PROPOSAL “GROWTH AND STRUCTURAL CHANGE: LESSONS FROM THE MICRO DATA”

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Economic growth is a relatively new phenomenon – it is only since the mid 19th century that some countries like the US, Britain and other European economies started to systematically “outgrow” the rest of the world. This process of growth has been accompanied by sweeping changes in how we produce and – more generally – how we live. At the sectoral level, all successful economies experience declines in agricultural employment and increases in the importance of manufacturing and service jobs. At the regional level, we see an increasing concentration of economic activity across space, which is usually referred to as urbanization. And at the individual level we see drastic increases in the acquisition of human capital. In this project, which is joint work with Fabian Eckert, who is a Phd Student at the Economics Department, we want to use micro-data on millions of individuals across the world to study the empirical regularities of these processes of structural change. This will not only be informative to understand the historical correlates of growth but also important to predict future economic development in both frontier economies like the US and developing countries.

Applicants should ideally have some experience in empirical work using STATA and be willing to learn more. We will also use new theoretical tools, which will require us to solve economic models using MATLAB. Hence, knowledge of (or willingness to learn) MATLAB would be a big plus. Ideally we would have a team of 2 or 3 students working on the project, who could also benefit from interacting with each other.