



15 Years of IZA:
15 Successful Years in Labor Economics
and Policy Advice

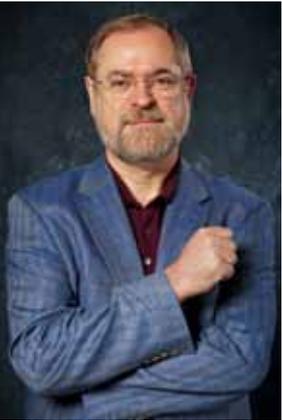


IZA HIGHLIGHTS 1998 - 2013

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PREFACE



Klaus F. Zimmermann
(Director, IZA)

In 1998, when the Institute for the Study of Labor – or Institut zur Zukunft der Arbeit (IZA) – was founded on the initiative of Deutsche Post, Germany’s largest employer, labor economics in Germany was largely marginalized. Science and practice were marked by helplessness in the face of constantly rising unemployment. Since then a lot has been achieved: IZA has greatly advanced labor market research in Germany, Europe and the world. Academically trained and committed to the highest scientific standards, IZA researchers are independently minded and concentrate on the most pressing questions of our time. Supported by leading experts in the discipline, as well as creative and highly committed young scholars, IZA was able to quickly establish an excellent reputation both nationally and internationally. The testimonials included in this report speak for themselves.

We are grateful for the past 15 years. The rise of IZA coincides, not by mere accident, with the rise of Germany from the “sick man of Europe” (Economist, 1999) to the “engine of the European economy” (Economist, 2010). IZA was chartered and is recognized as an independent, non-profit research institution. Thanks to a solid funding base provided by the Deutsche Post Foundation, complemented by other sources of funding from all parts of the world, IZA is independent from commissioned research and faces no restrictions concerning its research topics and advisory activities. Members of the IZA network (the largest of its kind in economics), who publish their research in the IZA publication series, are responsible for their own funding. Consequently, IZA’s research output reflects the broad knowledge base of today’s labor economics with all its facets, regardless of scientific approach or social policy orientation.

The IZA research agenda fosters our knowledge in the field by posing new research questions and bringing together leading experts from its fellow network to study these questions in order to provide answers based on cutting-edge research. The continually expanded range of topics now covers such diverse areas as labor market policy evaluation; migration and integration; behavioral and personnel economics; employment and development; and the labor market aspects of environmental policies. The main theme behind all this research is “shaping the future of labor.”

The causes and consequences of labor migration flows; the interplay between jobs, poverty reduction and economic development; scientifically founded evaluation of labor market programs – these are the highlights among IZA’s research topics, and this is where our expertise is sought around the world by research institutions, policymakers and the public.

IZA also puts a great emphasis on bridging the gap between academic science and political practice. Numerous national governments and international organizations, such as the European Commission, the OECD and the World Bank, regularly seek IZA's advice, as does the wider public in many countries. Since the demand for scientifically founded policy advice is growing in the light of increasingly complex labor market processes, independent science is more important than ever and must not leave the field to commercial service providers and those who feign scientific legitimacy to reach specific social policy goals.

The IZA Discussion Paper Series, already comprising more than 7,000 (!) papers, is not only the largest and fastest-growing series of its kind, but it also contains a number of highly influential papers later published in top journals. In addition, IZA's five newly established open-access online journals aim at stimulating and accelerating the scientific debate on key labor topics. With support from the World Bank, IZA is also working on the upcoming launch of an ambitious online encyclopedia – the “IZA World of Labor” – that will condense the most important policy-relevant findings from state-of-the-art labor market research into a readable and easily accessible format.

IZA's pioneering role in data technology is best reflected by our International Data Service Center (IDSC), which collects, explores, develops and facilitates access to the most relevant datasets for labor economists. The IDSC has developed its own software for secure remote data processing, which is also used by other institutions. IZA also uses its own simulation tools to analyze the effects of reforms of the tax and transfer system.

All this requires not only a highly effective and efficient infrastructure but also a highly motivated team. We put a great emphasis on attracting and supporting excellent young researchers. The IZA Summer School, for example, has become the most renowned institution of its kind for young labor economists. Our global network, able to draw on more than 1,200 economists, is met with open doors in many of the world's most important capitals and research institutions. As an increasingly “virtual” institute, we are able to put together strong research teams using modern technology channels to tackle new research questions when they arise.

After 15 fantastic years, it is time for some words of thanks. In particular, we are indebted to the Deutsche Post Foundation for continuous and generous support, which keeps our work independent from outside funding and influence. We also wish to thank all active and former employees, as well as our highly dedicated network members, who have contributed greatly to making IZA what it is today – the major driving force behind international labor market research.

K. F. Zimmermann

WHAT OUR RESEARCH FELLOWS SAY ...

"We all have to thank IZA not only for its unwavering support to research and especially young researchers in Europe, but also for bringing level-headed, careful evidence to some of the important policy questions facing Europe."



Daron Acemoglu (MIT)

"I congratulate IZA on its splendid accomplishments over its first fifteen years. It has created a major forum for the study of labor economics, the economics of human resources and the economics of the family and of human development. IZA supports and sustains dialogue among scholars with competing visions of how to do labor economics. It has fostered the development and exchange of new knowledge. It has created a world community of scholars. Its working paper series, conferences and workshops have greatly advanced the scientific study of the workforce."



James Heckman (University of Chicago)

"IZA has quickly become one of the premier networks for applied economics research in Europe. I think of IZA as equivalent to the National Bureau of Economic Research in continental Europe, and I am consistently impressed by the caliber of research that the institute's affiliates have produced."



Raj Chetty (Harvard University)

"IZA is a research powerhouse, a global aggregator, and a force for better economic ideas everywhere. The assumption of perfect information is a little truer thanks to IZA's proud 15 years."



Andrew Leigh (Australian National University; MP, Parliament of Australia)

"It is hard to believe that IZA has only existed for 15 years! In that time, it has really become the center for research in labor economics in Europe, and helped to raise the profile of the whole discipline."



Janet Currie (Princeton University)

"During the last 15 years IZA has become one of the most important platforms in labor economics. IZA has gathered the world's labor economics community, including the most distinguished labor economists. The IZA network has changed the way academics and policy makers think about the labor market."



Josef Zweimüller (University of Zurich)

"Starting from almost nothing, IZA has become a powerhouse in labor economics in a very short time. Congratulations to IZA and its founding members for supporting and disseminating great research."



Edward Lazear (Stanford University)

"It is remarkable how in just 15 years IZA has become so central to research and policy in labor economics. It has played a crucial role in building an international community of scholars and in facilitating and advancing cutting-edge research in all the fields associated with labor economics."



Francine Blau (Cornell University)

"IZA has been a true entrepreneurial success story in Labour Economics. I am delighted to be part of the community, and look forward to another terrific 15 years. Well done all!"



Julia Lane (American Institutes for Research)

"It is quite amazing how the IZA coverage of the field of labor economics has expanded over the years. More and more frequently, when I read accepted cutting edge research in the field, I recall having first come across it in IZA circles. This makes the network absolutely essential - quite apart from its great usefulness in our everyday work."



Torben Tranæs (The Rockwool Foundation Research Unit, Copenhagen, Denmark)

"IZA is to be congratulated on the 15th anniversary of its founding. IZA very quickly became, and remains, the 'home address' for high quality theoretical and empirical research in Labor Economics and Economic Policy. Credit for this model goes to Klaus Zimmermann for the implementation of his vision of a successful research center."



Barry Chiswick (George Washington University)

"In a remarkably short time IZA has become a key focal point for labor economics worldwide and an enormously valuable resource for research."



Richard Blundell (University College London)

"IZA has put Bonn on the map as a top destination for top labor economists doing policy-relevant work. IZA's generous support of young scholars, its frequent sponsorship of productive, high profile conferences, and its headline-grabbing honors given to young stars and senior scholars, have served to catalyze excellent research in labor economics and to raise the profile of the field in the broader economics community."



David Autor (MIT)

"IZA has brought the study of labor market policies to the world stage, and its indefatigable founder, Klaus Zimmermann, has done a great favor for the world's citizens."



Orley Ashenfelter (Princeton University)

DOUBLE CAUSE FOR CELEBRATION: IZA TURNS 15 – KLAUS F. ZIMMERMANN TURNS 60

On December 2, 2012, IZA Director Klaus F. Zimmermann celebrated his 60th birthday. He has dedicated one-fourth of his life to founding, directing and nurturing the Institute for the Study of Labor. IZA thus stands for continuity at the top. Although Zimmermann is not the partying type, there is indeed ample cause for celebration. Unique in many ways, IZA is much admired and often copied – but never duplicated.

The IZA success story is the work of dozens of multinational staff members in Bonn, as well as over 1,200 Research Fellows, Research Affiliates and Policy Fellows around the world. Slackened reins and flat hierarchies foster fruitful collaboration on a local and virtual level. Zimmermann trusts in the team, he delegates easily, but expects high-quality results. “Impossible” is a term unknown to IZA people, who appreciate the excellent working conditions at the institute. Team spirit, loyalty, and identity are the key corporate values. An “invisible hand” seems to guarantee success.

Zimmermann is the perfect role model for the institute: Always present, always innovative, always striving for new goals, with highest competence in all questions of the labor market. He has left his mark on the Bonn-based institute, making it a truly “global player” in labor economics, an internationally active and well-connected think tank. IZA skillfully man-

ages the balancing act, often demanded by research management strategists, between conducting excellent research and providing policy advice on pressing labor market questions. This combination is both devotion and inspiration to Zimmermann.

Klaus F. Zimmermann was born in the Swabian town of Göppingen on December 2, 1952. He studied economics and statistics at the University of Mannheim, where he also received his Ph.D. and became a professor. From 1989 until 1998 he held a chair in economics at the University of Munich. Early in his career, he already focused on becoming a researcher with top publications in international journals, and at the same time an ambitious science manager.

In retrospect, the foundation of IZA is a logical continuation of Zimmermann’s roles as Director of the University of Munich’s SELAPO Center for Human Resources, initiator of the European Society of Population Economics (ESPE) in 1986, and Program Director for Human Resources and Labor Economics at the influential Centre for Economic Policy Research (CEPR, London). Labor economics is Zimmermann’s primary discipline, but that does not mean he would neglect his work in population economics, migration, industrial organization, or econometrics. As the *Handelsblatt*, Germany’s leading business daily, put it in 2002: “While many of his peers are busy

enough plowing one field, Zimmermann is doing five at a time – this man is a workhorse!” It therefore comes as no surprise that he has authored or edited 46 books and published more than 260 articles in academic journals and collective volumes. Not to mention over 400 contributions to international media and numerous policy reports.

Since 1998, when IZA was established, Zimmermann has been a full professor of economics at the University of Bonn. For more than a decade, he also served as President of Germany’s largest economic research institute, DIW Berlin (2000-2011). Other institutes, such as ifo Munich and IfW Kiel, would have liked to have him, too.

To name just a few of his countless ‘extracurricular’ activities, Zimmermann served as a member of the Commission on the Future of North-Rhine Westphalia (2008-2009), he chaired the Society of the German Economic Research Institutes (ARGE, 2005-2011), and he was appointed to such eminent learned societies as “Leopoldina” and “Academia Europaea”.

Among Germany’s top economists, hardly anyone is as internationally minded (and traveled) as Zimmermann. His early academic career took him to universities in Belgium, Japan, Canada and the United States. Today he is an honorary professor not only at



the Free University of Berlin, but also at the Renmin University of China – a country that is very important to Zimmermann both a subject of labor market analysis and as a location for strategic research alliances. An influential player on the international stage, he regularly advises the European Commission in Brussels, the World Bank in Washington, and

numerous policymakers around the world. As the *Welt am Sonntag* wrote in 2005, “Hardly anyone has a better network, very few are referred to more frequently.”

Zimmermann has repeatedly stimulated the transatlantic economic dialogue in op-eds and other commentary. Given the strong presence of the IZA network in the United States, Washington serves as a strategic point of contact for the institute, which has signed cooperation contracts with such institutions as

the World Bank and Georgetown University. On Zimmermann’s initiative, IZA regularly brings researchers and doctoral students to Washington to foster scientific exchange. The IZA Director is also well-connected in the U.S. capital’s think tank scene.

Under Zimmermann’s leadership, IZA has become a constant meeting place for prominent economists, who find in Bonn ideal conditions to conduct their research in collaboration with Zimmermann and

“his” institute. The IZA Director also puts great emphasis on attracting not only Nobel laureates and other eminent scholars to the IZA network, but also influential practitioners who advise governments and other political institutions.

The recent economic and financial crisis has reinforced Zimmermann’s belief that a globalized economy also requires more global networking in research and policy advice. He is convinced that experts from science, public administration, government departments, business and even the media must cooperate more closely to find answers to the big questions of our time. Regular exchange between these areas could help create a better understanding of the expectations, requirements and viewpoints of other players in society. Zimmermann lives his belief that an economist must also be an adviser.

In all his research and advisory activities he is always straightforward, independent and politically impartial. As an “empirically thinking economist” (*Süddeutsche Zeitung*, 2010), he rejects ideological rigidity. This independence and objectiveness, as well as his closeness to policy issues, has earned him a strong reputation in the profession. He does not shy away from critical policy analyses and positions, even if they are met with fierce resistance from social policy activists and others. For instance, his arguments in favor of labor market reforms, immigration and longer working lives prompted heavy criticism in Germany and abroad – but applause just as well.

Throughout his career, Klaus F. Zimmermann has supported and promoted young scholars in various ways. One of his inventions, the IZA European Summer School in Labour Economics, has produced a number of rising stars in labor economics. Many of Zimmermann’s former Ph.D. and habilitation students have moved on to prestigious positions, some of them leading other institutes. He also makes sure that the IZA’s local research team is constantly infused with energetic young scholars.

Global migration and job creation in developing countries are Zimmermann’s personal hot topics for the coming years. He untiringly calls on policymakers to prepare the western societies for demographic change, make their social security systems sustainable, and invest in education, childcare and skilled labor immigration to meet the human capital needs. In these areas IZA has presented a number of policy concepts. Poverty reduction can only be successful if development cooperation is targeted at improving the labor markets. IZA and the World Bank have worked together for many years to achieve this goal. Most recently, Zimmermann and his IZA team contributed to the new World Development Report on Jobs.

One thing is clear: Under the leadership of Klaus F. Zimmermann, IZA is well positioned to continue shaping the future of labor.

▶ www.iza.org/home/zimmermann

▶ www.iza.org/link/kfz-oped

▶ www.iza.org/link/kfz-news

LET'S TALK ABOUT THE FUTURE! INTERVIEW WITH KLAUS F. ZIMMERMANN

The literal translation of IZA's German name is "Institute for the Future of Labor." So what will the working world look like in 2030?

