



Labor Market Institutions and the Macroeconomy

Friedrich-Alexander-University, Findelgasse 7/9, Nuremberg, June 17-18, 2011

Workshop of the Ensuring Economic and Employment Stability Network
Jointly organized by the Institute for Employment Research (IAB), the Friedrich-Alexander-University
Erlangen-Nuremberg and the Kiel Institute for the World Economy (IfW)

Program committee:

Hermann Gartner (IAB, Nuremberg)

Christian Merkl (Friedrich-Alexander-University Erlangen-Nuremberg & IfW, Kiel)

Mewael Tesfaselassie (IfW, Kiel)

Preliminary Program

Friday, 17 June 2011:

For interested participants

11:00-12:00 Introduction to the data sources at the IAB

12:00-12:45 Registration and Lunch

12:45-13:00 Introductory Words by the Organizers

13:00-15:00 Micro Data and Macro Implications

New Evidence on the Hiring Process and Labor Market Flows

Steve Davis (University of Chicago)

The Great Increase in Relative Volatility of Real Wages in the United States

Julien Champagne (Université du Québec à Montréal)

*André Kurmann (UQAM and University of Pennsylvania)

Discussant: Christian Haefke (Institut for Advanced Studies, Wien)

15:00-16:00 Poster Session

- Ronald Bachmann (RWI, Essen), **What Drives Labor Market Dynamics in the US and Germany?**
- Sanjay Chugh (University of Maryland & IfW, Kiel), **Efficiency and Labor Market Dynamics in a Model of Labor Selection**
- Stefano Gnocchi (Universitat Autònoma de Barcelona), **Do labor market rigidities matter for business cycles?**
- Benedikt Herz (Universitat Pompeu Fabra), **Structural Unemployment**
- Morin Annaig Martine (Bocconi University, Milan), **Cyclicalities of Wages and Union Power**
- Tamas Papp (Institut for Advanced Studies, Wien), **Accounting for the Cyclical Volatility of Wages**
- Martin Scheffel (ZEW, Mannheim), **A Macroeconomic Model for the Evaluation of Labor Market Reforms**
- Oliver Sigrist (University of Basel), **The Cyclical Dynamics of European Unemployment**

16:00-16:30 Coffee Break

16:30-18:30 Labor Market Institutions: A Transatlantic Perspective

Training or Search? Evidence and an Equilibrium Model

Jun Nie (Federal Reserve Bank of Kansas)

Discussant: Michael Krause (Deutsche Bundesbank, Frankfurt)

The Demise of Okun's Law and of Procyclical Fluctuations in Conventional and Unconventional Measures of Productivity

Robert Gordon (Northwestern University)

Discussant: Enzo Weber (University of Regensburg & IAB, Nuremberg)

20:00 Workshop dinner

Saturday, 18 June 2011

09:00-11:00 Monetary Policy and the Labor Market

The Evolution of Inflation Dynamics and the Great Recession

*Laurence Ball (Johns Hopkins University)

Sandeep Mazumder (Wake Forest University)

The Optimal Inflation Rate under Downward Nominal Wage Rigidity

Mikael Carlsson (Sveriges Riksbank)

*Andreas Westermark (Sveriges Riksbank)

Discussant: Wolfgang Lechthaler (IfW, Kiel)

11:00-11:30 Coffee Break

11:30-12:30 The Zero Lower Bound and the Labor Market

Large Employment Fluctuations with Flexible Prices and Wages

Bob Hall (Stanford University)

Discussant: Dale Mortensen (Northwestern University)

12:30-13:30 Lunch Break

13:30-15:30 Institutions and the Business Cycle

Unemployment and Productivity in the Long Run: the Role of Macroeconomic Volatility

*Pierpaolo Benigno (International Free University of Social Sciences Guido Carli, Rome)

Luca Antonio Ricci (IMF)

Paolo Surico (London Business School)

Discussant: Chris Reicher (IfW, Kiel)

Optimal Unemployment Insurance over the Business Cycle

Pascal Michailat (London School of Economics)

Discussant: Sanjay Chugh (University of Maryland & IfW, Kiel)

15:30-16:00 Coffee Break

16:00-18:00 The Great Recession and the Labor Market

Uncertainty Shocks in a Model of Effective Demand

*Susanto Basu (Boston College)

Brent Bundick (Boston College)

Discussant: Liam Graham (University College London)

Labor Markets Before and after the Great Recession

Giuseppe Bertola (Universito di Torino)

20:00 Workshop dinner

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