Contributors

Katharine G. Abraham
Department of Economics
University of Maryland
Room 3105, Tydings Hall
College Park, MD 20742

Rebecca M. Blank
Department of Economics
Northwestern University
2003 Sheridan Rd.
Evanston, IL 60208

Axel Börsch-Supan
Department of Economics
University of Mannheim
D-68131 Mannheim, Germany

Sara de la Rica
Departamento de Fundamentos del Analisis Economico
Universidad del Pais Vasco
Avenida Lehendakari Aguirre, No 83
48015 Bilbao, Spain

Richard B. Freeman
National Bureau of Economic Research
1050 Massachusetts Ave.
Cambridge, MA 02138

Siv Gustafsson
Economics Department
University of Amsterdam
Roetersstraat 11
1018 WB Amsterdam, Netherlands

Maria J. Hanratty
Industrial Relations Section A-19-G3
Firestone Library
Princeton University
Princeton, NJ 08544

Douglas Holtz-Eakin
Metropolitan Studies Program
Syracuse University
Room 400, Maxwell Hall
Syracuse, NY 13244

Susan N. Houseman
W. E. Upjohn Institute for Employment Research
300 South Westnedge Ave.
Kalamazoo, MI 49007

Thomas Lemieux
Department of Economics
University of Montréal
P.O. Box 6128, Station A
Montréal, Québec, Canada H3C 3J7

Edward B. Montgomery
Department of Economics
University of Maryland
Room 3115, Tydings Hall
College Park, MD 20742
Marcus E. Rebick  
New York State School of Industrial and Labor Relations  
Cornell University  
265 Ives Hall  
Ithaca, NY 14853

Peter Scherer  
Social Affairs and Industrial Relations Division  
Organisation for Economic Co-operation and Development  
2, rue André Pascal  
75775 Paris cedex 16, France

Frank P. Stafford  
Department of Economics  
University of Michigan  
611 Tappan Street  
Ann Arbor, MI 48109
Author Index

Aaron, H. J., 159, 160, 176. 293n33
Abraham, F., 333
Abraham, K., 35, 65n3, 70, 81n15, 84n19, 90n21, 98, 205n16, 17
Adamache, K., 161n9
Allen, S., 167n18, 171
Alpert, W., 310
Alwin, D. F., 348
Anderson, P., 70n11
Ashenfelter, O., 255n27
Atkinson, A. B., 34n20
Auld, D. A. L., 238n17
Baird, C. W., 139
Bambrick, I., 130
Barnett, C. L., 140n21
Barnett, W. S., 36
Bartik, T., 97, 109
Baumol, W. J., 239
Bean, C. R., 25n4, 27nn10, 13
Beaumont, P. B., 234
Becker, G. S., 276n19
Beeson, P., 97, 110
Behring, K., 138
Behringer, F., 184
Bergmann, B., 308, 325n25
Björklund, A., 103n
Blanchard, O. J., 108, 109
Blanchflower, D. G., 16, 27n11, 28n17, 101, 108, 113
Blank, R. M., 28n16, 38n23, 238
Blanpain, R., 67n6
Blau, F., 303n4
Boone, R., 129t
Börsch-Supan, A., 128, 134, 137, 138, 140, 145n25, 147t, 148, 150t
Bound, J., 347
Boyer, R., 25n6, 26n8, 28n14
Brandes, W., 64n2
Brown, J., 159n5
Bruno, M., 26
Brynen-Hundt, M., 359
Buchanan, J., 339
Buechtemann, C. F., 16
Burdett, K., 69n10
Burkhauser, J., 194n6, 197, 200, 201
Burkhauser, R., 184
Burtless, Gary, 16, 35
Cappelli, P., 238
Carvoyeur, L. S., 303
Centre d’Étude des Revenus et des Coûts,
307n10
Clark, K., 196, 202, 203
Clark, R., 167n18, 171, 197
Coleman, J. S., 224n2
Commission of the European Communities,
176n26
Congressional Budget Office (CBO), 160n8
Cotton, P., 167n17
Cowell, F., 276n18
Curme, M., 115
Danziger, S., 28n16, 248
Danzon, P., 276n16
David, M.-G., 303, 305, 309
Davis, S. J., 28n17
Diamond, P., 293n33
Dickerson, A. P., 245
Dijk, J. van, 103t
Dore, Ronald, 26
Drèze, J. H., 25n4, 27nn10, 13
Duncan, G., 201

