

## Seminar: Current topics in labor market policy

Chair of Quantitative Labor Economics

Prof. Bernd Fitzenberger, PhD

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Labor economics is a field with high policy relevance. In the winter term 2022/2023, the Chair of Quantitative Labor Economics of Prof. Bernd Fitzenberger, PhD, offers a seminar on current topics in labor market policy that focuses on current developments in the labor market and policy responses. The seminar is recommended for students from their fourth semester onward. It aims at students from the following Bachelor degree programs: Business Studies with specialization in Economics, International Business Studies, International Economic Studies, and Socioeconomics with specialization in International. Please check the module handbooks.

The seminar starts with an introductory session that provides more details on the seminar's structure and guidelines on how to write a seminar paper. A second lecture covers the theoretical basis and the policy context of the topics covered in the seminar. Participants can choose among the topics below. We will try to assign topics based on your stated preferences. **The topics will be distributed during the introductory meeting.**

The coursework consists of writing a seminar paper that will be presented at the end of the semester. Students are expected to actively participate in discussion rounds. In case Covid-19 prevents us from meeting in person, the seminar will be shifted to collective online sessions. Attendance is obligatory at the introductory lectures (two sessions), at the work-in-progress workshop, and the block course.

The seminar paper is limited to 15 pages (+/- 1 page, excluding graphs, tables and the list of references). Students should discuss and summarize recent contributions by independently investigating related literature and applying economic theory. Each topic is assigned to a supervisor. To clarify further questions on the topic and to discuss a rough outline of the paper, please arrange an early meeting with your supervisor (within the first four weeks). We also expect you to contact your supervisor for a second meeting before you hand in your seminar paper (around 2 weeks before the deadline)!

Please note that the seminar will be held in English and that the number of participants is limited to 15. All further information regarding the seminar will be distributed via StudOn, please sign up for the StudOn course!

| <b>Preliminary schedule</b> |  |
|-----------------------------|--|
| Introductory meeting        | October 26th, 18:00 - 19:30 (FG 2.016) |
| Introductory lecture        | November 9th, 18:00-19:30 (FG 2.016)   |
| Work-in-Progress workshop   | Middle of semester                     |
| Block-course                | At the end of the semester             |

## TOPICS

### Technological Change

#### 1. Job Polarization and the Skill-Bias of Technological Change

- Autor, D.H. & Dorn, D. (2013). The Growth of Low-Skill Service Jobs and the Polarization of the US Labor Market. *American Economic Review* 103(5): 1553-1597.
- Goos, M., Manning, A. & Salomons, A. 2014. Explaining Job Polarization: Routine-Biased Technological Change and Offshoring. *American Economic Review* 104(8): 2509-2526.
- German Alternative to Goos et al.: Spitz-Oener, A. (2006). Technical Change, Job Tasks, and Rising Educational Demands: Looking Outside the Wage Structure. *Journal of Labor Economics* 24(2): 235-270.
- Dauth, W. (2014). *Job polarization on local labor markets* (No. 18/2014). IAB-Discussion Paper.

#### 2. Robots: Destroying Jobs – Or Not?

- Acemoglu, D. & Restrepo, P. (2020). Robots and Jobs: Evidence from US Labor Markets. *Journal of Political Economy*, 128(6), 2188-2244.
- Dauth, W., Findeisen, S., Suedekum, J. & Woessner, N. (2021). The Adjustment of Labor Markets to Robots. *Journal of the European Economic Association* (forthcoming).
- Organisation for Economic Co-operation and Development (OECD). (2016). Automation and independent work in a digital economy: policy brief on the future of work.

#### 3. How do firms use digital technologies?

- Arntz, M., Dengler, K., Dorau, R., Gregory, T., Hartwig, M., Helmrich, R., Lehmer, F., Matthes, B., Tisch, A., Wischniewski, S. & Zierahn, U. (2020). *Digitalisierung und Wandel der Beschäftigung (DIWABE): Eine Datengrundlage für die interdisziplinäre Sozialpolitikforschung* (No. 20-02). ZEW Dokumentation.
- Genz, S., Bellmann, L., & Matthes, B. (2019). Do German Works Councils Counter or Foster the Implementation of Digital Technologies? First Evidence from the IAB-Establishment Panel. *Jahrbücher für Nationalökonomie und Statistik*, 239(3), 523-564.
- Genz, S., Janser, M., & Lehmer, F. (2019). The Impact of Investments in New Digital Technologies on Wages—Worker-Level Evidence from Germany. *Jahrbücher für Nationalökonomie und Statistik*, 239(3), 483-521.

#### 4. Which jobs will disappear due to technological change?

- Frey, C. B., & Osborne, M. A. (2013). The future of employment: How susceptible are jobs to computerisation? *Oxford Martin School Working Paper*.
- Organisation for Economic Co-operation and Development (OECD). (2016). Automation and independent work in a digital economy: policy brief on the future of work.
- Dengler, K., & Matthes, B. (2018). The impacts of digital transformation on the labour market: Substitution potentials of occupations in Germany. *Technological Forecasting and Social Change*, 137, 304-316.

