QUANTITATIVE MACROECONOMICS HOMEWORK 1 -RESULTS SHEET.
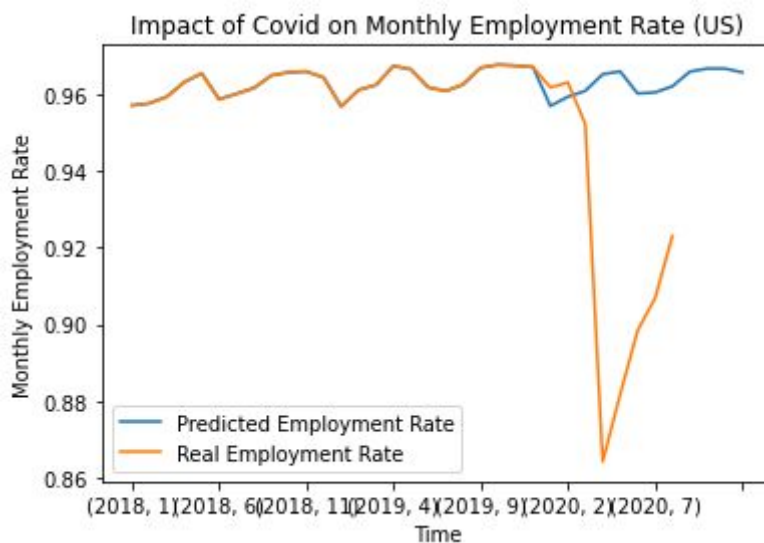
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1

a)

As we could expect, the impact of Covid-19 unexpected shock over the US economy was huge. Specifically, the Employment rate descended in 10 points aprox. from it's predicted value. However, the recovery has also been fast, maybe because of some demand policies of USA institutions. This last statement can be extended to most of the data that we are going to comment along this results sheet.

b)

Employment Rate by Education Level
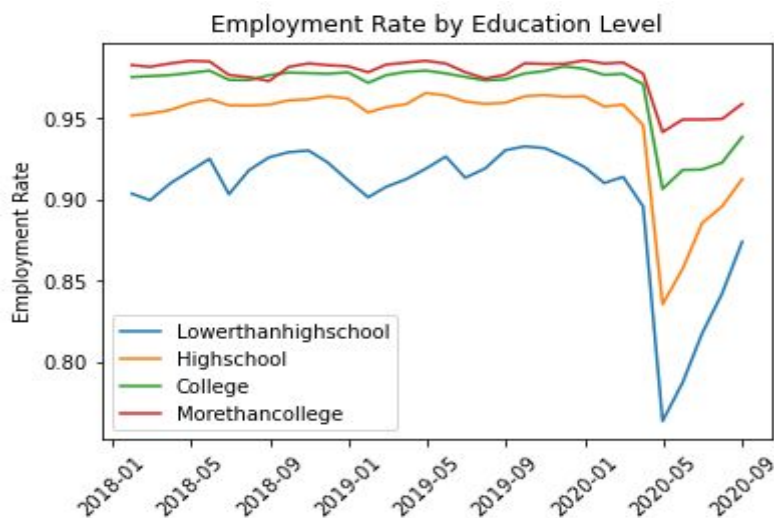
All education levels suffered the Covid-19 shock consequences on employment. However, lower education levels suffered it much more. This may be due to the fact that usually people with this low education levels has more temporary job contracts. So their contract conditions are more precarious, and hence their vulnerability to a shock like this one is higher

c)

Employment Rate by Industry's ability to Telework
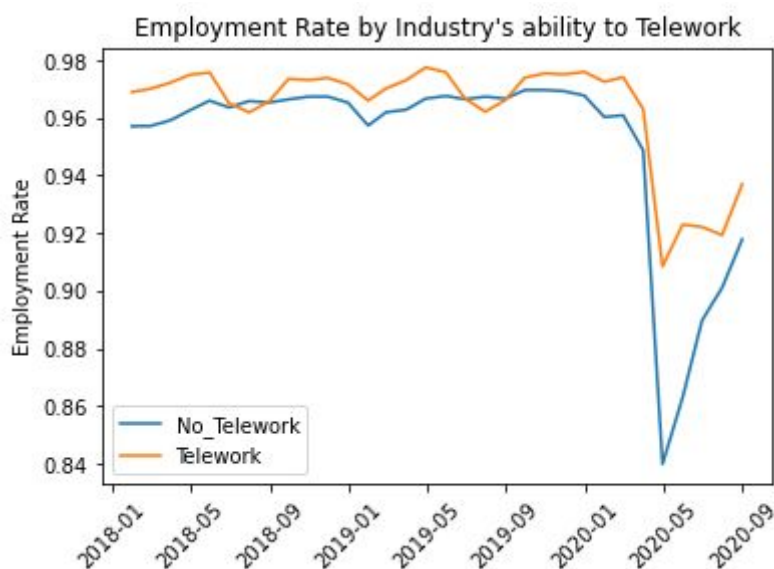
This graph clearly reflects that workers from industries where telework is possible were much less affected by the Covid shock than those ones from industries were telework is not possible. Probably we could show that telework is not the only relevant variable, because at the same time industries in which telework is possible are also that ones where there are more high-skilled workers, better job conditions,etc.

