



Upcoming Seminars

Monday, 6.5.2019

Departmental Seminar

13.30-14.30

AWI 00.010

Pranab Bardhan, Berkeley University

(invited by Stefan Klonner)

"Clientelistic Politics and Economic Development"

Wednesday, 8.5.2019

Internal Seminar

12.15-13.15

AWI 00.010

Franziska Lembcke

"Deregulation and Vocational Training – The Effect of
Germany's Crafts and Trades Reform on Career
Trajectories of Apprentices"

Abstracts

Departmental Seminar

Pranab Bardhan

"Clientelistic Politics and Economic Development"

In this paper I provide a more precise understanding of 'political clientelism' than what has been used in most of the existing descriptive literature. Much of the theoretical political-economy literature is on 'pork-barrel' programmatic politics in developed countries, which need to be differentiated from the more usual clientelist politics in poor countries. I also touch on some theoretical ideas relating to the latter and possible empirical ways of testing them. Finally, I provide a discussion of the welfare consequences and institutional dynamics of clientelist practices.

Internal Seminar

Franziska K. Lembcke

"Deregulation and Vocational Training – The Effect of Germany's Crafts and Trades Reform on Career Trajectories of Apprentices"

This paper examines the effect of deregulating strict occupational licensing requirements on vocational training levels in the crafts and trades sector and its consequences for earnings profiles and early career mobility of young companions. Using aggregate and detailed German administrative data and two quasi-natural experiments, I exploit the crafts and trades reform in 2004, which eliminated the occupational licensing requirements in 53 out of 94 occupations and the temporary suspension of the ordinance on trainer aptitude ("AEVO") from 2004 until 2009. After the reform, a master craftsman degree was no longer necessary to open and run a business and firms were temporarily no longer obliged to obtain a trainer license to engage in vocational training. Using a difference-in-differences approach I find a sizable decrease in training levels and a decline in employment in the deregulated trades after the reform. Further, I observe flatter experience-earnings-profiles for companions in the deregulated trades after the reform, but find few effects in terms of mobility of companions.

Talks and Research Visits

Jürgen Eichberger attended the *Tagung des Ausschusses für Unternehmenstheorie und -politik des Vereins für Socialpolitik* at the Zentrum für Europäische Wirtschaftsforschung (ZEW) in Mannheim, April 26.

Ole Monscheuer presented his paper "National Identity and the Integration of Second-generation Immigrants" at the Conference *The Economics of Migration: Perspectives on Family, Gender and Fertility*, Freiburg Institute for Advanced Studies, University of Freiburg, April 11-13.

**Editorial deadline for issue10/2019 of the newsletter:
Wednesday, May 8, 2019, 12 p.m.
newsletter@awi.uni-heidelberg.de**

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