

„Aktuelle FF der Ökonometrie / Empirischen FiWi und Wipo“ („Topics in Applied Microeconometrics / Empirical Public Economics“) WS 2016/17

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Aim of the seminar

Each student is expected to write an empirical paper on applied microeconometrics/empirical public economics, broadly defined, and present it in the seminar. The paper may be a replication of an earlier study or an original study (more difficult). The replication study would also involve a critical assessment of the underlying assumptions, alternative specifications of regression equations, and alternative sample selections, and could also apply the methodology of a previous paper to another data set. Knowledge of microeconometrics at the level of the course “Applied Microeconometrics” is assumed. A brief introduction to the seminar and possible research topics (see list below) are presented by the organizers at the preliminary meeting (“Vorbereitung”). Own research topics may also be suggested by the student, if appropriate for the seminar.

Requirements

In addition to the preliminary meeting, there will be two meetings: In the first of these students will briefly present their research topic including a summary of previous research, the proposed methodology, data to be used, and perhaps already some preliminary descriptive analyses. In the second meeting completed papers will be presented and discussed. The final paper is due a couple of weeks after this second meeting. The paper and the presentation may be in English or German. The grade will be made up of the final paper, the presentation of the paper, and the participation in the seminar. The paper should be about 15 pages including figures and tables. Relevant supplementary material can be included in an Appendix. A good guide for the structure and the format of the paper can be found in J. Wooldridge, Introductory Econometrics, Chapter 19.5: “Writing an Empirical Paper”, 4 ed., South Western, 2009.

Time table

- **Preliminary meeting:** Wednesday, 19th October, 14:00 – 15:30, Raum 328, Boltzmannstr. 20
- **Second meeting:** Early-December (exact date to be determined at the preliminary meeting)
- **Third meeting:** Mid-February (exact date to be determined at the preliminary meeting)
- **Completed paper due:** Mid-March

Topics

1. Occupational and regional labor market mismatch

Estimation of empirical matching functions using administrative panel data *similarly* to Aldashev, A. (2012). Occupational and locational substitution: measuring the effect of occupational and regional mobility. *Labour*, 26(1), 108-123.

2. Labor market transitions over the business cycle

Estimate unemployment-employment transition models similarly to Nagore Garcia/van Soest (2015) using SOEP panel data. Nagore Garcia, A., A. van Soest (2015): New job matches and their stability before and during the crises. IZA DP no 9574.

3. Decomposing changes in wage distributions

Apply one of the decomposition methods described in Lemieux (2002) using SOEP panel data – various papers (using different approaches) are possible
Lemieux, T. (2002), Decomposing changes in wage distributions: a unified approach. *The Canadian Journal of Economics*, 35/4, 646-688

4. Labour supply and commuting

Replicate and Update Gutiérrez-i-Puigarnau and van Ommeren (2010) with more recent waves of the SOEP Panel Data. Gutiérrez-i-Puigarnau, E., and van Ommeren, J. N. (2010): Labour supply and commuting. *Journal of Urban Economics*, 68(1): 82-89.

5. Low Wage Jobs

Update Knabe and Plum (2013) using more recent SOEP data. Knabe, A., & Plum, A. (2013). Low-wage Jobs—Springboard to High-paid Ones?. *Labour*, 27(3): 310-330.

6. Incentives vs. family background in higher education

Update Lauer (2002) using SOEP data. Lauer, C. (2002): Enrolments in higher education: do economic incentives matter? *Education and Training* 44 (4-5):179-185.

7. Modeling Educational Choice

Replication of Lauer (2006) using more recent SOEP. Lauer, Charlotte (2006): A Model of Educational Attainment - Application to the German Case. ZEW Discussion Paper No. 02-06.

8. Cohort effects and the returns to education

Empirical estimates using SOEP panel data; Update and extension of Boockmann and Steiner using alternative identifications method (Deaton, 1997, *The Analysis of Household Surveys*. World Bank Publication (available online). Boockmann, B., V. Steiner (2006): Cohort Effects and the Returns to Education in West Germany, *Applied Economics* 38: 1135-1152.

9. Bequests and retirement

Adapting Brown et al. (2010) to analyze the causal effect of bequests on individual retirement behavior using SOEP panel data. Brown, J. et al. (2010): The effect of inheritance receipt on retirement. *Review of Economics and Statistics* 92(2), 425-434

10. Intergenerational Family Transfers

Adapting McGarry (2016) to analyze intergenerational transfers between family members using SOEP Panel Data. McGarry, K. (2016): Dynamic aspects of family transfers. *Journal of Public Economics* 137: 1-13.

11. Child Wage Penalty

Adapting Taniguchi (1999) to analyze the impact of the timing of childbearing on wages using SOEP Panel Data. Taniguchi, H. (1999): The timing of childbearing and women's wages. *Journal of Marriage and the Family* 61(4): 1008-1019.

12. Family Gap

Adapting Waldfogel (1998) to track the development of the family wage gap in East and West Germany using SOEP Panel Data. Waldfogel, J. (1998): Understanding the "family gap" in pay for women with children. *The Journal of Economic Perspectives*, 12(1): 137-156.