

Bachelor's Seminar
in Applied Statistics and Econometrics
Empirical Labor Economics
WS 2023-2024

General Description

The bachelor's seminar serves as a preparation for the bachelor's thesis, which is written directly after the seminar. During the processing period, students are expected to write an exposé of their bachelor's thesis and to present it at the seminar. The aim of the seminar (and of the bachelor's thesis) is to empirically investigate research questions from labor economics like "are there gender differences in internal promotions" or "does housework affect wages", using the Software package Stata. During the seminar, students are expected to

- become familiar with the literature from the relevant field
- precisely define the research question to be analysed in the bachelor's thesis
- prepare the data for the bachelor's thesis
- present first regression estimates
- present an outlook for the bachelor's thesis (i.e., students specify which further analysis they intend to carry out)

Requirements

While knowledge from the obligatory lectures *Statistik I*, *Statistik II*, and *Empirische Wirtschaftsforschung* is required, further statistical skills are not necessary. Instead, general interest in statistics and empirical economics and the willingness to conduct your own empirical analysis as well as knowledge of Stata are essential. Further information can be found on our homepage:

<https://www.statistics.economics.uni-mainz.de/teaching/bachelor/seminar/>

For further questions, feel free to contact Carl Hase (cahase@uni-mainz.de)

Please note that the seminar will be held in English.

Contact

Prof. Dr. Thorsten Schank (schank@uni-mainz.de)

Carl Hase (cahase@uni-mainz.de)

Topics Overview

Students are expected to investigate empirically the following topics, based on the cited references:

1. Do immigrants commute more?
2. Working from home, hours worked, wages and job satisfaction
3. Gender differences in training participation
4. Unemployment and life satisfaction
5. The impact of health on wages
6. The effect of commuting on well-being

Detailed Topics and Literature

1. Do immigrants commute more?

A small but growing literature finds that immigrants have longer commuting times than non-immigrant employees. This "commuting penalty" may reflect a spatial mismatch of immigrants' labor supply and demand, or differences in family characteristics, household work, country of origin, or cultural norms. Ultimately, the determinants of the commuting penalty for immigrants are not fully understood and it remains unclear whether the penalty holds in Germany. This topic aims to detect differences in commuting behavior between immigrants and non-immigrants and the potential reasons for this phenomenon. Students are expected to conduct OLS regressions and Oaxaca-Blinder decompositions to investigate this issue.

Literature

Casado-Díaz, J.M., Simón-Albert, R. & Simón, H. Reassessing the commuting penalty for immigrants: new evidence from Spain. *Transportation* 49, 1099–1132 (2022).

<https://doi.org/10.1007/s11116-021-10204-5>

2. Working from home, hours worked, wages, and job satisfaction

The practice of working from home (WFH) has become widespread since the outbreak of the Covid-19 pandemic, yet prior to the pandemic there was limited research on how hybrid work arrangements impact labor market outcomes. Adoption of WFH may influence working hours by increasing the labor supply, possibly due to the reduction of schedule constraints stemming from personal commitments such as childcare. Additionally, there is evidence that WFH can improve job satisfaction by reducing commuting costs and allowing for more flexibility in work arrangements. This seminar paper aims to investigate the determinants of taking-up of WFH and the impact of WFH on working hours, wages and job satisfaction. Students are expected to conduct OLS regressions and fixed effects regressions to investigate these issues.

Literature

Arntz, M., Yahmed, S. B., & Berlingieri, F. (2022). Working from Home, Hours Worked and Wages: Heterogeneity by gender and parenthood. *Labour Economics*, 76, 102169.

3. Gender differences in training participation

Work-related training may enhance productivity, resulting in wage increases and lower unemployment risk for workers. Therefore, less investment in further training may lead to a wage disadvantage for workers. The economic literature has often found that women invest less in work-related training than men because they anticipate career breaks for childbearing, reducing the returns to training. As possibilities for childcare have improved in the last several years, career breaks have become shorter, which should lead to higher investment by women in further training. The seminar topic analyses gender differences in the probability of participating in training measures and how they evolve over time. Students will run OLS and Fixed Effects regressions to investigate this topic.

