



## Master Seminar in Empirical Labor Economics Summer term 2020

### Schedule

Date	Location	
Wednesday, 22.04.2020 14.00 – 16.00h	HS VII Altes ReWi	Kick-Off (introduction, organizational issues, as- signment of topics)
Sunday, 14.06.2020 23.59h		Deadline for submission of presentation slides and a preliminary draft of the semi- nar paper to <a href="mailto:sekretariat.schank@uni-mainz.de">sekretariat.schank@uni-mainz.de</a>
Thursday, 18.06.2020 09.00 – 18.00h	Senatssaal Naturwissenschaft- liche Fakultät (NatFak)	Presentations of seminar papers
Sunday, 28.06.2020 23.59h		Deadline for submission of the final semi- nar thesis to <a href="mailto:sekretariat.schank@uni-mainz.de">sekretariat.schank@uni-mainz.de</a> (the print-out can be submitted the next day at the Pedellloge in the Neues ReWi building)

### Pre-requisites:

Preferably, participants should have taken in the past either “Econometric Analysis of Cross Section and Panel Data” (Prof. Schank) or “Topics in Statistics and Econometrics” (Prof. van Ewijk). At the minimum, students should take “Econometric Analysis of Cross Section and Panel Data” in the coming summer term. In case of the latter, it is essential that you attend the *Stata Introduction* by Dr. Constantin Weiser which is offered in the second week of the summer term. Students who have not taken in the past or who will not take any of the two mentioned courses (or any other advanced empirical module) in the coming summer term are NOT recommended to choose this seminar.

Gutenberg School of Management and Economics

Chair of Applied Statistics and Econometrics

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Thorsten Schank**

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## General Description:

The seminar can be regarded as an ideal preparation for an empirical master thesis.

The aim of the seminar is to empirically re-investigate research questions from the field of labor economics, based on the listed references as a benchmark. Using Stata, students carry out the analysis with a student version of the German Socio Economic Panel (SOEP), which is supplied by the chair.

## Topics

### 1. A natural experiment on sick pay cuts, sickness absence and labor costs

In 1996 German federal law reduced the legal obligation of German employers to provide 100% continued wage pay for up to six weeks per sickness episode. Statutory sick pay was decreased to 80% of foregone gross wages. This topic assesses the reform effects of a reduction in statutory sick pay levels on sickness absence behavior and labor costs, by using a difference-in-differences approach to identify the effect of the reform. Students are expected to replicate the main OLS regressions and some of the robustness checks of the paper.

Nicolas Ziebarth, Martin Karlsson (2010) "A natural experiment on sick pay cuts, sickness absence, and labor costs". *Journal of Public Economics*, vol. 94, pages 1108-1122. <https://doi.org/10.1016/j.jpubeco.2010.09.001>

### 2. After work shopping? Employment effects of a deregulation of shop opening hours in the German retail sector

Between November 2006 and July 2007, 14 of the 16 German states deregulated shop closing hours on weekdays, including exceptions on store business hours for Sundays and public holidays. This topic investigates the impact on the employment in Germany. It uses the variation in the change in the opening times of shops across states and applies difference-in-difference estimators. Students are expected to replicate the main OLS-regressions (for the probability of employment and for the probability of part-time employment) and some of the robustness checks of the paper.

Annemarie Paul (2015). "After work shopping? Employment effects of a deregulation of shop opening hours in the German retail sector". *European Economic Review*, vol. 80, pages 329-353. <https://doi.org/10.1016/j.euroecorev.2015.09.001>

### 3. Differences in the choice of job search channel and in the probability of finding a job between immigrants and natives.

Differences between natives and migrants are not only observed with respect to wages but also with respect to the probability of finding a job when being unemployed. This may be caused by differences in characteristics such as language skills or by discrimination. Furthermore, differences may stem from a dif-

ferent choice of job search channels (employment agency, friends, job announcements in newspapers etc.) when being unemployed.

Students should estimate differences between natives, first generation migrants and second generation migrants with respect to the probability of finding a job using OLS or Probit estimations. Additionally, differences in the choice of job search channels between these groups should be investigated. Finally, it should be judged whether differences in the probability of finding a job may be explained by the choice of job search methods.