Let me stress four major trends. First, our working world will become more "female". We will see new opportunities to combine family, leisure and career. The borders between these areas of life will become increasingly blurry.

Second, jobs will become more flexible, with new forms of employment made possible also by the internet economy. But standard employment will still dominate for quite some time. After all, firms also want predictability and continuity.

Third, we are only at the beginning of an accelerating process of cross-border mobility and global labor migration of the circular type. As a result, multicultural workforces require employers to put substantial effort into diversity management. Fourth, demographic change is accompanied by a concentration of job prospects in the larger cities, with a rising number of single households. In short, the future of labor will be challenging.

Should we be afraid of the future?

I prefer to think of the future as shapeable rather than inevitable. More than ever, this also requires high-quality labor market research. Labor economics does not lack scientifically well-founded concepts, but it is up to policymakers to implement them.

Germany has shown that this interaction can work. The success of the Agenda 2010, which paved the way for the new German job miracle, is the result of a successful interplay between evidence-based policy advice, cultural change, and consistent administrative implementation.

By the way, IZA's foundation in 1998 was not a coincidence at a time when the need for reform became drastically apparent. Our institute has played an important role throughout this process.

So we need not be afraid of the future – if we tackle the challenges in time and without hesitation. Germany, in any case, must stay on its reform course and cannot afford to rest on its laurels.

Can the German model be transferred to other countries whose labor markets are in desperate need of structural reform?

Ultimately each country must tailor its reform strategy to its own specific needs and conditions. Germany had to find its own way, too. But one thing holds true for all labor markets: the more open and flexible, the more dynamic they are. Less regulation means more competition. In most cases this will lead to innovation, employment, growth and wealth. And besides the German model there are many other success stories.

A fascinating example is the case of Turkey. The “sick man upon the Bosphorus” has turned into one of the most exciting and promising regions of the world. Temporary migration, by the way, has played a major role in this transition process. But coming back to the German case, what it shows is that success can be achieved if reforms are followed through with courage and against all resistance. Candid assessments of the status quo are always the starting point.

What can labor market research do to help?

It is essential that all reform steps are accompanied by scientific research. In Germany, for instance, IZA and other institutes were able to show rather quickly which measures were effective and which ones have failed. Modern research in economics has highly efficient tools to analyze the so-called counterfactual situation. What would have happened if certain labor market programs had not been implemented, or if people had not participated? In the beginning, the potential effects are often unclear – and some programs later turned out utterly useless because they did not reach the intended target group. These findings are often controversial, but they are absolutely vital in order to concentrate on the right programs.

What are the most urgent problems for Germany to tackle?

The key challenge for the next decade is to prepare our labor markets for demographic change. In the past we have been mainly concerned with a shortage of jobs. In the future we will suffer from a global shortage of skilled labor.

And we still lack a conclusive concept that covers all the relevant aspects of this challenge: education, family, infrastructure, immigration, integration, pensions and social security. Our schools also still fail to prepare our young generation adequately for the impending disruptions in the working world. The discrepancy between school curricula and the requirements of the labor market continues to be one of Germany's largest disadvantages.

What is your personal favorite research topic with regard to the global future?

I am very much interested in the globalization of labor markets and circular migration, particularly of high-skilled workers. In this context, the developments in Asia, above all in China, cannot be ignored. This is where the world's largest labor market and social policy experiments are taking place. Very soon China will replace Europe and North America as the major breeding ground for the future elites in research, technology and business.

More than any other country in the world, China has realized that the new global competition requires consistent investment in in-

ternationally minded economic elites. In the medium to long term, China will abound with globally mobile leaders who will successfully combine traditional values with western management experience and know-how. Irrespective of all political and ideological differences, we should follow this development more closely.



IZA AT A GLANCE (I): PROFILE

The Institute for the Study of Labor (IZA) is an economic research center concentrating on the scientific analysis of national and international labor market developments. The institute also provides scientifically founded advice to political and corporate decision makers. Its aim is to help find sustainable solutions for the problems in today's labor markets and to actively shape tomorrow's labor economics.

As a private non-profit organization, IZA is independent from political agendas and short-term commissioned research. This is ensured by substantial support from the Deutsche Post Foundation and additional funding from other international sources. With its focus on urgent labor market problems of our time, its independence due to private funding and its international orientation, IZA is a globally unique research institution.

The main objectives of IZA are to pursue original and internationally competitive research activities in all fields of labor economics and to transfer scientific results into practical concepts. The institute works closely with other prestigious research centers and universities on national, European and international levels, with access to the largest network of labor economists worldwide. The broad spectrum of high-level research has quickly established the institute as a member of the international scientific elite and several research teams try continuously to develop concepts for tomorrow's working world.

IZA not only presents its research results at all major conferences in the field, but the institute itself has become an important organizer of numerous workshops and conferences on selected topics in labor economics.

A number of international organizations, companies and government departments have sought IZA's expertise in research and policy advice. The institute sees itself as a place of communication between economic science and political practice. Moreover, the network of IZA Policy Fellows consisting of influential representatives from business, politics, society and the media allows IZA to cooperate actively with key decision makers. Stimulating the exchange between science and practice, this network also helps IZA focus its research and advisory activities on particularly important fields.

The wide range of online information and communication services provided by IZA is targeted both at the academic community and a wider audience.

Influential Contributions to the Debate: IZA Publications

The wide range of IZA publications provides an important contribution to academic and public debates. The influential *IZA Discussion Paper Series* makes current research findings by IZA staff and network members avail-

able before they are published in an academic journal. With more than 7,000 titles to date, the series greatly influences the international scientific discussion.

Five new open-access *IZA Journals* cover all relevant aspects of labor economics and guarantee a swift peer review and publication process. In addition, IZA hosts the editorial office of the *Journal of Population Economics* and co-edits the *Research in Labor Economics* series.

The *IZA Research Report Series* publishes shorter scientific reports on current issues in labor market policy. Presenting particularly practice-oriented studies, the *IZA Policy Paper Series* directly addresses political and economic decision makers. IZA Books, most notably the prestigious *IZA Prize Book Series*, are released in cooperation with renowned publishers. The *IZA Compact* newsletter provides information about current research activities and initiatives of the institute to a worldwide audience.

Effective Exchange of Knowledge: IZA Event Program

The IZA event agenda contains regular seminars, workshops and international conferences for labor market experts. This program is complemented by discussion forums and lectures for a wider audience as well as an attractive teaching program in labor economics and measures to promote the academic elite.

Each program area holds *Annual Conferences* or *IZA Topic Weeks* to exchange recent findings on key issues

in labor market research and policy. In cooperation with the Centre for Economic Policy Research (CEPR), IZA organizes the annual *European Summer Symposium in Labour Economics (ESSLE)*, where renowned labor economists and promising young European researchers meet to discuss current labor market issues.

As part of its strong collaboration with the World Bank, the *IZA/WB Conference on Employment and Development* takes place at alternating international venues every year. Jointly organized with the Society of Labor Economists (SOLE), the annual *IZA/SOLE Transatlantic Meeting of Labor Economists* lays the foundations for cooperative efforts among European and American researchers.

The weekly *IZA Research Seminar* provides an opportunity to discuss current labor market issues and new research approaches at the institute. With its annual *European Summer School in Labor Economics*, IZA supports promising young scholars in this field. The *IZA Tower Talk* series provides a local platform for prominent guest speakers from politics, business and society.

WHAT OUR RESEARCH FELLOWS SAY ...

“Who’d have thunk it? IZA has widened the scope of labor economics and policy analysis to include more researchers, more countries, and more issues. It has moved from being a German center to a global center of economic analysis. Wow!”



Richard B. Freeman (Harvard University)

“IZA is an amazing success: it has been a network with a worldwide visibility from the start, it has promoted fruitful exchanges between European and US labor economists, and it has contributed to the development of research in labor economics in Europe. Last but not least, through the policy implications of this research, it has contributed to the impressive economic success of Germany.”



Etienne Wasmer (Sciences Po, Paris)

“Over its short life IZA has developed into the major Centre for the study of labor economics in Europe. It has challenged and galvanized a new cohort of researchers all over the world into thinking more deeply about the urgent intellectual and policy issues of our times. If it has achieved all this while still only a teenager, what more will it accomplish when it becomes an adult”



John Van Reenen (CEP, London School of Economics)

“In its relatively few years of existence, IZA has dramatically improved the interactions of labor economists with one another around the world, generating a true international community of labor economists for the first time. It has also successfully raised the profile of labor economics research and its implications for public policy within the academic and policy communities. Not bad for 15 years of work!”



Harry Holzer (Georgetown University)

“I have for a while watched the remarkable intellectual energy that IZA has brought to the field of labor economics. Indeed, its contributions are so multifarious that it comes as a surprise to learn that it was founded only fifteen years ago. With technology advancing the way it is, I believe that the problem of labor will be more and more the center of global concerns. So be prepared to have your hands full. Congratulations to IZA for the past and best wishes for the future. Congratulations also for venturing more into the problems of labor in emerging economies.”



Kaushik Basu (The World Bank)

“In 15 years, IZA has become a benchmark of academic excellence and policy relevance. Through its fellows network, its working papers series, its newly created academic journals and its awards, IZA is the think tank of reference in labor economics.”



Elyès Jouini (Université Paris Dauphine)

“Klaus Zimmermann and his team founded this institution and quickly transformed it into a top research center. It is one of the hottest meeting points and a research laboratory that generates world class output. Congratulations to IZA on its 15th birthday!”



Kai Konrad (Max Planck Institute for Tax Law and Public Finance, Munich)

“IZA has made an enormous contribution to the economics discipline by providing a forum for the world’s economists to share their research. Junior researchers in particular have benefited immensely from their interaction with IZA.”



Deborah Cobb-Clark (University of Melbourne)

“Happy anniversary. What a difference does 15 years make! Research in labor economics has truly become a world joint venture, with IZA at the forefront. Congratulations.”



Olivier Blanchard (MIT)

“For now 15 years IZA has been the place for economists to meet and exchange ideas on labor, migration and population issues. It has succeeded in attracting a wide range of top scientists and papers across the globe. To assess IZA’s contribution let us imagine what would have been the world of labor, migration and population studies without it. Different for sure. Undoubtedly not as stimulating and interactive as it is now.”



Pierre Pestieau (CREPP, Université de Liège)

“IZA Director Klaus F. Zimmermann has succeeded in gathering the best European labor economists at a time when they were looking with envy at the American equivalents. IZA became for labor economists the European NBER. We are all indebted to Klaus, and his dedication to furthering our common understanding of unemployment, wages, immigration, mobility and all topics of our discipline.”



Francis Kramarz (CREST-INSEE)

“IZA’s ‘home base’ in Bonn has become a crossroads for the world’s leading labor economists. Hardly a week goes by without a stimulating talk at the research frontier. Both in-house researchers and visitors are lucky to have such a cornucopia of expertise at their doorstep.”



Peter Kuhn (University of California, Santa Barbara)

“From a tiny group in 1997 IZA has become THE network of labor economists worldwide. Uniquely, it provides a forum for labor economists everywhere to exchange ideas.”



Daniel S. Hamermesh (University of Texas at Austin; Royal Holloway University of London)

IZA AT A GLANCE (II): RESEARCH AND POLICY AGENDA

IZA's research and policy agenda is well-defined, yet flexible. The current program comprises eight main research areas and a fixed-term special area. Within these program areas, IZA network members conduct extensive research, initiate joint projects on a global level, discuss their findings, and communicate them to the public immediately and free of charge. The IZA research program is complemented by a special focus

on Labor Policy, which analyzes policy-relevant issues and synthesizes the research results from all program areas for the purpose of advising decision makers in politics and business. This successful structure is constantly reassessed and modified to meet changing needs. The most recent example for a flexible response to new requirements is the creation of an IZA research program on environment and employment.



Marco Caliendo
(University of Potsdam; IZA)



Gerard J. van den Berg
(University of Mannheim; IZA)



Patrick Arni
(IZA)

Evaluation of Labor Market Programs

Modern welfare states spend substantial amounts on labor market policies and education programs aimed at promoting employment and wages. For successful policy development, monitoring of program outcomes is essential. This program area meets the demand for empirical evidence on the effectiveness of labor market-related policies. Which participants in a program benefit from it? How does the initiative affect those who do not participate? Are the effects stable in the longer run? Econometric evaluation gives answers to these types of questions. Simulation approaches based on empirical regularities in individual behavior enable evaluation even before implementation of new programs. Using these techniques for rigorous cost-benefit analysis, IZA provides independent policy advice with the goal to improve the effectiveness of policy instruments and to contribute to a more targeted allocation of financial resources.

► www.iza.org/link/evaluation

Behavioral and Personnel Economics

What makes some employment relationships successful, and causes others to fail? What is the role of government and the law in enhancing the performance of existing and new employment relationships? These are key questions for personnel economics. Workplace performance does not depend only on the relationship between measured performance and pay, but also on many other features of the workplace environment, including employee morale, job security, and the perceived “fairness” of one’s pay. Individual preferences and personality characteristics such as risk attitudes, patience and perseverance, or extraversion, are equally important for understanding educational attainment and labor market success. The program area studies these topics to identify the best strategies to manage employment relationships.

► www.iza.org/link/personnel



Armin Falk
(University of Bonn)

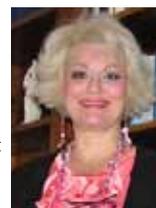


Steffen Altmann
(IZA)

Migration

The migration phenomenon poses important interrogatives to researchers, policy makers and practitioners. What are the major determinants of worldwide human mobility? How can we assess the impact of migration in the sending and receiving areas, and develop better strategies for social and economic integration? These are some of the crucial research questions to which this program area is seeking answers. The area is also interested in the many aspects of adjustment of the migrants and their descendants in the destination regions. At a broader level, our research aims at providing evidence-based recommendations to design migration and integration policies. Among leading topics covered over the years are the economics of migrant ethnicity and ethnic identity, the post-enlargement migration in the EU and the relationship between the welfare state and migration.

► www.iza.org/link/migration



Amelie F. Constant
(George Washington University;
Temple University; IZA)



Martin Kahanec
(Central European University; IZA)



Corrado Giulietti
(IZA)



Pierre Cahuc
(Ecole Polytechnique; IZA)



Konstantinos Tatsiramos
(University of Leicester; IZA)



Hartmut Lehmann
(University of Bologna; IZA)



Alexander Muravyev
(IZA)

Labor Markets and Institutions

What is the role of labor market institutions such as unions, employment protection legislation, minimum wages, unemployment insurance and other institutions of the welfare state on labor market outcomes and economic performance? This program area analyzes the effects of these institutions on individual economic outcomes, such as employment, unemployment and earnings, on wage inequality, on firm dynamics and economic growth. The focus of the analysis is at the micro level with an emphasis on the macroeconomic outcomes. The program area is also concerned with the political-economy and the cultural determinants of labor market institutions and labor market reforms. Furthermore, a related focus of attention is on the interaction between labor markets and product or financial markets and their respective institutions as markets become ever more global.

