# **GIUSEPPE GRASSO**

giuseppe.grasso@liser.lu ⊠ giuseppe-grasso.github.io �

### LISER

#### UNIVERSITY OF LUXEMBOURG

Labour Market Department

Department of Economics and Management

### Office Contact Information

Luxembourg Institute of Socio-Economic Research (LISER) Maison des Sciences Humaines, 11 Porte des Sciences L-4366 Esch-sur-Alzette/Belval

Cell phone number: (+352) 661 909 111

### **Personal Information:**

Gender: Male Nationality: Italian

#### **Doctoral Studies**

LISER/University of Luxembourg, Jan 2019 to present

Ph.D. Candidate in Economics

Thesis Title: "Essays on skills, labor market institutions and wage inequality"

Expected Completion Date: Spring 2023

### References:

Professor Konstantinos Tatsiramos (Advisor)

University of Luxembourg/LISER

6, rue Richard Coudenhov-Kalergi

L-1359 Luxembourg

konstantinos.tatsiramos@uni.lu

(+352) 46 66 44 6476

Professor Arnaud Dupuy

University of Luxembourg

6, rue Richard Coudenhov-Kalergi

L-1359 Luxembourg

arnaud.dupuy@uni.lu

(+352) 46 66 44 5641

Professor Philippe van Kerm
University of Luxembourg/LISER
Maison des Sciences Humaines, 11 Porte des Sciences
L-4366 Esch-sur-Alzette/Belval
philippe.vankerm@uni.lu
(+352) 46 66 44 9041

### **Pre-doctoral Studies**

Fall 2018	MRes in Economics and Finance, University of Luxembourg
2013-2016	MSc in Economics, Università Cattolica del Sacro Cuore (summa cum laude)
2009-2012	BA in Philosophy, Politics and Economics, Swansea University

#### Research Fields

Primary fields: Labour Economics, Applied Micro-Econometrics

Secondary fields: Migration Economics

## **Teaching Experience**

Fall 2021 Introduction to Econometrics (undergraduate), University of Luxembourg,
 Teaching Assistant for Professor Konstantinos Tatsiramos
 Fall 2021 Microeconomics, Risk and Information (graduate), University of Luxembourg,
 Teaching Assistant for Professor Arnaud Dupuy

### Research Experience and Other Employment

Jan - Jul	2018	Research Intern, Bank of Italy, Public Finance Division
Jan - Dec	2017	Consultant, World Bank, Poverty and Equity Global Practice
Jan - Dec	2016	Research Assistant, Università Cattolica del Sacro Cuore, CRELI

## Honors, Scholarships and Fellowships

2020 VisitINPS Scholarship, INPS

2016 "Bonaldo Stringher" Research Placement Grant, Bank of Italy

Review of Income and Wealth

#### **Professional Activities**

Referee for

Member of organizing 2020-present: Online seminar series "The Economics of Migration, committee Junior Seminar"

Invited Presentations 2022 (scheduled): AIEL Spring Workshop on Labor Market Institutions

(poster, Genoa); EEA-ESEM Congress (Milan); 2022 EALE Conference

(Padua).

2022: CESifo PILLARS Conference on Education, Skills, and Worker

Retraining (online).

2021: 4th IDSC of IZA Workshop: Matching Workers and Jobs Online - New Developments and Opportunities for Social Science and Practice (online).

### **Research Papers in Progress**

"The Impact of Restricting Fixed-Term Contracts on Labor and Skill Demand: Evidence from Italian Online Job Vacancy Data", with Konstantinos Tatsiramos

We study how increasing the relative cost of fixed-term contracts affects firms' labor and skill demand. We exploit a 2018 Italian labor law reform, which increased the cost of fixed-term contracts while leaving that of permanent contracts unchanged, combined with a data source covering the near-universe of online job vacancies in Italy that allows us to characterize the demand for labor, human capital, and specific skill requirements under different contractual arrangements. Identification is based on a difference-in-differences research design, which exploits province-level variation in firms' exposure to the reform stemming from their heterogeneous reliance on fixedterm contracts due to varying reactions to earlier institutional shocks. We find that the increase in the cost of hiring temporary workers leads firms to substitute temporary with permanent prospective hires, but that it also leads them to require better signals of worker quality. Specifically, firms posting job ads for permanent positions look less for workers with low experience and more for workers with a college degree. Instead, firms posting job ads for temporary positions look more for workers with some experience and for workers possessing social skills. These findings suggest that restricting the use of temporary contracts by making them more expensive does not only promote permanent employment but also leads firms to increase their skill requirements for entry into jobs, thus reducing the employment opportunities of less qualified workers and potentially worsening the efficiency of job search and matching.

### "Demand for skills and wage inequality", with Konstantinos Tatsiramos

Differences in skill utilization across firms and labor markets have been associated with wage inequality, but whether this relationship reflects differences in worker or firm heterogeneity is still unclear. Combining linked employer-employee data from Italy with detailed information on skill demand extracted from online job vacancies, we study the relationship between wages and the demand for cognitive and social skills across labor markets defined by province, sector, and occupation. We then estimate the worker- and firm-pay components of the wage process through an AKM model and investigate their relationship with skill demand at the labor market level. We find a strong and positive association between wages and the demand for cognitive and social skills, which is pronounced when both skills are required jointly for the same job position revealing their complementarity. Our decomposition suggests that higher wages in markets in which firms more frequently demand cognitive and social skills jointly are driven by worker effects, reflecting the higher market value of a hybrid skill set, rather than by firm pay policies. Conversely, markets in which firms demand more of either cognitive or social skills only are associated to higher firm effects, suggesting that more rents are shared to specialized workers, while the market value of these specialized skills for workers is lower. These results highlight the role of worker and firm heterogeneity as channels through which skill demand differences affect overall wage inequality.

#### **Publications**

### Reports:

(with N. Curci, P. Recchia and M. Savegnago) 2020. "Anti-poverty measures in Italy: a microsimulation analysis", *Temi di discussione (Economic working papers) 1298*, Bank of Italy.

(core team member for the preparation of:)

World Bank Group. 2018. Mauritius - Addressing Inequality through More Equitable Labor Markets. World Bank, Washington, DC.

World Bank Group. (internal). Mauritius - Earnings Mobility and Inequality of Opportunity in the Labor Market, World Bank, Washington, DC.

# **Book Chapters:**

(with C. Lucifora and B. Piccoli) 2018. "Salute e Sicurezza sul Lavoro dei Lavoratori Anziani", in L. Cappellari, C. Lucifora and A. Rosina, *Invecchiamento Attivo, Mercato del Lavoro e Benessere. Analisi e Politiche Attive*, Il Mulino.

# Languages & Skills

Languages English (advanced), Italian (native), French (beginner)

Software Stata, R, Python, Matlab, Julia, Mata, ŁTEX, Office, GitHub

Last updated: May 16, 2022