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SUNČICA VUJIĆ

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Table of Contents

Keynote Speakers.....	5
Session A1: Education	6
Session A2: COVID-19	11
Session B1: Children and education.....	16
Session B2: Gender	20
Session C1: Social trust and traits	24
Session C2: Education, youth and Taxation in Serbia	28
Session D2: Welfare	37

Keynote Speakers

[Andrea Weber](#)

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Corporate Governance, Workforce Organization and Gender Gaps

[Pedro Carniero](#)

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Free Provision of Daycare: Impacts on Children and Caregivers

[Barbara Petrongolo](#)

University of Oxford, United Kingdom

The Impact of Foreign Migration on Domestic Schooling Outcomes

Session A1: Education

Is Assessment Gendered?

ABSTRACT

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Multiple-choice tests are popular to assess students' performance and because grading is unbiased relative to open-ended exams. We test whether a psychological effect due to scoring barely at or above a nationally used cut-off in the Spanish education system varies, first, depending on whether assessment is multiple-choice or open-ended and, second, by gender. We estimate the effect using data from the first-year Mathematics course at a medium-size university by way of a regression discontinuity design, and exploit heterogeneity over the type of midterm exam, either open-ended or multiple-choice. We find that barely passing a first midterm has a positive effect on the final exam score. While this psychological effect does not depend overall on the exam type, boys and girls react in a different way to the "more objective" signal of the multiple-choice. Boys barely below the cut-off in this format interpret it as a much more demotivating negative signal compared to girls. This can be explained by i) multiple-choice tests do not leave space for scores' manipulation that could allow gender-biased instructors to favour boys; ii) boys, who are known to be overconfident and tend to answer more questions, cannot take advantage for partially right answers.

KEYWORDS

Continuous assessment
Gender
Mathematics
Multiple-choice tests
Open-ended assessment

JEL CLASSIFICATION

D91, I23, J16

The Fast and The Studious? Ramadan Observance and Student Performance

ABSTRACT

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We investigate the impact on student performance of observance of the Ramadan fast. We exploit the timing of the high stakes end of secondary school exam in the Netherlands – which fell during Ramadan in 2018 and 2019 – and compare outcomes for pupils depending on their likelihood to fast during the Muslim holy month. Results indicate that average test grades of those most likely to comply drop significantly which in turn led to fewer passing the exam. This increased the gap in high school completion rate of these migration background students by almost 17%. Heterogeneity analysis reveals that grades are equally impacted for exams taken in the morning or the afternoon. It also shows that the effects are concentrated among students living closer to mosques and those in schools with a high number of peers also fasting. To check that Ramadan compliance drives our findings, we use a machine learning prediction model to assign Ramadan observance probability at the individual level. It confirms that higher fasting likelihood is linked to lower exam performance across the whole population. It also uncovers large variation in compliance probability among Muslim migration background students that again shows much stronger effects for those most likely to fast. Finally, placebo tests using two non-Muslim pupil groups - those of Dutch Caribbean background and those with high ML model probability of fasting - detect no negative Ramadan performance effects.

KEYWORDS

Ramadan fast
Student
Performance
Machine learning
Prediction

JEL CLASSIFICATION

I23

The Impact of Educational Attainment on Overeducation and Wages: A Dynamic Approach

ABSTRACT

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Overeducation, a measure of skill mismatch, defined as working in jobs requiring a lower level of education, is a widespread phenomenon across advanced economies, with substantial evidence supporting its adverse consequences at both individual and aggregate levels. The rapid increase in the average educational attainment of the population in advanced economies over the last decades has generated growing fears about the possible intensification of this phenomenon. In this paper, we examine the role of educational attainment in generating overeducation and its impact on future wages using the SONAR dataset from Flanders (Belgium). Despite the growing interest of the literature on this topic, there is still a lack of causal findings. We investigate the issue of overeducation using a structural modelling approach, by using a Dynamic Discrete Choice Model (DDC) to control for both dynamic selection bias and unobserved heterogeneity. Our findings suggest that higher educational attainment determines a higher probability of overeducation, with the notable exception of lower tertiary education (LTE). Moreover, there is robust evidence of an overeducation wage penalty, estimated between -2% and -4%, depending on the measure of overeducation used. At last, we uncover substantial heterogeneity among different educational attainment, educational pathways and gender: notably, the overeducation wage penalty is greater for women and individuals holding a higher tertiary degree.

