# The Wage Effect of Workplace Sexual Harassment: Evidence for Women in Europe

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#### **ABSTRACT**

This article contributes to the literature on wage discrimination by examining the consequences of sexual harassment in the workplace on wages for women in Europe. We model the empirical relationship between sexual harassment risk and wages for European women employees using individual-level data provided by the European Working Conditions Survey (EWCS, Eurostat). We find that sexual harassment risk has a negative and statistically significant effect on wages of -0.03% on average for women in Europe. However, our empirical analysis uncovers the importance of considering the dynamics of workplace power relations: analyzing individual-level data, we find evidence of a higher negative impact of sexual harassment risk on wages for women working in counter-stereotypical occupations.

We conclude that the wage effect of hostile working conditions, mainly in terms of sexual harassment risk in the workplace, should be considered and monitored as a first critical step in

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making women be less vulnerable at work and increasing their bargaining power, thereby reducing inequalities in working conditions and pay in Europe.

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#### Introduction

Tackling possible discrimination in earnings between men and women by addressing the systemic biases that remain hidden in pay structures is one of the key priorities of gender policies at the EU level (see the directive on pay transparency<sup>1</sup> adopted on 4 March 2021). In fact, despite long-term improvements to women's expertise and participation in professional life, pay differences remain stagnant and at risk of increasing as a consequence of the Covid-19 pandemic in Europe (EIGE, 2019; European Commission, 2022). A recent statistical analysis of the European gender pay gap (GPG) by Leythienne and Julian (2021), applying the Blinder-Oaxaca decomposition to microdata from the latest European Structure of Earnings Survey (SES 2018<sup>2</sup>), demonstrates that the unexplained residual part of GPG is 11.4% for the EU-27. This large residual gap in pay, after controlling for differences in the average characteristics of men and women employees, is evidence of discrimination against women in European labor markets, since they receive lower financial returns for comparable characteristics.

However, very little attention has been devoted to the analysis of the demand side, i.e., understanding how adverse working conditions and low job quality influence the health and well-being of workers and increase wage inequalities (Parramore, 2018).

We are interested in studying the economic harm of high sexual harassment risk at the workplace on women and describing how declines in average wages for women in different occupations (particularly male dominated occupations, both high and low skilled) may reflect ways in which adverse working conditions exert their effects.

In 2017, the Twitter #MeToo campaign has uncovered the pervasiveness of sexual harassment at workplaces (Zacchia et al., 2019) and recently the International Labour Organization, with the Violence and Harassment Convention No. 190<sup>3</sup>, stressed the importance of acknowledging worldwide the universal right to work in a world of work free from violence and harassment. In the literature, the direct negative impacts of workplace sexual harassment have been analyzed at the individual level both in terms of job-related and economic outcomes (McLaughlin et al., 2012; 2017) and psychological, identity and health-related outcomes (Fitzgerald et al., 1997; Akerlof & Kranton, 2000; Gruber & Fineran, 2008; Houle et al., 2011). To cite some impacts: workers who are the target of sexual harassment experience reduced job satisfaction (Chan et al., 2008; Fitzgerald et al., 1997; Laband & Lentz, 1998), turnovers, declines in psychological, physical, and professional well-being (Takeuchi et al., 2018; Friborg et al., 2017; Mundbjerg Eriksen et al. 2016; Houle et al., 2011; Cortina & Berdahl, 2008), and deteriorated relationships with co-workers (Gruber & Bjorn, 1982). Empirically it has been demonstrated, mainly in US and UK, that workplace sexual harassment is costly for workers, employers (Au et al., 2020; Hersch, 2018; Antecol & Cobb-Clark, 2003), and for the whole economy.<sup>4</sup>

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 $<sup>^1\</sup> For\ more\ details\ see:\ https://www.consilium.europa.eu/en/press/press-releases/2021/12/06/council-agrees-on-common position-to-tackle-gender-pay-gap/$ 

<sup>&</sup>lt;sup>2</sup> https://ec.europa.eu/eurostat/web/microdata/structure-of-earnings-survey

<sup>&</sup>lt;sup>3</sup> For more details please see:

<sup>&</sup>lt;sup>4</sup> Existing studies quantified sexual harassment costs at the macro level for the US between 1985 and 1987 at \$267 million before litigation and settlement fees (U.S. Merit Systems Protection Board, 1988), of which more than \$200 million was due to reduced productivity. In 2015, sexual harassment costs in the US (U.S. Equal Employment Opportunity Commission, 2015) were estimated at \$46 million, excluding monetary damages awarded through litigation. Giga et al. (2008) estimated that for UK the costs of harassment is of £13.75 billion annually, considering absences (number of lost days \* median daily wage), staff turnovers (number of harassment-related resignations \* average cost of replacement) and loss of productivity (number of workers \* working weeks \* median weekly salary \* productivity loss).

However, few empirical analyses have been conducted to detect the impact of high sexual harassment risk in the workplaces on wage levels for women employed (Hersch 2011, 2015, 2018; Folke et al. 2020, Folke & Rickne, 2022). This paper aims to identify the effect of sexual harassment risk in the workplace on wages for women employees in Europe controlling for a series of variables that can impact women's pay, such as unpaid care burden, occupational segregation, employment segregation (in terms of part-time/full-time and temporary jobs) and self-perceived job quality and working conditions. We conceptualize sexual harassment as a form of discrimination in work amenities (Folke & Rickne, 2022) that creates worse working conditions for a person because of her sex or sexual orientation, or for breaking gender norms in her workplace working in a counter-stereotypical occupation (West & Zimmerman 1987; Fitzgerald et al. 1997; Akerlof & Kranton 2000; Berdahl 2007; Folke & Rickne, 2022). We analyze how the effect of sexual harassment risk in the workplace on wages interplays with occupational status (blue/white collar - high/low skilled workers) and if there are significant differences with respect to the gender composition of workplaces.

Our analysis contributes to the existing literature in two directions. The first contribution relates to the data employed in our empirical analysis. Existing research has so far focused on personal characteristics of workers (i.e., age, education, occupation, job experience, employment contract, working time, family status); we suggest integrating these with information related to the self-perceived working conditions and unpaid care burden, available at European level. Our second contribution relates to the study of the interaction between sexual harassment risk and wages from an occupational perspective in Europe, considering the gender workplace power dynamics.

The paper is structured as follows. In Section 1, we provide a background for our empirical analysis and the main literature references. In Section 2, we describe the data and provide some descriptive statistics. Section 3 explains our empirical strategy. In Section 4, we provide our main results of the model. The last section sets forth our conclusions.

