

**IMMIGRATION ECONOMICS
ECONOMICS 980u, Fall 2014**

Department of Economics
Harvard University

- Time:** Mondays 10:00-12:00 PM
- Place:** Lowell Lecture Hall, B14
- Instructor:** Professor George Borjas
Littauer 304 (Kennedy School)
617-495-1393
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- Teaching Fellow:** Siddharth George
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- Faculty assistant:** Sarah Meléndez
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- Office hours:** Monday and Wednesday, 8:30-9:30 AM, and by appointment
- Class web site:** <http://isites.harvard.edu/icb/icb.do?keyword=k88129&pageid=icb.page511351>
- Prerequisites:** Intermediate microeconomic theory, statistics, and econometrics (concurrent enrollment in econometrics is sufficient)
- Texts:** *Immigration Economics*, George J. Borjas, Harvard University Press, 2014.
All additional course readings available online.
- Overview:** There has been a resurgence of large-scale international migration in the past few decades. This course explores the economic determinants and consequences of these population flows. Specific topics include the study of how immigrants are non-randomly selected from the population of the countries of origin, the measurement and implications of economic assimilation in the receiving country, the impact of the flows on the labor markets of both receiving and sending countries, and the calculation of the economic benefits from immigration. Note: A research paper will be required.

Grading:	Assignments	30%
	Paper milestones	10%
	Final paper	40%
	Class participation	20%

Assignments: There will be 8 weekly assignments to facilitate classroom discussion of the weekly readings. These assignments will count towards your grade.

Paper milestones: There will be occasional short assignments to ensure that you are making progress on your final course paper. These including handing in a paper topic, handing in a bibliography, and a short presentation of your project during one of the last three weeks of class.

Paper topic due: October 13, 2014

Bibliography due: October 27, 2014

Final paper: The final paper is due on December 15, 2014.

Class participation: Students are required to provide feedback both on the material covered in the lectures and on the paper presentations made by your classmates. If I notice that a student has never participated in the class discussion, etc., that student will get 0 of the 20 participation points.

ECONOMICS 980u
SCHEDULE OF COURSE MEETINGS

DATE	TOPIC
Week 1: 9/8	Introductory material
Week 2: 9/15	Self-selection: Who moves?
Week 3: 9/22	Economic assimilation: How do immigrants do in the receiving country?
Week 4: 9/29	Labor market impact and benefits: Theory
Week 5: 10/6	Estimating the labor market impact: Descriptive methods
10/13	No class—Columbus Day
Week 6: 10/20	Estimating the labor market impact: Structural methods
Week 7: 10/27	The gains from open borders
Week 8: 11/3	High-skill immigration and human capital externalities
Week 9: 11/10	Social mobility: The children of immigrants
Week 10: 11/17	Class presentation of student projects
Week 11: 11/24	Class presentation of student projects
Week 12: 12/1	Class presentation of student projects
December 17, 2012	Final paper due

READINGS

Week 1 (September 8)

Introduction to U.S. immigration: Policy and basic facts

Week 2 (September 15)

Self-selection: Who moves?

Borjas, George J. *Immigration Economics*, Chapter 1.

Borjas, George J. "Self-Selection and the Earnings of Immigrants," *American Economic Review* (September 1987): 531-553.

Chiquiar, Daniel and Gordon H. Hanson. "International Migration, Self-Selection, and the Distribution of Wages: Evidence from Mexico and the United States," *Journal of Political Economy* (April 2005): 239-281.

Abramitzky, Ran, Leah Boustan, and Katherine Eriksson, "Europe's Tired, Poor, Huddled Masses: Self-Selection and Economic Outcomes in the Age of Mass Migration," *American Economic Review*, 102 (August 2012): 1832-1856.

Week 3 (September 22)

Economic assimilation: How do immigrants do in the receiving country?

Borjas, George J. *Immigration Economics*, Chapter 2.

Chiswick, Barry R. "The Effect of Americanization on the Earnings of Foreign-Born Men," *Journal of Political Economy* (October 1978): 897-921.

Borjas, George J. "Assimilation, Changes in Cohort Quality, and the Earnings of Immigrants." *Journal of Labor Economics* 3 (October 1985): 463-489.

Lubotsky, Darren. "Chutes or Ladders? A Longitudinal Analysis of Immigrant Earnings," *Journal of Political Economy* 115 (October 2007): 820-867.

Week 4 (September 29)

Labor market impact and benefits: Theory

Borjas, George J. *Immigration Economics*, Chapter 3; Chapter 7, pp. 149-161.

