

**„Aktuelle FF der Empirischen FiWi und Wipo / Aktuelle FF der Ökonometrie“
(„Topics in Empirical Public Economics / Applied Microeconometrics”)
WS 2019/20**

Prof. Steiner / Fischer / Hügler

Aim of the seminar

Each student is expected to write an empirical paper on empirical public economics/applied microeconometrics, 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.

A brief introduction to the seminar and possible research topics (see list below) are presented by the organizers at the preliminary meeting (“Vorbesprechung”). Own research topics may also be suggested by the student, if appropriate for the seminar.

Knowledge of microeconometrics at the level of the MSc Economics course “Applied Microeconometrics” is assumed.

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 the study 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 paper should be about 15 pages including figures and tables, relevant supplementary material can be included in an Appendix.

Time table

- **Preliminary meeting:** Tuesday, 15 October, 16:00 – 17:30, Room 328, Boltzmannstr. 20
- **Second meeting:** tba
- **Third meeting:** tba

The exact time of the second and third meeting will be decided on in the preliminary meeting!

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Topics:

- 1. The demand for skills and wage inequality in the German labor market**
Replicate/update (parts of) Autor et al. (2008) or Card/Lemieux (2001) using SOEP data
- 2. Explaining trends in the German wage distribution**
Replicate/update (parts of) Biewen et al. (2016) or Machado/Mata (2005) using SOEP data and analyzing the distribution of wages (net household incomes as in Biewen et al. would be more difficult because of the need to model the tax-benefit system)
- 3. Educational assortative mating and the distribution of household incomes**
Replicate/extend German part of Eika et al. (2017)
- 4. Education and income inequality**
Replicate parts of Tasseva (2019) for Germany using SOEP data
- 5. Intergenerational mobility**
Replicate parts of Neidhöfer and Stockhausen (2018) for Germany using SOEP data
- 6. The determinants of overeducation**
Replicate parts of Boll et al. (2016) using SOEP data
- 7. Housing Expenditures and Income Inequality**
Replicate parts of Dustmann et al. (2018) using SOEP data
- 8. Labor market transitions over the business cycle**
Estimate unemployment-employment transition models similarly to Nagore Garcia/van Soest (2015) using SOEP panel before after the 2009 crises and/or with a focus on specific groups in the labour market
- 9. The performance of immigrants in the German labor market**
Replicate parts of Beyer (2017) focusing on specific outcome variables (wages, unemployment, employment stability etc.)
- 10. Determinants of multiple job holding**
Estimation of 2nd job labor supply panel data models for Germany using SOEP data, similar to Wu et al. (2009)
- 11. Disability, pension reform and early retirement in Germany**
Replicate parts of Boersch-Supan and Juerges (2011) or Hanel (2010) using SOEP data
- 12. Public and private health insurance and risk selection**
Replicate and possibly extent analysis of switching behavior between public and private health insurance in Grunow and Nuscheler (2014)

References:

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- Beyer, R.C.M. (2017): The performance of immigrants in the German labor market. SOEPpapers 892 (Internet).
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- Boll, C., Leppin, J.S., K. Schömann (2016). Who is overeducated and why? Probit and dynamic mixed multinomial logit analyses of vertical mismatch in East and West Germany. *Education Economics*, 24(6), 639-662.
- Boersch-Supan, Axel H., Hendrik Juerges (2011): Disability, Pension Reform and Early Retirement in Germany. NBER Working Paper No. 17079.
- Card, D., & Lemieux, T. (2001): Can falling supply explain the rising return to college for younger men? A cohort-based analysis. *The Quarterly Journal of Economics*, 116(2), 705-746.
- Dustmann, C., Fitzenberger, B., & Zimmermann, M. (2018): Housing expenditures and income inequality. ZEW-Centre for European Economic Research Discussion Paper (48).
- Eika, L., M. Mogstad, B. Zafar (2017): Educational Assortative Mating and Household Income Inequality. Federal Reserve Staff Report No. 682.
- Grunow, M., & Nuscheler, R. (2014): Public and private health insurance in Germany: The ignored risk selection problem. *Health Economics*, 23(6), 670-687.
- Hanel, B. (2010): Disability Pensions and Labor Supply. BGPE Discussion Paper No. 86, University Erlangen-Nürnberg (Internet).
- Machado, J. A. F. and Mata, J. (2005): Counterfactual decomposition of changes in wage distributions using quantile regression. *Journal of Applied Econometrics*, vol. 20(4), pages 445-465.
- Nagore Garcia, A., A. van Soest (2015): New job matches and their stability before and during the crises. IZA DP No. 9574. <http://ftp.iza.org/dp9574.pdf>.
- Neidhöfer, G., Stockhausen, M. (2018): Dynastic Inequality Compared: Multigenerational Mobility in the United States, the United Kingdom and Germany. *Review of Income and Wealth*, 65(2), 383-414.
- Tasseva, I. (2019): The Changing Education Distribution and Income Inequality in Great Britain. EUROMOD Working Paper 16/19.
- Wu, Z., Baimbridge, M., and Zhu, Y. (2009): Multiple job holding in the United Kingdom: evidence from the British Household Panel Survey. *Applied Economics*, 41(21), 2751-2766