

Konusmaci: Simon Quinn, University of Oxford

Abstract:

Do search frictions constrain the labour market prospects of young workers?

We conduct a randomised evaluation of two programmes designed to lower spatial and informational barriers to job search among 4,000 young Ethiopians.

One group of subjects receives a transport subsidy. Another group participates in a workshop where their skills are certified and they receive training on how to make effective job applications. We find that both treatments help young jobseekers get better jobs (more stable and formal), and the effects are strongest for the most disadvantaged job-seekers. Upon investigating the underlying mechanisms, we show that both interventions mitigate the adverse effects of spatial constraints on labour allocation, and that the workshop helps job applicants to better signal their abilities.