KEYWORDS

Overeducation
Educational mismatch
Dynamic discrete choice
model

JEL CLASSIFICATION

I24, C30, J31

The Impact of Resit Exams on Student Achievement in Follow-up Courses: RDD Evidence from Belgium

ABSTRACT

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Multiple-choice tests are popular to assess students' performance and because grading is unbiased relative to open-ended exams. We test whether a psychological effect due to scoring barely at or above a nationally used cut-off in the Spanish education system varies, first, depending on whether assessment is multiple-choice or open-ended and, second, by gender. We estimate the effect using data from the first-year Mathematics course at a medium-size university by way of a regression discontinuity design, and exploit heterogeneity over the type of midterm exam, either open-ended or multiple-choice. We find that barely passing a first midterm has a positive effect on the final exam score. While this psychological effect does not depend overall on the exam type, boys and girls react in a different way to the "more objective" signal of the multiple-choice. Boys barely below the cut-off in this format interpret it as a much more demotivating negative signal compared to girls. This can be explained by i) multiple-choice tests do not leave space for scores' manipulation that could allow gender-biased instructors to favour boys; ii) boys, who are known to be overconfident and tend to answer more questions, cannot take advantage for partially right answers.

KEYWORDS

Resit exams
Learning benefits
Regression discontinuity

JEL CLASSIFICATION

I21

Session A2: COVID-19

Unequal Consequences of COVID-19 on Children Well-being: Evidence from a Representative Survey

ABSTRACT

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This paper complements the existing literature on the adverse socio-economic consequences of COVID-19 by focusing on children, contributing to the study of the well-being effects of the pandemic and providing longitudinal evidence. We used survey data from a representative sample of children living in Luxembourg. The design of the dataset provides us with a unique opportunity to assess children well-being after the pandemic while controlling for previous level of well-being as well as potential stressors. We estimate the well-being effects of the pandemic in context-specific domains of life evaluation (family life, school, friends, time-use) allowing us to examine in which areas of life those effects are particularly strong. Our results suggest that changes in children's lives due to the COVID-19 may have a greater impact than the fear of the disease itself. At the same time, self-reported positive drivers of well-being within the family are found: spending more time with parents and being closer to them are associated to higher score of well-being. There is evidence of a family background gradient, with on average, lower well-being outcomes for children from more vulnerable families.

KEYWORDS

Children
Well-being
COVID-19

JEL CLASSIFICATION

D60, I31, J13

Parents' Time Allocation in Different Phases of the COVID-19 Pandemic: Evidence from the UK and Implications for Gender Equality

ABSTRACT

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We exploit the natural experiments in the form of changes in the distancing measures instituted by the UK government in the different phases of the pandemic, to identify the impact on the daily lives of couples with children and gender equality within the household. We estimate a weighted tobit simultaneous system of market, housework and child care hours of parents and correct for possible endogeneity of the wages. We find that once the restrictive measures were lifted there was a significant increase in the hours of paid work and decrease in the hours of housework and childcare of both parents. The changes were not significantly different among the two parents. These findings confirm previous evidence that access to market childcare services increases the working hours of mothers. They also indicate that the initial pandemic shock did not eliminate pre-pandemic inequalities in the labour market and division of housework and childcare among parents with underage children. The evidence tends to suggest that changes in gender norms for more equality within the family are more likely to occur when the shock is enforced by law or has a long enough duration to change the behaviour of men and women and shape the norms of the next generation.

