Johannes Gutenberg-Universität Mainz (JGU) D 55099 Mainz
Gutenberg School of Management and Economics

Master Seminar in Empirical Labor Economics

Summer term 2024

Schedule

Date	Location	
Monday, 22.04.2024 12.00 – 14.00h	RW 6 (new ReWi)	Kick-Off (introduction, organizational issues, assignment of topics)
Sunday, 23.06.2024 23.59h		Deadline for submission of presentation slides and a preliminary draft of the seminar paper to sekretariat.schank@uni-mainz.de
Wednesday, 26.06.2024 09.00 – 18.00h	Großer Dekanatssaal (03- 150)	Presentations of seminar papers
Sunday, 07.07.2024 23.59h		Deadline for submission of the final seminar thesis to sekretariat.schank@uni-mainz.de

Pre-requisites:

For students not from the QDEM program, it is preferred that you have previously taken a master course from our chair (Professor Schank) or "Topics in Statistics and Econometrics" (Professor van Ewijk). Students who have not taken in the past or who will not take 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

Prof. Dr.
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. **The impact of regional mobility of working individuals on life and job satisfaction**

   In a study using the British BHPS and the Australian HILDA dataset, Perales (2017) shows that the decisions of young individuals to move between regions is consistent with theories assuming utility-maximizing behavior. His study shows that satisfaction increases after moving.

   In the seminar thesis, students are expected to estimate Fixed Effects regressions for job and life satisfaction in order to test if this results also holds for Germany. Regressions are done for several subgroups (singles, partnered individuals, high educated, etc.). Note that unlike the BHPS and HILDA, the German SOEP unfortunately does not consistently have information on the reason of migration.

   Perales, F. (2017). “Dynamics of job satisfaction around internal migrations: a panel analysis of young people in Britain and Australia”. The Annals of Regional Science, vol. 59 (3), pages 577-601.

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.

3. **Working hours mismatch and job mobility**

   Working hours mismatch exists if there is a difference between an employee’s preferred number of working hours and the actual working time. In the seminar thesis, students are expected to analyze descriptively the extent of working hours mismatch in the German population, distinguishing between underemployment and

overemployment. In a further step, students should investigate the determinants of working hour mismatch using OLS or logit regressions or possibly multinomial logit regressions. For instance, parents might have more working hour constraints than single persons. Finally, it should be analyzed if working hour mismatch increases job mobility. For that aim, several OLS or logit models or possibly multinomial logit models are estimated for the transition between employment and five labor market states: employment in the same job, within employer mobility, between employer mobility, unemployment, inactivity.

René Böheim and Mark P. Taylor (2004): Actual and preferred working hours, British Journal of Industrial Relations 42(1), 149-166.
Borjas, J. (2010), Labor Economics, Fifth Edition, Mc Graw Hill, Boston, Chapter 2 (the relevant parts).

4. Determinants of East-West migration in Germany

Although the reunification of Germany dates back more than a quarter of a century, economic disparities between both regions are still viable. One reason is probably that more people left East- for West-Germany which may have weakened respective labor market and economic performance. In addition, Fuchs-Schündeln & Schündeln (2009) found that migrants to West Germany are mainly young, educated people while people who return to East-Germany are mainly old or single. However, a recent shift in moving behaviour is observable, resulting in net migration gains for eastern Germany since 2017. Therefore, it is interesting to re-evaluate determinants for leaving and/-or returning to Eastern Germany in the manner of Fuchs-Schündeln & Schündeln (2009). To estimate respective determinants students are expected to use the GSOEP by facilitating OLS and Fixed Effects regression. Extensions are possible by either using Probit or, if interested in migration flows, OLS or Poisson regressions.

Fuchs-Schündeln, N. & Schündeln, M. (2009), Who stays, who goes, who returns? East-West Migration within Germany since reunification. Economics of Transition, 17, 703-738.

5. Overeducation and career mobility

Overeducation refers to an education-job mismatch where the worker obtains a level of education in excess of that which is required for their particular job. Some previous studies showed that overeducated workers might change their jobs more frequently than their adequately matched counterparts. On the one hand, according to occupational mobility theory, labor market entrants may treat overeducation as an investment in exchange for work experience and training which provides greater promotional opportunities in the future. On the other hand, overeducation might be a signal of relative lower productivity and results in downward occupational mobility. In this topic, students study the relationship between overeducation and occupational mobility and are expected to use LPM regressions and Logit regressions to conduct the analysis.

Rubb, S. (2013). Overeducation, undereducation and asymmetric information in occupational mobility. Applied Economics, 45(6), 741-751.

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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. Therefore, it is expected that students are able to work independently with Stata. 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, 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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