



Einladung zur nächsten Veranstaltung des Potsdam Research Seminar in Economics

Wir laden Sie herzlich zur nächsten Veranstaltung des Potsdam Research Seminar in Economics am **01.12.2015** ein.

Das Seminar findet von **14.00 bis 16.00 Uhr** (c.t.) in Raum **3.06.S 27** statt.

Referent:

Marcel Henkel

Universität Duisburg-Essen

Thema des Vortrages:

The Role of Urbanization for Wage Inequality in Germany

Abstract:

This paper establishes the existence of a location size inequality premium for the development of wage inequality in (West) Germany between 1985 and 2009. It finds a positive role of population size/density for the increase of German wage inequality among full-time employed male workers between the age of 21 to 60. Using detailed administrative data, a counterfactual analysis based on decomposition methods is employed. Around one-third of the increase in the variance of wages is related to urbanization, as measured by population size/density, conditional on the observable skill distribution. It complements previous results for the U.S. and contributes to the debate by isolating the role of location size independent of a class of indicators, like skill, main job task, occupation, industry or firm size. Up to one-fifth of the change in the effect of location size is due to industry, one-third due to firm size, and up to one-half due to the occupational structure. The largest part of the location size inequality effect is due to a more rapid growth in residual inequality, that is a higher dispersion of unobserved skill prices within skill groups, in larger, more densely populated locations compared to smaller, less densely populated locations and not due to sorting of workers within those groups across locations.

Wir freuen uns auf Ihre Teilnahme.

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