Eberts, R., 107
Eckhart, W., 137
Ekhoff, J., 136, 137
Ehrenberg, R. G., 234n12, 238, 245
EIRR, 66nn4, 5, 67
Ellwood, D., 302
Erikson, T., 200t
Esping-Andersen, G., 47, 335, 339
Eurostat (Statistical Office of the European
Communities), 47, 338t

Finn-Stevenson, M., 310
Planagan, R. J., 27n10
Flechsenhar, H. R., 90n22
Flood, L., 348
Flynn, P., 172
Folliat, Jr., R., 140n21
Förster, M., 50
Fortin, B., 280n24
Foster, H., 214
Franz, W., 27n13
Fréchette, P., 280n24
Freeman, R. B., 16, 19, 23n2, 224n2, 238.
242n20, 245, 250n22, 275
Friedman, B. L., 22n1
Friedman, M., 333
Fritzell, J., 200t
Fuchs, V., 158n4

Gabriel, S., 103t
Garfinkel, L., 336, 340, 347, 355
Ginsburg, H., 206
Glaser, W., 176n25
Goldin, C., 339
Goldman, G., 138
Golonka, 340
Goodman, A. C., 140n21
Gottschalk, P., 28n16, 37, 248
Grais, B., 66n5, 67n7
Gramlich, E. M., 239n18
Green, F., 245n21
Gregory, M. B., 234, 238

Gronau, R., 347
Groots, W., 336, 346, 355
Grossberg, A., 303n4
Gruber, J., 166, 266n4
Guasch, J. L., 139
Gustafsson, S., 335, 339, 342, 343, 346, 347,
351, 355, 358, 359
Gustman, A., 167n18
Gyourko, J., 238

Hall, R., 97, 100, 101
Hamermesh, D. S., 69n10, 70n11, 161n9, 214,
266n4
Hamilton, B. W., 119n1, 130, 150
Hansen, G., 36
Harris, J. R., 100, 113
Hashimoto, M., 97n1, 205n17
Haveman, R. H., 32, 36
HCFR (Health Care Financing Review), 178
Heller, P. S., 223n1
Hemmer, E., 64
Henke, K., 176n25
Hill, C. R., 347
Hirsch, B., 115
Hofferth, S., 335, 340, 341
Holmlund, B., 103t
Houseman, S. N., 34, 35, 65n3, 70, 81n15,
84n19, 90mn21, 22, 98, 205n16, 17
Hsiao, C., 108
Hughes, G., 101n8, 103t
Hurd, M., 197
Hycklak, T., 107
Ichniowski, C., 224n2, 245
Inrohoroglu, Ayse, 36
International Monetary Fund (IMF), 303n6
Ito, T., 102

Japan (Aging Society Handbook), 194
Jeandidier, B., 303
Jenson, J., 303
Jessop, B., 26n7
Johnes, G., 107
Johnson, G. E., 333, 347
Joyce, M. A. S., 239n18
Juster, F. T., 350