Altonji, Joseph G., and David Card. "The Effects of Immigration on the Labor Market Outcomes of Less-Skilled Natives." In *Immigration, Trade, and the Labor Market*, ed. John M. Abowd and Richard B. Freeman. Chicago: University of Chicago Press, 1991, pp. 201-208.

Borjas, George J. "The Economic Benefits from Immigration," *Journal of Economic Perspectives* (Spring 1995): 3-22.

Week 5 (October 6)

Estimating the labor market impact: Descriptive methods

Borjas, George J. *Immigration Economics*, Chapter 4.

Altonji, Joseph G., and David Card. "The Effects of Immigration on the Labor Market Outcomes of Less-Skilled Natives." In *Immigration, Trade, and the Labor Market*, ed. John M. Abowd and Richard B. Freeman. Chicago: University of Chicago Press, 1991, pp. 208-234.

Card, David "The Impact of the Mariel Boatlift on the Miami Labor Market," *Industrial and Labor Relations Review* (January 1990): 245-257.

Angrist, Joshua D., and Alan B. Krueger, "Empirical Strategies in Labor Economics," in Orley C. Ashenfelter and David Card, eds., *Handbook of Labor Economics*, Vol. 3A (Amsterdam: Elsevier, 1999), pp. 1328-1329.

Borjas, George J. "The Labor Demand Curve *Is* Downward Sloping: Reexamining the Impact of Immigration on the Labor Market," *Quarterly Journal of Economics* (November 2003), pp. 1335-1359.

October 13

No Class, Columbus Day.

Week 6 (October 20)

Estimating the labor market impact: Structural methods

Borjas, George J. *Immigration Economics*, Chapter 5.

Borjas, George J., "The Labor Demand Curve *Is* Downward Sloping: Reexamining the Impact of Immigration on the Labor Market," *Quarterly Journal of Economics* (November 2003), pp. 1359-1374.

Ottaviano, Gianmarco I.P. and Giovanni Peri. "Rethinking the Effects of Immigration on Wages," *Journal of the European Economic Association* (February 2012): 152-197.

Borjas, George J., Jeffrey Grogger, and Gordon Hanson, "On Estimating Elasticities of Substitution," *Journal of the European Economic Association* (February 2012): 198-210.

Card, David “Immigration and Inequality,” *American Economic Review* (May 2009): 1-21

Week 7 (October 27)

The Global Gains from Open Borders

Borjas, George J. *Immigration Economics*, Chapter 7, pp. 161-169.

Hamilton, Bob, and John Whalley. 1984. “Efficiency and Distributional Implications of Global Restrictions on Labour Mobility: Calculations and Policy Implications.” *Journal of Development Economics* 14 (1): 61–75.

Clemens, Michael A. 2011. “Economics and Emigration: Trillion-Dollar Bills on the Sidewalk?” *Journal of Economic Perspectives* 25 (3): 83–106.

Week 8 (November 3)

High skill immigration and human capital externalities

Borjas, George J. *Immigration Economics*, Chapter 8.

Azoulay, Pierre, Joshua S. Graff Zivin, and Jialan Wang, “Superstar Extinction,” *Quarterly Journal of Economics*, 125 (May 2010): 549-589.

Waldinger, Fabian. “Quality Matters: The Expulsion of Professors and the Consequences for PhD Student Outcomes in Nazi Germany,” *Journal of Political Economy*, 118 (August 2010): 787-831.

Borjas, George J. and Kirk B. Doran. “The Collapse of the Soviet Union and the Productivity of American Mathematicians,” *Quarterly Journal of Economics*, 127 (August 2012): 1143-1203.

Week 9 (November 10)

Social mobility: The children of immigrants

Borjas, George J. *Immigration Economics*, Chapter 9.

Borjas, George J. “Ethnic Capital and Intergenerational Mobility,” *Quarterly Journal of Economics* (February 1992): 123-150.

Borjas, George J., “Long-Run Convergence of Ethnic Skill Differentials: The Children and Grandchildren of the Great Migration,” *Industrial and Labor Relations Review* 47 (July 1994): 553-573.

Alba, Richard, Amy Lutz, and Elena Vesselinov. "How Enduring Were the Inequalities among European Immigrant Groups in the U.S.?" *Demography*, August 2001, pp. 349-356.

Week 10 (November 17)

**Class presentations of student projects
(and/or Fiscal impact of immigration, time permitting)**

Week 11 (November 24)

Class presentations of student projects

Week 12 (December 1)

Class presentations of student projects