d)

Employment Rate by Type of Worker
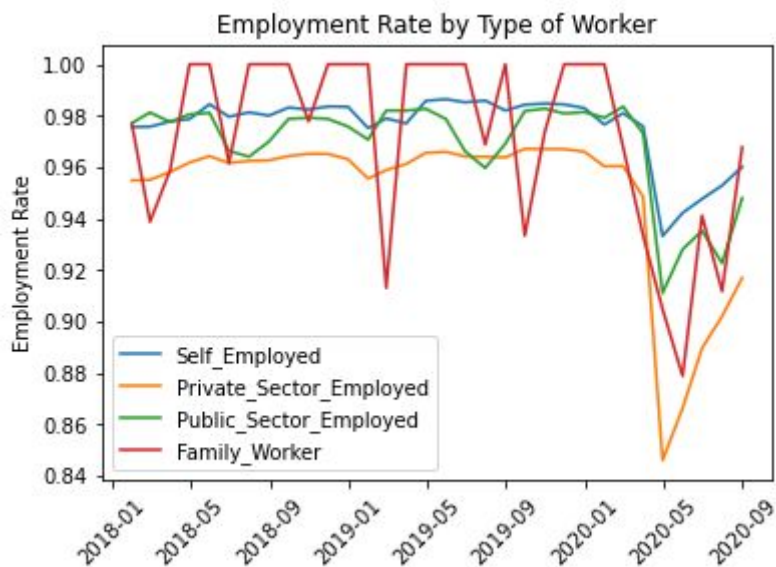
In this figure we can see that the shock was specially tough for workers in private sector. Whereas Public sector workers were less affected for obvious reasons.
It is surprising, however that the less affected ones where the self employed. It can probably be due to underground economy reasons.
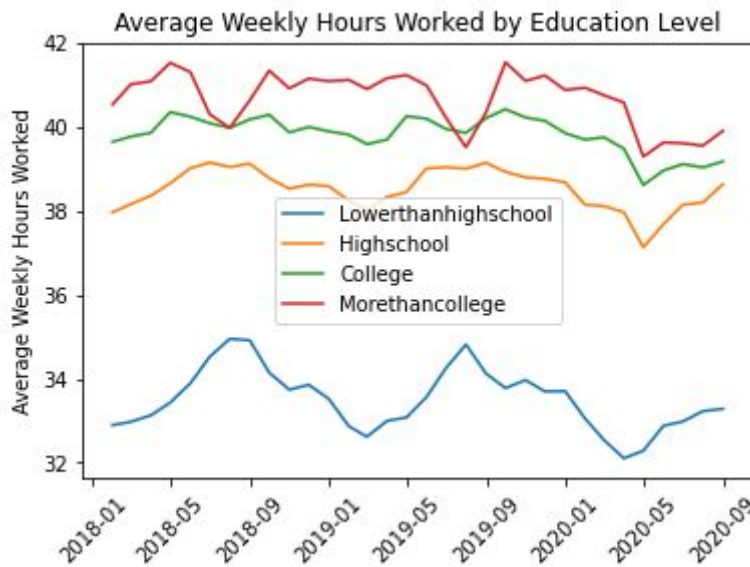
2.
a)

