

Research Project

This project aims at evaluating the career progression effects of labor market policies targeting individuals marginally attached to the labor market. Our focus is placed on active labor market policies (ALMPs), tools that have gained prominence in the debate around inclusive growth. ALMPs aim at improving jobseekers' prospects of gainful employment by offering job search assistance and retraining opportunities, with the goal of promoting an inclusive labor market. This policy may impact the career progression prospects of individuals – an aspect at the core of our analysis. In spite of the widespread use of ALMPs, little is known about their effects on the long-run employment and earnings profiles of jobseekers, and the channels through which these unfold. While we know that job displacement generates large and persistent earnings losses and that ALMPs can alleviate search frictions, it is still unclear whether ALMPs are effective at realigning the career trajectories of displaced and non-displaced workers. We also lack evidence on the impact of ALMPs on the quality of new jobs. Knowledge about how ALMPs influence the allocation of workers across firms is especially valuable, given the established relevance of firm traits for workers' careers. Our project will use a mix of quantitative and qualitative methods to investigate the impact of ALMPs on post-displacement labor market outcomes, including speed of reemployment and career progression within and across jobs. The project will rely on novel administrative data on ALMPs in Italy.

Activities and Milestone

Milestone: evaluation of the career and wage effects of Active Labour Market Policies (ALMP)

- Support in acquiring active labour market policy data and their matching with other databases
- Literature review on Active Labor Market Policies (ALMP) and workers' careers
- Data cleaning
- Descriptive analysis of data
- Statistical analysis through reduced-form analysis and structural models
- Presentation of ideas and preliminary findings nationally and internationally. Interpretation and discussion of main results
- Participation to national and international seminars
- Writing papers on the impact of ALMP
- Writing policy contributions on the main findings of the analysis