



UNIVERSITÀ
DEGLI STUDI
DI PADOVA

DIPARTIMENTO DI SCIENZE
ECONOMICHE E AZIENDALI
"MARCO FANNO"

via del Santo 33
I – 35123 Padova, Italy
CF 80006480281
P. IVA 00742430283

Nauro Campos (Brunel University London & IZA Bonn)

“What Explains the Rigidity of Labor Regulations Across Countries and Over Time? A Tale of Reforms, Growth and Inequality”

Abstract

Although labor market rigidity clearly matters, economists still know little about its underlying determinants. The more widely accepted explanation focuses on legal origins, yet it is supported mostly by cross-sectional evidence. The paper introduces new data capturing the dynamics of labor laws' rigidity since 1960 around the world. Econometric results using such unique panel data suggest rigidity is better explained by other reforms (especially trade and financial liberalization) and by the level of economic development, rather than by legal origins. Moreover, the effects of labor rigidity are ambiguous vis-à-vis economic growth, but unambiguous (decreasing) for income inequality.

Direzione

tel. +39 049 8274063
fax +39 049 8274221
direzione.decon@unipd.it

Segreteria Amministrativa

tel. +39 049.8274220
fax +39 049 8274221

Segreteria Informativo Didattica

tel. +39 049 8274210
fax +39 049 8274211
sid.decon@unipd.it