Kamerman, S., 302n3, 308n11
Kanemoto, Y., 122t, 123t, 124t, 125t, 128,
129t, 130n9, 132n16, 133, 134
Kantrow, R., 303
Katz, L. F., 19, 28n17, 34, 108, 238, 242n20, 245, 248, 250n22
Kawai, M., 140n21
Kay, J. A., 225n3, 235
Keller, W. J., 238–39n17
Kemper, P., 36n21
Kessler, L., 238
Kessler, S., 238
Kerman, J. A., 347
Klevmarken, A., 348
Kokkelenberg, E., 115
Kono, S., 200t
Kokiloff, L., 196
Kraft, K., 84
Krueger, A. B., 238, 242n20, 245, 248, 250n22, 266n4
Krugman, P. R., 25n4, 26n7, 333
Kuperus, M., 342

Labour and Society, 15
Laczko, E, 199
Lagerström, L., 194n6
Lampman, R. J., 36
Lanois, R., 307
Lauer, H., 245
Lawrence, R. Z., 26nn7,9
Layard, R., 25nn4,5, 27n10, 356
Lazon, E. P., 35
Lefebvre, F., 326
Leibowitz, A., 347
Leigh, D., 99n3,5
Lemieux, T., 280n24
Levitt, M. S., 239n18
Light, A., 159n5
Lindbeck, A., 26, 27n12
Lodermel, I., 48
Long, D. A., 36n21
Lovein, G. W., 28n17
Lowry, L. S., 140n21

Maassen van den Brink, H., 336, 346, 348n4, 355
McCormack, B., 101n8, 103t
McDermot, A., 167n18, 171, 197
Machin, S., 245n21
McLanahan, S., 340, 347
Macpherson, D., 115
Maddala, G. S., 70
Madrian, B., 158, 167, 174, 183
Malpezzi, S., 140

Manning, A., 245n21
Marshall, R. C., 139
Matsukawa, I., 110
Mayer, C., 225n3
Mayo, S., 130
Medoff, J., 275
Metcalf, D., 25a6
Meyer, B. D., 34
Meyer, W., 64n2
Michalopoulos, C., 336, 355
Micklewright, J., 34n20, 47
Mikrom, P., 333
Mills, E. S., 119n1, 130, 150
Minaer, J., 351, 356
Ministry of Labor, Japan, 115, 197n8
Ministry of Welfare, Japan, 194n6, 195t
Mrkin, B. A., 193t
Mishra, R., 47
Mitchell, D., 47
Mitchell, O., 167
Modigliani, Franco, 27
Moffitt, R., 34, 303
Montgomery, E., 97, 107, 110
Morke, T. P., 268n6
Morton, J. D., 268n6
Muro, J. R., 265n1, 295
Murray, C., 302n1
Myers, D., 194n6, 197, 200, 201

National Multi-Housing Council, 139
Neuman, G., 107
Nickell, S., 24nn4, 27nn10, 69n10
Noland, C. W., 140n21

Olsen, E., 136
Olson, Maurice, 32
Ooms, 340
Organization for Economic Cooperation and Development (OECD), 21, 23t, 24tt, 28n14, 29t, 34, 43, 44, 45t, 47n5, 49, 50n10, 51–57tt, 59n1, 189n1, 198t, 199t, 206, 223n1, 303n6, 338t
OSA (Organisatie voor Strategisch Arbeidsmarktonderzoek), 342, 356, 357
Oswald, A. J., 27n11, 101, 108, 109, 113
Ozanne, L., 140