#### 1. Previous literature

Sexual harassment affects women across different industries and occupations, remaining pervasive and pernicious all around the world, with no exception for EU countries. The complexity surrounding the definition of sexual harassment (Beckett, 1994; Basu, 2003), that hopefully will be overcome once the International Labour Organization Violence and Harassment Convention No. 190 is ratified, complicates quantitative studies of this phenomenon. For example, with the evolving working conditions such as the working from home or teleworking during and after the Covid-19 lockdowns, it is difficult to apply the connection between sexual harassment and work, institutionalized by Catharine MacKinnon in 1979. Moreover, a major challenge in conducting quantitative research on sexual harassment is that many women are not likely to label their experiences as sexual harassment. Different levels of awareness can lead to a higher or lower reporting in surveys (Cassino & Besen-Cassino, 2019). For example, in the U.S., self-reports of perceived workplace sexual harassment suggest that each year approximately 5% of employed women experienced unwanted sexual behavior that they perceived as sexual harassment at work, but the U.S. Equal Employment Opportunity Commission estimates that cumulatively across their

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<sup>&</sup>lt;sup>5</sup> McCann et al. (2018)'s calculations on the General Social Survey's Data Explorer (https://gssdataexplorer.norc.org) aggregated responses from years 2002, 2006, 2010, 2014 to the question "In the last 12 months, were you sexually harassed by anyone while you were on the job?"

careers up to 85% of women are sexually harassed one or more times in their working experiences.<sup>6</sup> So, we can infer that the official statistics are just the tip of the iceberg of instances of sexual harassment in the workplace (Basu, 2003).

Existing literature shows how the likelihood of being a target of sexual harassment in the workplace varies according to gender, age (Hersch, 2015), race (Clancy et al. 2017; Antecol & Cobb-Clark, 2009; Welsh et al., 2006), ethnicity (Bisin et al., 2011), education (De Coster et al., 1999) and socio-economic status (Fitzgerald, 2020; De Coster et al., 1999; Rospenda, 1998; Rosenberg et al., 1993).

Beyond individual characteristics, structural factors of workplaces are associated with higher risk of sexual harassment. Specifically, the literature provides sound evidence that women who work in male-dominated industries (Willness et al., 2007; Schneider et al., 2010; Hersch, 2018) or major in male-dominated fields of education (Dresden et al., 2018) experience higher risks of sexual harassment. Kabat-Farr and Cortina (2014) analyze data from three different industries, namely academia, the court system, and the military, and find that, across industries, women employees in gender-unbalanced groups were 1.68 times more likely to encounter gender harassment than women working in groups with equal numbers of men and women. Moreover, Peetz and Murray (2016) demonstrate that in blue-collar, usually male-dominated occupations, a greater incidence of the fear and experience of harassment is suffered by women.

However, the literature also draws attention to forms of workplace sexual harassment that do not fit a "top-down" image of sexual harassment (Schultz, 1998). Popular characterizations of sexual harassment tend to portray male managers harassing female subordinates, but a stream of sociological literature suggests that women in top managerial positions are also frequently targets of harassing behaviors (McLaughlin et al., 2012; McLaughlin et al., 2017). The vulnerable-victims hypothesis reflects in fact the typical scenario of workplace sexual harassment but as explained by Brodsky (1976), sexual harassment can be not only top-down, from supervisor to subordinate, but also horizontal, from peer to peer, and even bottom-up, from subordinate to manager, because competition for privilege occurs in all these directions. In fact, the new frontier of contemporary relations at work begs sociology scholars to examine more complex forms of discrimination (among them sexual harassment) that include the dynamics of workplace power relations (Roscigno, 2019; Hirsh, 2014; McLaughlin et al., 2012; Stainback et al., 2011). Considering workplace power, the so-called power threat model (McLaughlin et al., 2012) suggests that women who threaten men's dominance are more frequently targeted, because they challenge traditional gender norms. In these terms, sexual harassment functions as an equalizer by reducing women to sexual objects, undermining their workplace authority, and depowering their supervisory roles, reinforcing sexist stereotypes about patriarchal gender roles in the workplace (Quinn, 2002). This form of sexual harassment has been conceptualized as the "paradox of power" by McLaughlin et al. (2012), as evidence of the higher risk of sexual harassment suffered by women in powerful positions who encroach on male territory. Folke et al. (2020), expanding the empirical analysis from the US to Japan and Sweden, find that women supervisors are between 30% to 100% more likely than women employed in another occupational status to have been sexually harassed.

Looking at workplace sexual harassment McLaughlin et al. (2017), using data on early careers of women in the US, find that sexual harassment in the workplace forces its targets into job displacement. Higher turnover subsequently unleashes negative repercussions in the targets'

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<sup>&</sup>lt;sup>6</sup> See EEOC report at https://www.eeoc.gov/eeoc/task force/harassment/report.cfm

professional careers since the lack of seniority and the higher vulnerability to lay-offs and career instability limits their earnings growth. Thus, sexual harassment forcing mobility could partly account for the unexplained gender differences in the returns to switching firms found in the literature for highly skilled women and men (Albrecht et al., 2018).

The individual-level tangible cost in terms of wages for targets of workplace sexual harassment has been approached from different perspectives, with conflicting results on whether the relationship between wages and sexual harassment is negative or positive. Bac (2018) uses a theoretical model to suggest that wages and harassment risks should be negatively correlated across organizations with similar and effective compliance structures, since higher wages reduce workplace harassment directly by raising the cost for harassers and indirectly by attracting employees who file complaints if harassed. To the contrary, a strand of the literature applies the compensating wage differential and risk premium theory finding a positive relationship between wage and risk of sexual harassment (Hersch 2011; 2018). Sexual harassment, in this case, is considered an extremely negative working condition, which suggests that a pay premium may arise for this type of working condition, like the premiums in jobs with a high risk of death or injury (Basu, 2003; Hersch, 2011; 2018). This means that wages and harassment risks should be positively correlated. Adam Smith was one of the first authors to conceive the theory of compensating wage differentials, suggesting that jobs with disagreeable characteristics command higher wages, other things equal, because "the whole of the advantages and disadvantages of the different employments of labor and stock must, in the same neighborhood, be either perfectly equal or continually tending toward equality" (Smith 1937, p. 99). In line with this definition, Hersch (2018) for the US shows that woman is paid a \$0.25 an hour premium for working in an environment with an average risk of sexual harassment. Moreover, Hersch (2018) shows that there are differences among women since only white women, but not non-white women, receive compensating wage differentials in workplaces at high risk of sexual harassment in the US.

Our paper closely follows these approaches in studying how workplace sexual harassment affects wages for women in Europe, maintaining a "sociocultural perspective" to the analysis of the phenomenon exemplified by Catherine MacKinnon's dominance perspective, that sees in all processes gender as a social category that divides society into two classes: a dominant and a subordinate class. For this reason, we concentrate our analysis on occupations, looking at high-skilled white-collar jobs where sexual harassment not only reduces women to sexual objects but acts as a depowering instrument for women at the top hierarchical positions in workplaces. By looking at the impact of sexual harassment on wages by occupational status, we give a different perspective to the theory of the paradox of power.

