**Bolhaar et al. 2016 – PDF to be submitted through Blackboard before Tue, Sep 6, 2016, 12.45pm**

*Read up to page 24, skip the rest of the paper. Keep your answers concise.*

1. What is the big question that makes this paper important? \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

2. What is the narrow question this paper seeks to address? \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

3. What is the data source? \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

4. What is the key dependent variable? (define exactly) \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

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6. Is this a policy experiment or a mechanism experiment? \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

7. What would be the direction of the bias in the estimated treatment effect if you used observational data instead of an experiment? (tell a story) \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

8. What are the findings of the paper? \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

Kaj van der Peet - 566914

1. Is a mandatory job-search period beneficial or harmful?

2. What is the effect of a mandatory job-search period on the probability to collect welfare benefits, the likelihood to engage in criminal activities, spillovers to other benefits schemes and the income?

3. The welfare agency of Amsterdam: the date of registration at the welfare office, date of application for welfare, start and end date of collecting welfare benefits, whether a job-search period is applied and the identity of the caseworker that conducted the intake meeting

Statistics Netherlands: daily information for each individual on the amount of income from employment, hours worked and income from other benefit schemes

National social insurance administration: individual crime records

4 Yiτtw: The outcomes of individual i observed t time periods after registering for welfare benefits at time τ at welfare office w.

5. SPiτw: indicator for a job-search period

6. Policy experiment

7. An overestimation. If u would look at people that searched for jobs for a longer period before applying for benefits then you are getting a biased result since you are looking at a group of people who are already more motivated to work than the average of unemployed people. It is likely that these more motivated people will find jobs easier because of their motivation resulting in an overestimation of the beneficial effect of a job-search period.

8. There is a significantly 20% lower chance to collect welfare benefits, there is no increase in likelihood to engage in criminal activities, there are no spillovers to other benefits schemes and the negative effect on income is fully compensated by an increase in wage. Overall they conclude that the job-search period could be a very beneficial policy mechanism.