KEYWORDS

Time allocation
COVID-19
Gender equity
Labour supply
Housework
Childcare

JEL CLASSIFICATION

D13, J16, J21, J22

Left Behind in COVID times: The Impact of the Pandemic on Job Loss and Job Finding Rates of Vulnerable Groups in Serbia

ABSTRACT

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This paper analyses the effects of the COVID-19 pandemic on the job loss and job finding rate in Serbia, focusing on groups with already low employment before the pandemic, such as youth, women, low-educated and rural areas. The results indicate that COVID-19 caused stagnation in employment growth in Serbia. The stagnation resulted from both increases in job losses and decreases in the chances of finding a job, with the latter effect being much more prominent. Young workers faced the highest increase in job losses, partly due to their higher shares in informal wage employment. In contrast, decreases in job finding rate were particularly high among low-educated and in rural areas and resulted from lower job availability, mainly in agriculture and the informal sector. As a result, after the first year of the COVID-19 pandemic, employment opportunities of vulnerable groups further deteriorated, and already existing labour market inequalities were exacerbated. These effects are partially due to implemented policies to mitigate the crisis, which were focused on preserving permanent employment while leaving vulnerable workers and groups unprotected.

KEYWORDS

Labour market
transitions
Inequality
COVID-19
Serbia

JEL CLASSIFICATION

J21, J63, D63

Hate in the Time of COVID-19: Racial Crimes against East Asians

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ABSTRACT

We provide evidence of the impact of the COVID-19 pandemic on racial hate crime in England and Wales. Using various data sources, including unique data collected through Freedom of Information (FOI) requests from UK police forces, difference-in-difference and event study approaches, we find that racial hate crime against East Asians increased by 70-100%, beginning in early February and persisted until November 2020. This effect was greatest in the weeks leading up to the first national lockdown in the UK. The shock was then lower during lockdown, before increasing again in the summer 2020. We present evidence that hate crime increased as COVID-19 cases in China increased and following announcements from the government signalling that China or Chinese individuals posed a public health risk to the UK. This indicates that protectionism played an important role in the observed hate crime spike. The hate crime shock was also positively correlated with the salience of the national lockdown and government policies restricting certain freedoms. The effect was driven largely by changes in London. This suggests that retaliation further contributed to the rise in hate crime.

KEYWORDS

Hate crime
Xenophobia
Difference-in-differences
estimator

JEL CLASSIFICATION

I18

Session B1: Children and education

Reminder Policy Design – Evidence from Several Vaccination Reminder Reforms

ABSTRACT

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High vaccination coverage rates are crucial for population health but hard to obtain and sustain even in publicly funded vaccination programs. We examine the importance of the design of reminder systems rather than their introduction on vaccination coverage rates. Exploiting several reminder policy reforms and high-quality administrative data from the Danish childhood vaccination program, we show that design matters: Using a regression discontinuity design, we find that the introduction of (i) online reminders (rather than mail reminders) and (ii) prospective reminders (rather than retrospective reminders) increase vaccination takeup. Furthermore, exploiting the introduction of a new vaccination into the existing program and data on children across different age groups, we show that reminders are especially important for takeup of new vaccines and booster vaccinations. In both cases parental inattention is likely to cause substantial non-adherence. Finally, we demonstrate that low-cost reminder systems have limited spillover effects on (preventive) health behaviors in the family.

KEYWORDS

Policy
Vaccination
Health
Regression discontinuity
design

JEL CLASSIFICATION

I18, C25

Grandparents as Caregivers and Childhood Obesity: A Partial Identification Approach

ABSTRACT

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Childhood obesity is an increasingly serious public health issue in developed economies, and its consequences carry over into adulthood. In this work, we study the extent to which grandparents' childcare induces grandchildren's obesity. Using data from the Millennium Cohort Study in the UK, and non-parametric partial identification methods that require very weak assumptions, we provide informative bounds for the causal effect of interest. We find that that grandparents' childcare makes it more likely by at least 2.1% that grandchildren become overweight or obese. This result points to the need for nutritional education policies aiming to reduce children's obesity to also target grandparents.

