

Robot Adoption and Labor Market Dynamics: Matlab Codebook

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Table 1: Model environment (`env` structure)

| Substructure | Variable | Description |
|--------------|----------|----------------------------------|
| | nYears | Number of simulation years |
| | nSectors | Number of sectors of the economy |
| | nOcc | Number of occupations |
| wrk | nSkills | Number of skill groups |
| wrk | nAge | Working life span |
| wrk | nTen | Max value for tenure |

Table 2: Initial values and data (`init` structure)

| Substructure | Variable | Description |
|--------------|-----------|---|
| | wages | Used for initialization of GE solver (wages0) |
| frm | density | Used for initialization of GE solver (frm.density0) |
| wrk | density | Used for initialization of GE solver (wrk.density0) |
| wrk | distEnter | Skill distribution of entering cohort |
| wrk | mass | Mass of workers |

Table 3: Counterfactual Experiments (`exper` structure)

| Substructure | Variable | Description |
|--------------|-----------|---|
| | nCost | Number of counterfactual experiments |
| | title | Title of experiment |
| | cRobot | Adoption cost schedules for different counterfactuals |
| | surprise | Indicator for whether counterfactual is based on a surprise |
| | tSurprise | Time of shock |

Table 4: Solver Parameters (`sol` structure)

| Substructure | Variable | Description |
|--------------|-------------|---|
| tol.ge | densityFrm | Tolerance level for firm densities in GE solver |
| tol.ge | supplyLabor | Tolerance level for worker densities in GE |
| iter | ge | Maximum iterations in GE shooting algorithm |
| iter | frm | Maximum iterations in firm DP |
| lambda | wages | Gauss-Seidel weight used for wages in <code>solver.m</code> |
| lambda | frm | Gauss-Seidel used for firm densities in <code>solver.m</code> |
| lambda | wrk | Gauss-Seidel used for worker densities in <code>solver.m</code> |

Table 5: Model Parameters (par structure)

| Substructure | Variable | Description |
|------------------------------|-----------|---|
| Firms (Manufacturing) | | |
| frm | sigma | Task substitution elasticity (σ) |
| frm | zPoints | Grid points of discretized firm productivity space |
| frm | zMu | Mean of productivity process (normalized by par.costAdj) |
| frm | zSigma | SD of productivity process |
| frm | zRho | Persistence of productivity process |
| frm | zGrid | Productivity grid. Defined internally with Tauchen procedure (based on frm.zMu, frm.zRho, par.frm.zSigma, par.frm.zPoints) |
| frm | theta | Robot depreciation rate |
| frm | nu | Adoption cost shock dispersion |
| frm | phiOcc | Factor-augmenting productivities |
| frm | gammaProd | Robot hicks-neutral. This is time-varying to ensure constant adoption treatment effects (despite non-stationary wages and thus cost savings for robot adoption) |
| frm | epsilon | Elasticity of demand |
| frm | gammaOcc | Factor-augmenting robot technology |
| Workers | | |
| wrk | swCost | Occupational switching costs |
| wrk | swAge | Switching cost in age |
| wrk | amenity | Amenities in occupation-sectors |
| wrk | hcap | Human capital function |
| wrk | rho | Dispersion of occupational preference shocks (ρ) |
| General Production | | |
| | alpha | Factor bill shares in sectors (cobb-douglas share in services, α_{St}) |
| | costAdj | Normalization factor for sector price indices. This is the z_t trends that generate growth in wages |
| | markup | Markup in sector. Based on par.frm.epsilon |
| Common Parameters | | |
| | beta | Discount Factor (β) |
| | mu | Manufacturing share in final consumption (μ) |