IMMIGRATION ECONOMICS
ECONOMICS 980u, Fall 2020
Department of Economics
Harvard University

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Time:	Wednesday 7:30 – 9:30 pm
Place:	Online
Instructor:	Professor George Borjas Littauer 304 (Kennedy School) 617-495-1393 gborjas@harvard.edu (e-mail is the best way to reach me)
Teaching Fellow:	Ayushi Narayan ayushi_narayan@g.harvard.edu
Faculty assistant:	Klara Kabadian 617-496-0831 klara_kabadian@hks.harvard.edu
Office hours:	I will schedule a (mandatory) one-on-one online meeting with each student at least once every two weeks. I will also be available for additional online "office hours" for any student who requests it.
	The TF will also schedule office hours and provide assistance with data issues and coding problems that might come up during the preparation of the research paper.
Class web site:	https://canvas.harvard.edu/courses/74964
Prerequisites:	Intermediate microeconomic theory, statistics, and econometrics (concurrent enrollment in econometrics is sufficient)
Textbook:	*Immigration Economics*, George J. Borjas, Harvard University Press, 2014.
	All additional course readings will be available online.
Overview:	There has been a surge in 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	35%
Paper milestones	25%
Final paper	30%
Class participation	10%

Assignments: There will be 7 weekly assignments to facilitate classroom discussion. The weekly assignment consists of writing a one-page (single-spaced) summary of an assigned paper. The written summary discusses the paper and places it within the context of the week's lecture material. The written summary should also include one or two questions that can form the basis for class discussion among all students.

Paper milestones: There will be also be five "milestones" to ensure that you are making progress on the research paper. These include handing in a paper topic, handing in a bibliography, and making a presentation of your paper during one of the last three or four weeks of class.

1. **Paper topic due:** October 7, 2020

2. **Bibliography due:** October 14, 2020

3. **Identify data to be used:** October 21, 2020

4. **Describe methodology to be used:** October 28, 2020

5. **Presentation:** December 2, 2020

Final paper: Due on December 11, 2020 by 5 pm Boston time.

Class participation: Students are required to provide in-class feedback both on the material covered in the lectures and on the presentations made by your classmates.

ECONOMICS 980u
SCHEDULE OF COURSE MEETINGS

DATE	TOPIC
Week 1: 9/8	Introduction to U.S. immigration
Week 2: 9/15	The selection of immigrants
Week 3: 9/22	Economic assimilation
Week 4: 9/29	Labor market impact and benefits: Theory
Week 5: 10/7	Estimating the labor market impact: Descriptive methods
Week 6: 10/14	Estimating the labor market impact: Structural methods
Week 7: 10/21	The Global Gains from Open Borders
Week 8: 10/28	High-skill immigration
Week 9: 11/4	The children of immigrants
Week 10: 11/11	The fiscal impact of immigration
Week 11: 11/178	Final discussion—implications for immigration policy
Week 12: 11/25	Thanksgiving
Week 13: 12/2	Class presentation of student projects
December 11, 2020	Final paper due

READINGS

Week 1 (September 8)
Introduction to U.S. immigration

Week 2 (September 15)
The selection of immigrants

       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.

Discussion paper: Parey, Matthias, Jens Ruhose, Fabian Waldinger, and Nicolai Netz, "The Selection of High-Skilled Migrants," *Review of Economics and Statistics* 99 (December 2017): 776-792.

Week 3 (September 22)
Economic assimilation

       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* (October 1985): 463-489.

Discussion paper: Abramitzky, Ran, Leah Platt Boustan, and Katherine Eriksson, "A Nation of Immigrants: Assimilation and Economic Outcomes in the Age of Mass Migration," *Journal of Political Economy* (June 2014): 467–506.

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.

Discussion paper: Cadena, Brian and Brian Kovak, "Immigrants Equilibrate Local Labor Markets: Evidence from the Great Recession," *American Economic Journal: Applied Economics* (January 2016): 257-90.

Week 5 (October 7)
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.

Borjas, George J., "The Wage Impact of the Marielitos: A Reappraisal," *Industrial and Labor Relations Review* (October 2017): 1077-1110.

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. (First half of paper).

Discussion paper: Monras, Joan, "Immigration and Wage Dynamics: Evidence from the Mexican Peso Crisis," *Journal of Political Economy*, August 2020.

Week 6 (October 14)
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. (Second half of paper).

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

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

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

Discussion paper: Albert, Christoph, Albrecht Glitz, and Joan Llull, "Labor Market Competition and the Assimilation of Immigrants," June 2020. http://pareto.uab.es/jllull/Papers/Assimilation_competition.pdf

Week 7 (October 21)
The Global Gains from Open Borders

Hamilton, Bob, and John Whalley, "Efficiency and Distributional Implications of Global Restrictions on Labour Mobility: Calculations and Policy Implications." *Journal of Development Economics* (January-February 1984): 61–75.

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

Borjas, George J., "Globalization and Immigration: A Review Essay," *Journal of Economic Literature* (December 2015): 961-974.

Discussion paper: Dustmann, Christian and Ian Preston, "Free Movement, Open Borders and the Global Gains from Labor Mobility," *Annual Reviews of Economics* (2019): 783-808.

Week 8 (October 28)
High-skill immigration

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

Waldinger, Fabian. "Quality Matters: The Expulsion of Professors and the Consequences for PhD Student Outcomes in Nazi Germany," *Journal of Political Economy* (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* (August 2012): 1143-1203.

Discussion paper: Kerr, William R. and Lincoln, William F. "The Supply Side of Innovation: H-1B Visa Reforms and U.S. Ethnic Invention," *Journal of Labor Economics*, July 2010, pp. 473-508.

Week 9 (November 4)
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.

Duncan, Brian, and Stephen J. Trejo, "Intermarriage and the Intergenerational Transmission of Ethnic Identity and Human Capital for Mexican Americans," *Journal of Labor Economics* (April 2011): 195-227.

Week 10 (November 11)
The fiscal impact of immigration

Blau, Francine and Christopher Mackie, editors. *The Economic and Fiscal Consequences of Immigration*, Chapters 7-9. Washington, D.C.: National Academy Press, 2016. (The detail can be overwhelming, so just need to glance though to get the main point of the exercises described).

Week 11 (November 18)
Final discussion—implications for immigration policy

Week 12 (November 25)
Thanksgiving

Week 13 (December 2)
Class presentation of student projects