

Seminar: Wage and Income Inequality

Summer Term 2017

Chair of Economics: Productivity and Innovation

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Contents

Rising wage and income inequality has increasingly become an important topic in both academic and policy debates. In this seminar, we will discuss various empirical papers on the development of wage and income inequality and its sources. The following papers will be discussed:

1. Autor, D. H., Levy, F., and Murnane, R. J. (2003): The Skill Content of Recent Technological Change: An Empirical Exploration, *Quarterly Journal of Economics* 118, 1279–1333.
2. Barth, E., Bryson, A., Davis, J. C., and Freeman, R. (2014): It's Where You Work: Increases in Earnings Dispersion across Establishments and Individuals in the U.S., NBER Working Paper No. 20447, Cambridge.
3. Biewen, M. and Juhasz, A. (2012): Understanding Rising Income Inequality in Germany, *Review of Income and Wealth* 58, 622–647.
4. Bönke, T., Corneo, G., and Lüthen, H. (2015): Lifetime Earnings Inequality in Germany, *Journal of Labor Economics* 33, 171–208.
5. Card, D., Heining, J., and Klein, P. (2013): Workplace Heterogeneity and the Rise of West German Wage Inequality, *Quarterly Journal of Economics* 128, 967–1015.
6. Card, D. and Lemieux, T. (2001): Can Falling Supply Explain the Rising Return to College for Younger Men? A Cohort-Based Analysis, *Quarterly Journal of Economics* 116, 705–746.
7. Dustmann, C., Ludsteck, J., and Schönberg, U. (2009): Revisiting the German Wage Structure, *Quarterly Journal of Economics* 124, 843–881.
8. Fuchs-Schündeln, N., Krueger, D., and Sommer, M. (2010): Inequality trends for Germany in the last two decades: A tale of two countries, *Review of Economic Dynamics* 13, 103–132.
9. Goldschmidt, D. and Schmieder, J. F. (2015): The Rise of Domestic Outsourcing and the Evolution of the German Wage Structure, NBER Working Paper No. 21366, Cambridge.
10. Kopczuk, W., Saez, E., and Song, J. (2010): Earnings Inequality and Mobility in the United States: Evidence from Social Security Data since 1937, *Quarterly Journal of Economics* 125, 91–128.

Structure

The seminar will begin with an introductory session on **5 April, 2017**. If you do not come to this session you will lose permission to take part in the seminar. In this first session, each student will be assigned one of the papers and is expected to write a short seminar paper (max. 8 pages) about this paper in the course of the semester. Moreover, students will hold **two** presentations. One presentation is about the own paper (max. 25 min.) mainly discussing what the seminar paper will be about (comments from seminar participants should help presenters to improve their later submitted seminar papers). This presentation should be sent to eva.hank@iwh-halle.de by **5 May** (before midnight of that day). Then, we will send one presentation from another student to each participant that she will critically discuss in her second presentation (max. 10 min.)

on the basis of what she has learned herself from the paper the presentation is about. Hence, each student is expected to be an “expert” on two papers of the literature list. This second presentation should be sent to eva.hank@iwh-halle.de by the evening of **16 May**. We will meet again on **17 May** for our presentation session (depending on the number of participants there may be a second meeting for presentations, probably on 18 May). Seminar papers are expected to be submitted by **28 May** (before midnight of that day) to eva.hank@iwh-halle.de. The final grade will comprise two separately graded parts: the seminar paper (2/3) and the two presentations (1/3). Note that you only pass the seminar if each part is passed separately (e.g., in case that you do not hand in your presentations in time and, hence, this part is graded with 5.0, you cannot pass the seminar anymore).

Enlistment and prerequisites

How to enlist? Write an email indicating your **name** and **student ID** to eva.hank@iwh-halle.de. Also state your preferences for **three** of the papers from the literature list (descending from most to least preferred). Students should have a solid background in multivariate regression analysis, please attach your **latest transcript of records** (download from hisqis is sufficient). Enlisting **starts on 1 February** and **ends on 15 March**. The result of the selection procedure will be announced by email on March 15. The mandatory enrolment (with your signature) is during the introductory session (on **5 April**). At this point there will be a chance for students on a waiting list to take vacant places (from students not signing in).