

Role of Educational Expansion in Reducing Wage Inequality in Brazil: Evidence from RAIS

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Abstract: This paper examines the decline in the education wage premium in Brazil and its impact on income inequality. Using RAIS data (2003–2018) and Mincerian equations estimated year by year with OLS regressions, the study finds a significant reduction in wage returns to education across all levels, particularly for secondary and higher education. These results confirm that educational expansion increased the supply of qualified workers and balanced the distribution of human capital, reducing wage disparities.

Keywords: Education Wage Premium, Income Inequality, Human Capital.

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