

The Division of Economics and the Economic Growth Centre under the One Asia Foundation Lecture Series cordially invite you to a seminar by Professor Andrew J. Oswald

Speaker : **Professor Andrew J. Oswald**
Professor of Economics
Department of Economics and CAGE
University of Warwick

Topic : **"Does High Home Ownership Impair the Labour Market?"**

Chairperson : **Professor David Reisman**
Division of Economics
School of Humanities & Social Sciences
Nanyang Technological University

Date : **Thursday, 14 November 2013**

Time : **11:45 am - 12:45 pm**

Venue : **Conference Room, Level 5 (HSS-05-57)**
Nanyang Technological University
School of Humanities and Social Sciences
14 Nanyang Drive
Singapore 637332

About the Speaker:

Andrew Oswald is a professor of economics at the University of Warwick in the UK. He does research on the economics of human well-being, labour economics, and behavioural science. His most recent paper, which appeared in the Proceedings of the National Academy of Sciences of the USA, written jointly with primatologists, was on the existence of a happiness midlife crisis in great apes. He currently serves on the board of the journal Science.

Abstract:

This study explores the hypothesis that high home-ownership damages the labor market. We show that rises in the home-ownership rate in a U.S. state are a precursor to eventual sharp rises in unemployment in that state. The elasticity exceeds unity: a doubling of the rate of home-ownership in a U.S. state is followed in the long-run by more than a doubling of the later unemployment rate. What mechanisms might explain this? We provide evidence that rises in home-ownership are associated with three potential concerns: (i) lower levels of labor mobility, (ii) greater commuting times, and (iii) fewer new businesses. Our argument is not that owners are disproportionately unemployed, nor that the observed patterns are due to Keynesian effects. The evidence implies, instead, that the housing market may produce negative 'externalities' upon the labor market. The time lags are long. That gradualness may explain why these patterns remain little-known.

Reservation:

Admission is free. Please reply to Christina, e-mail: achristina@ntu.edu.sg or Tel: 6790-5689 to confirm your attendance.