### Returns to human capital

#### 5. Does vocational training pay off?

- Oswald-Egg, M. E., & Renold, U. (2021). No experience, no employment: The effect of vocational education and training work experience on labour market outcomes after higher education. *Economics of Education Review*, 80, 102065.
- Riphahn, R. T., & Zibrowius, M. (2016). Apprenticeship, vocational training, and early labor market outcomes—evidence from East and West Germany. *Education Economics*, 24(1), 33-57.
- Patzina, A., & Wydra-Somaggio, G. (2020). Early Careers of Dropouts from Vocational Training: Signals, Human Capital Formation, and Training Firms. *European Sociological Review*, 36(5), 741-759.

## 6. Tasks, careers and gender wage gap

- Dengler, K., & Tisch, A. (2020). Examining the Relationship Between Digital Transformation and Work Quality: Substitution Potential and Work Exposure in Gender-Specific Occupations. *KZfSS Kölner Zeitschrift für Soziologie und Sozialpsychologie*, 72(1), 427-453.
- Black, S. E., & Spitz-Oener, A. (2010). Explaining women's success: technological change and the skill content of women's work. *The Review of Economics and Statistics*, 92(1), 187-194.
- Yamaguchi, S. (2018). Changes in returns to task-specific skills and gender wage gap. *Journal of Human Resources*, 53(1), 32-70.
- Speer, J. (2017). Pre-market skills, occupational choice, and career progression. *Journal of Human Resources*, 52(1), 187-246.

## Labor markets in recessions

### 7. Apprenticeship markets and the business cycle

- Dummert, S., Leber, U., & Schwengler, B. (2019). Unfilled Training Positions in Germany—Regional and Establishment-Specific Determinants. *Jahrbucher fur Nationalökonomie & Statistik*, 239(4).
- Muehlemann, S., Pfeifer, H., & Wittek, B. H. (2020). The effect of business cycle expectations on the German apprenticeship market: Estimating the impact of Covid-19. *Empirical Research in Vocational Education and Training*, 12(1), 1-30.
- Lüthi, S., & Wolter, S. C. (2020). Are apprenticeships business cycle proof? *Swiss Journal of Economics and Statistics*, 156(1), 3.

### 8. The Consequences of Job Loss

- Schmieder, J.F., von Wachter, T. & Bender, S. (2010). The Long-Term Impact of Job Displacement in Germany During the 1982 Recession on Earnings, Income, and Employment. *IAB Discussion Paper 1/2010*, Nuremberg.
- Gathmann, C., Helm, I. & Schönberg, U. (2020). Spillover Effects of Mass Layoffs. *Journal of the European Economic Association* 18(1): 427-468.

### 9. Graduating in recessions

- Hampf, F., Piopiunik, M., & Wiederhold, S. (2020). The Effects of Graduating from High School in a Recession: College Investments, Skill Formation, and Labor-Market Outcomes. CESifo Working Paper 8252.
- Oreopoulos, P., Von Wachter, T., & Heisz, A. (2012). The short-and long-term career effects of graduating in a recession. *American Economic Journal: Applied Economics*, 4(1), 1-29.

## Inequality in the labor market

### **10. Sources of inequality**

- Anger, S. & Schnitzlein D. (2017). Cognitive skills, non-cognitive skills, and family background: evidence from sibling correlations. *Journal of Population Economics*, 30, 591-620.
- Huggett M., Ventura G., Yaron, A. (2011). Sources of lifetime inequality. *American Economic Review*, 101(7), 2923-2954.

### **11. Wage inequality and employment**

- Biewen, M., Fitzenberger, B., de Lazzer, J. (2018). The role of employment interruptions and part time work for the rise in wage inequality, *IZA Journal of Labor Economics* 7(10).
- Fitzenberger, B., & Seidlitz, A. (2020). The 2011 break in the part-time indicator and the evolution of wage inequality in Germany. *Journal for Labour Market Research*, 54(1), 1-14.

### **12. Minimum Wage – Effects on Employment in Germany**

- Caliendo, M., Schröder, C., Wittbrodt, L (2018). The causal effects of the minimum wage introduction in Germany: An overview. *German Economic Review*, 20(3), 257-292.
- Dustmann, C., Lindner, A., Schönberg, U., Umkehrer, M. & vom Berge, P. (2020). Reallocation Effects of the Minimum Wage. *CReAM Discussion Paper Series*, 2007.

## OECD Employment Outlook

OECD (2021). OECD Employment Outlook 2021: Navigating the COVID-19 Crisis and Recovery, OECD Publishing, Paris, <https://doi.org/10.1787/5a700c4b-en>.

### **13. Job retention schemes during the Covid-19 crisis: Promoting job retention while supporting job creation**

OECD (2022). OECD Employment Outlook 2022: to be released

**14. Tbd**

**15. Tbd**

**16. Tbd**

**17. Tbd**

**18. Tbd**