Mila Markevych

Contact Information

University of British Columbia Vancouver School of Economics Iona Drive 6000, Vancouver, BC V6T 1L4, Canada

Research Interests

Macro Labour, Income Inequality, Structural Change, Gender Gaps

References

Giovanni Gallipoli

University of British Columbia Vancouver School of Economics Email: giovanni.gallipoli@ubc.ca Phone: +1 (604) 822-4724

Nicole Fortin

University of British Columbia Vancouver School of Economics Email: Nicole.Fortin@ubc.ca Phone: +1 (604) 822-3222

Education

Ph.D. Candidate in Economics University of British Columbia

M.A. in Economics University of Saskatchewan

B.A. in Economics (Summa Cum Laude) National University of "Kyiv-Mohyla Academy"

Summer Schools and Workshops

I.S.E.O. Summer Shool Institute for Studies on Economics and Employment

HCEO-FAIR Summer School on Socioeconomic Inequality University of Chicago, NHH Norwegian School of Economics Website: www.milamarkevych.com Email: mila.markevych@ubc.ca Phone: +1 (306) 250-4355

Jesse Perla

University of British Columbia Vancouver School of Economics Email: jesse.perla@ubc.ca Phone: +1 (604) 822-5721

> 2018–2025 (expected) Vancouver, Canada

> > 2016–2018 Saskatoon, Canada

> > > 2010–2014 Kyiv, Ukraine

> > > > 2022

2022

Iseo, Italy

Bergen, Norway

Shifting Tastes, Advancing Technologies: A New Perspective on Income Inequality (paper)

In this paper, I examine how changing consumer demand affects income inequality in the context of technological change in the US. I develop a general equilibrium structural transformation model that incorporates time-varying demand shifters –Temporal Demand Growth Factors (TGFs). The estimates of TGFs reveal significant heterogeneity in demand patterns across goods and households. Counterfactual analysis shows that TGF-driven demand effects substantially moderate the rise in income inequality due to technological change. In the absence of these demand effects, the increase in income inequality between 1989 and 2021 is 73% larger. Changes in demand particularly benefit workers in less productive and more labour intensive non-routine manual and routine cognitive sectors, consistent with Baumol's cost disease. The reallocation of economic activity towards sectors with lower productivity growth, driven by changes in demand, is associated with more equitable income distribution, suggesting that demand driven slowdown in productivity growth is not necessarily detrimental to our economic wellbeing.

Working Papers

Closing the Gender Pay Gap in the US Federal Service: The Role of New Managers

(with Nicole M. Fortin and Marit Rehavi) (paper)

This paper estimates the causal effect of managerial homophily (getting a same-sex manager) on employee pay in the US Federal Civil Service. Using over 30 years of detailed payroll data, we exploit the appointment of new managers in an event study design. Same-sex managers are particularly important for female employees, whose pay increases by an additional 1.5 log points relative to male counterparts. Managerial homophily operates through increases in pay grades and occupational changes. A novel finding is that these effects are heterogeneous: same-sex managers have the largest effect on employees in less routine jobs even within education levels. Far from being an artifact of a bygone age, these effects are present across the four political eras we study. We conclude that even highly regimented pay systems are not immune to discretionary managerial actions.

Work In Progress

The Taste of Change: Theory and Evidence on Demand Driven Structural Transformation

This paper examines the role of evolving consumer preferences in driving structural change through the lens of time-varying demand shifters – Temporal Demand Growth Factors (TGFs) – in a general equilibrium model with technological change. I derive analytical solutions that demonstrate how TGFs interact with factor-augmenting technical growth rates in shaping sectoral composition. Using aggregate US expenditure data over the period 1960-2023, I provide empirical evidence of significant TGF effects driving structural change. The results show divergence in sectoral TGFs, with services outpacing manufacturing with a 5% difference in the annual demand growth rates. TGF driven changes in consumer demand, not captured in traditional models, play a crucial role in structural transformation.

From Policy to Paycheck: How Interest Rates Shape Wages In a Model With Evolving Demand and Technologies

In this paper, I examine the effects of monetary policy on income inequality through the lens of a multi-sector general equilibrium model with technological progress and changing demand in the US over the period of 1989-2021. Production is based on a constant relative elasticity of substitution (CRESH) function, which allows for different elasticities of substitution between capital and routine and non-routine labour. Results from the counterfactual analysis show a symmetric relationship between capital prices and wages: a 10% increase(decrease) in capital prices leads to an approximately 10% increase(decrease) in wages across sectors. Lower capital prices are associated with lower income inequality, captured by the coefficient of variation (CV). In 2021, in the counterfactual where capital prices are lower by 10%, the CV is almost 50% lower.