Average Weekly Hours Worked Evolution
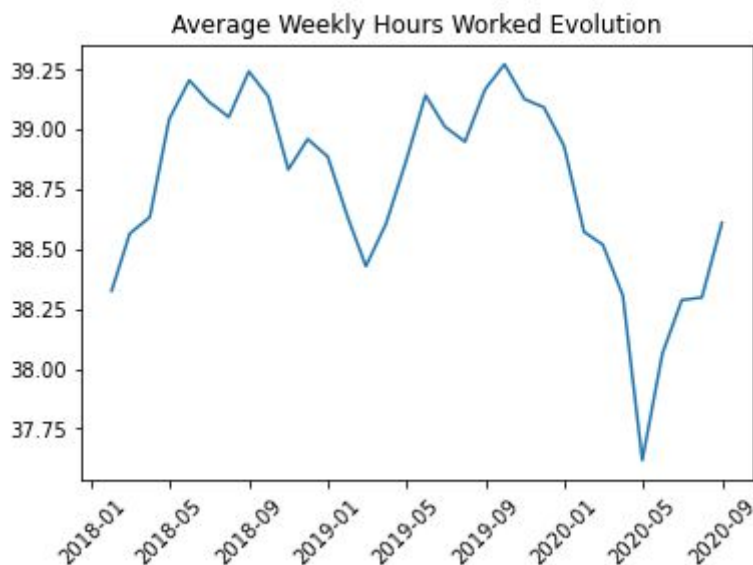
We can observe the same tendency that we observed for employment rate.
I was not able to compute the prediction.

b)

Average Weekly Hours Worked by Education Level

Here, the main surprising fact for me is the high difference between Lower than high school level of educations and the rest of levels. Regarding to the evolution, the dynamics are similar to all the indicators we have seen, hard crysis, but fast recuperation. Notice that now, there are still shocks from Covid-19 affecting the US and most of the countries, but it seems that the fact that now this shocks are EXPECTED, the economy doesn't react in a so harmful way as it dit in March 2020.

c)

Average Weekly Worked Hours by Industry's ability to telework
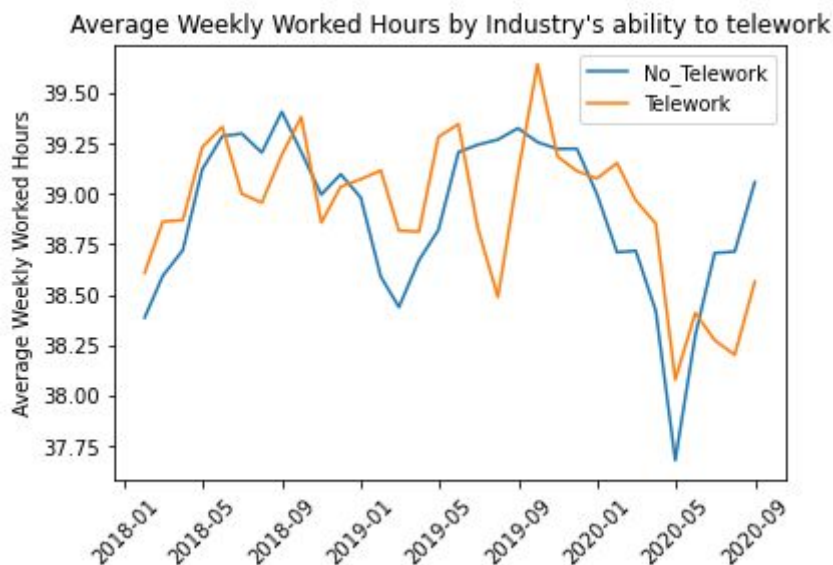
Again we observe the fact that teleworkers recived a weaker shock. However, it also seems that after may, when (probably) most of themreturned at the workplace, thei average weekly hours descended, and after that improves again. Can be due to some lñabor market readjustments after the shock.

d)

Average Weekly Hours Worked by Type of Worker
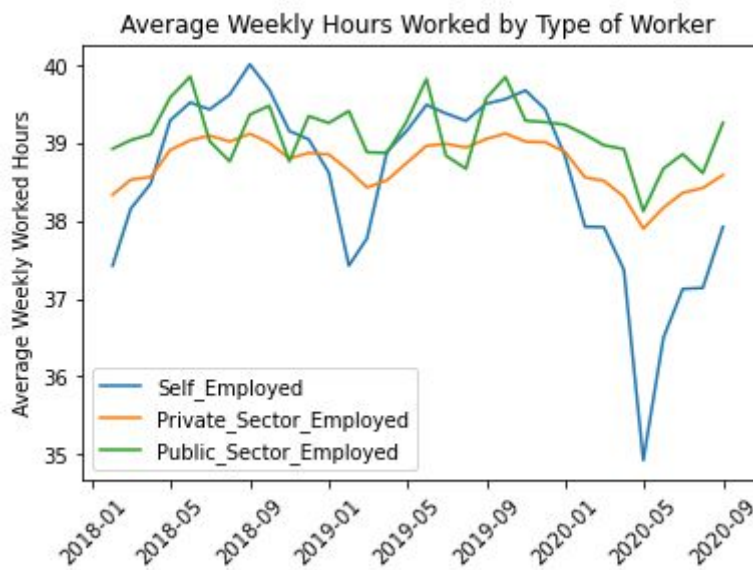
Here, the sinking is received by self employed, so maybe we have an answer to the question we formulated in 1 d). Probably, self employed workers didn't stopped to work, but they reduced average weekly hours as a reaction against Covid shock. Labor flexibility of self employed people may have affected to this reaction.