KEYWORDS

Childhood obesity
Grandparents
Childcare
Partial identification

JEL CLASSIFICATION

I10, J13

Does class size affect student well-being and perceived school quality?

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ABSTRACT

The effect of class size on student outcomes has been studied and debated for decades. Most considerations have revolved around how to optimize the class size for the sole purpose of academic performances. In this paper, I expand this notion by examining the causal effect of class size on student well-being and perceived school quality. I employ a fuzzy RD design exploiting a maximum class size rule of 28 students in Danish schools. First, I address sorting patterns which challenge the implementation of the design. Second, I adjust the design and show that increasing class size lowers student well-being and perceived school quality. In particular, I find strong sizeable class size effects on students' perception of the learning environment.

KEYWORDS

Well-being
Class size
Fuzzy RD
Education quality
Public school

JEL CLASSIFICATION

I31, I20, H75

Session B2: Gender

The Place and Role of Women on the Railways in Serbia and Europe and Activities to Improve their Position

ABSTRACT

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The paper presents the research on the level of gender equality in Serbian railways, as one of the fundamental European values, compared to developed European railways. Based on the results, the study aims to determine whether inclusiveness and more balanced gender relations have been achieved in the railway sector and to define future directions in this area to attract more women to the railway sector. The research monitors indicators from the previous ten years and compares results from European and Serbian railways. The first autonomous agreement at the European level on gender equality in the railway sector was signed in 2021. European railways introduced various measures, thanks to which the number of women in eleven European railways from 2012 to 2018 increased by 3.4 %. With the continuous development and improvement conditions, the railway on the labor market must attract the best young professionals. At the same time, increasing automation and digitalization are leading to new jobs attractive to women. Railway companies and organizations need to attract more women to the railway sector. To achieve this, they must provide them with more excellent protection and guarantee equal treatment and opportunities in the workplace.

KEYWORDS

Women
Railways
Gender equality
Employment
Integration

JEL CLASSIFICATION

L92, J21, M54, J79, E24

Can Non-cognitive Skills Explain the Gender Wage Gap in Russia? An Unconditional Quantile Regression Approach

ABSTRACT

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Non-cognitive skills are widely recognized in economics as an important factor that affects various individual outcomes, including wages and employment. They can also serve as an additional explanation for the gender wage gap. This paper disentangles the complex relationship between non-cognitive skills and the gender wage gap based on Russian data. Data are collected from a nationally representative survey RLMS-HSE and include detailed information on individuals aged 20–60. We use the Big Five factor model, locus of control, and attitudes towards risk to represent non-cognitive skills. Our findings suggest that non-cognitive skills account for up to 8 per cent of the gender wage gap, although significant variation is observed with different measures of personality and across the wage distribution. We conclude that personality traits are noteworthy but not exhaustive factors in the gender wage gap, and there are other unobserved factors which researchers have yet to identify.

KEYWORDS

Gender wage gap
Non-cognitive skills
Personality traits
Unconditional quantile
regression

JEL CLASSIFICATION

J16, J24, J31

Using Panel Data to Study Gender Inequalities in Income in Selected Central and Eastern European Countries

ABSTRACT

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KEYWORDS

Central and Eastern
Europe
Gender inequality in
income
Panel data

JEL CLASSIFICATION

J16, J31, D31

This paper studies gender inequalities in income in selected Central and Eastern European countries. Furthermore, the paper analyzes income differences in former post-transition countries that are part of the European Union, while Serbia is used as a case study. Thus, the research question can be derived through the correlation between the level of development of a given country and gender-based differences in income. The paper uses Eurostat's data from a methodologically standardized survey published as a part of the EU income and living conditions statistics. The results of this analysis provide at least a two-dimensional perspective on the development of gender inequalities in income by exploring the sample of selected countries and examining a given time framework. Gender inequalities in income are more pronounced in some post-transition countries of Central Europe and the former Baltic Republics. At the same time, Serbia ranks among countries with moderately low gender-based differences in income.

