

# Markus GEBAUER

Higher School of Economics

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## Personal

Born on March 10, 1985.

German Citizen.

## Academic Employment

Since 2016 Assistant Professor at the International College of Finance and Economics (ICEF), Higher School of Economics (HSE).

2015/16 Teaching Assistant at Toulouse School of Economics (ATER contract).

## Education

2012 - 2016 PhD, Toulouse School of Economics (TSE).

Thesis Title: "Essays on Labour Markets with Multiple Worker Firms" (distinction: très honorable avec félicitations)

2011 - 2012 M.Phil. Toulouse School of Economics (TSE).

2010 - 2011 M.S. Toulouse School of Economics (TSE).

2005 - 2009 MA Economics, University of Edinburgh.

## Research

### *Publications*

**"Permanent and Temporary Workers in a Matching Framework" (2019)** - forthcoming in *Research in Economics*

This paper investigates on a theoretical level the underlying causes of recent trends in decision of firms to hire temporary and permanent labour when workers and firms meet through a frictional directed search technology. Temporary workers differ from permanent workers in that they have a lower bargaining weight but look for a permanent job while on the temporary job. The findings are that permanent arrangements are more prevalent the more productive the aggregate production function is, i.e. also in the less productive phases. More efficient matching has an inverse U shaped impact, it first increases the prevalence of temporary arrangements and then decreases it. Bargaining weights have an ambiguous impact.

### *Working Papers*

**"Temping is Other People's Job Protection" (2019)** (previously: "Increasing Firing Costs in a Dual Labour Market - Theory and Evidence")

This paper develops a search and matching model of dual labour markets. It exhibits higher matching rates and lower surplus for temporary workers, without assuming ex ante or ex post heterogeneity to motivate the use of different contracts. Importantly, it predicts increases in separation taxes cause a drop in permanent jobs and increase wages for permanent jobs, while separation rates remain stable. Empirical support is found using a regional French policy experiment, the 'Contrat de Transition Professionnelle', increasing separation taxes of permanent workers in firms below 1000 workers.

**"Adding one More Ingredient" (2019)** (previously: "Search and Matching with Complementarities in Labour")

This paper introduces complementarities in labour into the classical Mortensen-Pissarides-Diamond search model. Specifically, two workers are needed to perform the task. The assumption of Nash bargaining is maintained to provide an environment more conducive to the Hosios condition. In a continuous-time framework the necessity to keep one worker employed while searching for the second worker arises. We show this leads to a number of additional externalities that are impossible to correct for using Hosios-style conditions in a random search framework. Under directed search, we show such conditions are sufficient for optimality only in the rarest of cases.

### *Work in Progress*

**"Marketpower in a Model of Search" (with Maxime Liegey) (2019)**

This paper posits a model of market power with search frictions to investigate the impact of limited employers in labour markets. To this end it builds on the standard DMP framework and as the number of employers goes to infinity, it reverts back to the classic DMP framework. Market power manifests itself in two distinct ways. Firstly, the employer is able to depress the wages of workers by threatening to exclude the worker from future negotiations, thus pushing down the workers outside option. Secondly, the employers also consider their aggregate effect on the market supply, reducing the number of vacancies posted to account for the congestion externality imposed upon themselves and to reduce the outside option of workers, currently employed and those entering employment, even further by inducing a lower labour market tightness. The empirical part of the paper (will in the future) exploit(s) a French Policy designed to boost employment in firms below 250 workers the "Aide à l'Embauche" that gave 2000 Euros (4000 Euros) as a premium to firms for hiring a temporary (permanent) worker at or below 1.3 of the National Minimum wage. Variation in the exposure of local labour markets to this hiring credit will be exploited to achieve identification much like with a shift-share instrument.

**"Credit Constraints and Labour Force Composition" (with George Lukyanov) (2017)**

This paper builds a model connecting labour force composition to the firms' credit constraints, arising from limited commitment and explains the difference in labour market responses among countries to financial crises. The firm has to choose between permanent and temporary/casual labour contracts, the difference being advance prepayment for permanent workers financed by credit and more permanent workers make survival of the firm more likely. Lack of credit distorts optimal composition of labour away from the first best, limiting economic activity, decreasing total employment and inflating the proportion of the temporary/casual workers. Lower levels of credit market frictions facilitate credit; however, the presence of the permanent workforce itself makes borrowing problematic. The paper proceeds by comparative statics exercise with respect to the market frictions parameter.

## Presentations and Conferences

WEAI 2019 in Tokio, presenter "Temping is Other Peoples Job Protection", session chair and discussant.

First ICEF Conference in Applied Economics as organiser, session chair and discussant.

Sixth and Seventh International Moscow Finance Conference as session chair and discussant.

AFSE 2016 in Nancy, presenter "Increasing Firing Costs in a Dual Labour Market - Theory and Evidence" and discussant.

Macro Workshop TSE, 2012, 2013, 2014, 2015, 2016.

## Teaching

January 2017 - present, Lecturer and Seminarist, Macroeconomics, ICEF (MSc Programme).

September 2016 - May 2018 Lecturer, Microeconomics 2, ICEF (BSc Programme).

September 2015 - May 2016 Teaching Assistant, Toulouse School of Economics.

Fall 2015 Topics in Macroeconomics (Licence 3).

Spring 2016 Econometrics (Licence 3), SAS-Sessions.

September 2008 - April 2009 Economics helpdesk, Edinburgh University.

## Professional Services

Co-Organizer of the Second ICEF Conference in Applied Economics (2019)

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Convenor/organizer of the 2017/18 ICEF Research Seminar (Economics Section)

## Awards

September 2008 Morgan Stanley Award for Academic Excellence.

May 2004 E-fellows.net-award for outstanding academic achievement in Abitur-examination.

## Skills

Native in German and proficient in English, conversational French, notions of Russian.

Familiar with basic software,  $\LaTeX$ , SAS and Matlab.