► www.iza.org/link/institutions

Labor Markets in Emerging and Transition Economies

The analysis of labor markets in transition economies is still a wide and flourishing field. The IZA program area pursues several strands of this analysis: looking at special adjustment mechanisms in the labor market, emphasizing the differences between Central European countries and the countries of the Former Soviet Union; evaluating the success of labor market reforms in the light of Western experience; discussing the lessons that can be drawn from these reform efforts for EU economies; analyzing labor issues that are connected to EU accession of the Central European countries; examining the internal labor market in Russia and Ukraine; comparative studying labor market reforms and how they relate to general economic policies and political institutions, and investigating important issues related to Chinese labor market reforms.

► www.iza.org/link/transition

The Future of Labor

The future of labor is being set today through the decisions of individual workers, business people and policy makers. Today's labor market and today's policies set in motion decisions about participation, education, retirement and investment which cast a long shadow into the future, as individuals progress through their careers and businesses run through their life cycle. At the same time global trends – fast-paced technological progress, worldwide inseparable interconnections of workflows, and a dynamic population aging due to demographic change – influence the labor market. With its program area on the “Future of Labor”, IZA seeks to improve our understanding of the effects of today's labor markets and labor policies on future labor market outcomes.

► www.iza.org/link/future



David G. Blanchflower
(Dartmouth College; IZA)



Andreas Peichl
(IZA)

Employment and Development

The economic and social transformations in many developing countries over the last decade have often put their economies on higher and more sustainable growth paths. In many cases, however, poor labor market conditions still lead to high unemployment levels, increased inequality and exclusion. A well functioning labor market can be the key to a business climate where new firms are created and private agents find the proper incentives to invest and innovate. But sound labor markets that promote the creation of more and better jobs are also needed to guarantee the success of structural reforms, to maintain the social support for those reforms, and to ensure that the benefits are widely distributed. Achieving these targets is crucial to an effective implementation of poverty reduction. Against this background, IZA has launched this program area in collaboration with the World Bank.

► www.iza.org/link/development



David A. Robalino
(World Bank; IZA)



Stefano Scarpetta
(OECD; IZA)



Alpaslan Akay
(IZA)



Theodora Xenogiani
(OECD; IZA)



Olivier Deschenes
(University of California, Santa Barbara; IZA)



Nico Pestel
(IZA)

Environment and Employment

Optimal environmental policy aims at equalizing benefits and costs of improving environmental quality. While the benefits generally accrue in form of increased health, worker productivity, quality of life, and amenity values, the costs of environmental regulations are mostly borne through impacts on industrial activity and labor market outcomes. Successful policy development requires information on the connection between environmental regulations, labor markets and industrial activity. IZA aims at providing empirical evidence on the costs and benefits of environmental policies. Do renewable energy policies lead to changes in employment? How can we evaluate the impact of climate change and natural disasters on economic outcomes and labor markets?

► www.iza.org/link/environment



David Lam
(University of Michigan; IZA)



Janneke Pieters
(IZA)

Special Research Area: Growth and Labor Markets in Low Income Countries

IZA and the UK Government Department for International Development (DFID) cooperate in the IZA/DFID Growth and Labour Markets in Low Income Countries Programme (GLM | LIC) aimed at improving worldwide knowledge on labor market issues in low-income countries as the basis for future policy decisions. To date research on labor markets and economic growth has mainly focused on more advanced economies – with limited applicability to low-income countries given the particular sectoral structure of their economies and the importance and size of the informal sector. More research is therefore needed to identify appropriate labor market policies. GLM | LIC is targeted at addressing this important gap in research. Over a period of five years, promising research projects will be selected for funding with the overall objective of delivering a significant new body of evidence on growth and labor markets that will help shape policies in low-income countries.

► glm-lic.iza.org

IZA Labor Policy Analysis and Advice

IZA's special focus on "Labor Policy" reflects the great importance of evidence-based policy making. With its team of policy experts, IZA analyzes and evaluates existing policies on the national and international level, utilizes the results of the IZA program areas, and develops concrete policy proposals. The term "labor policy" covers a wide range including all areas of government activity which have direct or indirect effects on the labor market. These include measures of so-called active labor market policy, which are generally carried out by the government, such as job placement, training programs, job creation programs, or wage subsidies. Another aspect of labor market policy is the design of various labor market institutions, such as collective bargaining, employment protection, workplace regulations, education, immigration law, and many others. Of particular importance is the social security system, which not only guarantees a minimum standard of living, but also covers unemployment benefits, short-time compensation, partial retirement, and other benefits that have a substantial impact on worker behavior and, hence, on the efficiency of the labor market.

With its own behavioral techniques, IZAΨMOD (IZA Policy Simulation Model), IZA is able to analyze the labor supply reactions and employment effects of tax and benefit reforms. IZAΨMOD enables the institute to give policymakers information about appropriate modifications of planned initiatives even prior to their adoption.

► www.iza.org/link/politics

Hilmar Schneider
(Director of Labor Policy)



Werner Eichhorst
*(Deputy Director of
Labor Policy)*



IZA INVOLVED IN EVALUATION OF GERMAN LABOR MARKET REFORMS

Since 2003 the German government has implemented a series of far-reaching labor market reforms. Known under the term Agenda 2010, these reforms have contributed substantially to the remarkable success of the German labor market in weathering the economic and financial crisis. Not long ago called the “sick man of Europe”, Germany has turned into an international role model within just a few years, thanks to the federal government’s courageous reform efforts. IZA has accompanied the reform process from the very beginning and participated actively in the debate on a systematic evaluation of these reforms. The legislation had explicitly called for scientific research to accompany the key phases of the reform process. IZA was involved in several of these evaluations of specific policy programs.

Further Education and Training of the Unemployed Pays Off

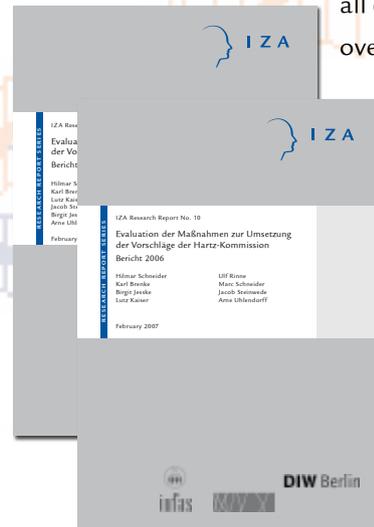
The promotion of further education and training (FbW) for the unemployed was fundamentally reformed under the Agenda 2010. The aim of the FbW reform was to improve the quality by introducing competition among training providers and by the

implementation of a quality management within local employment agencies. Among other things, training vouchers were introduced as a new means of allocation, while service providers and their programs now needed to be certified to enter the market.

Re-employment probabilities and the duration of unemployment spells were regarded as criteria for success. The IZA study found that measures of further education and training, contrary to the criticism that had been raised, did indeed cause positive overall effects even in the times before reform. The overall impact of the reform is positive: The effectiveness of this policy tool was notably improved once again, even despite shorter average durations of program participation.

Transfer Programs: Counterproductive

IZA also evaluated the policy of facilitating re-employment of laid-off employees with the help of so-called “transfer programs.” These programs go beyond subsidized further training programs and also include job placement assistance. Moreover, they grant the service providers substantial leeway in organizing their placement activities. The reform has led to a signifi-



cant decrease in the number of program participants. Obviously, this instrument – previously often abused as a gateway into early retirement – has lost importance. It is certainly attributable to the reform that transfer programs no longer negatively affect reintegration rates. Nonetheless, transfer programs would only be justified if they were more effective at improving the participants’ employment prospects than the training and placement services provided anyway by the job centers of the Federal Employment Agency. This is neither the case for transfer programs, nor for the short-time allowance paid to workers facing mass layoffs. These findings prompted the federal government to largely discontinue these programs.

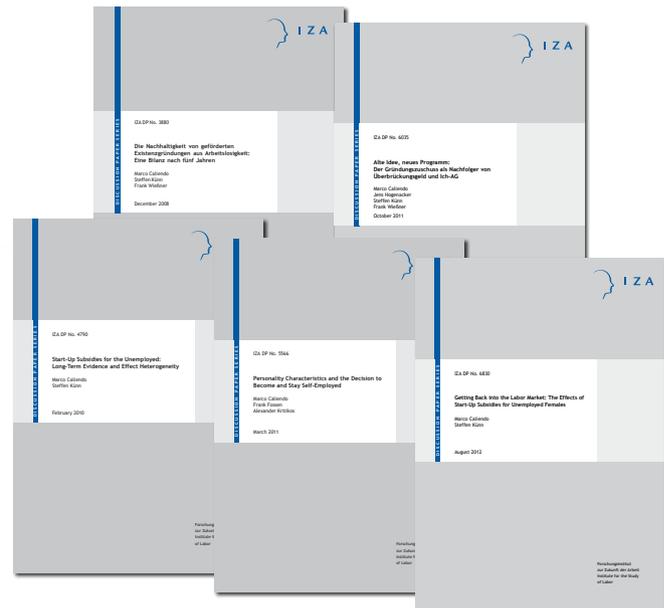
Positive Impact of Start-Up Allowances for the Unemployed

Start-up allowances were among the pivotal instruments that were incorporated into the toolbox of labor market policy in the course of the reform process. IZA has looked closely at the medium- and long-term effectiveness of these programs. Several studies based on extensive interviews of new entrepreneurs evaluated these instruments, which were repeatedly modified over the past years. Overall, start-up subsidies for the unemployed were found to be successful and effective. A large share of program participants remains self-employed in the critical phase after the end of the benefit period. Others have successfully found wage employment.

Start-up subsidies thus generate positive labor market effects without any substantial deadweight losses.

The fact that the German policymakers basically abolished the start-up allowance again – despite the positive evaluation by IZA and other institutions – shows that the interplay of science and politics still has room for improvement when it comes to labor market reform.

- ▶ www.iza.org/link/report7.pdf
- ▶ www.iza.org/link/report10.pdf
- ▶ ftp.iza.org/dp3880.pdf
- ▶ ftp.iza.org/dp4790.pdf
- ▶ ftp.iza.org/dp5566.pdf
- ▶ ftp.iza.org/dp6030.pdf
- ▶ ftp.iza.org/dp6035.pdf



IZA PROVIDES TOP-LEVEL ADVICE TO EU COMMISSION, EUROPEAN PARLIAMENT AND GERMAN POLICYMAKERS

IZA contributes to European policymaking in various ways. The institute's involvement ranges from participation in high-level advisory bodies to the President of the European Commission, to which IZA Director Klaus F. Zimmermann was appointed several times, to the provision of expert reports for the Commission and frequent advisory activities for the European Parliament.

IZA reports for the European Commission included the methodology of comparative labor market policy evaluation, as well as questions of social and economic integration of ethnic minorities, and the geographic mobility of labor within the European Union.

For the European Parliament IZA analyzed, among other issues, the progress achieved under the Social Agendas, mobility and labor market integration of people with disabilities, and the role of social protection as an economic stabilizer during the economic and financial crisis. In addition, an analysis of the labor market integration of migrants and a comparative study of the EU pension systems were conducted for the European Parliament.

Beyond providing direct advice to the EU policy institutions, IZA puts great emphasis on bringing together academic science and policymakers across Europe, as reflected by the growing network of international IZA Policy Fellows. The IZA network regularly comes together in Brussels for policy-oriented conferences. Moreover, IZA maintains a close partnership with the OECD in Paris.

At the same time, IZA provides extensive, independent advice to German policymakers. Coordinated by IZA Director Klaus F. Zimmermann, IZA researchers accept invitations to join advisory bodies to the federal government and to parliamentary committees. In addition, the political parties represented in the Bundestag, the office of the German President, and state

governments have sought IZA's advice on various occasions. Recognizing IZA's expert knowledge and ideological independence, numerous federal ministries have commissioned IZA with research reports on key labor market issues. Scope and topics of these reports reflect the generally increasing demand among policymakers for independent research.

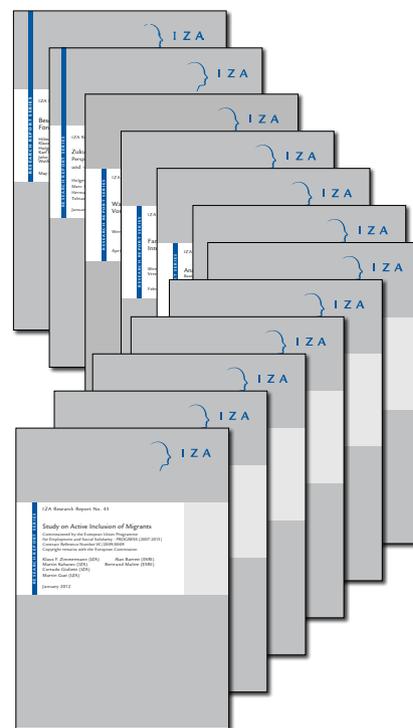


For the Federal Ministry of Labor and Social Affairs, for example, IZA has outlined ways to create employment for low-skilled workers, evaluated the effectiveness of subsidized further training, and recommended strategies for the activation of skilled labor. The Federal Ministry of Education and Research commissioned an IZA study of the demand for international high-skilled workers, and a report on the major trends in labor supply and demand until 2020.

Studies prepared for the Federal Ministry of Economics and Technology included growth aspects of European labor market policy, the effects of regulations on additional labor income for benefit recipients, and an assessment of competing models for creating employment that pays a living wage.

For the Federal Ministry of Family Affairs, Senior Citizens, Women and Youth, IZA analyzed family-friendly flexible working time arrangements as a strategy to cope with the skilled labor shortage, and provided an international benchmarking study on family support services.

In addition, IZA's media activities aim at communicating policy recommendations to the public and pointing policymakers at important problems that need to be solved. A number of new requests for expertise result from media reports on previous IZA studies.



► www.iza.org/en/webcontent/publications/reports

THE GLOBE AND MAIL

July 26, 2011

Germany's lesson for the U.S. on labour mobility

Klaus F. Zimmermann
Director, Institute for the Study of Labor (IZA), Germany

The United States is still trying to come to grips with one of the benefits of region-wide economic integration. This opportunity may well belong to Mexico, not only because of its location, but also because of its labour force. With President Barack Obama set to visit to discuss the immigration debate in the United States, the experience of Germany might provide some guidance. What is Mexico for the United States is Poland for Germany.

