

THE CONTRIBUTION OF EDUCATION TO THE DEMOGRAPHIC DIVIDEND IN EUROPE

Demographic transition has been simultaneous to an educational transition, both impacting economic growth. We disentangle the effects of changes in the age structure and the educational attainment of the population on economic growth in 19 European countries.

Following Mason and Lee (2006) and Renteria et al (2016) we decompose de ESR growth in three components (Age, Education and Rate effects) and we estimate the first two in a stylized simulation exercise using:

- Population projections by level of education (VID)
- Age profiles of YL and C by level of education

Results: age and education components of the DD in Europe:

