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Titolo: ***Automation versus Globalization in s Structural Analysis with Matched Employer-Employee Data***

Abstract:

This project aims at understanding the effects of technological change associated with automation and offshoring on the labor market and wage inequality within and between firms as well as across workers. Previous work has shown (Faia et al 2020) that the way new technologies affect the surplus and matching between firms and workers has important implications for aggregate outcomes. To this end we exploit the granular matched employer-employee data to first identify surplus at the match level non-parametrically (Hagedorn et al. 2018) and study how technological adoption changes the shape and size of the surplus function. Building on these insights we will in a next step build and estimate (using a recent method by Bonhomme et al. 2019) a structural model of the labor market with two-sided heterogeneity to better understand the forces driving the trends in unemployment and earnings inequality. Using matched employer-employee data from Italy, France and Germany allows a novel cross-country perspective and allows to study the role of institutional and structural differences across countries for mitigating/aggravating the impacts of new technologies on workers.