

List of Projects

Galina Vasaros

Monitoring and Assessing Labor Markets in the Western Balkans

The World Bank

June 2022 - November 2024

Western Balkan economies have persistently performed poorer than their peers from Central, Eastern and South-East Europe. One area where they have been particularly weak is the labor market. In 2021, none of them had an unemployment rate below 10%. In addition, the countries face a pronounced gender gap, high informality, low salaries, with very high rates of poverty among the employed. A massive emigration causes a continuous shrinking of the labor force. On top of these challenges, reliable, consistent, detailed and comparable labor market indicators are missing. For that reason, the World Bank initiated a joint project with the Vienna Institute for International Economic Studies (wiiw) which aimed to develop a unique and freely available labour market database. It was also the basis for a joint annual Western Balkans Labor Market Trends Reports that analysed and highlighting key labour market developments in the region. The project was entitled SEE Jobs Gateway and lasted from 2016 to 2020. The key project outcomes are still accessible via the wiiw website. The current project aims to produce annual updates of the labour market database as well as its extension into several new directions. Annual Labour Market Briefs will feature specific topics, such as employment in new foreign direct investment projects, employment by occupations, labour taxation or migration. The complementary activities aim to encourage the wider academic and political community to target their analysis and measures and to engage in an informed debate within the region, the international academic and donor communities.

Online database for the Danube Region Monitor - People and Skills

Austrian Agency for Education and Internationalisation (OeAD) and L&R Sozialforschung

March 2022 - May 2023

This project consists of developing a user-friendly online database with statistics and indicators on education systems and labour markets in the 14 countries participating in the European Union Strategy for the Danube Region (EUSDR). The online database is primarily designed for experts in ministries and (international) organisations who deal with the EUSDR and the fields of education and labour markets in a transnational context.

<https://peopleandskills.danube-region.eu/>

Key economic indicators

Federation of Austrian Industries

March 2012 - December 2022

Since 2009, wiiw has been supplying the Federation of Austrian Industries with 'Key Economic Indicators' for the countries of Central and Eastern Europe. The deliveries are timed to coincide with the publication of the spring and fall forecasts.

Functional division of labour in EU value chains

Hans Böckler Stiftung

January 2022 - December 2022

The emergence of global value chains has radically changed the organisation of production in the EU economy. In particular, the increasingly fine-grained international division of labour has made it possible for countries to specialise in individual business functions of the value chain and thereby generate higher value added. This project examined the causes and effects of these "functional specialisation patterns" on the labour market, particularly on

wage developments and working conditions. The project combined two existing methods for the analysis of functional specialisations in order to ensure the reliability of results. The determinants and implications of functional specialisation on the labour markets in European countries and regions have been analysed using, inter alia, cluster analyses, panel regression methods and binary choice models. Ultimately, the questions to be answered by this study were: Why do some countries become locations for corporate headquarters and research laboratories, while others end up as "extended workbenches" within the European division of labour? What are the effects of these "functional specialisations" for labour markets in Europe?

Danube Region Monitor - People and Skills

Austrian Agency for Education and Internationalisation (OeAD) and L&R Sozialforschung

April 2021 - November 2022

The Danube Region Monitor was initiated in 2017 to highlight key developments in the areas of labour markets and education systems in the fourteen countries participating in the European Union Strategy for the Danube Region (EUSDR). This annual flagship report serves as a basis for evidence-based policy decisions in these countries and within the framework of the EUSDR. wiiw's main task is to revise and update the report for the years 2021 and 2022 and to ensure that the underlying statistics are relevant, reliable and comparable across the countries concerned.

<https://peopleandskills.danube-region.eu/>

Demographic and economic development in Central and East European countries (CEECs)

City of Vienna

September 2021 - June 2022

The population of the city of Vienna has been rising continuously since the mid-2000s. Between 2005 and 2020, the population increased by 17%, mainly due to a positive migration balance. In addition to immigration from Germany and the Near and Middle East, immigration from the Central and Eastern European EU countries (EU CEEC), which has increased significantly since these countries joined the EU, but especially since the opening of the Austrian labour market (2011, 2013 and 2020), plays an important role. Since 2019, however, Vienna has seen a decline of immigration from Serbia, Montenegro and Kosovo, Slovakia and Poland and since 2020 also from Bulgaria, Hungary and Romania. The project aims to update the earlier wiiw study 'Population and Economic Development in Central and Eastern European Countries (CEEC)' by analysing the migration potential from the EU CEECs, as well as from Bosnia and Herzegovina and Serbia to Vienna. It thereby provides an empirical basis for the city's population forecasts and labour market analyses.