Pederson, P. J., 238–39n17
Phillipson, C., 199
Pioro, M. J., 26n8
Podgursky, M., 89
Poterba, J., 131
Pott-Buter, H., 342, 348
Preston, S., 200t
Quinn, J., 194n6, 197, 200, 201
Rainwater, L., 339
Ramos, F., 272n12
Ray, J. C., 303
Rebick, M. E., 198n10, 216
Rein, M., 22n1, 339
Reinhardt, U., 176n25
Ribar, D. C., 346, 355
Roback, J., 100
Roberts, J., 333
Robins, P. K., 309n13, 336, 355
Robinson, M., 356
Rojo, J., 66n4
Rosa, J.-J., 307
Rose, R., 223n1
Rosen, H. S., 131nl0
Rosen, S., 273
Rovner, J., 161nl0
Ruggles, P., 38n23
Ryder, H., 334
Sabel, C. F., 26n8
Sachs, J., 26, 129t
Sakurai, K., 98n2
Saran, R., 245
Sawhill, I., 303
Schmitt, J., 248
Schneider, M., 177
Schudlich, E., 64n2
Schulenburg, J., 178
Schulte, B., 48
Schultze, C. L., 26mn7,9
Schwager, R., 137n19
Schwartz, J., 339
Schwarz, J. L., 234n12, 238, 245
Scott, J., 348
Seike, A., 200
Seitchik, A., 89
Shack-Marquez, J., 103t
Shaw, K., 97n1
Sheldrake, J., 245
Shmada, H., 189n2
Sloan, E., 161n9
Smith, S. P., 238
Snower, D., 26, 27n12
Sockell, D., 115
Soltwedel, Rüdiger, 59n1
Stahl, K., 134, 145n25
Starzec, C., 305, 309
Steinmeier, T., 167n18
Stephan, P. E., 334
Stewart, M. B., 245
Stigler, G. J., 276n19
Stone, J., 107
Summers, L., 202, 203, 276n16
Sundström, M., 336, 339, 343n3, 347
Survey Research Center, 183
Swaim, P., 89
Swartz, K., 162n14
Sweeney, J., 148
Tachibanaki, T., 98n2
Tait, A. A., 223n1
Takeuchi, Y., 98
Thibodeau, T., 139, 140
Thomas, M., 151
Thompson, D. J., 225n3, 235
Thornton, C., 36n21
Titmuss, Richard, 335, 339
Todaro, M. P., 100, 113
Toharia, J. L., 265n1, 295
Toharia, L., 295
Topel, R., 101, 107
Towers, B., 245
Tracy, L., 238
Trejo, S. J., 245
Trzcinski, E., 310
Tullock, G., 339
U.S. Bureau of Labor Statistics, 96t
U.S. Bureau of the Census, 115
U.S. Congressional Budget Office (CBO), 131n12, 132
U.S. Current Population Survey, 325n25
U.S. Department of Commerce, 309
U.S. Department of Labor, 343, 346
U.S. General Accounting Office (GAO), 68n8, 176n25, 309
U.S. House of Representatives, 309n14
U.S. House of Representatives, Ways and Means Committee, 328
U.S. Social Security Administration, 195t, 197
Van Audenrode, M., 80, 85
van Kessel, E., 342
Varian, H., 333
Venti, S. E., 238
Vickers, J., 225n3
Vollmer, R. J., 49
Vranken, M., 67n6
Vroman, W., 67, 68n9

Wagner, G., 184
Waite, L. J., 347
Wascher, W., 103t
Weir, M., 99n4
Weisbrod, B. A., 36n21
Weissbarth, R., 151
Weitzman, M., 97

Wilson, W. J., 302n2
Wise, D., 196
Wissoker, D., 340
Wolfe, B. L., 36n21, 161, 162
Woodbury, S., 161n9
Wright, R., 69n10

Yarrow, G., 225n3
Yoshikawa, H., 98
Zax, J., 245
Zetterberg, J., 238–39n17
Zornitsky, J., 89
Subject Index

Adjustment mechanisms: with changes in output: Germany, Belgium, United States, 71–80; in employment: Europe, 88–90; job-security regulations: W. Germany, Belgium, France, 85–88; labor market: Japan and United States, 96–98; model of labor force adjustment: W. Germany, France, Belgium, United States, 71, 90–92; model of regional labor market adjustment pattern, 100–102; role of short-time work: Germany, France, Belgium, 80–82; Trade Adjustment Assistance Act, United States, 99

Advance notice: of dismissal or layoff to individual workers: Germany, France, Belgium, 64, 65, 66; of layoffs or plant closings: United States, 67–68, 99