There are a number of intriguing parallels characterizing these two country pairings. Mexico — a population of 112 million, 50 per cent as large as the United States with 31 million people. Similarly, Poland, with its 36 million people, is about 40 per cent as large as Germany, at about 82 million people.

Similar to U.S. companies under NAFTA since 1994, Poland since the early 1990s has become a manufacturing and assembly location for many German companies.

Partly as a result of the process of regional economic integration, per capita GDP in Poland rose a purchasing power basis, has risen from \$10,000 in 2000 to \$18,000 in 2009. Mexico has experienced a similar surge of progress, with GDP per person rising from \$10,000 to \$11,000, including in 2009.

However, for all these remarkable signs of progress on the road to convergence, it is labour mobility that remains a point of concern and contention. As Marianne Fritzsche (page C2) writes, "The only way in which we can find progress for the American and Mexican economies is to bring together through immigration." In fact, tightening immigration laws in a widening market is not only such a major source of harm and setbacks in a country's economic

prosperity but also a major barrier to the economic growth of the United States. This may hold lessons for the future of the U.S.-Mexico relationship as well.

Lower labour costs in Poland and Mexico and the availability of a skilled and motivated work force in these two countries have helped Germany and its based companies to produce their goods at competitive prices. In what is fast becoming a new "winning strategy," Polish and Mexican operations have become an essential part of Germany's and German firms' global sourcing strategy.

It is clear that there is much common about the manufacturing supply chains, having a reliable industrial partner for access to the frontier is a critically important. In addition, with the ongoing erosion of the once tremendous labour cost advantage of China, the economic recovery is dependent on long distances for goods assembly — and having to ship goods all the way back from Asia, is becoming gradually less attractive. This might so something export-based manufacturing companies.

Still, despite all this progress and for all the advantages and bright prospects that lie ahead, the flow of workers — whether from Poland to Germany or Mexico to the U.S. — does remain a point of contention in the two in their countries.

Then, the past experience of Germany and the U.S. has been quite different. While the U.S. never had a real goal post for the Mexican and American economies to bring together through immigration. In fact, tightening immigration laws in a widening market is not only such a major source of harm and setbacks in a country's economic



Wissenschaftler warnen vor 'Brain Drain'
Die IZA hat eine Studie veröffentlicht, die zeigt, dass die Abwanderung von hochqualifizierten Arbeitskräften aus Deutschland zu einem erheblichen Wettbewerbsnachteil für das Land führt. Die Studie analysiert die Auswirkungen der Abwanderung von Akademikern und Ingenieuren in die USA und Großbritannien. Die Forscher warnen, dass dies zu einer Verringerung der Innovationskraft und des Wirtschaftswachstums in Deutschland führen könnte.

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Festabend? Gib's nicht mehr

Der Bismarck-Vertrag ist ein wichtiger Bestandteil der deutschen Wirtschaftspolitik. Er ermöglicht es Unternehmen, ihre Produktion in Deutschland zu verlagern, während sie weiterhin von den Vorteilen der deutschen Infrastruktur und der qualifizierten Arbeitskräfte profitieren können.

Die deutsche Regierung hat sich verpflichtet, die Wettbewerbsfähigkeit der deutschen Industrie zu stärken. Dies geschieht durch die Förderung von Innovationen und die Unterstützung von Unternehmen bei der Internationalisierung. Die Bismarck-Verträge sind ein zentraler Bestandteil dieser Strategie.



Allemagne ou Royaume-Uni ? François Hollande vise la mauvaise cible

LE FIGARO

Le candidat socialiste à la présidence de la France, François Hollande, a déclaré mardi qu'il envisageait de réduire les dépenses publiques de 100 milliards d'euros par an. Cette annonce a été accueillie avec scepticisme par les économistes, qui craignent que cela ne conduise à une dépression plus profonde.

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THE FINANCIAL EXPRESS

European Mindgames

Damned if you don't, damned if you do

EU nations should be welcoming French and German attempts to suggest ways to revive their competitiveness

The French and German governments are expected to release a joint strategy document on Wednesday that outlines ways to improve the competitiveness of European nations. The document is seen as a key step in the EU's efforts to address the challenges posed by the global economic crisis.

The document is seen as a key step in the EU's efforts to address the challenges posed by the global economic crisis. It is expected to focus on areas such as innovation, infrastructure, and workforce development.

Perspectives

How to Deal With Western Debt Mountain

The developed world must introduce a 'debt brake' to deal with a situation close to getting out of hand

The developed world must introduce a 'debt brake' to deal with a situation close to getting out of hand. This is a critical issue for the future of the global economy, as high levels of public debt can lead to economic stagnation and social inequality.

This is a critical issue for the future of the global economy, as high levels of public debt can lead to economic stagnation and social inequality. Governments need to implement measures to reduce debt and improve fiscal discipline.



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«Η κρίση χωρίς κουρέμα του χρέους της Ελλάδας»

Μεγάλη απειλή η παράδοση του Αποστολέως Οικονομικών Έλλαντας της Γερμανίας (GDP)

Η κρίση στην Ελλάδα είναι βαθιά και η κατάσταση του χρέους είναι απειλητική. Η κυβέρνηση πρέπει να λάβει άμεσα μέτρα για να αποφευχθεί η παράδοση του Αποστολέως Οικονομικών Έλλαντας της Γερμανίας (GDP).

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Stimmen zur Zukunft der Arbeit

IZA
Deutsche Forschungsinstitut für Arbeitsmarkt und Zukunft der Arbeit IZA

Soziale Gerechtigkeit – aktivieren statt alimentieren

„Soziale Gerechtigkeit ist ein Begriff, der gerne von jenen verwendet wird, die strukturelle Reformen von Arbeitsmarkt und Sozialstaat ablehnen. Besonders beliebt wird er im Kontext von Hartz IV benutzt. Die Debatte um soziale Gerechtigkeit gerät jedoch in Gefahr.“

Die Begriffe in der Debatte zur Zukunft der Arbeit werden kritisch gesehen. Nicht nur die strukturellen, sondern auch die politischen Maßnahmen werden infrage gestellt. Die Debatte um soziale Gerechtigkeit gerät jedoch in Gefahr. Auch wenn die Forderung nach weniger Sozialleistungen für Arbeitslose einsehbar ist, ist es doch notwendig, die Folgen einer solchen Politik sorgfältig abzuwägen. Die Frage ist, wie weit gehen kann man bei der Reduzierung von Sozialleistungen, ohne die soziale Gerechtigkeit zu gefährden. Die Frage ist, wie weit gehen kann man bei der Reduzierung von Sozialleistungen, ohne die soziale Gerechtigkeit zu gefährden. Die Frage ist, wie weit gehen kann man bei der Reduzierung von Sozialleistungen, ohne die soziale Gerechtigkeit zu gefährden.

Alimentierung von Transferleistungen ist weder möglich noch gerecht

Die aktuelle System ist weder sozialrechtlich noch sozial gerecht. Transferleistungen werden in Form von Zuschüssen und Sozialleistungen bewilligt, wenn diese Empfänger zum Existenzminimum verhelfen. Die Existenzminimum Transferleistungen – soziale Gerechtigkeit, nicht für alle erwirklichen werden, nicht für alle übertragen, und nicht für alle erwerblich. Die Frage ist, wie weit gehen kann man bei der Reduzierung von Sozialleistungen, ohne die soziale Gerechtigkeit zu gefährden. Die Frage ist, wie weit gehen kann man bei der Reduzierung von Sozialleistungen, ohne die soziale Gerechtigkeit zu gefährden. Die Frage ist, wie weit gehen kann man bei der Reduzierung von Sozialleistungen, ohne die soziale Gerechtigkeit zu gefährden.

WIENER ZEITUNG

Die Flexibilisierung der Arbeitsverhältnisse ist nicht „sozialer“

Hans-Joachim Lauth, Präsident des Bundesverbandes der Arbeitgeber (BAG), kritisiert die Flexibilisierung der Arbeitsverhältnisse. Er fordert eine Stärkung der sozialen Standards im Arbeitsrecht.

Debate: Eurobonds

Better not depend on false promise

Die Diskussion über Eurobonds ist in der EU weit verbreitet. Kritiker warnen vor den Risiken einer gemeinsamen Anleihe für die Mitgliedstaaten. Die Debatte über Eurobonds ist in der EU weit verbreitet. Kritiker warnen vor den Risiken einer gemeinsamen Anleihe für die Mitgliedstaaten. Die Debatte über Eurobonds ist in der EU weit verbreitet. Kritiker warnen vor den Risiken einer gemeinsamen Anleihe für die Mitgliedstaaten.

Frankfurter Allgemeine Zeitung

„Was ist die Qualität der Arbeitsverhältnisse?“

Die Frankfurter Allgemeine Zeitung diskutiert die Qualität der Arbeitsverhältnisse in Deutschland. Ein Artikel analysiert die Auswirkungen von Hartz IV und die Notwendigkeit von Reformen. Die Frankfurter Allgemeine Zeitung diskutiert die Qualität der Arbeitsverhältnisse in Deutschland. Ein Artikel analysiert die Auswirkungen von Hartz IV und die Notwendigkeit von Reformen.



Jobs for the Young: US versus German Strategy

The German model that mixes academic excellence with intelligent professional options appears better than the US approach that disregards non-academic training

Die deutsche Strategie zur Integration junger Menschen in den Arbeitsmarkt unterscheidet sich von der amerikanischen. Deutschland legt Wert auf eine Kombination aus akademischer Ausbildung und praktischer Berufsausbildung. Die deutsche Strategie zur Integration junger Menschen in den Arbeitsmarkt unterscheidet sich von der amerikanischen. Deutschland legt Wert auf eine Kombination aus akademischer Ausbildung und praktischer Berufsausbildung.

Genetikiği ile İleri Düşünce ve Teblih ve Entellektüel

Ein Vortrag über die Bedeutung von Genetik für die Zukunft der Arbeit. Der Sprecher betont die Notwendigkeit, sich auf die Herausforderungen der Digitalisierung vorzubereiten. Ein Vortrag über die Bedeutung von Genetik für die Zukunft der Arbeit. Der Sprecher betont die Notwendigkeit, sich auf die Herausforderungen der Digitalisierung vorzubereiten.

EL UNIVERSAL

EE. UU.-México y Alemania-Polonia

Lecciones comparativas en integración económica

Director del Instituto para el Estudio del Trabajo (IZA), Alemania

El artículo analiza las estrategias de integración económica de Estados Unidos, México y Alemania-Polonia. Se discuten las lecciones aprendidas para mejorar el mercado laboral en los países latinoamericanos. El artículo analiza las estrategias de integración económica de Estados Unidos, México y Alemania-Polonia. Se discuten las lecciones aprendidas para mejorar el mercado laboral en los países latinoamericanos.

Taiwan presidential election race wide open

Avoiding inflation will not cure the recession

Germany and the happiness paradox

Die taiwanesischen Präsidentschaftswahlen sind sehr eng. Die Kandidaten kämpfen um die Stimmen der Wähler. Die taiwanesischen Präsidentschaftswahlen sind sehr eng. Die Kandidaten kämpfen um die Stimmen der Wähler. Die taiwanesischen Präsidentschaftswahlen sind sehr eng. Die Kandidaten kämpfen um die Stimmen der Wähler.

IZA EXPERTS' POLICY POSITIONS: AN OVERVIEW

In reaction to current events, IZA has submitted various reform recommendations in the form of brief statements as well as comprehensive commentaries on labor market policy. The institute also involves other renowned economists in joint reform propos-

als or participates in selected initiatives to strengthen the acceptance of endeavors to modernize labor markets and social policy. Part of IZA's mission is to be a driving force for economic efficiency and social equality.



- From the very beginning, IZA has stimulated the German reform debate: With the “Petersberg Declaration: Impulses for a Future-Oriented Labor Policy,” IZA Director Klaus F. Zimmermann and five other prominent economists called for an incentive-oriented employment policy, a reform of income taxation, and a selective immigration policy. This declaration marked the starting point for a series of IZA policy positions and proposals in the years to come. [▶ ftp.iza.org/dp24.pdf](http://ftp.iza.org/dp24.pdf)

- In 2002, before the implementation of the German government’s “Agenda 2010” reform package, IZA presented a detailed labor market program for all relevant areas of reform, ranging from pension systems to education. Some of the IZA proposals for a new policy direction have meanwhile been implemented, while others remain as relevant and urgent as ever. The IZA program recommended a reform of unemployment insurance, a modernization of the collective bargaining autonomy, a demographically viable pension system, and a more flexible labor market.. [▶ ftp.iza.org/compacts/iza_compact_en_12.pdf](http://ftp.iza.org/compacts/iza_compact_en_12.pdf)

- A 2003 IZA initiative to support the recently announced reform intentions of the German federal government resulted in 300 renowned economists signing an open letter to German policymakers and the general public. With the clear mission to foster the “Agenda 2010” policy concept, they appealed for the courage to take steps to modernize the labor market. This initiative is still to be seen as one of the most striking concerted reactions to the political reform process by German economists. [▶ ftp.iza.org/compacts/iza_compact_en_15.pdf](http://ftp.iza.org/compacts/iza_compact_en_15.pdf)



- IZA experts introduced the workfare concept into the political debate in 2006 and stimulated the ongoing debate on work incentives for benefit recipients according to the quid pro quo principle. At the same time the concept delivered a convincing argument against in-work benefits, which were widely discussed in Germany at the time. While the latter no longer play a major role in the current debate, some workfare elements have at least been implemented in employment services on the local level. [▶ ftp.iza.org/compacts/iza_compact_en_24.pdf](ftp://ftp.iza.org/compacts/iza_compact_en_24.pdf)
- IZA started another labor market program initiative at the end of 2008. The aim was to reinvigorate flagging reform efforts and highlight the inevitability of further changes in labor market policy processes. The program acknowledged the progress so far achieved with reforms and specified policies linked to the progress made. [▶ ftp.iza.org/sp2.pdf](ftp://ftp.iza.org/sp2.pdf)
- Based on this program IZA followed up with its “Agenda 2020” in March 2010 and described policy options on the way to regain full employment within a decade. This most recent policy concept developed by IZA highlights the crucial reform needs of the German education sector and urges policy makers not to underestimate the severe consequences of demographic change for the labor market. [▶ ftp.iza.org/pp15.pdf](ftp://ftp.iza.org/pp15.pdf)

With this series of policy initiatives and by taking up a clear and independent stance in the ongoing reform debate, IZA stepped at the forefront of policy-oriented labor market research in Germany. In line with its mission to provide and disseminate concepts for the

future of labor, IZA will continue to encourage further German labor market reforms. The successful modernization undertaken since 2003 also reaffirms IZA’s policy proposals.

