

Fachbereich Wirtschaftswissenschaft	Tel.: 030 838 54371
Univ.-Prof. Dr. Viktor Steiner	Fax: 030 838 54873
Empirische Wirtschaftsforschung und Wirtschaftspolitik	Email: viktor.steiner@fu-berlin.de
Boltzmannstr. 20 D-14195 Berlin	Web: http://www.fu-berlin.de/wifo/

**„Aktuelle FF der Arbeitsmarkökonomik“
(„Topics in Empirical Labour Economics”)
SS 2022**

**Prof. Viktor Steiner
Luisa Hammer**

Aim of the seminar

Each student is expected to write and present an empirical paper selected from the seminar topics list (see the topics list and the reference literature below).

The paper may be a replication of an earlier study based on data used in the reference study or alternative data sets, or an original study (more difficult). The replication study would also involve a critical assessment of the underlying assumptions, alternative specifications of estimation equations and alternative sample selections. The study could also apply the methodology of a previous paper to another data set. Access to data from the Socioeconomic Panel of DIW Berlin will be provided. A brief introduction to the seminar and possible research topics (see list below) will be presented in the first Webex meeting. Own research topics may also be suggested by the student, if appropriate for the seminar.

Please note that knowledge of microeconometrics at the level of the MSc Economics course “Applied Microeconometrics” is assumed. Furthermore, all topics require the use of a statistical software package such as Stata or R. (R is an open-access package, Stata is made available by the university free of charge).

Requirements

Due to the on-going Corona crisis, the seminar will be in hybrid form with three meetings. The student’s research project will be fixed at the first meeting. In the second meeting, 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 (~20 min). In the third meeting, the study will be presented and discussed (~30 min). The final paper is due a couple of weeks after this second presentation. The paper and the presentation may be in English or German. The paper should be about 15 pages including figures and tables, relevant supplementary material can be included in an Appendix. Grading will be based solely on the paper.

Timetable

- Webex meeting, Introduction to the seminar and presentation of topic, Wednesday, 20th April, 10 – 11.30 a.m.

- Binding course enrolment (additional to enrolment on Blackboard) by Wednesday, 27th April (send a confirmation to the e-mail address below)
- First presentation (15-20 minutes): 30th May 9a.m.-2p.m.
- Second presentation: 15th July 9a.m.-4p.m.
- Submission of final paper by 31st August

Inquiries about the seminar to:
luisa.hammer@fu-berlin.de

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Topics:

1. Heterogenous labour demand

Estimation of labour demand equations for Germany similarly to Freier & Steiner (2010) or Lichter et al. (2012), but using KLEMS data. KLEMS data are freely downloadable from the internet (see <https://euklems.eu/>).

2. Technological change and the demand for skills

a) Update Michaels et al. (2014) using KLEMS data update to 2018; may focus on Germany or group of countries. b) Replicate Duffy et al. (2004) using KLEMS data at the industry level.

3. The performance of immigrants in the German labor market

Replicate parts of Beyer (2017) focusing on specific outcome variables (wages, unemployment, employment stability etc.)

4. Demographic change, labour force participation and the distribution of wages 2000-2015

Decompose changes in the distributions of gross wages in the period 2000-2015 (before the introduction of the statutory minimum wage) into various factors using the re-weighting method similarly to *Biewen/Pötzle* (2019), but using SOEP data and focusing on demographic and human capital factors, labour force participation (marginal employment, part-time, ...).

5. Minimum wages

a) Replicate and extend studies on the labour market impacts of the MW on similarly to Burauel et al. (2020a, b) or Caliendo et al. based on SOEP data; b) apply alternative non-structural estimation methods such as in DiNardo et al. (1996), Stewart (2012) or Müller (2010); c) structural estimation based on heterogenous labour demand model as under 2.

6. Labour market transitions over the business cycle in Germany

Estimation of labour market transition rates similarly to *Carrillo-Tudela et al.* (2018) based on SOEP panel data before and after the financial crises.

7. Fathers' parental leave taking

Replicate estimations of Tamm (2019) (some outcomes) using within-father differences in leave-taking for first and higher order children induced by parental leave reform 2007.

