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Research Interests

Topics Empirical Microeconomics, Public Economics, Labor Economics, Decision Making

References

Peter Haan

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Humboldt-Universität zu Berlin and
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Education

- 10/2014 - today **PhD Candidate, Economics, DIW Berlin Graduate Center**, DIW Berlin and FU Berlin, (employed at DIW Berlin).
Expected graduation date: Early 2018
- 10/2013 - 10/2014 **Doctoral coursework**, *DIW Berlin Graduate Center*, DIW Berlin, HU Berlin and FU Berlin.
- 10/2011 - 10/2013 **Master of Science in Economics**, *University of Erlangen-Nuremberg*, Grade: 1.2.
- 08/2006 - 01/2010 **Bachelor of Science in Economics**, *University of Mannheim*, Grade: 1.9.

Research Stays

- 09/2015 - 12/2015 **Research Stay**, *Arizona State University (Alexander Bick)*, Tempe, AZ, USA.
- 02/2017 - 04/2017 **Research Stay**, *Institute for Fiscal Studies (Richard Blundell)*, London, United Kingdom.

Scholarships

- 2013 - 2014 PhD scholarship by the Graduate Center of DIW Berlin
- 2012 - 2013 Fellow of the Emerging Field Initiative “Taxation, Social Norms, and Compliance: Lessons for Institution Design”, University of Erlangen-Nuremberg

Affiliations

- 2017 - Team member of Collaborative Research Center SFB TRR 190 (DFG) “Rationality and Competition: The Economic Performance of Individuals and Firms”
- 2017 - Team member of Fördernetzwerks Interdisziplinäre Sozialpolitikforschung (FIS) (Interdisciplinary research network funded by the German Federal Ministry of Labour and Social Affairs)
- 2015 - Team member of Priority Program SPP 1764 (DFG) “The German Labor Market in a Globalized World”
- 2015 - 2016 Board Member, BeNA (Berlin Network for Labor Market Research)

Working Papers

Life-cycle Cost of Overconfidence: Evidence from Maternity Leave Reforms (Job Market Paper)

This paper investigates the life cycle costs of overconfidence in future employment possibilities, focusing on females who experience child-related career breaks. The costs of overestimating future employment prospects are potentially high for this group. It may cause career breaks to last beyond the employment protection offered in many countries. This leads to costs in foregone wages and in human capital accumulation. A novel strategy is used exploiting a discontinuity in the future expected value of non-employment introduced by the end of the employment protection. Several policy reforms which shift the end of employment protection and thus create groups of mothers facing the discontinuity at different ages of their children create counterfactual-like situations. These help to separately identify each of expectations, job-arrival rates and preferences. It is shown that there exist substantial biases in expectations about future employment probabilities – on average women expect the job arrival rate to be twice the actual rate. Estimates are built into a life cycle model of female labor supply and human capital accumulation. Overconfidence is estimated to prolong the average child related career break by eight months. The financial costs are large: overconfidence reduces the net present value of life time earnings from employment by 14%.

Time Preferences and Female Labor Supply (with Peter Haan and Luke Haywood)

We estimate a dynamic life cycle model of labor supply with a focus on women’s time preferences. We extend the dynamic discrete choice model of female labor supply to accommodate for potentially time-inconsistent behavior. Time-inconsistent behavior may lead mothers, who interrupted their working career due to childbirth,

to repeatedly postpone their decision to re-enter employment. This might be the cost of motherhood. For the identification of the time preferences we exploit natural experiments: we use several parental leave reforms in Germany which extend parental leave from one to three years. Preliminary results provide evidence for significant time inconsistent behavior. Child related career breaks are on average longer when women exhibit time-inconsistent behavior. Our approach allows us to shed light on the importance of time preferences in explaining important labor supply choices.

Work in Progress

Identification of Time Preferences in Dynamic Discrete Choice Models: A New Interpretation of the Exclusion Restriction

Although time preferences are a crucial factor for decisions in dynamic settings, most empirical approaches take the discount factor as known, assuming the economic agent to be an exponential discounter. Incorrect assumptions about time preferences are most likely leading to false conclusions from counterfactual policy analysis. Building on the previous literature on identification for dynamic programming discrete choice models, I offer a new interpretation of the exclusion restrictions necessary to recover time preferences from choice data. In settings, where the decision maker faces a probabilistic restriction of the choice set depending on a previous choice, exogenous variation of the restriction probabilities identifies time preferences. Intuitively, the variation creates groups that differ only with regard to their probability of being restricted in their future choice set, and thus in regard to their expected futures. Comparing choices of these groups informs how the economic agents value their future outcomes. I argue that these models are common, especially in labor economics. The newly derived exclusion restrictions are easy to interpret and various examples are provided when these are satisfied.

Policy Related Work

- 2015 **Drahs, S., Schneider, U., and P. Schrauth**, *Geplante und tatsächliche Erwerb-sunterbrechungen von Müttern (Planned and Realized Career Breaks of Mothers)*, DIW Roundup.
- 2012 **Büttner, T., and U. Schneider**, *Policy Analysis for the state of North Rhine-Westphalia about the impact of municipal financial equalization*.

Conference Organization

- 2015 1st BeNA Labor Economics Workshop, Berlin, Germany

Presentations

- 2017 Institute of Fiscal Studies, London, United Kingdom
Ohlstadt Natural Experiments and Controlled Field Studies Workshop, Ohlstadt, Germany

Collaborative Research Center - Rationality and Competition Workshop, Tutzing, Germany

2016 IIPF Annual Congress, Lake Tahoe, Nevada, USA

IAAE Annual Conference, Milano, Italy

DFG Priority Program 1764, "The German Labor Market in a Globalized World: Challenges through Trade, Technology and Demographics", Mannheim, Germany

EEA-ESEM Annual Congress, Geneva, Switzerland (Presentation by Co-Author)

VfS Annual Conference, Augsburg, Germany (Presentation by Co-Author)

(Ce)² Workshop, Warsaw, Poland (Presentation by Co-Author)

2015 Arizona State University, Arizona, USA

2014 DFG Priority Program 1764, "The German Labor Market in a Globalized World: Challenges through Trade, Technology and Demographics", Mannheim, Germany

Summer Schools

2016 International Institute of Public Finance Doctoral School, Mannheim, Germany

ZEW Summer Workshop for Young Economists, Mannheim, Germany

Teaching Assistant

10/2015 - 03/2016 **Econometric Methods (PhD)**, *Helmut Lütkepohl*, FU Berlin.

10/2014 - 03/2015 **Econometric Methods (PhD)**, *Helmut Lütkepohl*, FU Berlin.

Professional Experience

2013 **Student Research Assistant, University of Erlangen-Nuremberg, Chair for Economic Policy**, *Johannes Rincke*.

2012 **Student Research Assistant, University of Erlangen-Nuremberg, Chair for Public Finance**, *Thiess Büttner*.

2009 - 2010 **Student Research Assistant, Mannheim Research Institute for the Economics of Aging**, *Christina Wilke and Axel Börsch-Supan*.

Miscellaneous

Programming C++, C, MATLAB, R, Stata, Python, L^AT_EX, Vi, Git, shell script

Citizenship German