Migration from Africa, Middle East and EU Eastern Partnership countries towards the EU-27: Challenges and prospects ahead

Anniversary Fund of the Oesterreichische Nationalbank

January 2019 - March 2021

Over the last three decades the fall of the Berlin wall and EU enlargement towards the East have been important events which have further nurtured intra EU mobility. Nevertheless, in the coming decade the mobility to the EU will be dominated by another corridor which is directed from South - Africa, Middle East and EU neighbouring countries (AME) - to the North (the EU). The mobility from AME to the EU can be seen as both supply and demand driven. It is supply driven because of underdevelopment of AME with respect to the EU, wars, political and social instability which have afflicted AME regions, but also the impact of climate change and massive displacements of populations especially on the African continent due to hazardous weather conditions. It is demand driven because EU countries are undergoing a strong decline in working age population and will increasingly depend on workers from abroad - including AME countries. As a consequence, there is a great need to better understand potential mobility from AME to the EU, identify its main drivers and what could be the role of migration governance in this context. This project sheds light on determinants of AME-EU mobility, likely future scenarios and on some of the policy challenges.

CEEC-8: How do politics, economy and society deal with labor shortages?

Austrian Chamber of Labour

January 2020 - October 2020

The aim of this project is to investigate the incipient labor shortage in the CEEC-8 (Bulgaria, Croatia, Romania, Poland, Slovakia, Slovenia, Czech Republic, Hungary). Due to decades of emigration, the working age population is falling dramatically. The supply and demand for work will balance each other out in the years to come. How do politics, business and society deal with this phenomenon? The study targets to provide a detailed overview of how

the state, companies, trade unions and the labor force in the region react to the labor shortage and what leeway there is for economic policy. The historical analogies to similar situations in the post-war period should also be drawn, as well as the political economy of labor shortages should be analyzed.

ArBeEi International - Grundlagen- und angewandte Arbeitsmarktanalysen

Federal Ministry of Labour, Social Affairs and Consumer Protection (BMASGK)

July 2017 - June 2020

Der Prozess der Globalisierung sowie die zunehmende Integration Europas stellen den Arbeitsmarkt in Österreich vor große Herausforderungen. Zunehmende wirtschaftliche Verflechtungen (v.a. über Handel, Direktinvestitionen, Offshoring, Migration) haben erhebliche Auswirkungen auf die Bedingungen am Arbeitsmarkt, auf Lohn- und Einkommensentwicklungen und Beschäftigungsstrukturen. Evidenzbasierte Handlungsempfehlungen für die Wirtschaftspolitik im Allgemeinen und die Arbeitsmarktpolitik im Besonderen erfordern daher eine Analyse mit einer internationalen und vergleichenden Perspektive. Für Österreich bedeutet das, die arbeitsmarktrelevanten Entwicklungen seiner Nachbarländer, v.a. der mittel- und osteuropäischen Nachbarn, der Beitrittskandidaten und der EU Nachbarregionen genau zu analysieren, und natürlich auch eine globale Perspektive zu entwickeln. Dieses vom österreichischen Sozialministerium beauftragte Forschungsprojekt beschäftigt sich mit diesen Themen. Es ist auf drei Jahre angelegt und in vier Teilbereiche gegliedert: (1) Technologie, Globalisierung und Konvergenz in der EU, (2) Mobilität von Arbeitskräften und Migrationstrends, (3) Konjunktur, Beschäftigung und Arbeitslosigkeit und (4) institutionelle Rahmenbedingungen und deren Effekte auf Wachstum, Beschäftigung und Ungleichheit.

SEE Jobs Gateway

The World Bank

July 2016 - March 2020

Within this project, an annual flagship report on *Western Balkans Labor Market Trends* is launched. The Report is based on a dedicated regional labour market database for the Western Balkans, established and compiled by wiiw in cooperation with the Statistical Offices of the region. It allows, for the first time, to calculate aggregate labour market indicators across the six Western Balkan countries and to directly compare them with each other and with selected EU peer countries. The reports and database are available on the wiiw website. Overall, the initiative aims to provide access to labour market information and data for national policy-makers in the Western Balkans, as well as the international and academic communities. At the same time, it aims to generate interest among the press, NGOs and the wider public and thereby to encourage the debate on labour market policies.

