Seminar in Labor Economics for Master, SoSe 2012
Topic: Minimum Wages

The seminar in labor economics focuses on the topic of minimum wages. The introduction of minimum wages is of high policy relevance in Germany today and the effects of an introduction of minimum wages are intensively discussed among labor market researchers. At the beginning of the semester there will be an introduction of the theoretical models underlying the empirical analysis of minimum wages. The seminar focuses on the theoretical fundamentals that will be discussed by the participants on the basis of selected chapters in the textbook of Newmark and Wascher (2008) and Manning (2003).

Successful participation in the seminar includes:

1) writing a progress report (1/2-1 page),
2) writing a seminar paper (20-25 pages),
3) presentation and discussion of the seminar paper
4) discussion of the seminar paper/presentation of another student.

The grade will be based on the seminar paper (50%), the presentation and discussion of the seminar paper (25%) and the discussion of the paper/presentation of another student (25%).

Prerequisites
Basic knowledge of econometrics (at least at the level of the course "Applied Econometrics" or "Einführung in die empirische Wirtschaftsforschung") is a prerequisite; some knowledge in Labor Economics (as for example taught in the course "Labor Economics") is desirable.

Organisation

- Preliminary seminar meeting, presentation and assignment of the topics: Tuesday., 24.04.2012, 13–14pm, Room 2330
- Application deadline: Friday, 04.05.2012, 14pm
- Introduction into the theory of minimum wages: Friday, 04.05.2012, 08–10am, Room 2330
- Submission deadline for the progress report (ca. ½ –1 page) and preliminary outline: Monday, 18.06.2012, 14pm (two printed versions)
- Submission deadline for the seminar paper: Friday, 29.06.2012, 12:00pm (four printed versions). The printed versions of the seminar paper have to be submitted in the secretary of the institute. It is not enough to send the seminar paper by email! Discussants can collect
the respective paper from 13pm, 29.06.2013 at the secretary. Additionally, the seminar paper has to be sent to the secretary and all other participants of the seminar per email.

- The seminar is organized as block event on 05.07 and 06.07.2013 in Room 2330. The detailed program will be published until Tuesday, 03.07.2012.
- De-registration is possible until 04.06.2012 without further disadvantages.

**Topics**

2. The Minimum Wage Controversy and the Effects of Minimum Wages on the Distribution of Wages and Earnings  
   Reference: NW Chapters 1 and 4

3. The Minimum Wage Controversy and the Effects of Minimum Wages on the Distribution of Incomes  
   Reference: NW Chapters 1 and 5

5. The Elasticity of the Labor Supply Curve to an Individual Firm  
   Reference: MA Chapters 1 and 4

6. Monopsony and Minimum Wages  
   Reference: MA Chapters 5 und Chapters 12.1-12.3

7. The Minimum Wage Controversy and the Effects of Minimum Wages on Skills  
   Reference: NW Chapters 1 and 6

8. The Minimum Wage Controversy and the Effects of Minimum Wages on the Distribution on Prices and Profits  
   Reference: NW Chapters 1 and 7

9. An Evaluation of Minimum Wages in Germany in certain industries (Topic requires knowledge of German)  
   Reference: BMAS

**Literature**