Session C1: Social trust and traits

BLM Protests and Anti-Black Hate Crime: Evidence from the US and UK

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ABSTRACT

We provide evidence of the impact of protests following the death of George Floyd in the United States on anti-Black hate crime. Using an event study design and augmented local regression discontinuity in time we find that racial hate crimes committed against Black people increased by 15 incidents per day. The total effect is an additional 1400 reported anti-Black, or an estimated 2460 anti-Black hate crimes committed, in 2020. This corresponds to a 112 percent increase in the likelihood of victimization. To account for changes in incentives to commit racial hate crime during the coronavirus pandemic we control for anti-Black hate crime using other ethnic groups. The effect was greater in small and medium cities and counties and was more immediate in protest spaces. In addition, we test for mechanisms driving the changes, including retaliation, protectionism, and changes in victim reporting. We attribute the increase in anti-Black hate crime to changes in perceived costs and benefits of committing such a crime due to the protests and anti-Black hate crime is most sensitive to changes in the saliency of police violence against protesters, the arrest or trial of Derek Chauvin and the number of protests in the previous week.

KEYWORDS

Hate crimes
Protests
Racism
Synthetic control
method

JEL CLASSIFICATION

D72, J15, K42

The More You Have, The More You Give?

Exploring Generosity Traits in Bosnia and Herzegovina

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ABSTRACT

There are comprehensive indications that there is an interconnection between behaviour patterns and power positions. Furthermore, power is associated with a reduced tendency to comprehend how other individuals think and feel about the world. In this paper, I explore the relationship between power positions and prosocial preferences in Bosnia and Herzegovina using an online experiment. Bosnia and Herzegovina offer the perfect setting to analyze the relationship between power and generosity since it is a country which scores very high on the power distance cultural dimension. In the first part of the experiment, we asked participants to self-identify themselves in terms of the power they have within their organisations. Afterwards, participants were randomly split into two variations of the dictator game, the giving and the taking game. We find a correlation between cognitive empathy, measured by a short version of the Reading the Mind in the Eyes test, and power levels. The relationship between power and generosity is not so straightforward as it also depends on other social status indicators. Our study is beneficial to a better understanding of how people with different power positions make distributional choices and has contributed to the literature gap concerning cognitive empathy and prosocial behaviour.

KEYWORDS

Dictator game
Beliefs
Generosity
Welfare

JEL CLASSIFICATION

D31, D64, I31

International Spillovers of Russia's Invasion of Ukraine on Young People's Subjective Well-Being and Social Trust

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ABSTRACT

Using novel longitudinal data, this paper studies the short-term effects of Russia's invasion of Ukraine on February 24th, 2022, on young people's mental health and social trust in Germany. In our first approach, we find a significant decline in mental health and social trust for those who are interviewed shortly after the start of the war (March 2022) compared with those who are interviewed shortly before (February 4th–February 23rd). Our second quasi-experiment uses additional panel data from the SOEP for the years 2007–2019, exploiting “placebo attacks” on February 24 in these years, allowing us to estimate difference-in-differences models over time. In these DiD estimations, we also find a significant decline in mental health (19 percent of a standard deviation) and social trust (23 percent of a standard deviation). The empirical findings provide new evidence on how armed conflicts influence the well-being and social trust among young people in a country not directly involved in the war.

KEYWORDS

War
Mental health
Trust
Russia's invasion of
Ukraine
Social capital

JEL CLASSIFICATION

C23, H75, I14, N44

Session C2: Education, youth and Taxation in Serbia

Can a (Virtual) Parenting Program in Serbia Support Early Childhood Education and Care?