Upskilling for the Future: The Role of Training on Labour Market Outcomes in the Era of Technological Change

This paper examines skill dynamics and importance of training on skill development and employment in Canada from 2012-2020. Using data from the Longitudinal and International Study of Adults (LISA), I examine the dynamics of six skills: leadership, writing, reading, numerical, ICT, and manual skills. I then explore the role of training on skill development and labour market outcomes in a search and matching framework with human capital heterogeneity and endogenous training decisions. In the model, workers are motivated to train to increase their stock of skills, and, therefore, wages. Firms incentivize training to improve firm-worker specific match, which determines firm's surplus. The results reveal labour market adjustment patterns consistent with routine-biased technical change. Workers either acquire new skills through training, adapting to the labour market's increasing demand for skills, or move into low-skill non-routine service jobs.

Chasing the Boom: The Role of Geographic Mobility in Gender Wage Gaps

In this paper, I examine how differences in geographic mobility between men and women shaped gender wage disparities before, during, and after the resource boom in Canada in 2003-2013. The findings reveal that the resource boom triggered significant male-dominated migration to boom regions, whereas women's geographic mobility remained comparatively limited. Although the boom raised wages across all sectors within the resource-intensive region, including supporting services with large female employment, men disproportionately captured these gains due to their higher propensity to relocate. As a result, the gender wage gap has increased, particularly in the boom regions. This paper provides evidence that gender differences in geographic mobility play a crucial role in perpetuating and exacerbating wage inequalities in the presence of geographically concentrated economic growth.

Other Contributions

Engineering Economics (book)

- Chapter 1: Business and Accounting (contributor)
- Chapter 3: Time Value of Money (contributor)
- Chapter 4: Financing (contributor)

Seminar, Conference, and Other Presentations

- Shifting Tastes, Advancing Technologies: A New Perspective on Income Inequality

 University of British Columbia (VSE and Sauder School of Business brownbag), 2024

 Closing the Gender Pay Gap in the US Federal Service: The Role of New Managers

 University of Saskatchewan, Saskatoon, SK, 2023
 CEA, Ottawa, ON, 2022
 University of British Columbia (VSE brownbag), Vancouver, BC 2022

 Upskilling for the Future: The Role of Training on Labour Market Outcomes in the Era of Technological Change
 - University of British Columbia (VSE brownbag), Vancouver, BC 2021

Awards and Fellowships

– Stone Centre for Wealth and Income Inequality PhD Fellowship,	
University of British Columbia	2024-2025
– SSHRC Doctoral Fellowship	2021 - 2023
– Four-year doctoral fellowship (4YF), University of British Columbia	2021 - 2023
– Research Initiative on Education + Skills (RIES), University of Toronto	2021 - 2022
– British Columbia Graduate Scholarship	2019 - 2021
– President's Academic Excellence Initiative PhD Award, University	
of British Columbia	2020 - 2024
– Timlin Award for best Master's thesis (bi-annual)	2020
– CIDER Doctoral Fellowship, University of British Columbia	2018 - 2019
– Graduate Scholarship, University of Saskatchewan	2016 - 2018
– President's Scholarship, National University of "Kyiv-Mohyla Academy"	2010 - 2014

Research Grants

– CIDER Grant in Innovative Data (co-applicant) – \$37,500

Teaching Experience

University of British Columbia

Teaching Assistant

– ECON 336 Economic History of Canada	2020
– ECON 317 Poverty and Inequality	2019-2020
– ECON 328 Methods of Empirical Research	2019
– ECON 310 Principles of Microeconomics	2018

University of Saskatchewan

Teaching Assistant

– ECON 409 Econometrics	2018
– ECON 404 Econometrics	2017
– ECON 227 Wage Determination	2017
– ECON 223 Labour Economics	2016
– ECON 211 Intermediate Microeconomic Theory	2016

Academic Service

Economics Graduate Student Association

University of Saskatchewan

– Founder and President (2016–2018)

Referee Contributions

– Canadian Public Policy