3.

I didn't had time to answer properly to this question, but probably both affected.

4.

a)

Average Weekly Earnings Evolution

As we will see all along this question, the evolution of average weekly earnings i very different from the evolution of the rest of variables. My hypothesis is that it is becaue two factors:

-Most well-payed jobs survived.

-Government demand policies had positive effects on income.

I was not able to compute 2020 prediction.

b)

Average Weekly Earnings by Education Level
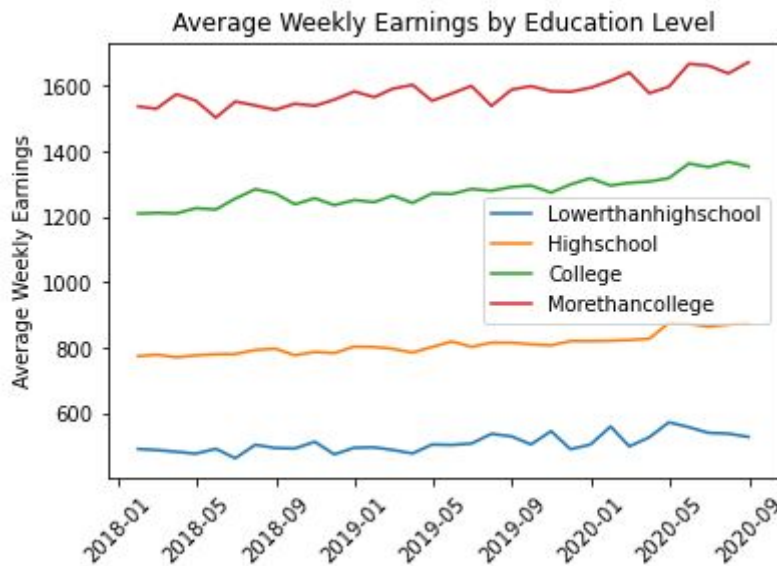
The most interesting fact in this case is that the highest level of education earnings increased, whereas the lowest one's decreased a little bit.

c)

Average Weekly Earnings by Industry's ability to telework

Again, we can see that earnings evolved positively during the pandemic. The fact that Telework jobs receive higher wages is again because they are also the most qualified jobs.

d)

Average Weekly Earnings by Type of Worker
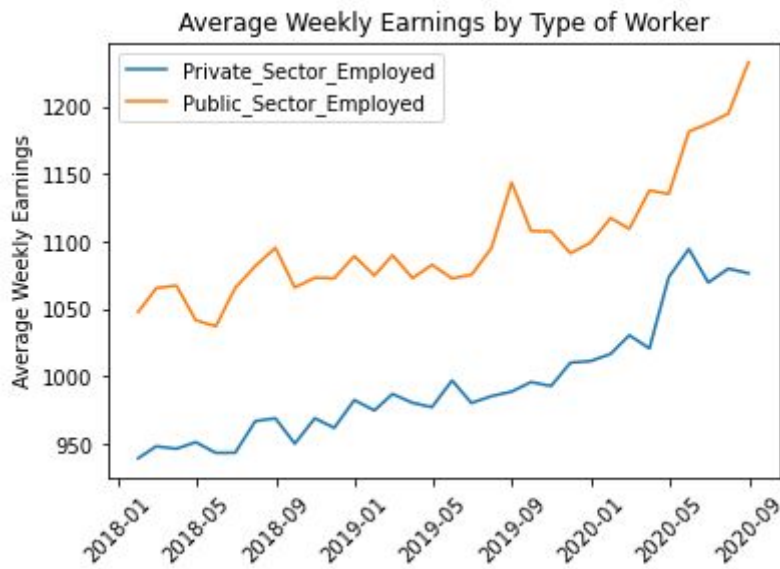
Here I ignored self employed and house workers. Notice that Public sector employees earnings increased a lot, whereas private sector earnings increased more slowly and decreased a little bit during the last available months of the series.

5.
I didn't had time to do this one.