ABSTRACT

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Early childhood education and stimulation, which can be led by increase parental engagement, are critical for lifelong learning and wellbeing. We evaluate the effects of a virtual parenting skills training program, delivered in a randomized control trial to 1,431 families with children ages 2-6 years old across Serbia, on parental beliefs, knowledge and behaviors. Our program is implemented in a context in which female and male caregiver engagement is overall unequal, and additionally tests whether fathers' participation in these workshops improves outcomes. We find that the regular intervention has a positive effect of 0.26 standard deviations on parent-reported child development outcomes, with no effect from the father-focused workshops. Although most other reported attitudes, behaviors, and activities did not change, we find a lower likelihood of reporting use of physical punishment to discipline their children in the month for the groups where fathers' participation was promoted. These findings show that a parenting training program – even when run virtually – has the potential to be effective in changing parenting attitudes regarding early childhood development and parenting behaviors, which in turn could be impactful toward child development.

KEYWORDS

Virtual parenting
program
Positive parenting
Child development

JEL CLASSIFICATION

C93, D91, I24, J13, J22

Introducing a Youth Guarantee in Serbia - Assessment of the Local Institutional Support

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ABSTRACT

The share of unemployed and the youth in NEET status (15 to 29 years old) in Serbia at the end of 2021 were around 20% and 18.8% respectively, significantly higher if compared to the EU average (13% and 13.1% respectively). Introducing a Youth Guarantee (YG) programme, planned for the end of 2022, is expected to result with important systemic improvements with regards to position of youth in the labour market. However, evaluations of the YG implemented across the EU over the last decade suggest that one of the greatest impediments to the successful implementation refers to outreach to the NEETs, which requires developed local institutional capacities. An online questionnaire has been distributed to 140 local youth offices in Serbia aiming to assess their capacities, quality of the collaboration with main stakeholders and their experience in dealing with NEETs. Research results revealed underdeveloped local capacities when dealing with youth in NEET status and diverse practices with regards to their overall scope of work and priorities. Lack of funding, need for capacity building in youth policy management, as well as underdeveloped practice of direct communication with local youth and fieldwork have been detected as the main issues.

KEYWORDS

Youth Guarantee
NEETs
Unemployment
Local youth offices
Republic of Serbia

JEL CLASSIFICATION

J08, J13, J68, H83

Extended Cost-benefit Analysis of Tobacco Taxation: The Case of Serbia

ABSTRACT

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We explored whether the tax increase could lead to changes in tobacco consumption, smoking-related medical costs, productivity, and household budget. Specifically, we examined the assumption that the tax increase, which increases the price of tobacco products and consequently reduces their affordability, will reduce tobacco consumption and medical costs, increase productivity (by decreasing the number of premature deaths), and therefore increase the household budget. We employed the simulation of tobacco price increases of 5.1% and 22.4% (due to specific excise increases of 10% and 43.6%, respectively). In both scenarios, a total price increase leads to decreased tobacco expenditures for the low-income group. Similarly, an excise increase leads to the reduction of medical expenses and an increase in productivity in all income groups, with the highest effect on the low-income group. The total net gains in the disposable household budget, especially in the case of a 43.6% excise raise, are projected to be highest for the low-income group, lower but also positive for the middle-income group, and negative for the high-income group. Our results indicated that specific tobacco excise in Serbia should be raised by at least 43.6% to effectively reduce tobacco consumption and, consequently, smoking-related costs and the loss of productivity. Finally, the tax raise could have a progressive effect on the overall distribution of income since the poorest population is likely to benefit the most from this tax policy.

KEYWORDS

Tobacco taxation
Medical costs
Productivity
Household budget
Policy

JEL CLASSIFICATION

I18, H21, P36

Sessiona D1: Labour supply

Women's Education and Household Labor Supply: Causal Evidence from Turkey

ABSTRACT

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This paper investigates the causal effect of women's education on household labor supply decisions. We exploit a change in the compulsory schooling law in Turkey, which introduced an exogenous increase in women's education and led to a decline in the gender gaps in education within the household. Results using a regression discontinuity design show that the additional years of education increase the labor supply of married women and decrease their spouses' labor supply within the household. We provide suggestive evidence that gender roles might be at play as a driving mechanism. Finally, we find a positive effect of women's education on household ownership of durable goods to be used in home production and the probability of having own money to spend.

