

CALL FOR PAPERS:
EUROPEAN LABOUR MARKETS AND THE EURO AREA
DURING THE GREAT RECESSION:
ADJUSTMENT, TRANSMISSION, INTERACTIONS

Wage flexibility, factor mobility and institutional reforms, or the lack of them, in European labour markets have been shaping the adjustment of the euro area to systemic and idiosyncratic economic shocks during the Great Recession. To revisit how the ensuing challenges matter for monetary policy, the National Bank of Slovakia (NBS), Institute for the Study of Labor (IZA) and Central European Labour Studies Institute (CELSI) are seeking research papers for a joint conference to be held on October 20-21, 2014, in Bratislava.

The main objective of the conference is to discuss cutting-edge evidence about the role of the labour market in absorbing such asymmetric shocks and the implications of various aspects of labour market adjustment for monetary policy and economic modelling.

Keynote speakers include:

David G. Blanchflower (Dartmouth College, NBER and IZA)
Jordi Galí (Universitat Pompeu Fabra, CREI)

We specifically welcome paper submissions on the following topics:

- How (in)flexible are labour markets in Europe? How important is wage flexibility for smooth functioning of the common monetary policy?
- How do asymmetries in wage distributions, changes to downward wage rigidities or other changed wage modalities transmit into inflation, inflation expectations and monetary policy design in general?
- How mobile is European labour? To what extent and how rapidly does labour supply respond to idiosyncratic shocks in individual countries? Is migration permanent or temporary? How does external migration from/to outside EU or Euro area affect the picture?
- How has wage setting changed in Europe during the Great Recession? Do wages respond to real or nominal shocks? Are the wages forward or backward looking? What are the interactions between price and wage formation?
- How does labour supply respond to incentives? Do wages or employment respond to taxes, social security contributions, or family support programs? How does this affect the aggregate supply and demand?
- Modelling the labour markets is an important part of all macroeconomic models. Is the current state of modelling appropriate? What is the way forward: a more nuanced modelling of a more heterogeneous labour, matching in the labour markets, the process of wage formation, or something else?

Members of the program committee:

Martin Šuster, National Bank of Slovakia

Klaus Zimmermann, Institute for the Study of Labor (IZA) and Bonn University

Martin Kahanec, Central European Labour Studies Institute (CELSI), CEU and IZA

Authors of papers accepted for presentation will be provided with travel expenses and accommodation in Bratislava for the period of the conference.

Proposals for papers (in the form of 1-2 page abstracts) should be sent to the National Bank of Slovakia (research@nbs.sk), by April 15, 2014. The Program Committee will aim to communicate its decisions to the authors by early May 2014.