



Host: Univ.-Prof. Dr.habil.Jörn Kleinert

INVITATION

Dr. Maximilian Gödl
(Universität der deutschen Bundeswehr München)

On the topic:

"Wage Setting in Times of Low and High Inflation"

(with: Isabel Gödl-Hanisch)

The recent surge in inflation led many unions and firms to alter their bargaining and wage-setting policies. Using novel German firm-level survey data, we document the extent of state dependency of wage-setting behavior across firms and workers given low vs. high inflation environments. The granularity of our micro-level data also allows us to study heterogeneous patterns across sectors, firms, and workers. Embedding the empirical findings in a New Keynesian model with heterogeneous firms, we then analyze the implications of state-dependent wage-setting behavior for the transmission and propagation of shocks. Lastly, we discuss the interaction of state-dependent wage setting with firms' monopsony power and how these features may impact monetary policy and the slope of the Phillips curve.

Date: May 9, 2023
Starting time: 5.15 p.m.
Location: HS 111.21/Beethovenstraße 8/2

All professors, lecturers, assistants and students are cordially invited to this lecture!