KEYWORDS

Household labor supply
Women's education
Gender roles

JEL CLASSIFICATION

D91, I23, J16

Is There an Employment Advantage for Immigrant Women Who Marry Natives in Italy?

ABSTRACT

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In this paper, we estimate the effect of intermarriage on employment-related outcomes in relation to endogamous women (immigrant woman married with immigrant) and being single for immigrant women. The employment outcomes are measured by three variables: a binary outcome (employed or not), a continuous outcome (average weekly hours of work), and a proxy for underemployment. The linear probability model reveals that intermarried immigrant women are nearly 44 percentage points less likely to be employed compared with their single counterparts, and 6.8 percentage points less likely to be employed when compared to endogamous women. While those in endogamous marriages are around 37 percentage points less likely to be employed when compared to single women. This result is also confirmed by nonlinear regressions, probit, and logit. The intermarriage penalty more than doubles once we account for endogeneity of intermarriage by including instrumental variables estimation (-114 percentage points). With regard to the intensity of employment, women in any type of marriage work on average nearly 16 hours less per week than their single counterparts. Moreover, women in both types of marriages have a higher probability of being underemployed than their single counterparts of between 7 and 5 percentage points. Being married, intermarriage as well as endogamous, is the strongest and only significant predictor of underemployment among employed immigrant women in Italy.

KEYWORDS

Intermarriage premium
Election bias
Instrumental variables
Truncated sample
Combined method
Immigrants' integration

JEL CLASSIFICATION

D63, J16, O15

Import Shock and Local Labour Market Outcomes: A Sino-Indian Case Study

ABSTRACT

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Focusing on Sino-Indian trade, this paper uses detailed district-level data, exploits India's drastic increase in imports from China since 2001, and uses the instrumental variables approach to examine the impact of trade shock on the local labour market outcomes. Through a matching procedure, the geographical coverage of the paper is significantly improved compared with prior studies. The range of labour market outcome variables examined is also much wider, including wage, residual wage fluctuation, and employment and underemployment as shares of working-age population. The paper finds that, unlike in some other cases, the import competition from China did not have a significant impact on the Indian district average wages. However, it did result in an increase in employment share. In further contribution, the paper also allows heterogeneous effects across consumption, age, gender, occupation and industrial groups. The results confirm that the effect of import shock is not uniformly distributed within the districts. Rather, it varies with respect to certain socio-economic characteristics.

KEYWORDS

International trade
Wages
Income inequality
Import shock
Underemployment

JEL CLASSIFICATION

F14, F16, J16

Employer branding and monopsony power in the labour market

ABSTRACT

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KEYWORDS

Employer branding
Monopsony power
Vignette experiment
Labour market

JEL CLASSIFICATION

J42, E24, M51

Many firms engage in marketing efforts to improve their image as an employer (employer branding). This paper re-conceptualizes employer branding as an instrument used by firms to increase their monopsonistic power, i.e. the power of firms to set wages below the level that would be expected in a competitive labor market. To test this hypothesis, we perform a vignette experiment using original data collected via Amazon Mechanical Turk in which we randomly vary wage offers at employer branded and not-branded firms. Our results indicate that employer branded firms possess more monopsonistic power, particularly over male workers. Apart from the effect on monopsony power, employer branding also acts as a job amenity of which the compensating wage differential is valued at 18 percent of the wage by workers.

