

IAB *Workshop* "Wissenschaft für die Praxis"  
„Eine Frage der Übersetzung“  
Makroökonomische Modelle in der Arbeitsmarktforschung  
Möglichkeiten und Grenzen für die Politikberatung  
Am 29./30. Januar 2004 in der Führungsakademie der BA, Lauf

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## **Makromodelle in der Wissenschaftlichen Politikberatung**

The use of macroeconomic models in policy making

Starting with the first macro-econometric model in the world, which Tinbergen constructed for The Netherlands in 1936, this lecture surveys the state of the art in macroeconomic model building and the use of these models in policy analysis. The discussion emphasises the need for interaction between the modelling experts and the policy makers. Historical examples of this interaction are given. Models are used in policy analysis for the calculation of effects of policy measures (impulse-response effects), for forecasting, for scenario analysis and for the understanding the propagation of shocks. The use of the models for policy purposes demands a mixture of science and art: the computer outcomes of the model calculations should be carefully interpreted, which requires good economic skills, knowledge of institutions and much tacit knowledge. The lecture pays special attention to modelling the labour market, where nowadays various types of models are used in policy analysis, ranging from applied general equilibrium models, models which describe labour market dynamics (job flows, labour market transitions) to models which focus on micro-economic incentive mechanisms such as adverse selection, moral hazard, and extrinsic versus intrinsic motivation.