#### 2. Data

At the European level, the European Equal Treatment Directives (2000/78/EC and 2000/43/EC, 2006/54/EC) provide a common definition of sexual harassment as any form of discrimination that occurs where unwanted verbal, non-verbal or physical conduct of a sexual nature occurs with the purpose of violating the dignity of a person and of creating an intimidating, hostile, degrading, humiliating or offensive environment. This definition is also used for providing official comparable data on the phenomenon for the EU member states.

For our analysis we use survey individual data taken from the European Working Conditions

Survey<sup>7</sup> (EWCS) on women employees from 28 European countries<sup>8</sup> to compute the wage effect of sexual harassment risk in the workplace. Usually, when analyzing the gender wage gap at EU level, the most used data source is the European Union Statistics on Income and Living conditions (EU-SILC), therefore the choice of using EWCS arises from considering the wages related to workplace physical and psychological well-being dimensions including sexual harassment. The EWCS data can shed some light on key features of earnings in the context of job quality. Eurofound also has the advantage of using a gender mainstreaming approach in the recent reviews of the questionnaire, interviewing (in the wave analyzed) working people, randomly selected from a statistical sample comprising a cross-section of society, face-to-face in people's homes. This interview methodology has the advantage of creating a more intimate/neutral environment that could encourage the survivors of sexual harassment to declare their experiences. In fact, EWCS uses a direct question method in eliciting responses on experiences of sexual harassment, questioning the incidence of other forms of violence, such as unwanted sexual attention, verbal abuse, threats and humiliating behaviors, physical violence, or bullying/harassment. EWCS also ensures the harmonization both of definitions of sexual harassment and of the way surveys were conducted, so that a cross-national European comparison is possible. The aggregation of the data at European level is also possible thanks to the cross-national weights that are provided by Eurofound that make an adjustment to post-stratification weights to ensure that each country is represented in proportion to the size of its in-work population (based on the corresponding Eurostat LFS data). In our analysis we consider only women employed, not self-employed with wages higher than €1 per hour, in order both to eliminate outliers and to compare our results with the only empirical analysis existing by Hersch (2011; 2018), who firstly valued the risk of workplace sexual harassment in terms of compensating wage differential for US.

In Table 1 the EWCS last available data defined with a direct question method (2015)<sup>10</sup> shows that the incidence of unwanted sexual attention and sexual harassment is lower among male employees,<sup>11</sup> and this is before the unprecedented media attention on sexual harassment raised by the #MeToo movement in Fall 2017. The data confirm the stylized fact in the literature that women are more likely to experience sexual harassment in the workplaces than men (Welsh, 1999; Uggen & Blackstone, 2004; Hersch, 2011), even if the shares are still low in the official statistics. This allows empirical studies to limit the analysis to women employees.

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<sup>&</sup>lt;sup>7</sup> See https://www.eurofound.europa.eu/surveys/european-working-conditions-surveys.

<sup>&</sup>lt;sup>8</sup> Countries in the sample are Austria, Belgium, Bulgaria, Cyprus, Croatia, Czech Republic, Denmark, Estonia, Finland, France, Germany, Greece, Hungary, Ireland, Italy, Latvia, Lithuania, Luxembourg, Malta, Netherlands, Poland, Portugal, Romania, Slovakia, Slovenia, Spain, Sweden, and UK.

<sup>&</sup>lt;sup>9</sup> The EWCS sample is representative of individuals aged 15 and over (apart from in Bulgaria, Norway, Spain, and the United Kingdom where the sample is representative of those aged 16 and over) living in private households, in employment and who did at least one hour of work for pay or profit during the week preceding the interview. In each country, a multistage, stratified random sampling design was used. More details about weighs available for EWCS- 2015 are available online, here: https://www.eurofound.europa.eu/sites/default/files/ef survey/field ef documents/6th ewcs 2015 - weighting report.pdf

<sup>&</sup>lt;sup>10</sup> A 2021 extraordinary edition of the survey was released during the Covid-19 pandemic, with telephone interviews in the national languages of each country. We think that the change in the data collection methods from face to face to telephone interviews might affect the data about sexual harassment and unwanted sexual attention, so we decided not to include this wave in our analysis. Fortunately, Eurofound announced that the next edition of EWCS in 2024 will be conducted with face-to-face interviews, therefore it will be possible to replicate our analysis in future.

<sup>&</sup>lt;sup>11</sup> We restricted our analysis on employees with a net hourly wage equal or higher than 1 euro (the exchange rates used for the conversion were those valid on the median date of fieldwork for each country and are provided by Eurofound, for more info see the Coding report available at:

 $https://www.eurofound.europa.eu/sites/default/files/ef\_survey/field\_ef\_documents/6th\_ewcs\_coding\_report\_for\_web\_publication.pdf.$ 

Table 1: Prevalence of sexual harassment in Europe for employees: EWCS, 2015

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	% of men	% of women
Physical violence	1.86	2.29
Bullying/harassment	4.59	5.51
Sexual harassment	0.25	1.40
<b>Unwanted sexual attention</b>	0.81	2.90
Threats	5.04	3.88
Humiliating behavior	5.22	6.59
Verbal abuse	11.15	12.19

Source: European Working Conditions Survey (EWCS) 2015.

Notes: Data for Austria, Belgium, Bulgaria, Croatia, Republic of Cyprus, Czech Republic, Denmark, Estonia, Finland, France, Germany, Greece, Hungary, Ireland, Italy, Latvia, Lithuania, Luxembourg, Malta, Netherlands, Poland, Portugal, Romania, Slovakia, Slovenia, Spain, Sweden, United Kingdom.

To solve to a certain extent the problem of under-reporting of sexual harassment, we consider together the exposure both to sexual harassment and unwanted sexual attention<sup>12</sup> for female employees in Europe. In that sense we can say that we consider the hostile work environment sexual harassment, characterized by any type of unwanted, repeated sexual advance, comment, or gesture that creates an abusive/hostile work environment that impedes workers from doing their job. In Europe, according to the last data available by EWCS a hostile work environment sexual harassment was reported by 3.13% of female employees interviewed. There are differences in rates among the 28 countries, but generally, Mediterranean countries show lower sexual harassment risk than Northern and Central European countries do (see figure 1). Unfortunately, based on the information provided in EWCS, we are unable to uncover whether these differences among European countries are due to lower reporting due for example to a lower awareness by survivors of having been exposed to hostile work environment sexual harassment or they represent real different risks in the workplaces. However, in our analysis we control for country effects to consider these differences among European countries.

<sup>&</sup>lt;sup>12</sup> We create a dummy variable that takes one for responding yes to either of the two questions below, and zero otherwise:

<sup>—</sup> Overthelastmonth, during the course of your workhave you been subjected to unwanted sexual attention?

<sup>–</sup> And over the past 12 months, during the course of your work have you been subjected to sexual harassment?