Aid to Families with Dependent Children (AFDC), United States, 301; cash assistance program, 305; government-provided health care, 161

Allowance for Young Children, France, 304

Bonus payments, Japan, 97

Cash assistance programs: France and United States, 303–7; for rental housing in Germany, 131–32. See also Aid to Families with Dependent Children (AFDC). United States; Tax credit


Consolidated Omnibus Reconciliation Act (COBRA), 1986, 171

Current Population Survey (CPS), United States, 280

Data sources: comparison of insurance and labor markets: Spain, United States, 279–80, 295, 298; for differences in welfare regime analysis, 356–59; health insurance effect on job mobility, 183–84; for housing market analysis: Germany, Japan, United States, 153–54; impact of French and U.S. transfer payments, 280, 329; labor adjustment in W. Germany, France, Belgium, United States, 71, 90–92; labor market flexibility analysis, 90–92; older workers’ responsiveness to labor market, 220; public sector growth analysis, 235–36, 251, 260–61; regional labor market analysis: Japan, United States, 114–16

Daycare: access in France, United States, 308–9; Sweden, 341, 344–47. See also Childcare

Disability insurance: for older workers: Sweden, 215; state-level provision: United States, 268

Dismissal laws: Belgium, 61–63, 66–67, 85; France, 61–63, 65–66, 83, 84; Germany, 61–65, 84; United Kingdom, 83–84. See also Severance payments

Earnings: elasticity as measure of labor market flexibility, 109–10; labor force: Spain,
Earnings (continued)
United States, 280–82, 283–84t; trends in United States, United Kingdom, 232–33. See also Wages

Economic growth, United States, OECD countries (1960–90), 23

Educational system: Head Start program: United States, 309; nursery-school system: France, 302, 308

Employee benefits: model for private provision: stylized U.S. system, 273–76; model for public provision with private funding: stylized Spanish system, 276–79; private and public provision: United States, 267–68; public provision: Spain, 268–70


Employment Promotion Act (1985), Germany, 64–65, 84

Eviction control: Germany, Japan, United States, 132–33; legislation and policy: United States, 139–43; theoretical and real effects: Germany, 136–39

Families: medical assistance for low-income: United States, 308; universal medical assistance in France, 307

Families, single-parent: concentration in France and United States, 317; effect on employment rates of Single-Parent Allowance (APA): France, 317; programs in France and United States, 310. See also Incentives to work

Families with children: cash assistance to, in France, United States, 303–7; day care in France, 308; decline in income guarantee: France, 313

Family Support Allowance, France, 304–5

Food Stamps program, United States, 305–6

Goods: provided by public sector, 226–27; provided by social insurance programs, 32

Government intervention: differences in Japanese and U.S. labor markets, 98–100; housing markets, 119–20; labor market: Japan and United States, 98–99; rental housing: Germany, Japan, United States, 130–33, 134–43. See also Housing, rental; Incentives: Subsidies

Government role: in health benefit provision: United States, 160–61; in housing programs: Germany, Japan, United States, 120–21; in institutional welfare state, 335–36; in residual welfare state, 335

Head Start program, United States, 309


Health insurance system: criteria in performance assessment, 158; Germany, 158, 176; universal coverage in France, 307

Hours of work: conditions for adjustment: Germany, Belgium, 16; in employment adjustment of production: W. Germany, Belgium, France, 70–82. See also Short-time work

Housing: differences in consumption: Germany, Japan, United States, 124–25, 129; differences in consumption with subsidies: Germany, Japan, United States, 146–54; government-sponsored programs: Germany, Japan, United States, 120–21; public and social housing pro-
grams: Germany, Japan. United States, 127t. 130; regulation constraints on consumption: Germany, Japan. United States, 134; subsidies for ownership: Germany. Japan. United States, 133-34

