

You are kindly invited to attend the Joint Macroeconomic Seminar co-organised by the National Bank of Belgium and the Belgian universities (KU Leuven, UAntwerpen, UCLouvain, UGent, ULB, ULiège, UNamur and VUB).

by

**João Tovar Jalles** (University of Lisbon)

on

**The impact of endogenous product and labour market reforms on unemployment: New evidence based on local projections**

(co-authored with Rasmus Wiese and Jakob de Haan)

**Abstract**

We examine the impact of structural reforms on unemployment in 25 OECD countries between 1970-2020. Our local projection (LP) results suggest that labour market reforms reduce unemployment, but only after four years (for youth unemployment it takes longer for the effect to set in), while product market reforms have no statistically significant effect on unemployment. However, if we control for the endogeneity of reforms, the effect of labour market reform becomes statistically significant within a year, while product market reforms temporarily increase unemployment. We also find that labour market reforms hardly have an impact on unemployment in the euro area and that labour market reforms do not significantly affect unemployment when the economy is below trend. The effects of structural reforms on unemployment are stronger under high collective bargaining.

The seminar will take place on **Thursday, June 20<sup>th</sup> exceptionally** from **11:00** until **12:30** in **Conference Room 10, entrance: boulevard de Berlaimont 14, 1000 Brussels** *and will also be able to be followed via a Microsoft Teams meeting.*

Please reply by email to [nbbmacro.seminar@nbb.be](mailto:nbbmacro.seminar@nbb.be) if you wish to participate to this seminar or if you want to have an appointment with the speaker.

**Please let us know if you will be physically present or will be following online by Teams.** After registration and if you have indicated that you want to join online you will receive a confirmation email with *the link to the seminar.*

In case you want to access the NBB Parking (rue Montagne aux Herbes potagères 41), please also provide us with your name and the license plate of your car.

Kind regards,

Pierrick Clerc (ULiège), Ferre De Graeve (KU Leuven), Romain Houssa (UNamur), Robert Kollmann (ULB), Yasin Kursat Önder (UGent), Luca Pensieroso (UCLouvain) and Raf Wouters (NBB).