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Figure 1. Prevalence of sexual harassment for female employees by country (2015)

Notes: Prevalence of hostile work environment sexual harassment is calculated as the share of female employees that reported having been exposed to sexual harassment and/or unwanted sexual attention on the total female employees interviewed by country and then weighted.

#### 3. Empirical strategy

To investigate labor market implications of sexual harassment we first calculate the risk of sexual harassment. We adopt the methodology developed in Hersch (2011), the first measure in the literature of risk of sexual harassment which considers the industry-specific and age-groups' heterogeneity. We calculate gender-specific hostile work environment sexual harassment rates by industry and age group by dividing the number of female employees that reported having been exposed to sexual harassment and/or unwanted sexual attention within each industry and age group by the corresponding number of women employed in the same industry and age group. To define different industries, we use the 17 subgroups at NACE Revision 1 at 1-digit level (Statistical Classification of Economic Activities in the European Community<sup>13</sup>) and for age we calculated six groups (15-24, 25-34, 35-44, 45-54, 55-64, and ages 65 and older). As in Hersch (2018), our model calculates the sexual harassment risk at the industry and age-group level. <sup>14</sup> Employing Hersch's methodology of an industry-age group approach allows us to reduce the under-reporting bias at country level. Additionally, taking into the account the risk of sexual harassment we obviate concerns of reverse causality that make it difficult to assert whether the harassment caused the employee to have lower wage, or if the worker is harassed specifically because she is lower paid and potentially more vulnerable. In fact, as explained by Hersch (2019) "Because any individual's experience of sexual harassment will have only a small effect on the risk measure for that industry and age group, we can largely rule out the possibility that the individual's pay level influenced the

 $\underline{https://ec.europa.eu/eurostat/ramon/nomenclatures/index.cfm?TargetUrl=LST\_NOM\_DTL\&StrNom=NACE\_1\_1\&StrLanguage Code=EN\&IntPcKey=\&StrLayoutCode=EN$ 

<sup>&</sup>lt;sup>13</sup> For details, see:

<sup>&</sup>lt;sup>14</sup> As a robustness check, we also computed the model using sexual harassment at the individual level instead of the risk of sexual harassment. The results, available on demand by the authors, are similar to those obtained using sexual harassment risk.

risk measure for that industry and age group." (Note 80, page 164).

Table 2 shows the ratio of sexual harassment for female employees by industry and by age group, together with the percentage of women employees by industry (last Column). The hospitality industry shows the highest ratio of sexual harassment (8.66%), for youngest women (14.5% of female employees aged 15-24 years old declared to have been target of sexual harassment). Looking at age, we can identify on average a U-shaped pattern with the rate of sexual harassment peaking for youngest women (15-24 years old), declining substantially afterward and then increasing for women over 55 years old. The highest risk is recorded for female employees aged 25-34 in the construction sector (19.5%) a male dominated sector.

Table 2: Sexual harassment risk by industry and age group (%) for female employees in Europe

Industry (NACE Rev. 1, 1 digit-level)	All ages	15-24	25-34	35-44	45-54	55-64	>=65	Female employee s (%)
Agriculture, hunting and forestry	0.09	0.55	1.56	0.07	-	-	-	30
Fishing	-	-	-	-		-	-	29
Mining and quarrying	-	-	-	-	-	-	-	21
Manufacturing	1.23	-	3.81	0.84	0.68	0.25	-	38
Electricity, gas and water supply	-	-	-	-	-	-	-	21
Construction	4.60	-	19.5	-	-	-	-	10
Wholesale and retail trade	3.70	5.58	2.69	6.36	2.55	0.01	-	59
Hotels and restaurants	8.66	14.5	12.6	4.70	3.04	1.59	-	55
Transport, storage and communication	4.40	9.57	4.64	3.41	5.21	3.77	-	27
Financial intermediation	1.57	5.63	0.28	3.50	1.30	-	-	56
Real estate, renting and business activities	2.35	5.9	4.04	1.8	0.78	0.51	2.52	54
Public sector	1.36	-	0.77	3.47	1.12	0.03	-	46
Education	1.45	4.64	3.70	0.70	0.14	1.47	-	72
Health and social work	4.33	11.5	5.15	3.16	3.10	4.67	-	83
Other activities	3.32	0.17	7.63	3.28	1.17	1.88	-	61
Activities of households	1.47	-	5.13	0.15	0.89	1.67	-	90
Extra-territorial organizations and bodies	-	-	-	-	-	-	-	57

Source: European Working Conditions Survey (EWCS) 2015

We merge the ratios in Table 2 with ECWS microdata to isolate the effect of sexual harassment risk on wages. Using these data, we estimate the conventional log wage regression using the

standard specification of the hedonic wage literature, controlling for country and industry fixed effects, along with various control sets. We consider a wage equation as follows:

$$\ln(wage)_i = \beta_0 + \beta_1 \ln(SHrisk)_{i,a} + \gamma X_i + \varepsilon_i \tag{1}$$

Our dependent variable  $\ln(\text{wage})$  is the logarithm of hourly wages of individual i in constant euros, which is calculated as net monthly earnings divided by usual hours worked per week in the main paid job. The focal independent variable is  $SHrisk_{j,a}$  hostile work environment sexual harassment risk at industry j and age-group a levels. The measure of sexual harassment risk at industry and age group levels is log-transformed to account for non-linearities in its impact on wages and to ease the interpretation of the results. Thus, we propose a log-log model to estimate the role of workplace sexual harassment risk on hourly wages, and we interpret the estimated coefficients as percentage changes in wages.

The term X<sub>i</sub> is a vector of explanatory variables (see Table A1 in Appendix for a detailed description of the variables used);  $\beta$ , and  $\gamma$  are coefficients to be estimated; and  $\epsilon$  is a random error term. We include sets of explanatory variables that aim at reducing omitted variable biases. We divide them into three different control sets, namely personal characteristics, job characteristics and job quality. Among the personal characteristics of the employee, such as level of education or training gained, according to the ISCED classification, <sup>15</sup> social class, marital and migrant status we also consider the unpaid care burden and motherhood. With respect to work characteristics, we control for women in the public-sector, part-time jobs, and temporary positions. We also take into consideration the size of the company (Chamberlain et al., 2008; De Coster et al., 1999), and the work experience in the same company. The set of job characteristics controls crucially account for two additional variables, that are feminized jobs and measures of social dialogue machinery in the job place. The former measures whether the same job title of the respondent is mostly occupied by women, and the latter defines the existence of a trade union, works council or similar committee representing employees (social dialogue) and of regular meetings in which employees can express their views about what is happening in the organization (employees' voice). We also control for other characteristics that can increase the risk of sexual harassment: if the immediate boss is a male and if the work involves visiting customers, patients, clients or working at their premises or in their home.

