

ECU3-3031 Essay Assignment



An essay not exceeding 1,800 words in length (including footnotes and references but not charts/tables) on one of the four topics listed below.

Essays should be submitted electronically to johagan@tcd.ie and in hard copy to the Economics

office by 17.00 at the latest Tuesday 3rd December 2019.

Essays exceeding the maximum word limit by more than 10 per cent will be returned for rewriting. There will be special classes devoted to essay preparation (details later). Essays can, and have been, of course submitted well in advance of this time.

The quality of an article/essay is defined by:

- its **content**
- the use of that content to make a well-**structured argument** or 'story'
- **Good structure means an introduction and conclusion and clearly-defined paragraphs, subsections and subheadings.**
- Essay needs a **title**, catchy if possible
- **novelty** in terms of drawing attention to new angles or findings.

A necessary condition for a pass grade (40+) in the essay will be professional presentation (essay title, font, layout, etc)

- Please provide your name and student number

- Delay maybe deciding on your essay until you 'sample' in lectures what is involved in each topic.
- Prepare well in advance, even if not submitting until last minute.

Essay Topics

- One extra source of reading for three of the essays, is: O'Hagan and O'Toole (editors), *The Economy of Ireland* (13th edition), 2017. 2 (growth), pp. 187-190; 1 (labour markets), parts of Chapter 6: 4 (agriculture), pp 242-249. For those who do not have this book, there are 35 copies available in the library!
- Students may take a different title to the essay if they wish: such as for example. 'Lessons from the Netherlands (or US or Spain or wherever) for EU Labour Markets' Likewise, with the growth and agriculture essays: for example, titles such as, 'Is French support of CAP justified' or 'EU should imitate US agricultural policy' and so on. The main thing is at the start make it absolutely clear what you are doing and why. And email please if in doubt.
- The inclusion of two/three tables/charts is allowed, and indeed expected, and will not be included in the word count.

1: Discuss the key characteristics and operation of EU labour markets, paying attention to the issue of migration between member states. Comment briefly on the refugee/non-EU immigration issue confronting the EU in this context.

This is an open question and can be answered in different ways. It does though ask you to address the following:

- Key characteristics. The word 'key' means you just select a few features, such as: extent of long-term unemployment, the extent of intervention in the labour market (minimum wages, regulations re dismissal and so on); social consequences of unemployment; fact that employment policy decided still at national and not EU level, and so on.
- Operation (overlaps really with 'characteristics'). Best to use E/Pa or UE rate as measure of performance of labour market; how to address fact that human capital can appreciate during employment (and decline if out of work), role of trade unions, difficulty of dealing with long term unemployment, and so on.
- Effects of EU membership on national labour markets: labour demand curves become flatter, which means cost increases cannot be passed on

in price increases but lead to unemployment; gainers and losers from increased competition (but also increased overall living standards): for members of the euro zone adjustments in exchange rate as a way of trying to address cost increases not available; moves to have EU-wide trade unions to counter fact that businesses operate at EU level.

- Migration. This refers to economic migration (i.e. moving for work) and not refugees fleeing from war-torn countries. As such, it relates primarily to migration WITHIN the EU and there is a very long discussion of this in lectures and book.
- Just a few paragraphs needed on the impact of refugees and non-EU immigration on labour market.

2. Examine EU growth in terms of its determinants ($q = A.f(k, h, i, r)$). Explain how liberalization of trade, the formation of the single market and the creation of monetary union should impact on this process. What do you think are the prospects for growth in the EU in the next few years?

Note a few things in relation to this

- The question has three parts: you need to address all three parts but not equally (much less on last part).

- In the first part you need to discuss, in a common-sense way, technology, physical capital, human capital, institutions and natural resources (all covered in lectures, but NOT in book). There is NO need to include the Solow model, except to reference it if you wish.
- The second part was covered in lectures and in summaries of earlier chapters in book.
- Third part is over to you. You need to link the discussion here though back to the earlier discussion.

3: Location effects in EU: facts, comparative advantage, agglomeration, and regional policy. Discuss.

- The essay may be of interest especially to those doing Economics and Geography. I use just the chapter in the book for these lectures and it is a very open question, but the following must be covered.
- What are the facts about the huge variation by income per head across EU regions and why do they matter.
- Does the law of comparative advantage have any impact on the geographical location of economic activity in the EU?

- Do economies of scale and hence the tendency to agglomerate mean that economic activity will be concentrated geographically in the EU, like has happened say in the UK or France already?
- How does regional policy in the EU try to address these issues?

4: Outline the key features of the EU agricultural sector, the problems with price support and policies to deal with this to date, and other policy issues of your choice arising in the food sector (e.g. food safety, damage to the environment).

- Many of you have already covered much of this topic in EC2020 or perhaps in some other course. Structure of essay should be as follows.
- Key features (e.g. dependent on climate): ONLY covered in lectures.
- Problem with price supports. Example gone over in lectures. Also covered in places in book.
- Policies to address these problems: covered in lectures and European Economy book.
- Other policy issues. Over to you. Could look at food safety, impact on environment, or lack of competition in food retail sector: just pick one and explain why. Covered in Economy of Ireland book and lectures this year.