Literature

Arulampalam, W., Booth, A. L., & Bryan, M. L. (2004). Training in Europe. *Journal of the European Economic Association*, 2(2-3), 346-360.

4. Unemployment and life satisfaction

Labor market success is known to have an impact on life satisfaction. Previous research finds that unemployment has significant negative effects on life satisfaction due to loss of social contact, reduced self-esteem, and a fall in future discounted wages. However, from another perspective, happiness is increasing with increased leisure. Therefore, the total effect of unemployment on life satisfaction may be ambiguous. Students are expected to run pooled OLS and Fixed Effects regressions to estimate the effect of unemployment on life satisfaction.

Literature

Kassenboehmer, S. C., & Haisken-DeNew, J. P. (2009). You're fired! The causal negative effect of entry unemployment on life satisfaction. *The Economic Journal*, 119(536), 448-462.

5. The impact of health on wages

Traditional human capital theory focuses on the education and skills of individuals. However, health is also an essential component of human capital. There are several potential channels through which health could have an impact on labor market behavior and outcomes. An increase in health leads to an increase in productivity and, therefore, wages. Moreover, unhealthy workers may be subject to discrimination irrespective of their productivity. And health might correlate with unobserved attributes that affect productivity. Consequently, firms may offer higher wages for healthier workers. This topic aims to investigate whether health has a positive impact on wages. The main independent variable for this topic is self-assessed health status. The methods used are Pooled OLS and Fixed Effects regressions.

Literature

Pelkowski, J. M., & Berger, M. C. (2004). The impact of health on employment, wages, and hours worked over the life cycle. *The Quarterly Review of Economics and Finance*, 44(1), 102-121.

6. Commuting and subjective well-being

The relationship between commuting and well-being is increasingly of interest to economists. Some studies find that commuting to work is a stress factor and, hence, lowers overall life satisfaction. Other studies find no evidence that commuting in general is associated with lower life satisfaction. Instead, it appears that longer commutes are only related to lower satisfaction with certain life domains, especially family life and leisure time. This topic uses more current SOEP data to examine the relation between commuting and several components of subjective well-being (e.g., satisfaction with family life, leisure, income, work, health). Students are expected to run pooled OLS and fixed effects regressions.

Literature

Stutzer, A. and Frey, B.S. (2008), Stress that Doesn't Pay: The Commuting Paradox. *Scandinavian Journal of Economics*, 110, 339-366.

Organisation of the Seminar

You can apply for the seminar via Jogustine. Further information on the registration procedure and the registration period is provided by the *Studienbüro*. You will receive final admission to the seminar from the *Studienbüro*.

All topics will be assigned to groups of two or three students directly after the first meeting (Monday, October 30th). Please send a transcript from Jogustine to sekretariat.schank@uni-mainz.de prior to the first meeting to inform us of which courses you have participated in.

Group members present their results jointly on Thursday, December 7th. However, note that each student writes their own exposé independently. The bachelor's thesis is written in the eight weeks following the seminar.

Time Schedule for the Bachelor's Seminar and Bachelor's Thesis

Events	Date	Time	
Introduction, topic assignment and beginning of the processing period	Monday, October 30 th , 2023	18:00- 20:00	HS VI (00-311)
Deadline for exposé submission	Thursday, November 30 th , 2023	12:00 pm (noon)	Via e-mail to: sekretariat.schank@uni-mainz.de .
Exposé presentations	Thursday, December 7 th 2023	9:00- 18:00	Kleiner Dekanatssaal (03-125)
Beginning of the processing time for the bachelor's thesis	Friday, December 8 th 2023	–	–
Bachelor's thesis submission deadline	Friday, February 2 nd 2024	12:00 pm (noon)	Official submission to the Studienbüro. Supplementary material via e-mail to sekretariat.schank@uni-mainz.de

The attendance for the introductory session (first session) and the exposé presentations are mandatory. In the case of non-attendance (without presenting valid reasons to the Exam Office), the seminar will not be passed.