STRENGTHENING INCENTIVES TO WORK: WORKFARE VS. IN-WORK BENEFITS

German labor market policy long sought a way out of the employment crisis, which has by now been overcome. Among the proposals widely debated at the time were in-work benefits. Various concepts were developed, discussed, tested (without much success) and discarded. The underlying idea was to make low incomes, which barely exceed welfare benefits, more attractive by subsidizing labor income sufficiently to make regular employment “worthwhile” again. Today in-work benefits have largely disappeared from the debates, with the exception of the “income top-up” option for benefit recipients.

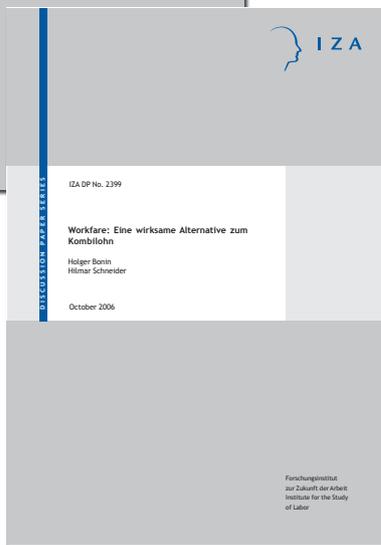
It can be attributed to IZA’s efforts, at least in part, that in-work benefits in Germany have never made it beyond an experimental stage. A number of IZA studies have critically but objectively assessed various in-work benefit models and always arrived at the conclusion that

all these model would come with enormous costs and undesired side effects unless the level of basic welfare benefits were substantially lowered. Large parts of the workforce would rationally choose to reduce their working time in order to qualify for the subsidy and consequently achieve the same income with lower effort. These disincentives would dominate the total effect of the in-work benefits and raise the per-capita cost of the measure to astronomical heights.

IZA therefore emphatically warned against the implementation of in-work benefits in Germany and proposed, as early as in 2002, an alternative concept to strengthen work incentives. The workfare concept proposed by IZA experts has strongly influenced the academic, public and political debates on how to “support and challenge” the unemployed at the same time.

The concept is based on the notion that social welfare benefit receipt should be tied to reciprocal behavior in the form of a meaningful full-time activity (e.g.

further training, job search, or socially beneficial work). This principle of quid pro quo is socially just



– it does not reduce benefits but makes work more attractive for benefit recipients. In contrast to the status quo, the workfare concept would make any labor income that exceeds welfare benefits attractive enough for people to opt for work rather than benefit receipt. As IZA simulations have shown, this would substantially raise re-employment rates and reduce public welfare expenditures. Benefits could then be better targeted at those truly in need. Behavioral experiments have also shown that the vast majority of people perceive workfare as “fair”.

The basic idea behind the IZA workfare concept has become common practice in many local job centers. As a result of legislative changes, job centers now have more freedom to make benefit receipt conditional on work-related activities. While there has been no official adoption of the workfare concept, the success already achieved confirms the IZA experts’ position.

- ▶ <ftp://ftp.iza.org/dp587.pdf>
- ▶ <ftp://ftp.iza.org/dp2310.pdf>
- ▶ <ftp://ftp.iza.org/dp2399.pdf>
- ▶ ftp://ftp.iza.org/compacts/iza_compact_en_24.pdf



IZA COMPACT
Considering the Future of Labor

October 2006

Workfare – An IZA Proposal to Overcome the Unemployment Crisis

Against the background of high and persistent unemployment, the current labor public debate in Germany centers on the question of introducing income benefits (also termed “workfare”) to all sectors of the economy. What is often overlooked is the fact that this form of subsidy can only be effective if the basic level of benefits transfers for the unemployed is reduced at the same time. Such proposals have been made, but the public reaction shows that a political consensus in this area will hardly be achieved.

This is why IZA has been instrumental in assessing, and the labor – approach to providing the necessary resources to take up low-paid employment without losing out on the benefits of the labor market.

The problem is that most of the expenditures generated from paid employment cannot be used to reduce the unemployment benefits. A single person receiving AGG II (a recently introduced benefit combining long-term unemployment benefits and welfare) gives a realistic housing subsidy of 326 euros per month. If the same person were to accept a full-time job paying a gross hourly wage of 7 euros, the required amount would increase to just above 300 euros per month. In other words, the person would have to be paid a net wage of 10 euros per month to be able to afford the same housing subsidy.

Armin Falk
David Huffman

September 2006

MINIMUM WAGE
Jacob Meyer, eminent proponent of modern labor economics and First Institute of the IZA, writes in Labor Economics, passed away in August. A tribute by Boris Chikwick.

The first volume of the IZA Prize Book Series honors Jacob Meyer's lifetime achievement. page 5-10

MIGRANT ENTRY
An interdisciplinary IZA Study Group, funded by the Volkswagen Foundation, submits its first report on “The Assessment of Migration Policies” by M. Zimmermann and M. Zimmermann.

What? Studying the dimensions of ethnic identity and the successful integration of immigrants. page 1

WORLD BANK INSTITUTE
“WORKING AND UNEMPLOYED”
CONFERENCE IN BOEN
In June 2006, IZA held its first-ever international conference for young African labor economists in cooperation with the World Bank and the African Economic Research Consortium (AERC). page 10

IZA RESEARCH POLICY GROUP REPORT
WHAT NEXT FOR GERMANY?
On October 6, 2006, the Royal Swedish Academy of Sciences announced that Edward F. Phelps (Columbia University), IZA Research Fellow since December 2005, is awarded the Nobel Prize in Economics “for his analysis of unemployment in markets with incomplete policy.”

Forschungsinstitut
zur Zukunft der Arbeit
Institute for the Study
of Labor

IZA EXPERTS PROPOSE AN EFFICIENT AND FAIR TAX MODEL FOR GERMANY

With its innovative policy simulation model, IZAΨMOD, IZA produces reliable estimates of the fiscal and employment effects of policy proposals. In a number of simulation studies IZA experts have thus evaluated various reform proposals for the German tax and transfer system. In 2012, based on these studies, IZA experts developed an own concept to replace the complex German tax system with a simple, efficient and fair tax model.

Simulations show that this comprehensive reform resolves conflicting goals: employment increases, inequality decreases and tax revenues slightly increase. Under the model, social security contributions, which currently have a regressive effect, would be integrated in the progressive income tax system. The integrated income tax would then be used to finance social security as well as other state expenditures such as investment in education and infrastructure.

By merging all taxes and contributions on income into one single payment to the state, tax-payers could much more easily determine their effective individual tax rate. In addition, the complicated tax schedule would be replaced by a simple tax bracket system, while a number of existing tax breaks would be eliminated. The tax splitting system for married couples, which currently keeps many women from working (full-time), would be replaced by individu-

al taxation. According to the simulations, this tax model would only make the richest 10 percent of the population pay higher taxes, while low and middle-income earners would clearly benefit. The labor market impact could amount to half a million new jobs. High-skilled women, in particular, would have a much stronger incentive to work. The tax rates are also set in a way that would not further increase public debt.

► ftp.iza.org/sp49.pdf



IZA CALLS FOR FAMILY-FRIENDLY WORKING ARRANGEMENTS

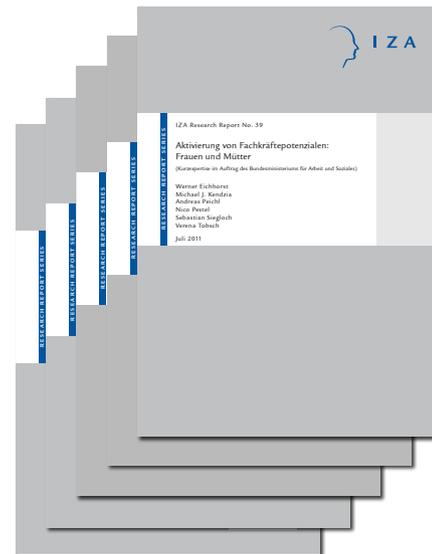
Providing better options to combine family and career is one of the most important approaches for policymakers to address the growing shortage of skilled workers. The vast human capital resources of young women and mothers remain largely unused because there is still a lack of flexible work arrangements and childcare facilities. From a fiscal perspective, while social security provided to families is comparatively high, so is the marginal tax burden on extra income earned by spouses who work in more than a “mini-job.” In other words, the current system still favors single wage-earners (with little extra income) and penalizes double wage-earners. This is also clearly reflected by the labor market participation behavior of parents.

In a number of studies IZA critically assessed Germany’s family policy in regard to labor market aspects and gave policy recommendations to create a more family-friendly work environment. The IZA experts found that more and better childcare facilities and daycare for school children would substantially change women’s labor supply decisions. IZA also calls on employers to allow for more flexible working hours on all levels of qualification, more telecommuting and job-sharing, more part-time positions close to full-time, and options to work part-time or receive further training during parental leave. Moreover, the current system of income tax splitting for married couples is an enormous disincentive to work, particularly for women, and should therefore be

abolished in favor of individual taxation with a family component.

One of the IZA studies shows that if public and private childcare facilities were sufficiently expanded, mothers with children under 16 would increase their working hours in the magnitude of about 1.5 million full-time equivalent jobs. These findings show that family policy can contribute to fighting the impending skilled labor shortage by providing more employment incentives for skilled mothers.

► [IZA Research Reports No. 17, 30, 33, 37, 39](#)



IZA AGENDA FOR MIGRATION AND INTEGRATION

In Germany, Europe and around the world, IZA calls for improved migration policies based on economic needs, as well as a systematic integration of immigrants in the host societies and labor markets. In order to achieve a better allocation of human capital, but also for social justice reasons, the importance of sustainable migration and integration policies is rising. Against this background, IZA has substantially expanded its Migration program area. Numerous IZA studies and policy proposals in this field have strongly influenced the debate on the future of migration and integration in recent years.

IZA Analyzes Social and Economic Integration

Funded by the Volkswagen Foundation, IZA participated in a large interdisciplinary network and studied the high relevance of migrant ethnicity as a determinant of immigrant economic adjustment. The IZA experts analyzed influencing factors such as language acquisition, naturalization, (interethnic) marriages, and ethnic entrepreneurship to develop a multidimensional



VolkswagenStiftung

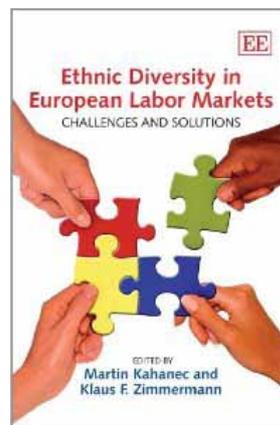
measure of ethnicity. Ethnic identity proves to be a momentous determinant of immigrants' economic success – an effective immigration and integration policy must account for these findings. According to the IZA

studies, complete assimilation need not be a labor market advantage, whereas immigrant ethnic separation (ethnic identity focused on the home country's culture) or even marginalization (lack of ethnic identity) must be avoided. Sustainable social and economic integration implies equal opportunities and ethnic diversity as well as sufficient language skills.

Commissioned by the European Commission IZA provided a comprehensive “Study on the Social and Labor Market Integration



of Ethnic Minorities in Europe.” Social and economic exclusion remains an everyday challenge for millions of members of ethnic minorities living in Europe, as the analysis shows. As a consequence, vast economic and human capital potentials remain untapped. Based on an expert opinion survey the IZA study identified clear



deficits while at the same time presenting successful “good practice” examples and policy options on the road to better integration. The IZA findings and country studies are available as an IZA book on “Ethnic Diversity in European Labor Markets: Challenges and Solutions” and have

substantially influenced the report delivered by the EU Commission’s “High Level Advisory Group of Experts on the Social Integration of Ethnic Minorities and their Full Participation in the Labour Market”. To avoid labor market segmentation along the lines of ethnic minority status is one of the greatest integration challenges facing European labor markets today.

In a 2011 report for the European Parliament, IZA assessed the social, economic and legal situation of migrants in the EU and proposed relevant policy actions on

a European level. In 2012 IZA and its partners conducted a “Study on Active Inclusion of Migrants” on behalf of the European Commission.

Whereas public concerns have risen about the “policy failure” deriving from excessive welfare spending on migrants, findings from the study suggest that failure instead relates to the inadequate access of migrants to social supports and services. Specifically, the statistical analyses show that migrants’ welfare take-up is lower,

not higher, than that of comparable natives. The study finds no evidence of a “welfare magnet hypothesis”:

social expenditure does not appear to be a significant determinant in the decision of migrating to an EU member state. The findings from the study call for welfare policies that strengthen the active inclusion of migrants, with a long-term perspective of activating migrants in the labor market instead of being designed to myopically minimize social expenditure in the short run.

- ▶ www.iza.org/link/report40.pdf
- ▶ www.iza.org/link/report43.pdf

IZA Participates in German Pilot Project for Anonymized Job Applications

Empirical studies point to a serious extent of discrimination in the German labor market. Both hidden and open discrimination lead to an enormous waste of potential. Particularly the unequal treatment of women, migrants and older job applicants

causes substantial economic damage. Against this background the German Federal Anti-Discrimination Agency initiated a pilot project for anonymized job applications, scientifically accompanied by IZA. The analysis highlighted that anonymization of at-



tributes such as name, photograph, gender, age and ethnic origin of the applicant is effective at creating equal opportunity for all groups to get a job interview. The project also showed that the potential of anonymization is rather limited in organizations that have already taken other measures to promote diversity in the workplace.

► www.iza.org/link/report44.pdf

IZA Analyzes EU Enlargement, Free Movement, and Intra-EU Mobility

The 2004 and 2007 enlargements of the European Union led to increased flows of workers from Eastern to Western Europe. Although these flows have been much weaker than widely expected, they have nonetheless had a substantial impact on labor markets. At an early stage IZA proposed that Germany should implement free movement of labor in order to benefit from high-skilled mi-



gration. Thorough research conducted by IZA and its network has shown since then that indeed those EU countries that immediately granted free mobility (fully or at least partially) for Eastern European migrants were at an advantage. Even during the economic crisis this advantage still prevailed,

whereas countries like Germany, whose free movement legislation went into effect very late as a consequence of this short-sighted policy, had little chance to catch up since skilled labor migration was already declining.

For its 2009 book on “EU Labor Markets After Post-Enlargement” IZA assembled a number of important case and country studies. Based on rigorous analysis and hard data, the book makes a convincing case that there is no evidence that the post-enlargement labor migrants would on aggregate displace native workers or lower their wages, or that they would be more dependent on welfare. While brain drain may be a concern in the Eastern European source countries, the anticipated brain circulation between EU member states may in fact help to solve their demographic and economic problems, and improve the allocative efficiency in the EU.

Free mobility of people is a cornerstone of the European Union. How to ensure that it is upheld in all aspects, that it contributes to economic prosperity as well as the well-being of the individual and the society, and that it helps to alleviate economic and financial disturbances such as the ongoing economic crisis, is a major policy task for the present and future.

