Bonn, November 20, 2023

Statement from the Deutsche Post Foundation on the future of IZA

The President of the Deutsche Post Stiftung (DPS) is seeking to address the concerns voiced by the IZA community in an open letter dated November 17, 2023.

As the signatories rightly emphasize in their letter: "IZA has a unique network with considerable and admirable achievements. IZA affiliates and fellows are legitimately proud to belong to IZA. For some of us, IZA membership dates back several decades." We share this assessment and regard it as a dedicated call for forward-looking action.

IZA's strength lies in its excellent global research network. The continuous development and expansion of this network is an integral part of IZA's mission.

In times of a rapid increase in the intensity and relevance of globally shared questions and problems, IZA's international network is more important than ever. This applies in particular to the exchange on labor market policy issues – quite literally existential issues – across national borders.

<u>Merging IZA and brig</u> serves this goal. The aim of this measure is to focus the available financial resources on strengthening and further developing the existing excellent global network of the two combined institutes.

In essence, we aim to further advance the remarkable achievements that our research funding has enabled over the past 25 years through the IZA network, as well as the important transfer of scientific knowledge into labor market policy practice.

We would like to express our gratitude to our international research network members for explicitly bringing the essence of IZA into full focus through their critical engagement.

Reorganization of IZA

With regard to institutional leadership, Professor Falk has asked that the DPS release him from his position as CEO of briq and withdraw his appointment to lead IZA. The DPS will comply with his request with regret and great respect for his outstanding scientific achievements and the commitment he has shown for over 20 years to the research institutes funded by the DPS.

For the background to the discussion surrounding Professor Falk, please refer to the <u>briq statement</u> issued on March 28, 2023 regarding the outcome of the independent investigation that led to his clearance. Please further refer to the <u>statement by the University of Bonn</u>, according to which he was "fully exonerated from the allegations made".

The current CFO of IZA and briq, Martin T. Clemens, will continue as administrative director of IZA. The scientific activities in the research areas will be coordinated by the research directors.

Deutsche Post STIFTUNG Schaumburg-Lippe-Str. 5-9, D-53113 Bonn Homepage: https://www.deutsche-post-stiftung.org/ Pressekontakt: Mark Fallak, Tel. (0228) 3894-223, E-Mail: fallak@iza.org The management team on the science side will work intensively on the further strategic development of IZA. A diverse group of renowned scholars and members of the international IZA network will closely accompany this process.

As we undertake this reorganization, we ask all those involved in the IZA network to continue to support our successful research activities to ensure that all of us working together can further advance scientific progress in the field of labor economics.

Finally, we would like to thank all network members for their critical engagement and hope that they will continue to actively support us in strengthening this unique global research network.

The President of the Deutsche Post Foundation