Yann Algan, Christian Dustmann, Albrecht Glitz, Alan Manning (2010). „The economic situation of first- and second-generation immigrants in France, Germany, and the United Kingdom”. *The Economic Journal* vol. 120(542), pages 4-30. <https://doi.org/10.1111/j.1468-0297.2009.02338.x>

Amelie Constant, Martin Kahanec, Ulf Rinne, Klaus F. Zimmermann (2011), “Ethnicity, job search and labor market reintegration of the unemployed, *International Journal of Manpower*” vol. 72, 753-776. <https://doi.org/10.1108/01437721111174749>

Andrea Weber, Helmut Mahringer (2008). “Choice and success of job search methods”. *Empirical Economics* vol. 35(1), 153-178 <http://doi.org/10.1007/s00181-007-0148-z>

#### **4. The internet effects on the individual job finding rate**

Since the late 1990s, the internet has transformed the ways in which job-seekers look for work. In particular, it has reduced the information asymmetry and the costs to look for vacancies or potential employers and to apply or to recruit. This topic investigates if internet based search is effective in terms of reducing the unemployment probability of individuals.

Students are expected to analyze the determinants of looking for a job online as well the determinants of being employed one year later by making use of the waves 22 and 24 of the SOEP and by estimating either Probit or OLS estimations. Students are not expected to replicate the duration analysis of the paper.

Peter Kuhn, Mikal Skuterud (2004). “Internet Job Search and Unemployment Durations”. *American Economic Review*, vol. 94 pages 218-232. <http://doi.org/10.1257/000282804322970779>

#### **5. The well-being consequences of spousal unemployment**

Unemployment is heavily affecting individual labor market careers. Thus, it has and still is in focus of labor market research. Whereas previous research has mainly concentrated on the labor outcomes of the individuals which has been subject to unemployment, this topic analyzes spill-over effects on the spousal partner by making use of a partner indicator sampled in the household survey. In particular, it addresses the consequences on subjective life satisfaction.

By making use of the partner indicator in the dataset, students are expected to replicate the main individual FE effects regressions and some of the robustness checks of the paper.

Milena Nikolova., Sinem Ayham (2019). "Your spouse is fired! How much do you care?" *Journal of Population Economics*, vol. 32, pages 799–844. <https://doi.org/10.1007/s00148-018-0693-0>

### Further information

We will send before the first meeting an http-address where participants can state their preferences by ranking the topics from 1 (most preferred) to 5 (least preferred), but students can modify their preferences at the end of the introductory meeting. Topics will be assigned (according to the stated preferences) to groups of two or three students directly after the introductory meeting. Students within groups can work together and use a joint do-file in Stata. Group members should also present their results jointly. However, note that each person should write up her/his seminar thesis independently. The thesis should cover **not more than 12 pages** including tables and figures, but without references.

The main task is to investigate the research topic, using Stata, and to write up the findings in the style of a research paper. Students are expected to use the reference articles as a benchmark for their own investigations, though not all regressions of the papers have to be mimicked. Neither is it the goal to reproduce exactly the same results as the papers which are already based on the SOEP. Students should adhere to the requirements stated above and should discuss the outline of their paper with their supervisor.

We will supply a student version of the German Socio Economic Panel (SOEP), the data-set to be used for the analysis. Instructions on how to access the data will be provided in the first meeting.

Students need to submit an electronic version of their seminar thesis by e-mail to [sekretariat.schank@uni-mainz.de](mailto:sekretariat.schank@uni-mainz.de), together with the literature cited in the thesis (except for the papers referenced above), a Stata log-file and a do-file which produces all results reported in the seminar thesis. Before submission, students should make sure that the do-file runs through from the beginning to the end and should also appropriately comment in the do-file which table etc. is produced by which command.

Further formal requirements will be discussed during the introductory meeting. The slides from this introductory meeting will be downloadable from ILIAS. Participants are expected to follow all guidelines listed on the slides.

### Contact

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