This argument is underscored by another IZA study, already delivered in 2008 to the European Commission: The economic effects of free geographic mobility are clearly positive, and stimulating intra-European mobility would increase the welfare of the vast majority of Europeans. It would also help cushion the impact of demographic change.

IZA Points System for Labor Migration to Germany

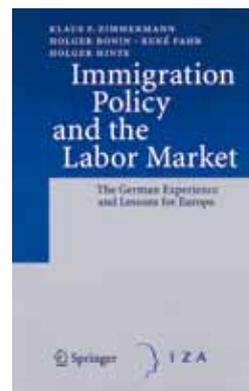
IZA has always held a clear position in the German debate on the pros and cons of a new immigration policy based on economic needs. In 2000, the federal government installed an “Independent Commission on Immigration”, to which IZA submitted a report that called for a selective immigration policy as successfully implemented by other nations. The Commission followed this proposal in its final report published in 2001. Nonetheless, the German immigration act finally passed after fierce policy debates in 2005 contains very few elements of this kind.

Since then, IZA has underscored its position at various occasions and has taken a lead among those who favor an economically motivated immigration policy. The presentation of a proposal for a detailed points system for German in 2011 gave new impetus to this important debate.

The IZA model centers on a three-pillar strategy. The first pillar targets immigration of the high-skilled, mainly university graduates. The second pillar enables

and controls immigration of skilled workers, who do not hold an academic degree but possess sector-specific skills through vocational training in labor market segments that are expected to exhibit shortages in the medium to long term. The third pillar covers temporary immigration to satisfy short-term excess labor demand in specific sectors. With this concept IZA provides a ready-to-implement migration policy proposal.

► www.iza.org/link/report35.pdf



IT'S ALL ABOUT DATA: IZA'S INTERNATIONAL DATA SERVICE CENTER (IDSC)

IZA has always been at the forefront of the initiative to improve data access for economic science. Operating since 2003, IZA's International Data Service Center (IDSC) services the data and technology needs of IZA's resident research community, the various global and virtual IZA research networks and the research community at large.

IDSC develops innovative data products for the analysis and documentation of scientifically relevant data with an emphasis on data support, data access support and data analysis for labor economics. IDSC offers a wide range of databanks and detailed documentation of existing datasets, handling not only the data, but also their legal and ethical aspects. At current IDSC provides about 150 datasets for labor economics, some of which exclusively.

Operating since 2003, IDSC in its original form was the result of an intensive discussion among a group of German economists, including IZA Director Klaus F. Zimmermann, about developing a broader data infrastructure to better serve the scientific community of national as well as international labor economists. Since then several data service centers,

of which the only one representing labor economics is IDSC, have been established in Germany.

At an early stage a major element of IDSC's activities was the creation of an information gateway, which offers all interested scientists a user-friendly, constantly updated pool of information on the location, content and access options of datasets that are relevant for labor market research.

IZA has developed its own tool for automatic or semiautomatic controlled remote data processing (Job Submission Application/JoSuA). This ensures that all data protection requirements, which often posed an insurmountable hurdle for international researchers, are met when the dataset is accessed from anywhere in the world. Meanwhile JoSuA has matured into a flexible instrument of data analysis of configurable degree of automation designed to fit the needs and specifications of each individual data provider.

IZA cooperates with national and international institutions in order to establish standards for the documentation and analysis of data. Among other commitments, IZA's International Data Service Cen-



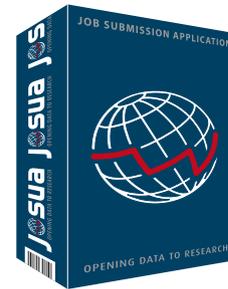
ter is a member of the DDI (Data Documentation Initiative) Alliance, which works towards a leading standard for the technical documentation of social science data.

IDSC also contributes to the important debate on persistent identifiers for the social sciences. A convention for the proper, formal and machine-actionable citation of datasets used in empirical research is long overdue. This is at complete odds with the situation regarding publications, where both scholarly and technical conventions are well established and widely used and appreciated.

The benefits of such a convention would be enormous in terms of bibliometrics and scientometrics, but also in terms of allowing the contribution of data providers and workers to become more evident. Extending the academic mechanisms of credit, where credit is due to the data world, would help the development of the field and would in turn provide benefits for evidence-based social science research. Persistent identifiers of digital and other objects are an important ingredient in this context.

IZA's International Data Service Center will continue to expand its manifold activities in the field of data documentation and analysis.

► idsc.iza.org



Login

SERVING THE DATA NEEDS OF EMPIRICAL RESEARCH

IZA has long been at the forefront of national and international initiatives to improve data access for independent economic research. Important activities of the institute in this respect include the quest for better data to evaluate labor market programs, and to analyze the peculiarities of labor markets in China and the transition countries of Eastern Europe.

IZA Evaluation Dataset: Unique Resource for Evidence Based Labor Market Policy

Given their accuracy and fast availability, official labor market statistics provided by a government agency, such as the Federal Employment Agency (BA) in Germany, are crucial for any labor market research, but – as any data set – they only offer a limited scope of answers to current labor market trends.

To broaden the data basis for Germany, IZA has initiated the “IZA Evaluation Dataset”. The creation of this pioneering dataset was made possible by a fruitful collaboration with the BA’s Institute for Employment Research (IAB) in Nuremberg and special permission granted by the Federal Minister of Labor in 2002. The IZA Evaluation Dataset combines administrative data from the BA with an ex-tended set of survey data on a large sample of entries into unemployment. This innovative approach offers detailed information on the beginning and end of unemployment spells and the income earned through-

out an employment history as well as data on individual characteristics, attitudes, qualifications, or household composition. The dataset also includes valuable data on migration background and job search behavior of ethnic minorities, allowing new studies on a wide range of research questions.

Findings based on the IZA Evaluation Dataset contribute a great deal to the understanding of job search behavior and the effectiveness of labor market programs for different target groups. The IZA Evaluation Dataset thus delivers important hints for labor market policy practitioners. The strong potential of the dataset was highlighted at an IZA Workshop presenting a number of recent studies exclusively based on this comprehensive data source.

► <ftp.iza.org/dp5400.pdf>

New Data Set for Chinese Labor Markets: RUMiC

Many economic aspects of modern China, such as its transforming labor market and the mass rural-urban migration are often underexplored because of lack of suitable data. With the first wave of the Longitudinal Survey on Rural Urban Migration in China (RUMiC) IZA and its partner institutions contribute to closing a substantial research gap. The RUMiC samples contain distinctive information at the individual and household level, which

allows the study of a wide range of topics: (return) migration, employment, entrepreneurship, social networks, health and wellbeing, and education. Several studies using the RUMiC data to explore these topics have already appeared in the IZA Discussion Paper Series and major research journals. Future waves of the data will also allow to exploit the panel dimension of the three samples. The RUMiC survey was initiated by a group of researchers at the Australian National University, the University of Queensland and the Beijing Normal University and has been supported by IZA, which provides the Scientific Use Files at its International Data Service Center (IDSC). The financial support for RUMiC was obtained from the Australian Research Council, the Australian Agency for International Development (AusAID), The Ford Foundation, IZA and the Chinese Foundation of Social Sciences.

► idsc.iza.org/rumic

Rich Data on Labor Markets in Transition Countries

Studying the labor market trends in the transition economies of Eastern Europe provides important insights into successes and failures on the road towards a market economy. These findings are extremely useful for the design of future reform processes in the western member countries of the European Union. One of the early IZA initiatives in this field, started in 2003, is the Ukrainian Longitudinal Monitoring Survey (ULMS). Its objective is to fill in the gap in the knowledge of labor market

adjustment in Ukraine, the second largest successor state of the former USSR. The ULMS is a panel data set, which is conceived as a statistically representative sample of the Ukrainian population aged between 15 and 72 years, and comprises 4000 households and approximately 8,500 individuals. The survey is being done by the Kiev International Institute of Sociology (KIIS). Several waves of the data are available at IZA's International Data Service Center (IDSC).

► idsc.iza.org/ulms

Furthermore, IZA personnel datasets represent the first attempt of collecting and studying detailed personnel records of firms in transition economies, containing comprehensive information from large Russian and Ukrainian firms from the manufacturing sector. These records span a nearly two-decade period from the early transition to the late 2000s. IZA data on labor market institutions in 27 countries of Central Europe and Central Asia add to this substantial data collection on transition economies.

“These data allow very high quality non-experimental evaluations. There is nothing like this available in the US or Canada.”



Jeffrey A. Smith (University of Michigan)

ACTIVE COLLABORATION: RESEARCH FELLOW NETWORK AND VISITING RESEARCHERS PROGRAM

IZA runs the world's largest network Research Fellows and Affiliates, comprising more than 1,200 economists from over 40 countries. New network members are appointed on IZA's initiative and after thorough evaluation by an internal committee. Since active collaboration is the guiding principle of this productive network, its members' research activities are regularly evaluated. Given the rising importance of interdisciplinary research, IZA also appoints members from other disciplines as fellows. Among the most prominent IZA Research Fellows are several Nobel laureates.

Collaboration within the IZA network serves two goals: First, it helps realize the vision of a "virtual" institute, which provides vast online services for communication, joint research projects and remote data processing. Second, IZA aims at creating an excellent research environment at its headquarters in Bonn, where fellows and affiliates collaborate with in-house researchers and discuss their projects and findings at various seminars and meetings.

Ever since its foundation in 1998, IZA has run an extensive and attractive Visiting Researchers Program. Over 1,200 research visits took place during the first 15 years. In response to a growing demand for longer-term visits, IZA started its "Visiting Research Fellow" program which allows senior researchers to become actively involved in the research, teaching and advisory

activities of the institute. From 2004 to 2008, the program was supported under the Marie Curie Actions of the European Commission. This combination of virtual network and local research visits has proven highly successful.

Beyond academic research, IZA has established a unique policy network consisting of national and international decision makers from politics, business and society. The IZA Policy Fellows regularly exchange their ideas on labor market topics with the institute's researchers and provide important inputs for IZA's research and policy advice activities.

- ▶ www.iza.org/en/webcontent/personnel/fellows
- ▶ www.iza.org/en/webcontent/personnel/affiliates
- ▶ www.iza.org/en/webcontent/personnel/policy_fellows

IZA's Network of Research Fellows 1998-2012



EMPLOYMENT AND DEVELOPMENT: EXTENSIVE COLLABORATION OF WORLD BANK AND IZA

IZA has collaborated successfully with the World Bank for many years. In 2006 both institutions launched a joint research area and a joint annual conference on “Employment and Development.” At the heart of this partnership is the development of operationally-oriented research and policy advice on labor market issues. The World Bank and IZA share a common mission in promoting rigorous research and evidence-based policy analysis to support countries with the design and implementation of labor policies to create and provide access to jobs. Important knowledge gaps and weak capacity have limited the identification and implementation of effective labor market policy reforms in developing and transition countries. The annual conference, with alternating venues in Germany and countries of the developing world, offers an excellent opportunity for researchers and practitioners to fill these gaps.



The successful collaboration was formally expanded in 2011 to include the joint development of the World Bank Jobs Knowledge Platform, which propagates and discusses the role of jobs for economic development.

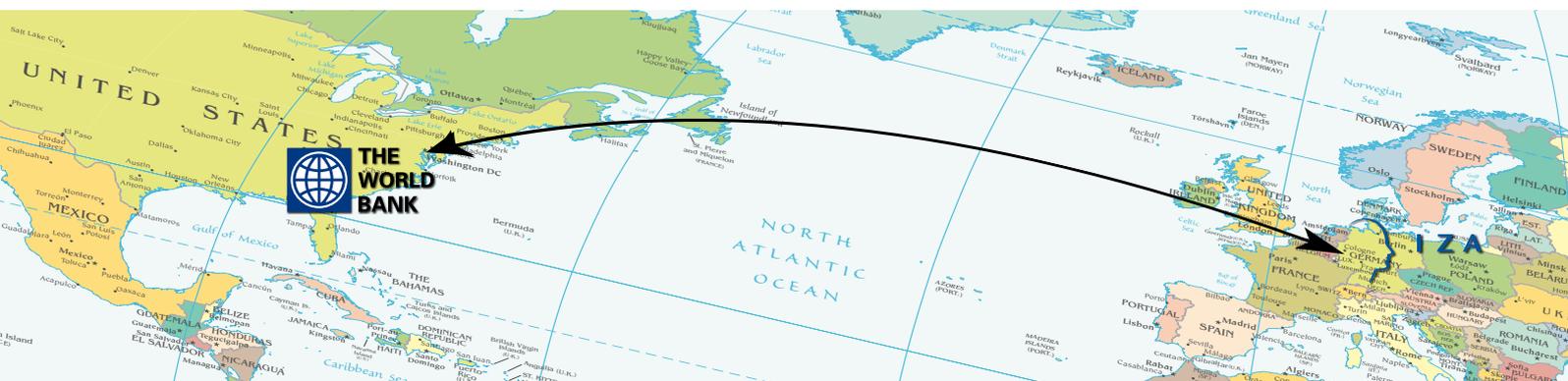
▶ www.jobsknowledge.org

Most recently IZA was involved in the preparation of the World Development Report 2013. For the first time in decades, the report concentrates on jobs stating that employment is a cornerstone of development. IZA has contributed an extended background study focusing on the role of vocational training for job creation among young people.

More joint projects are planned for the future. For instance, the World Bank will contribute substantially to the ongoing “IZA World of Labor” project.



Klaus F. Zimmermann (Director, IZA) and Arup Banerji (Director for Social Protection and Labor, World Bank)



WHAT OUR RESEARCH FELLOWS SAY ...

“IZA is the world’s most prominent, prolific and profound network on the analysis of global labor markets. It has made top-flight contributions to our understanding of labor market activities and policy. Klaus F. Zimmermann and his colleagues are to be congratulated on this immense achievement.”



Dennis Snower (Kiel Institute for the World Economy)

“I have marveled over how quickly IZA established itself as the premier think tank for labor economics. It is globally recognized for its pioneering work in the fields of migration and labor market policy and as a magnet for internationally renowned scholars.”



Ronald Oaxaca (University of Arizona)

“IZA has been a vital resource to all of us working in international migration. The Institute has made the best, most rigorous literature available to the field in a timely and particularly helpful manner. I am very proud to have been associated with IZA and offer my congratulations to its staff and its far-sighted, indefatigable founder and leader Klaus F. Zimmermann.”



Michael Fix (Migration Policy Institute)

“IZA is now a powerhouse of labour economics and policy advice in the world - this is a remarkable achievement in 15 years.”



