



INSTITUTE FOR EMPLOYMENT  
RESEARCH  
The Research Institute of the Federal Employment Agency

# CROSSING BORDERS: LABOR MARKET EFFECTS OF EUROPEAN INTEGRATION

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EALE/AASLE/SOLE Conference 2020

June 25, 2020

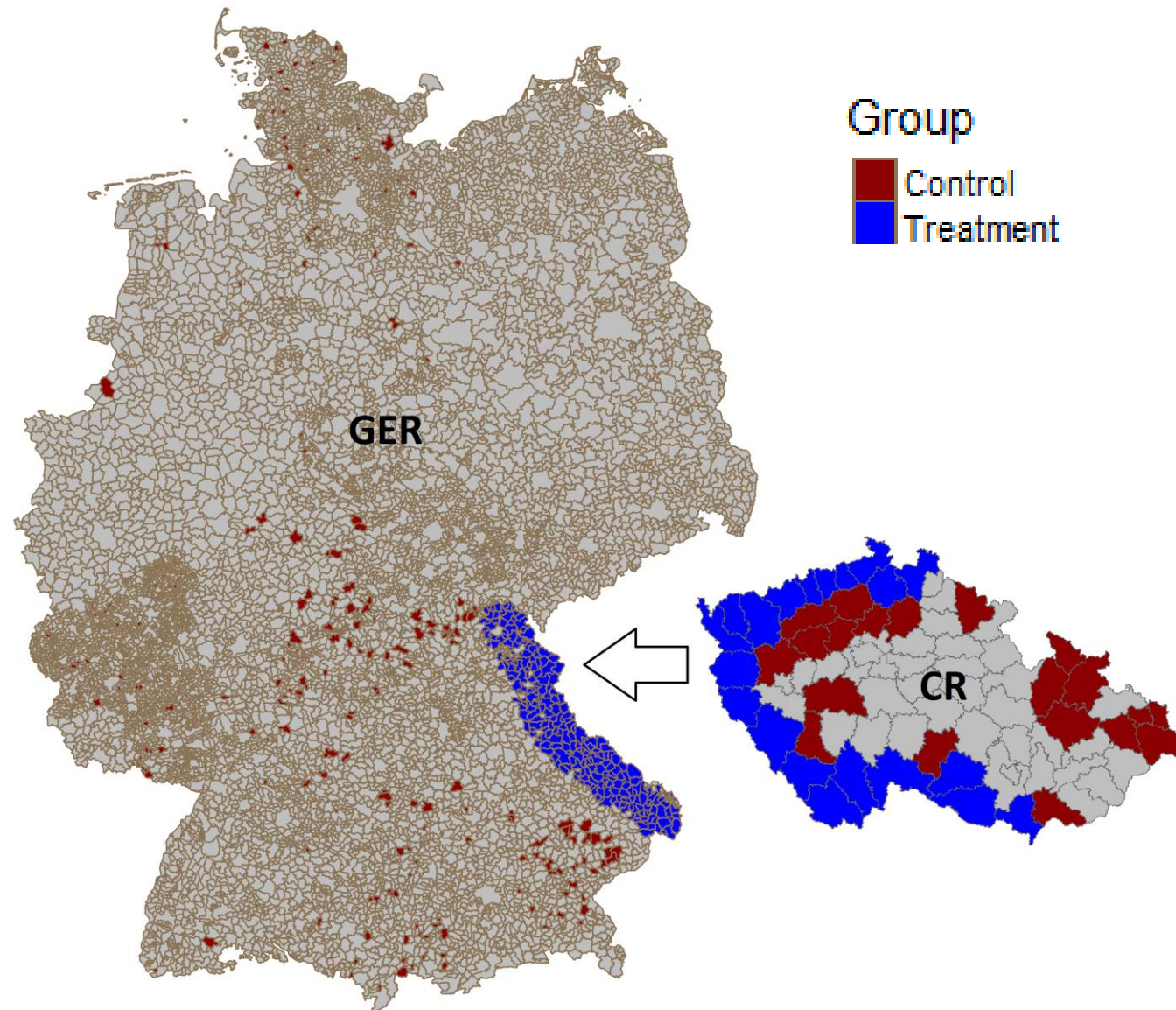


# MOTIVATION AND CONTRIBUTION

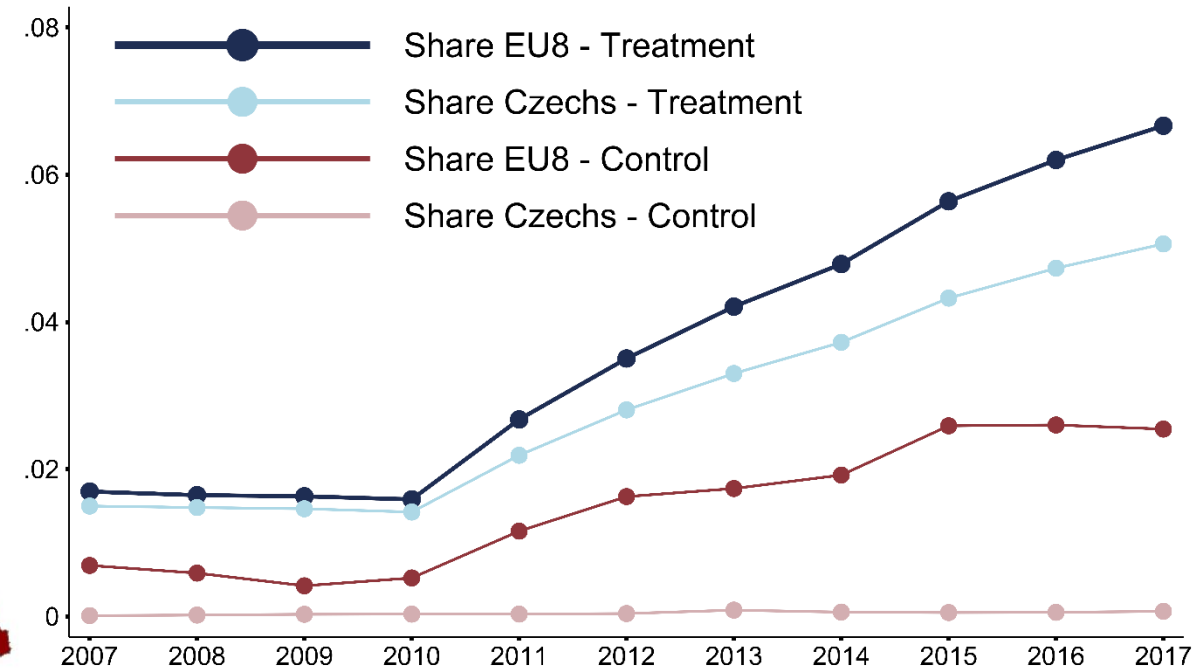
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- Important to know labor market effects of large, permanent immigration reforms
  - Many papers focus on effect of temporary immigration policies on native workers (e.g., Card 1990, Dustmann et al. 2017)
  - Growing evidence on policies that permanently lifted immigration restrictions (e.g., Beerli et al. 2020, Bratsberg et al. 2019)
- Effects of positive labor supply shock are relevant, but same holds for reverse – negative labor supply shock:
  - I investigate German workers' wages and employment...
  - ... as well as Czech regional unemployment rates
- Literature so far looks mainly on regional aggregates, but what about workers' careers? (not focus of this flash talk)
  - Native workers with lower pre-shock tenure suffer more
  - Moving out of treatment region pays off

# MIGRATION FROM CZECH REPUBLIC TO GERMANY



## Share of EU-Workers in Matched German Regions



Data Source: German social security data (IEB)

# EVENT STUDY RESULTS: LABOR MARKET EFFECTS IN GERMANY AND CZECH REPUBLIC

## Wages and Employment in Germany (Municipalities)

## Unemployment Rate in Czech Republic (Municipalities)



Data Source: German social security data (IEB)



Data Source: Czech Statistical Office