Housing, owned: subsidies: Germany, Japan, United States, 144-53

Housing, rental: regulation: Germany, Japan. United States, 132-33; subsidies: Germany, Japan, United States, 130-32. See also Rent control; Tenant protection; Tenure discounts

Housing allowances: France, 304-5; Germany, 131-32

Housing markets: characterization of German, Japanese, U.S., 121-28; differences: Germany, Japan, United States, 126-28; price determinants of German, Japanese, U.S., 120; prices in relation to income: Germany, United States. Japan, 128-29; rental regulation: Germany, Japan. United States, 132-33

Incentives: for housing markets: Germany, Japan, United States, 151-52


Income: criteria for income guarantee decline: France, 313; as determinant of housing choices: Germany, Japan, United States, 122-23; housing prices in relation to: Germany, Japan, United States, 128-29

Industrial relations system: United States, 67-69; West European countries: Germany, France, Belgium, 60-67

Informal economy. See Underground sector, Spain

Job lock: in German health care system, 178-82; from health insurance in United States, 157-58; test for U.S. health insurance-related, 166-76. See also Mobility of workers

Job lock hypothesis. See Health insurance system; Mobility of workers

Job-security regulations: effect on labor adjustment: W. Germany, Belgium, France, 85-88; European countries, 59-60; United States, 67-69; W. Germany, France, Belgium. 60-67. 68-69. See also Dismissal laws

Johnson-Stafford model of world trade, 333


Labor force participation: of older workers with social benefits with cyclical change: Japan, United States, 207-9; rates for older workers: Japan, Sweden, United States, 197-98; trends in older worker: Japan, Sweden, United States, 199-201; of women by age of preschool child: Netherlands, Sweden, United States, 348-51

Labor Inspectorate, France, 65. 83, 84-85

Labor market flexibility: definitions, 25-26, 95-96; dismissal law effect: W. Germany, France, Belgium. United Kingdom, 82-88; influence of labor relations on, 26; Japan, United States, 95-96; policies and institutions affecting, 26-27; policies to increase: OECD countries, 28-30; to reduce unemployment, 27; labor security, 88. See also Mobility of workers


Labor markets, regional: commuting as equalizing factor, 16, 112-13; comparison of equilibria in Japanese and U.S., 102-13. See also Employment; Migration of workers; Unemployment

Maternity leave policy. France, United States, 309-10


Medicaid/Medicare programs. United States, 161, 267, 308
Migration of workers: commuting as substitute for, 112–13; equalizes utility or unit costs across regions, 101–2; influence of unemployment on: Japan and United States, 110–13; rates in Japan and United States, 103–5. See also Mobility of workers

Mobility: rates of household: Germany, Japan, United States, 125–26, 127, 142–43; relation to home ownership: Germany, Japan, United States. 148–51

Mobility of workers: commuting in Japan as form of, 16, 112–13; effect of health insurance provision on, 158; in German health insurance system, 158; with and without health insurance, 166–76. See also Job lock; Labor market flexibility

Models: labor adjustment in W. Germany, France, Belgium, United States, 69–70; labor force adjustment: W. Germany, France, Belgium, United States, 71, 90–92; private provision of employee benefits: U.S. system, 273–76; public provision of employee benefits: Spanish system, 276–79; regional labor market adjustment pattern: Japan, United States, 100–102

Nenko pay system, Japan, 97

Nonaccelerating inflation rate of unemployment (NAIRU): hypotheses related to, 27; labor market flexibility to reduce, 25

Nursery-school system, France, 301, 308

Parental Education Allowance, France, 302, 304, 305, 310, 313–15

Parental leave benefits: Parental Education Leave, France, 310; selected OECD countries, 337–38t; Single-Parent Allowance (APF), France, 301, 304, 305; Sweden, 343–44

Parents, single. See Families, single-parent: Parental leave benefits

Payroll tax: for German health insurance, 177; health care finance: Spain, 266, 268–71; for public pensions: Japan, Sweden, United States, 196; for short-time payment compensation in United States, 90; for unemployment insurance: Japan and United States, 99