Junsen Zhang (Chinese University of Hong Kong)

“No institution has played a bigger role in making labor economics global than IZA under Klaus F. Zimmermann’s leadership. Congratulations.”



James P. Smith (RAND Corporation)

“What IZA has accomplished in the world of labor economics in its brief 15 years of existence is almost beyond belief. It has become the central institution of labor economics research worldwide, as a consequence of its synergistic activities including working papers, visits to IZA in Bonn, top-notch conferences, and new journals.”



David Neumark (University of California-Irvine)

“To write counterfactuals is a challenge. To imagine the last 15 years without IZA would be a ‘mission impossible’. The performance by IZA is a truly great and innovative achievement.”



Peder J. Pedersen (Aarhus University)

“It is rare for new research institutions to be able to establish themselves as authoritative intellectual centers in a short time. In this respect, IZA is a remarkable success story. In 15 short years, IZA has established itself as one of the most important research institutions in labor economics in the world. If IZA was a department, it would rank well among European economics department, and even among American ones. IZA has directly helped create solid, policy relevant research on labor markets. It has indirectly supported -- through its publications, conferences, Summer Symposia and Summer Schools and awards -- even more good research in key parts of labor economics. Overall, IZA has significantly advanced our understanding of how labor markets work, and what is the role for economic policy and economic institutions in addressing the important economic challenges of our times. Happy birthday, IZA.”



Enrico Moretti (University of California, Berkeley)

“IZA has rapidly evolved since its genesis and has emerged as a dominating research institute in the field of labor economics and a focal point for a remarkable network of policy oriented researchers.”



Oded Galor (Brown University)

“IZA is remarkable for the breadth and depth of its research activity in Labor Economics. It organizes numerous conferences and seminars and has a rich list of Working Papers each year. Its many research fellows are both good and active, and include the top labor economists in the U.S. and in Europe. Topics covered span the range of all key issues in this field, including much policy-relevant research. The recent global and European crises have shown that structural issues in labor markets are crucial policy issues. It is very important that such policy be informed by the kind of research undertaken at IZA. It has grown to be quite an exemplary research center and think tank that has worldwide prestige. It is hard to believe it is only 15 years old, given this array of achievements.”



Eran Yashiv (Tel Aviv University)

“Since its inception, IZA has succeeded in becoming the primary network for policy-relevant analyses of labour economics and international migration issues, not only in Europe but in other parts of the world through its high-quality publications and conferences. We at the OECD draw extensively on the Institute’s work and are proud that many of our staff are associated with it as Research Fellows.”



John Paul Martin (OECD)

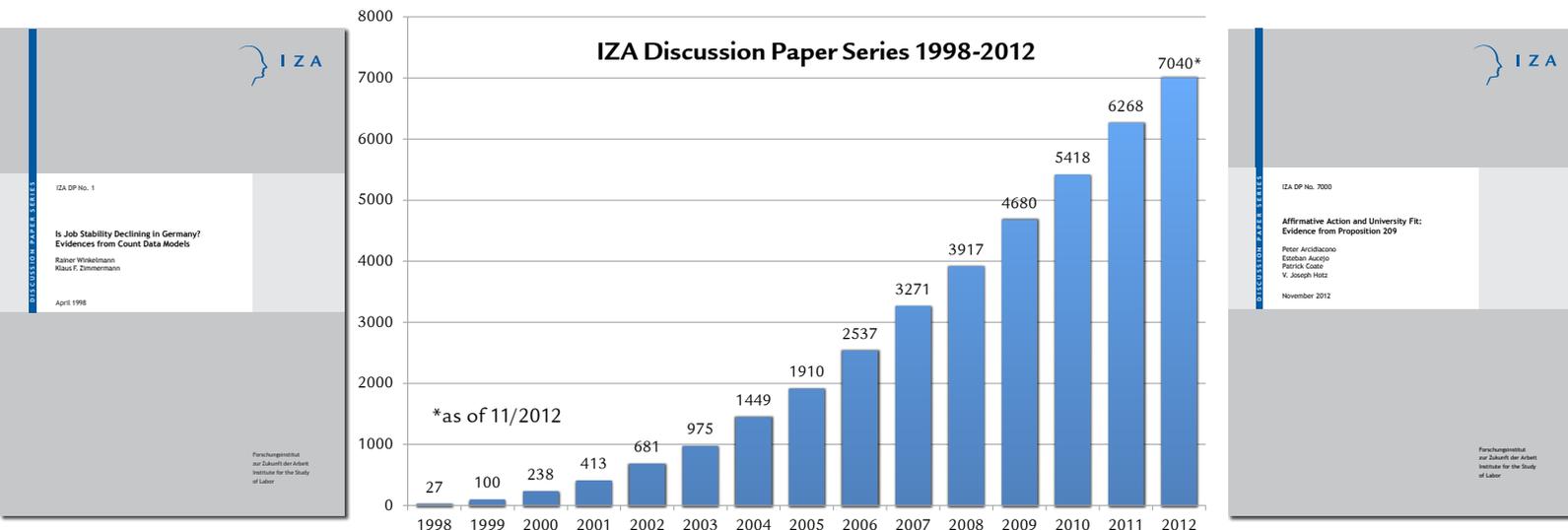
“IZA has transformed immigration research in the last 10 years by providing all the necessary resources: a cadre of young scholars, seminars and workshops and an excellent discussion paper series.”



Don J. DeVoretz (Simon Fraser University, Burnaby)

INFLUENTIAL: IZA DISCUSSION PAPER SERIES

The IZA Discussion Paper Series has quickly established itself as one of the major IZA “brands.” It circulates important studies by IZA staff members, research fellows and research affiliates before they are published in a journal or collective volume. The wide range of topics covered by the series gives an impressive overview of the worldwide progress in labor market economics over the past fifteen years. The IZA Discussion Papers Series has earned an excellent reputation in the international academic community as the largest and most influential working paper series in the field. IZA Discussion Papers are available free of charge, since 2004 online only. The electronic format allows IZA to publish new studies in a very short time. An efficient production process ensures that a continually growing number of papers can be accommodated in the series. The IZA homepage offers an excellent tool for browsing, searching and accessing the whole range of published papers. In addition, IZA offers an e-mail subscription to new papers, which are also advertised and distributed through other electronic archives, such as the Social Science Research Network (SSRN) and Research Papers in Economics (RePEc). Starting out with 27 papers in 1998 and 73 in 1999, the series now comprises more than 7,000 titles and well over 800 new submissions per year.



25 YEARS OF SUCCESS: JOURNAL OF POPULATION ECONOMICS

Since 1998, IZA has hosted the editorial office of the Journal of Population Economics. The internationally renowned Journal celebrates its 25th anniversary – a quarter century of publishing research that has advanced our knowledge and thinking in the field. The Journal’s reputation has evolved substantially and it is now established as one of the most reputable outlets in economics and demography. As the journal of the European Society for Population Economics (ESPE), co-founded by IZA-Director Klaus F. Zimmermann in 1988, the Journal of Population Economics is hosted by IZA and is traditionally also strongly supported by the IZA network.

Over the years, the number of submissions to the Journal has consistently grown and now exceeds 400 submissions per year. The Journal currently publishes about 60 articles and 1,500 pages per year. The accepted articles are now published in less than a year. Concurrently with its rising prestige, the Journal’s impact factor has been consistently increasing over time. In 2010 the two-year impact factor was 0.948, ranking the Journal 116th among 305 journals listed in the Social Sciences Citation Index (SSCI). As of June 2012, the RePEc aggregate ranking places the Journal 65th out of 1,093 journals listed in the database.

► www.popecon.org/

RESEARCH IN LABOR ECONOMICS TURNS 35: IZA CO-EDITS SERIES

Since 2006, IZA has been co-editor of the Research in Labor Economics (RLE) series, which was established in 1977 and celebrated its 35th anniversary in 2012. It was extended to two volumes per year with one volume remaining in the tradition of the series with empirical and theoretical papers in labor economics and a second volume being more policy-oriented, in the spirit of IZA’s focus on policy aspects of labor economics. Published by Emerald since 2008, the series has notably improved as a result of IZA’s input. The volumes co-edited by IZA have been dedicated to the microsimulation of European tax-benefit systems, immigration, worker well-being, and aspects of the employment relation. Other volumes focused on informal employment in emerging and transition countries, and the socioeconomic consequences of the recent global economic crisis.

► rle.iza.org/



IZA JOURNAL SERIES: NEW OPEN ACCESS OUTLET FOR LABOR ECONOMICS



In 2012 IZA has launched a new online open access journal series with Springer Verlag. This ambitious series consists of five field journals, covering general Labor Economics, Labor Policy, European Labor Studies, Migration, and Labor & Development. The aim of the new IZA Journals is to provide a high quality, peer reviewed outlet for papers, as an instrument to foster production of knowledge and scientific excellence. All IZA Journals publish both applied and theoretical papers. The key characteristic of the submission procedure is the fast decision making and publication process. Acceptance/rejection decisions will be made within one month; publication is expected within two months after submission of the final manuscript. The IZA Journals are accessible through the SpringerOpen Access system. This implies that electronic access to all five new journals is provided freely and permanently worldwide immediately upon publication. IZA will publish with Springer Verlag the limited number of 24 articles per journal per year.

With this publication initiative, IZA strongly contributes to stimulating the scientific and policy-oriented debates in the field of labor economics. The new journal series perfectly complements the existing print journals, hosted or co-edited by IZA, such as the Journal of Population Economics and the Research in Labor Economics Series.

► journals.iza.org



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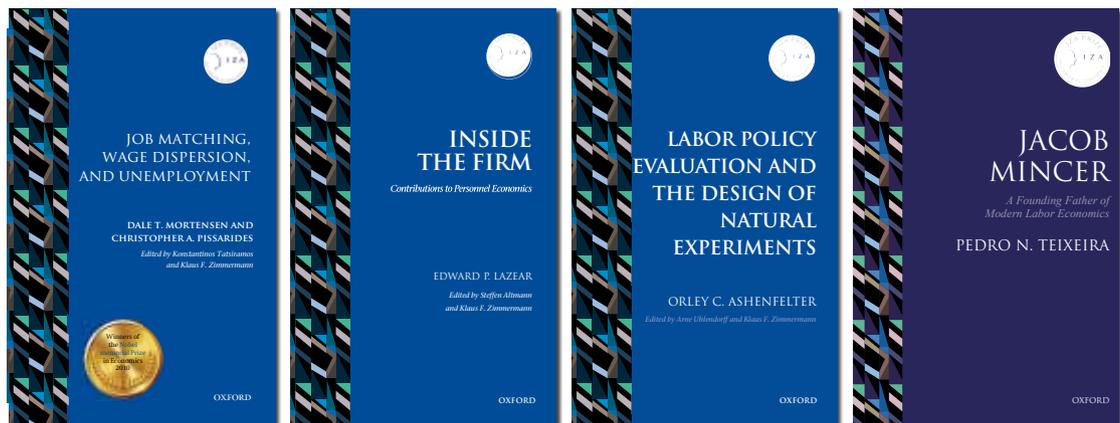
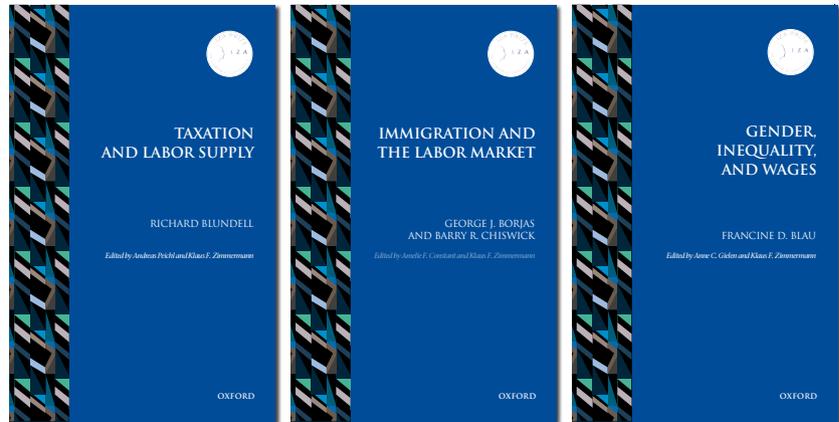
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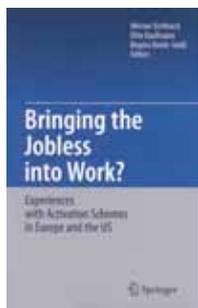
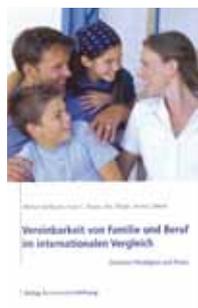
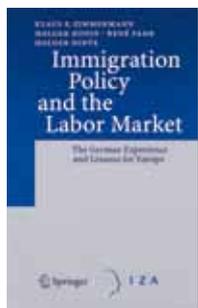
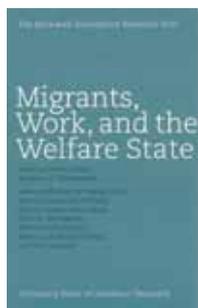
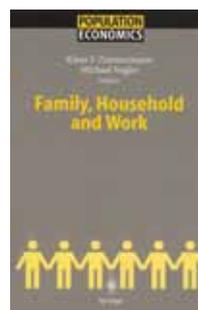
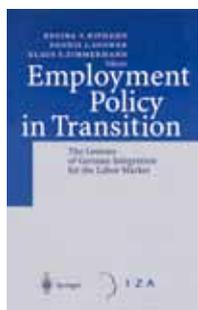
Amelie F. Constant
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IZA PRIZE BOOK SERIES

Available and forthcoming volumes



IZA BOOKS



HIGH-QUALITY TRAINING FOR JUNIOR LABOR ECONOMISTS: 15TH ANNIVERSARY OF THE IZA SUMMER SCHOOL

The IZA European Summer School in Labor Economics is a very well-known phenomenon. Ask any labor economist and there is a good chance they have participated as a student, sent their Ph.D. student to the Summer School, or even lectured themselves at this event. Since the start of the series in 1998, the IZA Summer School has gained the reputation of being the Summer School in Labor Economics, providing a unique opportunity to junior scholars to interact with each other and with more renowned labor economists. This year, the IZA European Summer School in Labor Economics celebrates its 15th anniversary.

By now, over 500 students have participated in the Summer School, which takes place annually at the conference center of Deutsche Post at the Ammersee Lake (near Munich, Germany). Every year the number of applications has been rising and the acceptance rate is nowadays around 25 percent. The current group of IZA Summer School alumni is a colorful international blend including participants with more than 40 different nationalities from universities in more than 20 different countries. Almost half of the participants are female. Many alumni have pursued successful careers, both in academia and in international organizations, while forming a particularly committed part of the IZA network. Drawing on findings from a recent

study (A. Cardoso/P. Guimaraes/K. F. Zimmermann: “Comparing the Early Research Performance of PhD Graduates in Labor Economics in Europe and the USA”, *Scientometrics*, 84,3 (2010), 621-637) it can be shown that former participants have significantly more (quality-adjusted) publications than non-participants.

