This PhD workshop is organized by the Macroeconomics, Growth and History Centre (MaGHiC). The workshop is designed for MaGHiC student members to receive direct feedback from faculty members in a conference setting. We invite all PhD students with an interest in the research areas of MaGHiC to attend.

Presentations
Presentations of 20 minutes followed by 5 minutes of discussion.

13:05-13:30 Oluwaseun Ologun: “FDI and Markup Dynamics in Sub-Saharan Africa”
Foreign direct investment can lead to technological spillovers as well as competition in the host countries. While the empirical literature on foreign direct investment has focused on productivity spillovers, little is known about how foreign presence affects competition in the host country. Using markup as a measure of competition and applying the method of De Loecker and Warzynski (2012), this study focuses on manufacturing firms in sub-Saharan Africa. It examines the markup dynamics in the manufacturing sector and the effect of foreign presence on markup.

The concept of the labour share dates back to classical economics. However, there exists no exact consensus on how to measure the labour share in practice; despite the fundamental role it plays as a parameter in macroeconomic growth models. This paper explores some of the conceptual and practical issues surrounding the estimation of the labour share. Furthermore, it provides tractable empirical application utilising household survey data from the Office for National Statistics (ONS) UK Data Service to construct new and more robust estimates of the labour share of income in the UK from 1968-2015.

14:05-14:30 Gustavo Mellior: “A heterogeneous agent model of student debt and educational choice”
I evaluate welfare of different higher education funding schemes with a two asset Aiyagari economy where agents are allowed to endogenously choose to go to university. The economy is calibrated to match moments and institutional features of the UK, US and France. The model is used to compare utilitarian welfare in these three countries and a privately funded higher education system. Introducing educational choice makes the value function locally convex, yielding rich behaviour in policy functions and potentially giving bimodal distributions of wealth. Educational choice is solved for as a linear complementarity problem, speeding computation considerably.