Finally, we considered also the self-perceived job quality in terms of work intensity (exhausting or emotionally demanding job), working time quality (flexibility of the working hours to reconcile personal or family matters), social environment (being fairly treated by colleagues and managers), prospects (mainly in terms of job security and career advancement prospects) and health risk at work. The model of our empirical analysis is weighted based on the country population. We estimate the model in Equation 1 using ordinary least squares, including clustered standard errors

<sup>&</sup>lt;sup>15</sup> ISCED is the reference international classification for organizing education programs and related qualifications by levels and fields. We used the 2011 specification that has nine education levels, from level 0 to level 8:

<sup>0:</sup> Early childhood education ('less than primary' for educational attainment); 1: Primary education; 2: Lower secondary education; 3: Upper secondary education; 4: Post-secondary non-tertiary education; 5: Short-cycle tertiary education; 6: Bachelor's or equivalent level; 7: Master's or equivalent level; 8: Doctoral or equivalent level. For more information please visit: https://ec.europa.eu/eurostat/statistics-

explained/index.php?title=International Standard Classification of Education (ISCED)#Background

at industry and age-group levels (Cameron & Miller 2015).16

To combine the theory of compensating wage differentials with the power-threat theory (paradox of power) as defined by Folke et al. (2020) and McLaughlin et al. (2012), we emphasize the role of occupational statuses in defining the impact of sexual harassment risk on hourly wages. Therefore, we calculate the model for women overall and partitions of the dataset based on high-skilled (ISCO-88 codes 1, 2, 3, 6 and 7) and low-skilled employees (correspond to ISCO-88 codes 4, 5, 8 and 9). <sup>17</sup>

We study the non-linear relationship between the risk of sexual harassment and occupational statuses in determining wages by specifying interactive models. We interact the occupational statuses (according to the International Standard Classification of Occupations<sup>18</sup> ISCO-88, 1-digit level) with the risk of sexual harassment by industry and age to identify whether a wage premium or a wage penalty for higher risk of sexual harassment prevails for women in top positions, considering also the main differences between high-skilled white collar jobs (ISCO-88 codes 1, 2, 3) and low-skilled blue collar jobs (correspond to ISCO-88 codes 8 and 9). Finally, to stress the role of patriarchal treatment on power in the labor market we computed Equation 1 separately for female high-skilled white-collar employees in three scenarios: workplaces where most of the higher hierarchical positions are held by women, workplaces where instead higher hierarchical positions are held by men, and workplaces that show a gender balance in the top positions. In that sense, following Folke and Rickne (2022)'s interpretation of gender discrimination in work environments, we test empirically if women have lower total returns from work in sex segregated workplaces, so that sexual harassment can be considered an extra cost on women which can disincentivize them from taking male-dominated high-skilled jobs.

#### 4. Results

As preliminary evidence of the effect of workplace sexual harassment on wages, Figure 2, where we plot the correlation between rising sexual harassment risk and average of log hourly wages by industry and age groups, clearly shows the non-linear and negative relationship between sexual harassment risk and wages for female employees in Europe.

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<sup>&</sup>lt;sup>16</sup> To ensure the orthogonality among the covariates included in our models, we perform a test on the variance inflation factor (Liao and Valliant, 2012) that confirms the accuracy of the model.

<sup>&</sup>lt;sup>17</sup> We used the Coding and classification standards by Eurofound. For more info see https://www.eurofound.europa.eu/surveys/ewcs/2005/classification

<sup>&</sup>lt;sup>18</sup> The International Standard Classification of Occupations (ISCO) is one of the main international classifications for organizing jobs into a clearly defined set of groups according to the tasks and duties undertaken in the job. ISCO-88, 1-digit level major groups are 1. Managers; 2. Professionals; 3. Technicians and associate professionals; 4. Clerical support workers; 5. Service and sales workers; 6. Skilled agricultural, forestry and fishery workers; 7. Craft and related trades workers; 8. Plant and machine operators, and assemblers; 9. Elementary occupations; 0 Armed forces occupations.

Figure 2: Sexual harassment risk by industry and age group and hourly wages for female employees in Europe

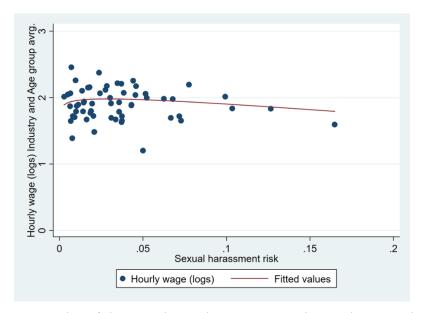


Figure 2 notes: Scatter plot of the correlation between SH risk at industry and age group levels and average hourly wages by industry and age group. Data source: EWCS 2015.

To better investigate this preliminary result, we use the regression model in Equation (1) to estimate the effect of workplace sexual harassment risk on wages for European women. Importantly, we found a significant role of sexual harassment risk on wages, which turns to be negative. Table 3 associates our measure of workplace sexual harassment risk with an effect on wages, on average, of -0.03 %. We find that the magnitude of this effect is greater for high-skilled women than for low-skilled women employed in the labor market. <sup>19</sup> Column 1 estimates the model for the whole sample. As expected, the coefficients associated with education (0.079), the big size of the company (0.06) and public sector employment (0.045) are associated with increasing wages. We confirm the presence of a union wage premium for women in Europe (Bryson et al., 2020; Barth et al., 2020) since both the presence of trade union, work council or similar committees representing employees (social dialogue) and the organization of regular meetings in which employees have a voice have a significant positive effect on wages (respectively 6.4% and 4.8%). Interestingly we also find a wage premium for those jobs that involve situations that are emotionally disturbing. Looking at job quality we find a beneficial effect of more collaborative and horizontal working environments in wages (i.e., when employees think that they are treated fairly and that their jobs offer them good career advancements). Finally, we find that feminized jobs reduce the hourly wages of female employees by 4.1% in Europe and low experience in the same company reduces them by 8.7%.

Columns 2 and 3 (Table 3) use partitions of the sample on the basis of workers' skills and occupational level. In Column 2 (Table 3) we calculate the model considering only high-skilled

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<sup>&</sup>lt;sup>19</sup> We use the ISCO classification to divide women in the sample into high-skilled employees (ISCO-88 codes 1, 2, 3, 6 and 7) and low-skilled employees (correspond to ISCO-88 codes 4, 5, 8 and 9).

women and we find that a one-percent increase of hostile work environment sexual harassment risk leads to a reduction of 0.033% of wages, whereas this effect in the sample of low-skilled women is of 0.029% (Column 3, Table 3). Interestingly the family social responsibilities have a significant negative effect on wages only for low-skilled female employees while job characteristics such as non-permanent contracts and small size workplaces have a significant negative effect on wages only for high-skilled workers. On the contrary, we can state that in Europe the risk of sexual harassment acts as a wage penalty for employed women that contributes to exacerbating gender wage gaps.