Session D2: Welfare

Deservingness and Solidarity: Choosing Who Should Get Help among People Who Beg

ABSTRACT

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The literature on deservingness enshrines solidarity and the willingness to donate in the welfare state. However, there is scarce evidence on the deservingness heuristics in a direct solidarity setting, where people make donations or give without expecting something in return. Through a discrete choice experiment (DCE) and a vignette study we reveal if individuals hold the same beliefs and norms in direct solidarity and redistribution settings, respectively. We use profiles of individual beggars depicting a combination of four attributes (gender, ethnicity, disability and having an infant). In the DCE, respondents selected in the streets of Brussels are asked to choose to give alms to one of the depicted beggars or opt-out and not give at all. In the vignette, they assess to which extent one profile deserves social benefits and services. Our results imply the existence of a deservingness heuristic, with Roma and male beggars being the most disadvantaged.

KEYWORDS

Begging
Deservingness
Welfare
Discrete choice

JEL CLASSIFICATION

I3

Taking Oil Revenue to Dining Tables: a Case of Universal Basic Income in Iran

ABSTRACT

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In this paper, I examine the effects of the 2010 large-scale universal basic income and the concomitant energy subsidy removal program on households consumption behavior in Iran. Using the panel data of the Household Expenditure and Income Survey (HEIS) from 2009 to 2010, I show that the consumption of households increased by 30% of the treatment received by the household. Moreover, I investigate the heterogeneity of the treatment effect on different groups of population with potentially different levels of access to loan and credit. Finally, I use two different sets of instruments for transitory and permanent income to overcome endogeneity of total income, as a robustness check.

KEYWORDS

Cash transfer
Consumption
Iran
Generated regressors

JEL CLASSIFICATION

D10, O15

Inverse Fair Taxation: What do we compensate for in Europe?

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ABSTRACT

In this paper we bring together the inverse optimal taxation literature and the fairness literature. We invert a fair tax formula and apply it to tax benefit schemes in Europe to estimate the implicit degree of compensation for each factor that determines individual well-being. Our paper provides a new way to formalize the old intuition that, in a fair society, people should be allowed to benefit more from their own efforts than from exogenous characteristics. Our empirical results confirm this intuition. We provide the first estimates of implicit tax rates for different characteristics in 31 European countries using EU-SILC data for the years 2007 - 2018. We find a robust tendency in all countries to compensate more for uncontrollable characteristics compared to the partially controllable ones. We then attempt to calculate which countries currently have fair tax systems. Only the Continental countries France and Luxembourg pass the fairness test, whereas the Baltic and Anglo-Saxon countries perform worst.

KEYWORDS

Fairness
Inverse taxation
Compensation/
responsibility

JEL CLASSIFICATION

D6, H2, I3

Minimum Income in the Western Balkans: From Socialism to Neoliberalism

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ABSTRACT

We examine the evolution of minimum income programmes in the Western Balkans. During socialism Yugoslavia developed a rudimentary minimum income protection programme, while Albania did not have one. As countries moved towards a market economy, socialism's legacy remained relevant, but especially since 2000 governments have taken more direct responsibility for the minimum income schemes - typically under the influence of the World Bank. The attention was paid to strict targeting accuracy rather than to adequacy or sufficient coverage of the lowest deciles. Neither socialist nor neoliberal policymakers ever recognized anything but the poverty relief function of the minimum income. Both ideologies were hostile to increasing the adequacy and generosity of minimum income programmes, perceiving them as impediments and distractions that slowed socialist and neoliberal transformations. Despite reform initiatives supported by the World Bank and, more recently, the European Union, the generosity and adequacy of minimum income programmes remain low, and coverage keeps declining. There have been very few efforts to develop inclusion function of the minimum income, while the activation aspect has achieved very little, sometimes degrading into punitive programmes of unpaid community work. In this dismal picture, the European Pillar of Social Rights action framework could serve as a guide for a long overdue third phase in the Western Balkans' minimum income policy evolution.

KEYWORDS

Minimum income
Social policy
Western Balkans
European pillar of social
rights

JEL CLASSIFICATION

H53, I38, N30

* This designation is without prejudice to positions on status, and is in line with UNSCR 1244 and the ICJ Opinion on the Kosovo Declaration of Independence.

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