Pension systems, private: Japan, Sweden, United States, 196–97; United States, 267–68

Pension systems, public: labor market-related: Japan, Sweden, United States, 191–97; older workers: Japan, Sweden, United States, 214–16; payroll tax support: Japan, Sweden, United States, 196

Population expectations, Japan, Germany, United States, 121–23

Poverty, among older workers: Japan, Sweden, United States, 200–201

Pregnancy Discrimination Act (1980), United States, 310

Prices: of health insurance: Germany, 158; for housing: Germany, Japan, United States, 128

Private sector: differences between workers in public and, 233–34; differences from public sector: United Kingdom, United States, 226–27; employment and wage trends: United Kingdom, United States, 227–33, 234f, 235f, 238–48; skill demands and worker characteristics: United Kingdom, United States, 233–38; wage distribution: United Kingdom, United States, 248–50; wages and employment in response to change: United Kingdom, United States, 250–58

Privatization: United Kingdom (1980s), 225, 235–36; United States (1980s), 225

Public employment service offices, Japan and United States, 98–99

Public sector: changing size: United Kingdom, United States, 224–26; for day care in France, United States, 308–9; differences between workers in private and, 233–34; employment and wages: United Kingdom, United States, 227–33, 234f, 235f, 238–48, 250–58; skill demands and worker characteristics: United Kingdom, United States, 233–38; wage distribution: United Kingdom, United States, 248–50

Rent control: Germany, Japan, United States, 132–33, 141–42; legislation and policy: United States, 139–43; theoretical and real effects: Germany, 136–39

Research: cross-national, 2–3, 18, 120; in relationship of social protection and labor market, 34–37

Retirement, early: among older workers: Japan, Sweden, United States, 200; public benefits for older workers: Japan, Sweden, United States, 191–96; trend in OECD countries, 50
Retirement benefits: public and private provision: United States, 268; public provision: Spain, 269–70

Severance payments: under German, French, and Belgian law, 64–65, 66–67; under U.S. law, 68

Short-time work: role in labor adjustment: W. Germany, France, Belgium, 80–82, 88–90; state compensation programs in United States, 89–90

Sick leave: private provision: United States, 268–69; public provision: Spain, 269–70

Sickness funds, Germany, 176–77

Single-Parent Allowance (API) program, France, 301, 304, 305. See also Parental Education Allowance, France

Social insurance: definition and function, 48–50; as part of social expenditure, 48; provision of noncompetitive goods, 32

Social plan, Germany, 64

Social protection: arguments against, 31–34; arguments against programs for, 30–31; directions of future research, 37–39; effect of cyclical change in participation of older workers: Japan, Sweden, United States, 209–13, 217–19; expenditures for: OECD countries, 44–47, 51–57; interpretations of differences in, 47; levels of spending: OECD countries, 44–47, 51–57; research in relationship to labor market, 34–37. See also Tenancy discount

Social protection policies: differentiation among countries, 47–49; job protection for older workers: Japan, Sweden, United States, 206; perceived adverse effects of, 26–27


Subsidies: in German health care system, 177; homeownership: Germany, Japan, United States, 144–53; in housing markets, 119; rental housing: Germany, Japan, United States, 130–32

Substitute funds, Germany, 177

Survey of Living and Working Conditions (ECVT), Spain, 279–80

Tax credit: as cash assistance program: United States, 306; for childcare expenses: France and United States, 308–9; for employer-provided health insurance, 160–61; for owner-occupancy in Japan, 145–46

Tenant protection: effect of legislation and policy: Germany, Japan, United States, 134–43; legislation and policy: Germany, Japan, United States, 132–33. See also Eviction control; Rent control; Tenure discounts