Table 3: The effect of sexual harassment risk on wages for female employees in Europe

	All	High skilled	Low skilled		All	High skilled	Low skilled
Log (SH Risk)	-0.030***	-0.033**	-0.029***				
	0.01	0.01	0.01				
Personal characteristics				Job quality			
Educational level	0.079***	0.067***	0.047***	Work intensity			
	(0.01)	(0.01)	(0.01)	Exhausting job	0.001	0.016	-0.015
Living with a spouse or	0.014	0.013	0.015		(0.02)	(0.03)	(0.02)
partner	(0.02)	(0.02)	(0.02)	Emotional demanding jobs	0.035**	0.036	0.025
Migrant	-0.022	-0.009	-0.014		(0.02)	(0.03)	(0.02)
	(0.02)	(0.04)	(0.02)	Working time quality			
Mother	0.056**	0.072**	0.056**	Inflexible work	-0.011	0.007	-0.025
	(0.02)	(0.03)	(0.02)		(0.01)	(0.02)	(0.02)
Difficulty in making ends	-0.094***	-0.135***	-0.043**	Social environment			
meet	(0.01)	(0.02)	(0.02)	Support from colleagues	0.029	-0.064	0.065**
Family social responsibilities	-0.028	-0.021	-0.053**		(0.02)	(0.04)	(0.02)
	(0.02)	(0.03)	(0.02)	Support from manager	0.010	0.019	0.009
Job characteristics					(0.02)	(0.03)	(0.02)
Part time job	0.036**	$0.048^{*}$	0.055**	Fairly treated	0.047**	0.089**	0.000
	(0.02)	(0.03)	(0.02)		(0.02)	(0.04)	(0.03)
Non-Permanent job	-0.086***	-0.185***	-0.025	Prospects			
	(0.02)	(0.04)	(0.03)	Self-perceived performance	-0.006	0.024	-0.028
Public sector job	0.045**	0.052	-0.002		(0.02)	(0.03)	(0.03)
	(0.02)	(0.03)	(0.03)	Good career prospects	0.097***	0.119***	0.074***
Small size workplace	-0.065**	-0.082**	-0.038		(0.01)	(0.02)	(0.02)
	(0.02	(0.03)	(0.03)	Job insecurity	-0.032*	-0.042	-0.037*
Big size company	$0.060^{**}$	0.077**	0.004		(0.02)	(0.03)	(0.02)
	(0.03)	(0.04)	(0.03)	Health risk at work			

Social Dialogue	0.062***	0.058**	0.058***	Risky workplace	0.011	0.036	-0.007
	(0.02)	(0.03)	(0.02)		(0.02)	(0.03)	(0.02)
Employees' voice	0.047**	-0.003	0.076***	Cons.	1.691***	2.031***	1.627***
	(0.02)	(0.03)	(0.02)		(0.23)	(0.33)	(0.22)
Contact with	0.020	0.011	0.013	Industry dummy	yes	yes	yes
clients/customers	(0.02)	(0.02)	(0.03)	Country dummy	yes	yes	yes
Feminized job	-0.040**	-0.039*	-0.024	N. of Obs.	10137	4609	5528
	(0.01)	(0.02)	(0.02)	$\mathbb{R}^2$	0.6977	0.7286	0.6798
Male boss	0.022	0.012	0.036**				
	(0.01)	(0.02)	(0.02)				
Low experience in company	-0.083***	-0.091***	-0.057**				
	(0.02)	(0.03)	(0.02)				

Notes: Standard errors at industry and age-group level in parentheses. We do not include employees in armed forces as they are not classified as high or low skilled. Coefficients show OLS estimates. \*p < .1, \*\*p < .05, \*\*\*p < .01

These differential by occupational categories demonstrate non-linearities in the link between workplace sexual harassment risk and wages, estimating in the model in Equation (1) the interactions between occupational status and sexual harassment risk. Columns 1 to 4 (Table 4) show a negative effect of sexual harassment risk in wages that ranges from - 0.019% to -0.035%. Column 1 (Table 4) includes a dummy variable for women in low-skilled white-collar occupations, and the effect of this occupational category with its interaction with sexual harassment risk is not significant. Similarly, the high-skilled blue collar (Column 3, Table 4) and its interaction with the measure of sexual harassment risk are not statistically significant.

We find that the high-skilled white collar variable is associated with a negative and significant coefficient through its interaction with sexual harassment risk (Column 2, Table 4). We interpret this as empirical evidence of the power paradox (Folke et al., 2020) by which women in top occupational levels experience a higher negative effect of sexual harassment in wages. Our results demonstrate also that in Europe there is no evidence of compensating wage differentials with increasing sexual harassment risk in industries and age groups, as supported in Hersch (2011, 2018).

Table 4: Sexual harassment risk interaction with occupational status: the paradox of power for female employees in Europe

	White Collar Low Skilled	White Collar High Skilled	Blue Collar Low Skilled	Blue Collar High Skilled
I (CILD' 1)	-0.035***	-0.019**	-0.033***	-0.030***
Log (SH Risk)	(0.01)	(0.01)	(0.01)	(0.01)
William Chilliam	-0.043			
White Collar Low Skilled	(0.05)			
White Collar Low Skilled #	0.014			
SH Risk	(0.01)			
WIL'A. C. 11 II'. 1. CL'11. 1		0.059		
White Collar High Skilled		(0.05)		
White Collar High Skilled # HWESH Risk		-0.028**		
		(0.01)		
Blue Collar Low Skilled			-0.032	
Blue Collai Low Skilled			(0.07)	
Blue Collar Low Skilled #			0.015	
HWESH Risk			(0.02)	
Dlug Caller High Skilled				0.207
Blue Collar High Skilled				(0.17)
Blue Collar High Skilled #				0.040
HWESH Risk				(0.03)
Personal characteristic controls	yes	yes	yes	yes
Job characteristics and job quality controls	yes	yes	yes	yes
Industry dummy	yes	yes	yes	yes
Country dummy	yes	yes	yes	yes
N. of Obs.	10,090	10,090	10,090	10,090

Notes: Standard errors at industry and age group level in parentheses. We do not include employees in armed forces as they are not classified as high or low skilled. Coefficients show OLS estimates. \*p < .1, \*\*p < .05, \*\*\*p < .01

We delve deeper in the results in Table 4 and compute the marginal wage effects of high-skilled white collars at different levels of exposure to sexual harassment in the workplace. Figure 3 shows that when the sexual harassment risk (in logs, x-axis) is low, being employed in a high-skilled white-collar job increases the wages around 0.3%. However, the wage effect of being high-skilled white collar reduces by up to 0.05% when the risk of sexual harassment reaches its maximum.

