Age-specific labor market dynamics
# CONTENTS

1 Introduction
   1.1 Motivation and questions ................................................. 1
   1.2 Age-specific labor dynamics ............................................. 5
      1.2.1 All hands on deck! .................................................. 5
      1.2.2 Facts and figures .................................................. 6
      1.2.3 Age-specific mobility in theory ................................. 10
   1.3 Summary and conclusions .............................................. 16

2 Age-specific cyclical effects in job reallocation and labor mobility 23
   2.1 Introduction ............................................................. 23
   2.2 Data and stylized facts ............................................... 25
      2.2.1 Data ............................................................... 25
      2.2.2 Measuring job flows and worker flows ......................... 26
   2.3 Empirical analysis .................................................... 28
      2.3.1 Job reallocation and labor mobility ............................ 28
      2.3.2 Age-specific job reallocation and labor mobility ............ 29
      2.3.3 Separations and accessions by age ............................. 30
   2.4 Conclusions .......................................................... 32

3 Why do worker-firm matches dissolve? 41
   3.1 Introduction ............................................................ 41
3.2 Theoretical model ................................................. 42
  3.2.1 Worker-firm separations .................................. 43
  3.2.2 Efficiency .................................................... 44
3.3 Previous literature .............................................. 46
3.4 Data and stylized facts .......................................... 49
  3.4.1 Data ............................................................. 49
  3.4.2 Stylized facts ................................................. 50
3.5 Empirical analysis ............................................... 50
  3.5.1 Wage residuals ............................................... 51
  3.5.2 Worker separations ......................................... 52
  3.5.3 Wage renegotiations ....................................... 54
  3.5.4 Are separations efficient? ................................ 55
3.6 Conclusions ...................................................... 58

4 Working hours flexibility and older workers' labor supply ........ 73
  4.1 Introduction .................................................... 73
  4.2 Theoretical model ............................................. 76
  4.3 Empirical model ............................................... 79
  4.4 Data and stylized facts ....................................... 83
    4.4.1 Data .......................................................... 83
    4.4.2 Stylized facts ............................................. 84
  4.5 Empirical results ............................................. 85
  4.6 Employment effects .......................................... 91
  4.7 Conclusions .................................................... 93
  4.8 Appendix ...................................................... 118

5 Performance pay, training and labor mobility ..................... 119
  5.1 Introduction ................................................... 119
  5.2 Previous literature .......................................... 122
  5.3 Data and stylized facts ..................................... 124
    5.3.1 Data .......................................................... 124
    5.3.2 Stylized facts ............................................. 125
  5.4 Empirical analysis .......................................... 126
    5.4.1 Training estimation ...................................... 126