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Zertifikat seit 2009
audit berufundfamilie

On the efficiency properties of the Roy's model under asymmetric information

24 March 2014

We consider Roy's economies with perfectly competitive labor markets and asymmetric information. Firms choose their investments in physical capital before observing the characteristics of the labor markets they will face. We provide conditions under which equilibrium allocations are constrained Pareto efficient, i.e., such that it is impossible to improve upon the equilibrium allocation by changing agents' investments and letting the other endogenous variables adjust to restore market clearing. We also provide a robust example of a class of economies where these conditions fail and where equilibria are characterized by overinvestments in high skills. Finally, we discuss some implications of our main results for the optimal taxation literature.

[IAB-Discussion Paper 8/2014](#)

Success and failure in the operational recruitment process

13 March 2014

Following microeconomic theory, every vacancy should be filled by appropriate manpower after a certain time. However, from an empirical point of view it is evident that vacancies remain unfilled as establishments cancel their search for a suitable applicant. The German Job Vacancy Survey (JVS) is a representative survey of job offers for the entire German economy and provides information about the search and matching processes for both the establishments' most recent hires and for failures in the recruitment processes. The analysis is based on a binary explanatory variable, resulting from the interaction of individual successful and unsuccessful search processes (cancellation probability). Our results show that with increasing recruitment duration, the number of search cancellations becomes more likely. Moreover, the results indicate that the probability of a search cancellation is strongly linked to the characteristics that an applicant must provide and to the way the search is organised.

[IAB-Discussion Paper 7/2014](#)

Active labour market programmes for women with a partner

04 March 2014

A major unemployment and welfare benefit reform took place in Germany in 2005. One objective of this reform was to more strongly encourage an adult worker model of the family, with an emphasis on activating the formerly inactive. The authors' hypothesis is, however, that assignments to activation programmes, such as training or workfare, will in practice still tend to

IAB labor market barometer

The IAB labor market barometer is regularly released towards the end of month:
[IAB labor market barometer](#)

Topical platforms

Important results of IAB's labour market research:

- [Short-time work](#)

Events

- May 14 - 16, 2014
[Labor Markets, Trade and Human Capital Formation](#)
3rd Joint Workshop of Aarhus University and the Institute for Employment Research, Nuremberg
- May 26 - 28, 2014
[TASKS III: Changing Tasks - Consequences for Inequality](#)
3. International BIBB/IAB/ZEW Conference

Current publications

- On the efficiency properties of the Roy's model under asymmetric information
[IAB-Discussion Paper 8/2014](#)
- Success and failure in the operational recruitment process
[IAB-Discussion Paper 7/2014](#)
- Active labour market programmes for

replicate patterns for the division of labour in the household that couples have become accustomed to.

[IAB-Discussion Paper 6/2014](#)

Journal for Labour Market Research 1-2/2014

04 March 2014

The special issue "20 years of IAB Establishment Panel - Payoffs and Perspectives" (1-2/2014, Volume 47) contains the following articles:

[Kontinuität und Veränderung des IAB-Betriebspanels](#)

[The IAB Establishment Panel - methodological essentials and data quality](#)

[Estimation of standard errors and treatment effects in empirical economics - methods and applications](#)

[Daten des IAB-Betriebspanels und Firmenpaneldaten aus Erhebungen der Amtlichen Statistik - substitutive oder komplementäre Inputs für die Empirische Wirtschaftsforschung?](#)

[Beschäftigungsanpassung in deutschen Betrieben: Flexibler als gedacht?](#)

[Employment adjustment in German firms](#)

[Employment trajectories in Germany. Do firm characteristics and regional disparities matter?](#)

[Firm leadership and the gender pay gap: do active owners discriminate more than hired managers?](#)

[Wirtschaftsförderung, Produktivität und betriebliche Arbeitsnachfrage](#)

[Which firms use targeted wage subsidies? An empirical note for Germany.](#)

Revisiting the matching function

28 February 2014

Many labor market models use both idiosyncratic productivity and a vacancy free entry condition. This paper shows that these two features combined generate an equilibrium comovement between matches on the one hand and unemployment and vacancies on the other hand, which is observationally equivalent to a constant returns Cobb-Douglas function commonly used to model match formation. The authors use German administrative labor market data to show that the matching function correlation solely based on idiosyncratic productivity and free entry is very close to the empirical matching function.