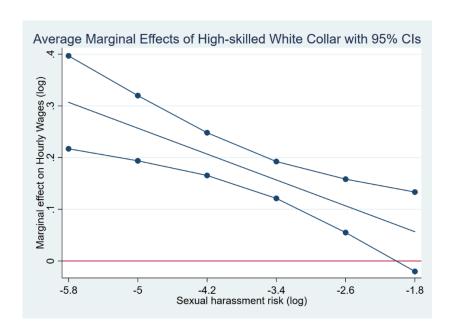
The next step in our empirical analysis is to check whether the higher negative effect of sexual harassment risk on wages for high-skilled white collar female employees depends on the gender balance in the top positions in the workplace. To identify the effect of patriarchal treatment on power in the labor market we compute the impact of sexual harassment risk on wages depending on whether women are employed in workplaces where most of the higher hierarchical positions are held by women (we call this feminized workplaces) or by men (we call this masculinized workplaces), and workplaces that show a gender balance in the top positions (we call this genderneutral workplaces). Thanks to the microdata available we are able to measure at an individual level the gender balance of the job position taken by women in the sample. We use the EWCS question "At your place of work are workers with the same job title as you ...?"<sup>20</sup> and regress the model in Equation (1) using partitions of the database on the basis of feminized workplaces, masculinized workplaces and gender-neutral workplaces. We focus on the interaction between high-skilled white collar women and sexual harassment in alternative scenarios regarding the gender distribution of top positions and display these interactions in Figure 4. Our results for the interaction between occupation and sexual harassment risk on wages are different in the three scenarios. We first find that the wage effect of high-skilled white collars is higher in gender-neutral job titles (spotted line) than in masculinized (solid line) or feminized jobs (dashed line). Second, we find that in the three cases, sexual harassment risk reduces the wage premium of high occupational positions. Importantly, our estimates show that high-skilled white-collar occupations in masculinized workplaces at high risk of sexual harassment is associated with a higher negative effect in wages.

The last step of our empirical analysis is to estimate the wage effect of sexual harassment risk for women in high-skilled white-collar occupations considering the gender repartition of higher hierarchical positions. Estimates using partitions of the database for different gendered workplaces are displayed in Columns 2 to 4 in Table A2. Sexual harassment risk significantly reduces the wages of women in high-skilled white-collar occupations by -0.099% in masculinized workplaces, by -0.027% in feminized workplaces and by -0.059% in gender-neutral workplaces. Thus, our results suggest that sexual harassment risk leads to a greater negative wage effect for high-skilled white-collar women employed in masculinized workplaces. Therefore, we can conclude that women employed in counter-stereotypical jobs both in terms of occupational status and gender composition of the workplaces are highly penalized because they experience the more severe consequences of sexual harassment risk on their wages.

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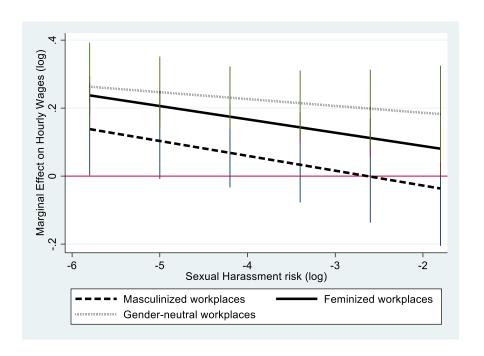
<sup>&</sup>lt;sup>20</sup> Respondents of the EWCS survey have different options to respond the question: 1)- Mostly men 2) - Mostly women 3) - Approximately equal numbers of men and women, and 4) - Nobody else has the same job title, apart from the no opinion or refusal to respond.

Figure 3: Wage effect by levels of sexual harassment risk for high-skilled white collar female employees in Europe



Notes: Marginal effects of high-skilled white collar in wages at different levels of hostile sexual harassment risk, estimated in models of Columns 2 (Table 4).

Figure 4: Wage effect of high-skilled white collar at levels of sexual harassment risk for female employees in Europe



Notes: Estimates from model in table A2 in Appendix.

#### 5. Conclusion

This paper contributes to the understanding of the costs of sexual harassment, investigating the direction of the relationship between the risk of sexual harassment and wages, using micro-data about women employees and workplace environments in Europe (EWCS 2015 by Eurofound).

The estimates consistently associate a wage penalty in those industries and age groups at higher risk of sexual harassment for female employees in Europe. However, the wage effects are not homogeneous among women. From a power-threat perspective, women employed in counter-stereotypical jobs both in terms of occupational status (high-skilled white collar) and gender composition of the workplaces (masculinized workplaces) experience the most severe consequences of sexual harassment risk on their wages. These inequalities mean that women lack bargaining power and agency at work, making them more vulnerable to inequalities and indecent working conditions.

Our analysis offers an empirical, alternate reading of the narrative of the paradox of power, which suggests that women in top hierarchical positions challenge gender conformities and that sexual harassment is used against them as an equalizer by undermining their workplace authority. Our results show that for women in high-skilled white collar positions the depowering mechanism is

in place, in particular in male dominated workplaces, reducing their wages when working in an environment at higher risk of sexual harassment.

The policy implications of the empirical analysis suggest that moving away from the stereotypical harassment scenario, as one involving a male boss and a powerless female employee, is a critical step for improving policies against sexual harassment. In fact, changes to deeply entrenched systems of unequal gender power dynamics, roles and relations, underpinned by patriarchal values, are part of an effective response to the prevention of sexual harassment and its economic consequences. This is in line with definition of gender-based violence and harassment (GBVH) by the ILO convention 190 ("violence and harassment directed at persons because of their sex or gender or affecting persons of a particular sex or gender disproportionately") that marks an important transition from the concept of sex (binary women vs men) to the concept of gender that is socially constructed and shaped by cultural, economic, and historic factors, that tend to create gender stereotypes, that are a set of expectations on different roles and places for women and men in society but also in the realm of the formal labor markets. In fact, sexual harassment is an issue of power and control, and it is used also to keep women in an unequal position, particularly when they try to assert a claim to power. At the European level we recommend that the Proposal for a Directive on Combating Violence against Women and Domestic Violence, proposed on 8 March 2022 by the European Commission, follow a more detailed strategy that for example could foresee the inclusion of gender power dynamics' considerations in the training for persons with supervisory functions in the workplace, in both the public and private sectors, in charge of recognizing, preventing and addressing sexual harassment at work. Moreover, further attention should be paid to uncovering how and why vulnerabilities persist and how they might be refined by more effective integration and/or policies that undercut power tensions in the workplace, hopefully with an active role of trade unions and social dialogue.

Finally, since the propensity for discrimination increases during periods of economic downturn and high unemployment as well as wage gaps (Johnston & Lordan, 2016), the post Covd-19 pandemic will require a close attention and further research on the spread of sexual harassment in the workplace and its impacts on women to avoid harmful effects that could disproportionately penalize women in formal labor markets, increasing both the gender segregation (vertical and horizontal) of European labor markets and gender pay gaps.

