

IAB-Colloquium

zur Arbeitsmarkt- und Berufsforschung

Firm dynamics with competitive search (work in progress)

Prof. Dr. Leo Kaas (*Universität Konstanz*)

We develop a model of large firms, concave production and competitive search. Firms create jobs and post wage contracts which provide the optimal tradeoff between the vacancy yield and the labor cost of new hires. Equilibrium is constrained efficient and follows a simple recursive equation describing employment dynamics at the level of an individual firm. The model characterizes different margins of job creation (firm entry and firm growth) and job destruction (firm exit and layoffs), and it generates an endogenous distribution of firm age, firm size, firm growth, and wages.

Donnerstag, 18. Juni 2009

14:00 Uhr

Sitzungssaal 126a