Four major scientific organizations support the IZA Summer School through an Advisory Committee: the Centre for Economic Policy Research (CEPR), the European Economic Association (EEA), the European Association of Labour Economists (EALE), and the European Society for Population Economics (ESPE).



At the occasion of the Summer School's 15th anniversary, IZA Director Klaus F. Zimmermann highlighted its importance not just for the advancement of labor



economics, but also for IZA itself: "The discipline certainly benefits from young researchers receiving high-quality training, which also includes presentation and networking skills, and interacting with well-established scholars at an early stage of their academic career. But IZA benefits just as well. We get in touch with many promising young scholars who can be involved in our research activities. It is not a coincidence that many Summer School graduates are among the most active members of our

network, and some of them later join our local research staff. In other words: The IZA Summer School is a fantastic success in all respects."

- ▶ www.iza.org/link/SUMS
- ▶ link.springer.com/article/10.1007/s11192-009-0136-5

"Unlike many conferences that I attended before finishing my Ph.D., the IZA Summer School allowed a more profound interaction."



Patrick A. Puhani (Professor, Leibniz University of Hannover, Participant of the 1st IZA Summer School)

"I really enjoyed the lectures, and the interactions with peers and professors. We got the opportunity to talk about our works and research ideas in a very free environment."



Ying Yang (Ph.D. student, Tilburg University, Participant of the 15th IZA Summer School)

"I found the whole atmosphere extremely stimulating and met lots of people that I am still in close contact with. One of them is now a co-author."



Sascha O. Becker (Professor, University of Warwick, Participant of the 2nd IZA Summer School)

"After talking to many people that recommended going there, I had quite high hopes about this but you still managed to exceed my expectations!"



Arna Vardardottir (Ph.D. student, Stockholm School of Economics, Participant of the 15th IZA Summer School)

EALE 2012: IZA HOSTS EUROPE'S LARGEST MEETING OF LABOR ECONOMISTS IN BONN

On the initiative of IZA, the Annual Conference of the European Association of Labour Economists (EALE) came to Germany again for the first time since 1999 and was held at IZA's hometown of Bonn in September 2012. IZA was pleased to accept the great honor of hosting and co-organizing this event, given the institute's traditionally close ties with EALE. The conference program covered a broad range of policy oriented topics: Keynote speeches addressed the impact of trade and technology dynamics on task demands as well as the growing relevance of stimulating labor sup-



ply of women and older workers due to demographic change. Special IZA sessions debated the current German "job miracle" and the role of temporary work and fixed-term employment as a bridge into regular employment. Another IZA session provided an overview on the most important labor market challenges in China, ranging from the mass rural-to-urban migration to returns on education and discrimination in hiring. Last

but not least, IZA contributed a session on new findings from "The Economics of Happiness and Unhappiness", presented by world-leading experts in the field.



With around 450 researchers – the largest number of participants ever – the EALE 2012 Conference was a big success. This must also be attributed to the strong efforts of the EALE Program Committee, which consisted of nearly 50 renowned economists,



most of whom are IZA Research Fellows.

At the end of the conference the fruitful partnership of EALE and IZA was underscored once more during the joint Prize Ceremonies featuring the annual EALE Awards as well as the prestigious IZA Prize in Labor Economics. The joint conference organization will certainly serve as an example for future collaboration.

EXCELLENCE IN RESEARCH: IZA PRIZE IN LABOR ECONOMICS

Since 2002, the Institute for the Study of Labor has awarded the annual IZA Prize in Labor Economics for outstanding academic achievement in the field. The IZA Prize is one of the most attractive international science awards in economics. Based on nominations from the distinguished



group of IZA Research Fellows, a high-ranking committee decides on the prize-winner. The prestigious IZA Prize Book Series consists of edited and commented volumes presenting a selection of each laureate's most important articles.

Members of the IZA Prize Committee 2012



George A. Akerlof
University of California,
Berkeley
Nobel Prize 2001



Marco Caliendo
University of
Potsdam; IZA



Richard Portes
London Business School
President, Centre for
Economic Policy Research
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tute for the World
Economy



Joseph E. Stiglitz
Columbia University
Nobel Prize 2001

IZA PRIZE 2012



Richard Blundell
University College London and IFS

Richard Blundell has played a major role in the development of modern labor and policy analysis. His work is characterized by a focus on pressing questions in economic policy, the development of cutting-edge econometric methods to tackle such questions, and painstaking analysis of micro data. Blundell's contributions laid the foundations for the modern economic analysis of labor supply, consumer behavior, and policy reforms. His work has been enormously influential in the worldwide debates about tax and welfare reforms over the past decades.

IZA PRIZE 2011



Barry R. Chiswick **George J. Borjas**
George Washington University Harvard University

George J. Borjas and Barry R. Chiswick have pioneered the economic analysis of global migration and its impact on labor markets and social security systems. They have been the leading figures in the intense debate about earnings assimilation and the nature of migrant selectivity. Their research has made migration an important subdiscipline of economics. The IZA laureates have shown that the successful integration of immigrants depends on individual qualifications and language skills, but also requires an active integration policy that selects immigrants on the basis of labor market needs.

IZA PRIZE 2010



Francine D. Blau
Cornell University

Francine D. Blau has written extensively on the role of women in the labor market and on gender differences in economic life. Her work has profoundly shaped the view of scholars and policymakers on the causes and consequences of gender differences in economic outcomes, and on policies for advancing women's labor market position and well-being. Blau's studies are highly relevant for decision makers in politics and business as they demonstrate the need to significantly improve the labor market integration of women in order to meet the challenges of an aging labor force and growing skills shortages.

IZA PRIZE 2009



Richard A. Easterlin
University of Southern California

The 2009 IZA Prize recognized Richard A. Easterlin's outstanding research on the analysis of subjective well-being and on the relationship between demographic developments and economic outcomes. In both fields, his work laid the foundations for broadening the scope of traditional economic analysis and thus contributed to advancing our understanding of behavior in a wide variety of economic settings such as education, labor supply decisions and the economics of the family.

IZA PRIZE 2008



Stephen J. Nickell
Nuffield College, Oxford

Lord Richard Layard
London School of Economics

Richard Layard und Stephen J. Nickell received the IZA Prize for their breaking work on the relationship between labor market institutions and unemployment. Their research provides a theoretical and empirical framework for the analysis of equilibrium unemployment and the impact of labor market institutions on economic performance. The contributions of Layard and Nickell have illuminated the policy discourse in Europe and increased academics' understanding of the nature and causes of involuntary joblessness.

IZA PRIZE 2007



Richard B. Freeman
Harvard University

Richard B. Freeman has made several path-breaking contributions in a variety of areas in labor economics that have had a massive influence on the profession. His highly original studies combine theory and empirical research to address important policy-relevant issues. Freeman has advanced our knowledge in fields that had traditionally been studied by labor economists, such as unionism and collective activity in the workplace, labor demand and labor supply, or inequality. He has also shaped modern labor economics by drawing attention to important social problems and new trends.

IZA PRIZE 2006



Alan B. Krueger
Princeton University

David Card
University of California,
Berkeley

David Card and Alan B. Krueger have stimulated labor economics for many years with their original research approach, the practical relevance of their results, and their remarkable use of natural experiments to test commonly accepted models. They have analyzed, for instance, the impact of education, training, and human capital on earnings. According to their studies, the quality of schooling has an enormous influence on future labor market outcomes. Other work by Card and Krueger has focused on the role of institutions, e.g. collective bargaining, on employment and wage determination.

IZA PRIZE 2005



Christopher A. Pissarides
London School
of Economics

Dale T. Mortensen
Northwestern
University

The work by Dale T. Mortensen and Christopher A. Pissarides is highly relevant for today's policymakers as it has led to a better understanding of unemployment and job flows. Their models have enriched research on unemployment as an equilibrium phenomenon, on labor market dynamics and cyclical adjustment. They show how the intensity with which workers search and the decision when to accept a job offer determine the distribution of unemployment durations. In 2010 Mortensen and Pissarides received the Nobel Prize in Economics.

IZA PRIZE 2004



Edward P. Lazear
Stanford University

Edward P. Lazear's leadership and entrepreneurial spirit has boosted the recognition of the field of personnel economics. He builds models that provide novel and often surprising insights. Combining such new and highly important theoretical insights with down-to-earth empirical work, his papers are exemplary in applied theory. Lazear has brought great rigor to the analysis of compensation schemes, incentives in labor relations and to the study of other human resource practices. His pioneering work in personnel economics has a decisive influence on modern labor economics.

IZA PRIZE 2003


Orley C. Ashenfelter
Princeton University

Orley C. Ashenfelter's intellectual work stands out due to his ingenuity in devising clever ways to derive and test hypotheses of economic models, his exceptional creativity in using and collecting data, and his originality in pioneering the natural experiment methodology. Ashenfelter became the founding father of what has by today developed into the separate field of quantitative social program evaluation. During that time he pioneered a field of research that has become ever more important since the effects of government-sponsored labor market programs are increasingly called into question.

IZA PRIZE 2002


Jacob Mincer
Columbia University

Jacob Mincer (1922-2006), one of the most influential labor economists of modern time, was the first recipient of the IZA Prize in Labor Economics. Mincer's seminal work highlighted the importance of nurturing human potential and explored the interplay of education, technological progress and earnings. He demonstrated how life-long learning served the best interests of both employees and the organizations that employed them. His human capital model is one of the fundamental instruments in today's empirical economics.

"The IZA Prize in Labor Economics is the only major prize in the world that recognizes frontier research on how labor markets work and how they fail."

James Heckman (University of Chicago)



"This prize sets the standards for this area, which is at the heart of economics."

George Akerlof (University of California, Berkeley)



WHAT OUR RESEARCH FELLOWS SAY ...

"I have been involved with IZA in various ways since its founding, as conference attendant, programme director of the CEPR/IZA Labour Economics programme, and professor in the IZA summer school. IZA has done a great job in building a network of top-level researchers in Labour Economics in Europe. It has stimulated research in many diverse and important areas, and all its organizational aspects are being handled with impressive professionalism."



Gilles Saint-Paul (University of Toulouse I)

"IZA is the house of the labor economists. You feel at home while navigating across the pages of the website along the DP series, attending its workshops and conferences and even more so being hosted with your coauthors in nice offices overlooking the River Rhine. A remarkable success story"



Tito Boeri (Bocconi University)

"IZA has been instrumental in transforming the landscape of labor economics research in Europe, but its impact goes far beyond Europe and labor economics. It plays an irreplaceable role to bridge the academic world and policy circles around the world; its ambitious initiatives make its intellectual influence felt around world, from Washington, D.C. to Beijing."



Zhong Zhao (Renmin University of China)

"IZA is a remarkable organization. In a short period of time, it has become established as a central network of economists working on labor economics and related policy issues. Its international orientation and breadth of activities is helping to foster a global network of top-notch economists who are researching some of the most important questions in labor economics and policy."



Christopher Ruhm (University of Virginia)

"IZA and Klaus Zimmermann have revolutionized the meaning and mission of independent thinktanks. As the largest network dedicated to the study of labor economics, IZA is the unique source of cutting-edge ideas that combines solid, unbiased research with policy relevance. IZA is a first rate institute, a world leader in the field that can uncover emerging issues and stay on the forefront. Anybody who wants to be somebody has to go through IZA. Happy birthday IZA!"



Amelie Constant (George Washington University; Temple University; IZA)

"It is amazing to realize that IZA is only still an adolescent, now 15 years old. It has one of the largest working paper series, perhaps rivaled only by the NBER. It is also one of the first places I check for information on European Policy debates."



James Walker (University of Wisconsin-Madison)

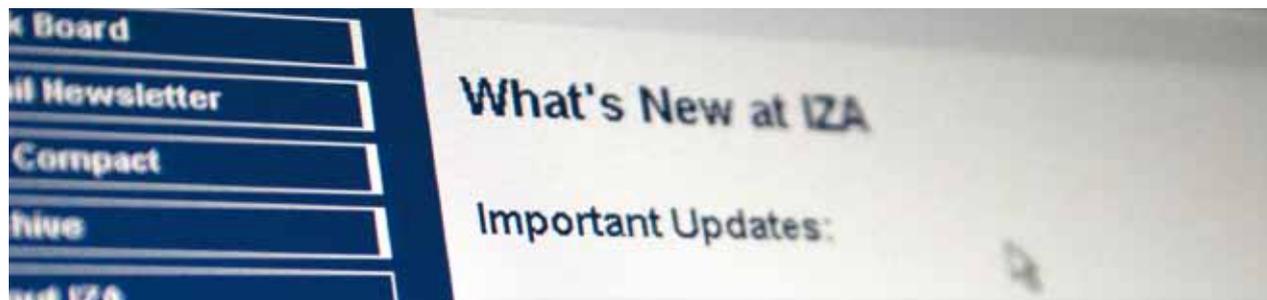
INFORMATION GATEWAY TO LABOR MARKET ISSUES: THE IZA WEBSITE

The IZA website is the institute’s most important tool for providing information to the public. Members of the academic community, as well as anyone interested in labor market issues, can turn to the IZA homepage as a comprehensive pool of relevant information, including recent work by the IZA network members. The IZA website also offers a variety of specialized online services that make it a major information gateway to labor market issues.

For labor economists and other scholars who work on labor market issues, the IZA homepage is an ideal point of entry into the world of labor economics. It bundles important resources for research activities and information about the current state of science. The entire IZA network is listed online and searchable by research area, which facilitates the establishment of project collaborations or policy and media contacts. In addition, the IZA homepage offers a comprehensive “Who’s Who in Labor Economics.” Regularly updated calendars provide information on IZA events as well as international conferences.

The large pool of easily downloadable studies not only includes IZA’s publication series but also most of the work that has been presented at IZA workshops or conferences in the past. The IZA Discussion Paper Series is completely searchable online and serves a growing number of scholars as a point of reference for their research. The new IZA Open Access Journal Series, the print journals co-edited or hosted by IZA, and the International Data Service Center (IDSC) can all be easily accessed via the institute’s homepage.

The IZA online services are complemented by selected links to relevant institutions in the field and a constantly updated and commented “facts and figures” section related to various labor market issues. This section has also proven to be a valuable source of information for politics and the media. Online visitors from other institutions often use the IZA web portal to find and establish contacts within the IZA network. IZA keeps working hard on the expansion of its online services.



WHO WE ARE: THE IZA TEAM



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Shaping the Future of Labor

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