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### Appendix

**Table A1: Definition of variables** 

Variable used	Description
Hourly wage	Logarithm of hourly wages in constant euros of employees
SH Risk	The number of women being subjected of unwanted sexual attention over the last month and/or sexual harassment over the last 12 months divided by the total number of women employed by industry and age group
Personal characteristics	
Educational level	9 levels as in the International Standard Classification of Education (ISCED), going from early childhood education as the lowest level to doctorate or equivalent as the highest
Migrant	1= not born in the same country where responder is living and working
Living with a spouse or partner	1 =responder has a partner or a spouse in her household
Mother	1=responder has at least one child (son/daughter of respondent or of her cohabiting partner) in her household
Difficulty in making	
ends meet	1= responder's household is able to make ends mee with difficulty
Family social responsibilities	1= the responder finds that her family or social commitments outside work do not fit with her working hours
Job characteristics	
Part time job	1= part-time employee
Non-Permanent job	1= employed with contract of limited duration
Public sector job	1= employee in the public sector
Small size workplace	1=less than 10 employees in total work in the company where responder is employed
Big size company	1=more than 250 employees in total work in the company where responder is employed
Social Dialogue	1= in the company/organization where the responder is employed is present a trade union, works council or a similar committee representing employees
Employees' voice	1 = in the company/organization where the responder is employed regular meetings in which employees can express their views about what is happening in the organization take place
Contact with clients/customers	1 = responder's work involves visiting customers, patients, clients or working at their premises or in their home

Feminized job	1= most women at workplace are workers with the same job title of responder
Male boss	1 = if responder has a direct male supervisor
Low experience in company	1 = if responder worked less than 3 years in the company/institution where she is currently employed
Job quality	
Work intensity	
Exhausting job	1= if responder feels exhausted at the end of her working day
Emotional demanding jobs	1= if the job involves situations that are emotionally disturbing for the responder
Working time quality	
Inflexible work	1= if for the responder arranging to take an hour or two off during working hours to take care of personal or family matters is difficult
Social environment	
Support from colleagues	1= if responder generally gets on well with her work colleagues
Support from manager	1=if the immediate boss respects the responder as a person
Fairly treated	1= if responder think that she is treated fairly at her workplace
Prospects	
Self-perceived performance	1= if the responder finds that in her opinion, she is good at her job
Good career prospects	1= responder thinks that her job offers good prospects for career advancement
Job insecurity	1= responder thinks that she might lose her job in the next 6 months
Health risk at work	
Risky workplace	1= responder thinks that her health or safety is at risk because of her work

Table A2: Effect of sexual harassment risk on wages for high skilled white collar female workers by gender composition of workplaces

	All	Masculinized workplaces	Feminized workplaces	Gender- neutral workplaces		All	Masculinized workplaces	Feminized workplaces	Gender- neutral workplaces
					Job quality				
Log (SH Risk)	-0.034**	-0.099***	-0.027*	-0.059**	Work intensity				
	(0.01)	(0.03)	(0.02)	(0.02)	Exhausting job	0.026	0.069	0.025	-0.028
Personal characteristics						(0.03)	(0.05)	(0.03)	(0.04)
Educational level	0.064***	0.056***	0.070***	0.041**	Emotional demanding jobs	0.044	-0.070	0.046	-0.006
	(0.01)	(0.01)	(0.01)	(0.02)		(0.03)	(0.05)	(0.04)	(0.05)
Migrant	-0.004	0.064	-0.004	0.003	Working time quality				
	(0.04)	(0.08)	(0.05)	(0.08)	Inflexible work	0.015	0.010	0.015	-0.001
Living with a spouse or partner	0.025	0.033	0.040	0.009		(0.02)	(0.06)	(0.03)	(0.04)
	(0.02)	(0.05)	(0.03)	(0.05)	Social environment				
Mother	0.080**	-0.023	0.077**	$0.120^{*}$	Support from colleagues	-0.043	0.096	0.030	-0.068
	(0.03)	(0.07)	(0.04)	(0.06)		(0.04)	(0.20)	(0.05)	(0.06)
Difficulty in making ends meet	-0.122***	-0.220***	-0.102**	-0.168***	Support from manager	0.024	0.081	-0.015	0.008
	(0.02)	(0.06)	(0.03)	(0.05)		(0.03)	(0.07)	(0.03)	(0.08)
Family social responsibilities	-0.041	0.028	-0.060	-0.039	Fairly treated	0.062	-0.231**	0.060	0.069
	(0.03)	(0.06)	(0.04)	(0.06)		(0.04)	(0.10)	(0.05)	(0.12)
Job characteristics					Prospects				
Part time job	0.051*	0.022	0.109**	-0.088	Self-perceived performance	0.034	0.094	0.047	-0.041
	(0.03)	(0.06)	(0.03)	(0.08)		(0.03)	(0.08)	(0.04)	(0.09)
Non-Permanent job	-0.201***	-0.159*	-0.185**	-0.084	Good career prospects	0.123***	0.133**	0.106***	0.116**
	(0.04)	(0.09)	(0.06)	(0.10)		(0.02)	(0.05)	(0.03)	(0.04)
Public sector job	$0.057^{*}$	-0.165**	0.097**	-0.007	Job insecurity	-0.046	0.065	-0.057	-0.030
	(0.03)	(0.08)	(0.04)	(0.07)		(0.03)	(0.06)	(0.04)	(0.07)
Small size workplace	-0.094**	-0.090	-0.096**	-0.108	Health risk at work				
	(0.03)	(0.12)	(0.04)	(0.08)	Risky workplace	0.028	-0.019	0.048	-0.002
Big size company	$0.071^{*}$	-0.052	0.062	0.076		(0.03)	(0.06)	(0.04)	(0.06)
	(0.04)	(0.05)	(0.05)	(0.08)	Industry dummy	yes	yes	Yes	yes
Social Dialogue	0.066**	0.238***	0.048	0.123**	Country dummy	yes	yes	yes	yes
	(0.03)	(0.07)	(0.04)	(0.06)	Cons.	1.864***	1.781***	1.676***	2.040***
Employees' voice	-0.005	-0.008	0.020	-0.092		(0.25)	(0.34)	(0.17)	(0.35)
	(0.03)	(0.05)	(0.03)	(0.07)					
Contact with clients/customers	0.015	-0.062	0.030	0.026	N. of Obs.	4307	354	2585	914
	(0.02)	(0.05)	(0.03)	(0.04)	R2	0.7178	0.8651	0.7327	0.6887
Feminized job	-0.023								
	(0.02)								

Male boss	0.018	0.023	0.001	0.035
	(0.02)	(0.06)	(0.03)	(0.04)
Low experience in company	-0.085**	-0.133**	-0.113***	-0.130*
	(0.03)	(0.06)	(0.03)	(0.07)

Notes: Standard errors at industry and age group level in parentheses. Coefficients show OLS estimates. \*p < .1, \*\*p < .05, \*\*\*\*p < .01