

# **What Explains the German Labor Market Miracle in the Great Recession?**

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## General Questions

1. What is the stunning development that the paper tries to explain?
2. Which are the factors that contributed to the positive development of the German labor market?

## Detailed Questions

3. What does *Okun's Law* say? Is it confirmed empirically? (Table 2)
4. How much of the unexpectedly positive development is attributed to the shortfall in hiring before the recession? Explain roughly how the authors come to that result. (Table 5)
5. Which are the components that contributed to the reduction of working hours per worker? (Section IV.B with table 7)
6. How does the use of working time accounts lead to fewer layoffs?
7. How have labor costs developed in the last decade(s)? (Figure 9)
8. Which role did the Hartz reforms play?

Additional question: What does the World Soccer Championship have to do with this?