[IAB-Discussion Paper 5/2014](#)

Interacting product and labor market regulation and the impact of immigration on native wages

26 February 2014

women with a partner
[IAB-Discussion Paper 6/2014](#)

■ [Journal for Labour Market Research 1-2/2014](#)

■ [Revisiting the matching function IAB-Discussion Paper 5/2014](#)

■ [The cyclicality of worker flows: Evidence from Germany IAB-Bibliothek 346](#)

■ [The ReLOC project IAB-Forschungsbericht 4/2013](#)

Current reports

■ [A sketch of youth unemployment in selected countries](#)

Does interacting product and labor market regulation alter the impact of immigration on wages of competing native workers? Focusing on the large, sudden and unanticipated wave of migration from East to West Germany after German reunification and allowing for endogenous immigration, we compare native wage reactions across different segments of the West German labor market: one segment without product and labor market regulation, to which standard immigration models best apply, one segment in which product and labor market regulation interact, and one segment covering intermediate groups of workers. We find that the wages of competing native West Germans respond negatively to the large influx of similar East German workers in the segment with almost free firm entry into product markets and weak worker influence on the decision-making of firms. Competing native workers are insulated from such pressure if firm entry regulation interacts with labor market institutions, implying a strong influence of workers on the decision-making of profit-making firms.

[IAB-Discussion Paper 4/2014](#)

Regional determinants of German FDI in the Czech Republic

25 February 2014

The attractiveness for the location of multinational firms is seen as a crucial issue for the development and prosperity of regions. This article focuses on a two-country relationship and deals with the regional distribution of German multinational firms and their affiliates in the Czech Republic. A new dataset established by the IAB covers information on the basic population of cross-border foreign direct investment (FDI) projects, thereby exceeding the number of observations in previously used databases by far. On the basis of 3,894 FDI projects the regional determinants of German cross-border investments in the Czech Republic are analysed for both the home and the host country. Alternative specifications of the gravity model are used in order to investigate the regional distribution of common investment projects that are calculated as a combination of a headquarters in a German spatial planning region and an affiliate in a Czech NUTS 3 region. Concerning the explanatory variables a distinction is made between three groups of factors: first, market size and agglomeration features of the regions; second, attributes representing the distance between the headquarters in Germany and the affiliates in the Czech Republic; and third, regional labour market characteristics. While the findings are generally in line with theoretical expectations, differences emerge between manufacturing FDI and services FDI.

[IAB-Discussion Paper 3/2014](#)

Beat the heap - an imputation strategy for valid inferences from rounded income data

03 February 2014

Questions on income in surveys are prone to two sources of errors that can cause bias if not addressed adequately at the analysis stage. On the one hand, income is considered sensitive information and response rates on income questions generally tend to be lower than response rates for other non-sensitive questions. On the other hand respondents usually don't remember their exact income and thus tend to provide a rounded estimate. The negative effects of item nonresponse are well studied and most statistical

agencies have developed sophisticated imputation methods to correct for this potential source of bias. However, to our knowledge the effects of rounding are hardly ever considered in practice, despite the fact that several studies have found strong evidence that most of the respondents round their reported income values.

[IAB-Discussion Paper 2/2014](#)

Your very private job agency

13 January 2014

This paper analyzes job referral effects that are based on residential location. We use georeferenced record data for the entire working population (liable to social security) and the corresponding establishments in the Rhine-Ruhr metropolitan area, which is Germany's largest (and EU's second largest) metropolitan area. We estimate the propensity of two persons to work at the same place when residing in the same neighborhood (reported with an accuracy of $500\text{m} \times 500\text{m}$ grid cells), and compare the effect to people living in adjacent neighborhoods. We find a significant increase in the probability of working together when living in the same neighborhood, which is stable across various specifications. We differentiate these referral effects for socioeconomic groups and find especially strong effects for migrant groups from former guestworker countries and new EU countries. Further, we are able to investigate a number of issues in order to deepen the insight on actual job referrals: distinguishing between the effects on working in the same neighborhood and working in the same establishment - probably the more accurate measure for job referrals - shows that the latter yield overall smaller effects. Further, we find that clusters in employment although having a significant positive effect play only a minor role for the magnitude of the referral effect. When we exclude short distance commuters, we find the same probabilities of working together, which reinforces our interpretation of this probability as a network effect.

[IAB-Discussion Paper 1/2024](#)

[Archive](#)

