

updated 30 Aug 2021

Seminar on
Growth, Inequality and Structural Change
Winter Semester 2021/2022
Prof. Dr. Peter Funk

This seminar will introduce you to some of the recent theoretical and empirical literature on technological change and inequality. It will address issues surrounding the ongoing debate about the merits and perils of technological progress, focusing in particular on the relation between technology, capital (machines, computers and robots), and different types and levels of (human) skills.

The seminar can be attended in combination with any of the other field courses. In particular, it constitutes a natural supplement to the lecture “Growth, Structural Change, and Inequality” which studies similar issues but does not teach you to read and present original scientific research papers. A natural chronology could then be to first attend the lecture in the Summer Term (2nd or 4th semester) and to attend the seminar of the same semester at the end of the corresponding semester break or of the following Winter Term.

Time Schedule

- 30 Aug 2021: A list with papers made available on KLIPS.
- 1 Oct 2021: Deadline of the allocation phase. Send an email containing an ordered list of your seven most preferred papers to office-cmr@wiso.uni-koeln.de . The assignments for the 1st allocation phase are announced within a week.
- 7 Oct 2021: Introductory meeting via Zoom from 10:00 am to 11:00 am.
- 11 Oct 2021: Deadline for official exam registration and deregistration via KLIPS.
- 1 Mar 2022: Deadline for submitting the seminar paper and the comments (see “Requirements”) to office-cmr@wiso.uni-koeln.de .
- 8-10 Mar 2022: Student presentations and discussions in seminar room TBA from TBA - TBA (depending on the number of participants). We will have lunch breaks around 1 pm.

Requirements

Each student is required to write a **seminar paper** of 6-8 pages and hold a **presentation** of 30 minutes (no more than 10 slides) about the assigned specific topic (see below). In addition, each student prepares 2 **comments** for each of the other 6 specific topics (see below).

Grading

Students will be graded as follows:

- 50% Seminar paper (Hausarbeit) and submitted comments.
- 50% Own presentation (Referat)
- Contribution to general discussions provides the opportunity for grade improvements (Bonus)

General Theme and List of specific Topics

The general theme of the seminar is the apparent decline in the labor share in developed countries in recent decades. The list of specific topics for seminar papers and presentations follow the sections of the Discussion Paper by Gene M. Grossman and Ezra Oberfield (2021): “The Elusive Explanation for the Declining Labor Share”, NBER Working Paper No. 29165 , (henceforth **GO (2021)**), which is compulsory reading for all participants.

List of specific topics:

Topic 1: Measuring the Decline in the Labor Share (GO (2021), Sections 2 and 3)

Topic 2: Elasticity of Substitution (GO (2021), Appendix A)

Topic 3: Technical Change and the Decline of the Labor Share (GO (2021), Section 4)

- 3.1 Investment-Specific Technological Change
- 3.2 The Rise of Superstar Firms
- 3.3 Robot Adoption
- 3.4 Automation

Topic 4: Globalization and the Rise of China (GO (2021) Section 5)

Topic 5: Increased Product Market Power (GO (2021) Section 6)

- Rising Profit Share
- Rising Markups
- Rising Concentration

Topic 6: Declining Market Power of Workers (GO (2021) Section 7)

- Changing Laws and Regulations
- Decline in Union Membership
- Increasing Concentration of Labor Demand

Topic 7: Demographics and Education (GO (2021) Section 8)

Your preferences:

Send an email containing a ranking of all seven topics indicating which topic you would prefer to be assigned to office-cmr@wiso.uni-koeln.de by **October 1st**, 2021 (deadline of the allocation phase). For instance “5,1,7,3,2,6,4” would indicate that your first choice is Topic 5, your second choice Topic 1 etc. .

Assignments:

Topics are assigned at the Introductory Meeting (**October 7th**, 2021 via Zoom from 10:00 am to 11:00 am) based on your preferences as far as this is possible.

Term Paper (50%):

Submit your **seminar paper** (6-8 pages) to office-cmr@wiso.uni-koeln.de by **March 1st, 2022**. Your paper first summarizes the primary findings of the literature on your assigned topic. Deciding what exactly these findings are is part of your task. Be guided by the corresponding section in GO (2021). Do not simply list articles, claims, or results. Decide and select what is important and make sure that the reader understands the terms, claims and arguments. Second, you select one of the papers reviewed in the corresponding section of GO (2021), discuss the primary results of this article and embed it within the broader summary. For students working on empirical articles, this discussion should include the research question, the data used, the methods used, and the primary conclusions. For students working on theoretical articles, the discussion should include the

research question, the answer given, and the most important causal mechanisms leading to this answer. The goal of the term paper is to make you read OG (2021) and the selected article closely so that you understand its argument, how that argument is structured, and how this relates to other parts of the literature, summarized in GO (2021) and the first part of your paper.

Most of the 7 listed topics can be assigned to more than one student. In such cases, you should coordinate the choice of specific articles (second part of your term paper).

Presentation (50%):

Your **presentation** (30 minutes, 8-10 Mar 2022) exposes the primary arguments and results from your term paper. For topics assigned to one student only, the presentation can focus on the broader first part of the paper. Again, make sure the audience (i.e. your fellow students) clearly understands your claims and your arguments. For topics assigned to more than one student, you must coordinate your presentations. In this case, you are recommended to present as a group. As the time allotted to group presentations rises with the number of presenters, you have sufficient time to first present the general ideas (first part of your papers) and subsequently some key results of the articles selected for the second part of your term papers.

Compulsory Reading, Submission of Comments, General Participation (Bonus):

Subsequent to each presentation, *all* seminar participants will discuss the presented paper. The compulsory reading of GO (2021) should ensure lively participation. To enrich the discussion each student should formulate two **comments, questions, points of criticism, suggestions** for extensions, etc. for each of the other 6 topics (not assigned to you, so 12 comments in total) and send them to office-cmr@wiso.uni-koeln.de by **March 1st, 2022** together with the seminar paper.