between 22 and 31% with double-difference method and between 33 and 64% with propensity score matching.