<https://data.wiiw.ac.at/seejobsgateway-q.html>

Implications of Financial Cycles for Europe's Economic Growth and Its Sustainability

Anniversary Fund of the Oesterreichische Nationalbank

August 2016 - July 2018

In this research project we examined the potentially changing nature of global economic development by focusing on the implications of cyclical movements in financial markets for economic growth and its sustainability. Based on historical data characterising financial market segments of advanced and developing economies we identified financial cycles and explored three channels through which they affect economic growth: 1) cross-country macroeconomic spillovers arising from financial shocks and their synchronisation; 2) interaction between financial cycles and macroeconomic imbalances; 3) the dynamics of output gaps and potential output levels taking financial cycles into account. As an overarching theme, we explicitly tracked implications for economic growth in Europe, the relative merits of bank-based and market-based financial systems, and the role of global economic interconnectedness - issues of significant policy relevance both currently and in the years to come.

Socio-economic assessment of the Danube Region: state of the region, challenges and strategy development

Ministerium für Finanzen und Wirtschaft Baden-Württemberg

July 2013 - October 2015

The main objective of this project was an analysis of potential opportunities, requirements, challenges, and recommendations, in order to enhance the competitiveness, the innovative strength, the attractiveness, and the prosperity of the entire region of the Danube riparian countries and regions, and to develop strategic orientations in view of transnational and interregional cooperation for the period 2014-2020. wiiw developed this assessment in cooperation with two German partners, the Centre for European Economic Research (ZEW) - which was also the leader of the project - and the Institut für Angewandte Wirtschaftsforschung (IAW). The focus on wiiw's contribution

was on labour markets, regional development, cluster development and cooperation in the Danube Region.

Energy efficiency and EU industrial competitiveness: energy costs and their impact on manufacturing activity

*European Commission, DG Enterprise and Industry
October 2013 - November 2014*

This study serves as a background report for the annual European Competitiveness Report of the European Commission (DG ENTR). The European Commission is currently in the process of preparing a new energy and climate framework for the period up to 2030. For this purpose, DG ENTR has commissioned a study which should provide a comparative analysis of the impact of changing energy costs on EU industrial competitiveness at country and sectoral level, and vis-à-vis its main external competitors (the United States, Japan, China and Russia), with a view to identifying future trends in production and energy efficiency strategies. While the recent gains in energy efficiency in the EU manufacturing sector have been impressive, the gap in energy prices between the EU and the USA has widened, which might potentially undermine EU industrial competitiveness, particularly in energy-intensive sectors. To a large extent, the study relies on data from the latest version of the World Input-Output Database (WIOD).

Study on structural change (Competitiveness Report 2013)

*European Commission, DG Enterprise and Industry
November 2012 - June 2013*

This study serves as a background report for the yearly Competitiveness Report of the EC. It illustrates and analyses the broad trends in the relative weight of quite highly aggregated sectors within market activities. It provides an overview as well as an explanation of the broad patterns and trends of structural change for the EU-27 member states. Based on empirical evidence, economic consequences of the observed patterns of structural change will be examined with special attention to the implications of emerging middle-income growth traps. The results will include policy conclusions and provide evidence on the stylised facts of structural change in Europe, the importance of structural change for aggregate growth and the relevance of basic economic mechanisms at work. Furthermore, it will highlight the importance of manufacturing relative to other sectors, which is not sufficiently captured merely by the percentage of the workforce it uses. wiiw is partner in a consortium lead by The Nordic Institute for Studies in Innovation, Research and Education (NIFU).

Crisis effects: growth prospect, social impact and policy responses in SEE and CIS

*Oesterreichische Nationalbank/Austrian Ministry of Finance
July 2011 - June 2013*

The main objective of the project is to establish economic research capacities throughout Southeast Europe (SEE) and the Commonwealth of Independent States (CIS), to promote knowledge transfer into the regions, to facilitate networking between researchers and to assist in securing knowledge transfer from researchers to policy makers. Activities to achieve this include research calls, mentoring, workshops, conferences and policy dialogues. The project is structured into bi-annual research cycles focusing on a specific research theme of particular importance. During this phase, research aims at analysing whether the international crisis shock introduces structural breaks in the distribution of income and other welfare dimensions, conditional on the change in the potential speed of growth, the quality of development, and the induced or adopted policy changes in SEE and CIS. The project is part of the Global Development Network (GDN), a multilateral organisation founded by the World Bank in which wiiw acts as a hub for SEE.