What determines (perceived) wages?

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Abstract

Here is a really great abstract.
JEL J01, J24, J3

1 Introduction

2 Conceptual Framework

Would-be labor force participants need knowledge about what various occupations pay–and will pay in the future—to plan their careers and make wise human capital decisions.

This was the justification for including the Knowledge of the World of Work (KWW) test in the NLSY. The original KWW consisted of matching job descriptions to job titles and a section of relative comparisons of wages. The KWW was predictive of positive future economic success and was correlated with higher wages, greater tenure etc [?]. It is unclear whether KWW was just measuring intelligence of ability—KWW is sometimes used as an instrument for IQ to deal with measurement error.

Numerous studies have documented that simply providing information can have strong effects on behavior (for example, [?] for the returns to education and [?] to the benefits of changed sexual behavior).

This study does a number of things. It examines the correlates of

Presumably would-be labor market participants learn about wages from media sources, friends and family and, perhaps, official government statistics.

Corrective informational interventions

Perhaps more knowledgeable

Identifying deficiencies

[?]

The short time taken to answer questions suggests that workers are not doing research.

The wisdom of crowds hypotheses suggests that combining

Estimates of the mean hourly wages for a selection of BLS occupations by workers on Mechanical Turk explains over 70% of the variation in wages according to the OES (Occupational Employment Statistics).

Error rates are decreasing the total employment in that occupation. The more people workers know with that occupation, the more

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[?] [?] [?]

-Test whether social knowledge is mediated by the total employment -Correct perception errors -Test whether workers are clustered in their wage perceptions

For each of the top 99 BLS occupations—as measured by total occupation—I asked workers on Mechanical Turk several questions:

- Did they know approximately what this job consists of?

- How many people did they know with that job?

- What was their estimate of the hourly wage for that job

- What was their estimate of wages for this job in the future.

- What was their estimate of the future employer for this job.

How important is it to know someone who has this job? Do various correlations exist in this population?

It is not difficult to assess this knowledge.

[?] had some great ideas!

3   Results

	OES	MTSO
1	Min. :0.0000	Min. :18.05
2	1st Qu.:0.5000	1st Qu.:28.54
3	Median :0.7000	Median :32.14
4	Mean :0.7152	Mean :34.29
5	3rd Qu.:0.9000	3rd Qu.:39.77
6	Max. :1.4000	Max. :60.57

Table 1: RSE for Hourly Wages in OES and MTSO datasets (all obs.)

	OES	MTSO
1	Min. :0.0000	Min. :15.01
2	1st Qu.:0.5000	1st Qu.:25.82
3	Median :0.7000	Median :30.96
4	Mean :0.7173	Mean :32.69
5	3rd Qu.:0.9000	3rd Qu.:40.00
6	Max. :1.4000	Max. :65.93
7		NA's :2

Table 2: RSE for Hourly Wages in OES and MTSO datasets (filtered)
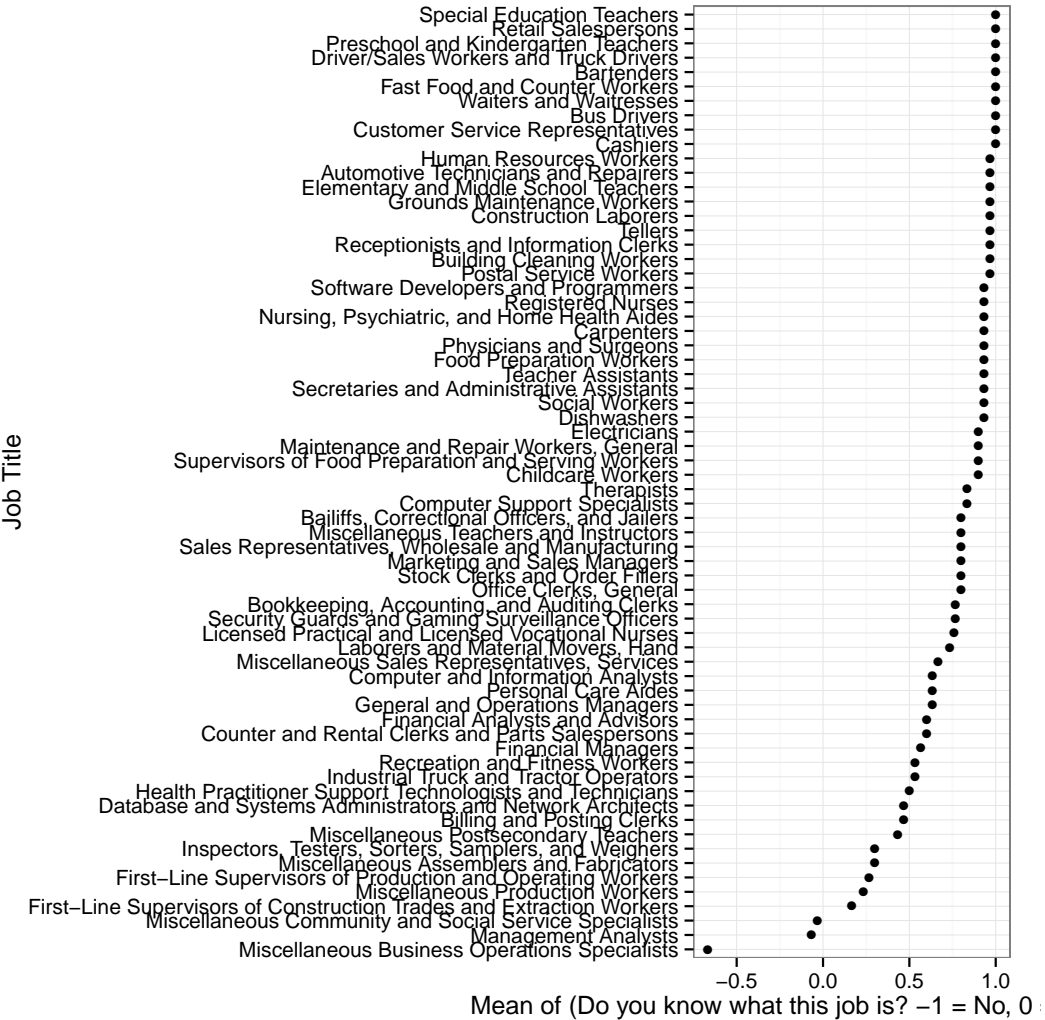
3.1   Plots!

Figure 1: Knowledge by occupation title

Figure 1: Knowledge by occupation title

Figure 2: Here is a figure