8. Gender norms and female labour supply

Replicate parts of Lippmann et al. (2020) exploiting the German division as a natural experiment for gender equalising institutions.

9. Childcare prices and female labour supply

Replicate the parts on family labour supply of Gathmann & Sass (2018), which exploits a policy reform that raised the price of public day care in Thuringia.

10. Earnings Risk and Occupational Sorting

Replicate estimations of Bonin et al. (2007) to investigate the role risk attitudes in occupational sorting.

11. Task-Biased Changes of Employment and Remuneration

Update Kampelmann & Rycx (2011) to investigate the role of occupational tasks for employment polarization.

12. Occupational choice and self-employment

Replicate Sorgner & Fritsch (2013) to run a multivariate analysis of the relationship between occupational characteristics and the probability to become self-employed.

References:

- Beyer, R. (2017). The performance of immigrants in the German labor market.
- Biewen, M., D. Plötze (2019): The Role of Hours Changes for the Increase in German Earnings Inequality. *Journal of Economics and Statistics* 239(2), 277–304.
- Bonin, H., Dohmen, T., Falk, A., Huffman, D., & Sunde, U. (2007). Cross-sectional earnings risk and occupational sorting: The role of risk attitudes. *Labour Economics*, 14(6), 926-937.
- Burauel et al. (2020a): “The Impact of the German Minimum Wage on Individual Wages and Monthly Earnings”, *Jahrbücher für Nationalökonomie&Statistik* 240, 2/3.
- Burauel et al. (2020b): “The Impact of the Minimum Wage on Working Hours”, *Jahrbücher für Nationalökonomie&Statistik* 240, 2/3.
- Carrillo-Tudela et al. (2018): The Fall in German Unemployment: A Flow Analysis. IZA DP No. 11442.
- Caliendo, M. et al. (2017): The Short-Run Employment Effects of the German Minimum Wage Reform. SOEP DP 950, published in *Labour Economics* 2018.
- DiNardo, J., Fortin, N. M. and Lemieux, T. (1996) Labor market institutions and the distribution of wages, 1973–1992: a semiparametric approach. *Econometrica*, 64, 1001–1044.
- Duffy, J., C. Papageorgiou, F. Perez-Sebastian (2004): Capital-Skill Complementarity? Evidence from a panel of countries, *The Review of Economics and Statistics*, 86(1), 327–344
- Freier, R., V. Steiner (2010): ‘Marginal employment’ and the demand for heterogeneous labour – elasticity estimates from a multi-factor labour demand model for Germany. *Applied Economics Letters* 17:12, 1177-1182 (more details in DIW DP version).

- Gathmann, C., & Sass, B. (2018). Taxing childcare: Effects on childcare choices, family labor supply, and children. *Journal of Labor Economics*, 36(3), 665-709.
- Lichter, A., A. Peichl, S. Sieglöcher (2012): Micro-level labour demand estimation for Germany. NEUJOBS WP D10.3 (downloadable from <http://www.neujobs.eu>), mainly relevant are Ch. 4 and section 6.3.
- Lippmann, Q., Georgieff, A., & Senik, C. (2020). Undoing gender with institutions: Lessons from the German division and reunification. *The Economic Journal*, 130(629), 1445-1470.
- Kampelmann, S., & Rycx, F. (2011). Task-biased changes of employment and remuneration: The case of occupations. SOEPapers 364.
- Michaels, G., N. Ashwini, J. van Reenen (2014): Has ICT polarized skill demand? Evidence from eleven countries over 25 years. *Rev. of Economics and Statistics*, 96 (1), 60-77.
- Müller, K.-U. (2010): Employment Effects of a Sectoral Minimum Wage in Germany. DIW DP 1061.
- Sorgner, A., & Fritsch, M. (2013). Occupational choice and self-employment—are they related? SOEPpapers.
- Stewart, M. (2012): Quantile estimates of counterfactual distribution shifts and the effect of minimum wage increases on the wage distribution, *J. R. Statist. Soc. A* (2012) 175, Part 1, pp. 263–287.
- Tamm, M. (2019). Fathers' parental leave-taking, childcare involvement and labor market participation. *Labour Economics*, 59, 184-197.