Tenure discounts, Germany and United States, 138–39, 140–42

Trade Adjustment Assistance Act, United States, 99

Transfer payments: France, United States, 326–28: time-limited French, 312, 324–25

Underground sector, Spain: development and growth of, 271–72; estimates of size, 279–80

Unemployment: effect on different demographic groups: Japan, Sweden, United States, 201; influence on migration pattern: Japan, United States, 110–13; relation to cyclical movements among older workers: Japan, Sweden, United States, 201–6; trends among older workers: Japan, Sweden, United States, 199–200; United States and OECD countries (1979–90), 22–25. See also Nonaccelerating inflation rate of unemployment (NAIRU)

Unemployment insurance: benefits for laid-off or reduced-hour workers, 65, 66, 67; cost to employer, 68; Japan, United States, 99–100; older workers: Japan, Sweden, United States, 191–94, 214–16

Wages: comparison: Spain, United States, 281–82; influence of high wages and wage shares, 27; in public and private sectors: United Kingdom, United States, 227–33, 234f, 235f, 238–58; setting of: Japan, 97; structure: Spain, United States, 280–82. See also Earnings

Welfare programs: France, 303–5; time limits in France, 301–2. See also Aid to Fam-
Welfare programs (continued)
  lies with Dependent Children (AFDC),
  United States; Cash assistance programs:
  Day care; Food Stamps program, United
  States; Incentives to work; Maternity
  leave policy
Welfare state: government role in residual.
  335, 339; influence on labor market flex-
  ibility, 26; role of interest groups in cor-
  porate, 335–36; universal nature of insti-
  tutional, 335–36
Well-being: pension benefit effects on: Japan.
  Sweden, United States, 200
Worker characteristics: differences in public
  and private sectors: United Kingdom.
  United States, 233–38
Workers: advance notice of dismissal or lay-
  off: Germany, France, Belgium, 64–66;
  characteristics of: Spain, United States.
  280–82; public and private sector differ-
  ences in: United Kingdom, United States.
  233–34; unemployment insurance for
  laid-off or reduced-hour, 65–67. See also
  Dismissal laws: Incentives to work; Mi-
  gration of workers; Mobility of workers;
  Short-time work
Workers, older: early retirement: Japan, Swe-
  den, United States, 191–96, 200
Workers, older: labor force participation: Ja-
  pan, Sweden, United States, 197–201;
  poverty among: Japan, Sweden, United
  States, 200–201; unemployment insur-
  ance: Japan, Sweden, United States, 191–
  94, 214–16
Workers, older: employment response to cycli-
  cal factors: Japan, Sweden, United
  States, 201–9
Works Constitution Act (1972), Germany, 64,
  84n19
Works council, France, Germany, 64–65
employ “difference-in-difference” estimators, through which economic changes in a country that has undergone policy changes can be compared to economic changes in a country in which policy has remained constant.

An in-depth look at the impact of various welfare programs on labor market change, this book demonstrates how social protection policies have affected employment around the globe.

Rebecca M. Blank is professor of economics at Northwestern University and a research associate of the National Bureau of Economic Research.

NBER Comparative Labor Markets Series
Other books in the NBER Comparative Labor Markets Series

Training and the Private Sector
International Comparisons
Edited by Lisa M. Lynch

This volume compares new evidence on the returns from worker training in the United States, Germany, France, Britain, Japan, Norway, and the Netherlands. The authors focus on Germany's formal apprenticeship programs; the U.S. system of learning-by-doing; Japan's low employee turnover and extensive company training; and Britain's government-led and school-based training schemes.

Small Differences That Matter
Labor Markets and Income Maintenance in Canada and the United States
Edited by David Card and Richard B. Freeman

The authors provide a revealing examination of social and labor market policies in Canada and the United States during the 1980s. They show that subtle differences in unemployment compensation, unionization, immigration policies, and income maintenance programs have significantly affected the levels of poverty, unemployment, and income inequality in the two countries.

The University of Chicago Press