

## Reading Course: “The Economics of Migration”

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ECTS: 4/6

Zielgruppe: MSc/IMP(Econ.&Pol.)

Sprache: englisch

TeilnehmerInnen: max. 16

Migration has become an increasingly important topic in the international political arena. Globalization processes make workers and students more mobile, and at the same time domestic and international conflicts as well as humanitarian and environmental catastrophes cause flows of refugees and asylum seekers.

This seminar is a reading course that relies on active participation and preparation. In class, we will work on theoretical and empirical concepts in the area of economics of migration. We will apply theoretical reasoning to current questions concerning consequences of migration. Further, current research will be critically assessed. In every class, we will discuss one or two articles that will be announced the week before. **Preparing the required readings carefully and participating actively in the discussion in each class is mandatory.**

At the end of the course, students are familiar with basic theoretical and empirical concepts in the area of economics of migration, with a special focus on the identification of causal effects. Students have developed the ability to read and understand the content of economic papers and to write (short) critical academic essays.

### **Preliminary Organization of the Course (different aspects can be added):**

1. Introduction: Why do we study migration?
2. The Determinants of Migration: Why do people migrate?
3. Selection of Immigrants: Who Migrates?
4. Economic Assimilation: How do Migrants do?
5. Children of Immigrants: How Does the Second Generation do?
6. Effects of Immigration on the destination country
7. Effects of Immigration on the source country

### **Course Assessment:**

- 1) 1 hour exam (6 ECTS, 60 %) (4 ECTS, 90 %) at the end of the semester
- 2) Participation in class (6 and 4 ECTS, 10%)
- 3) Review report for one paper (6 ECTS, 30%): Each student has to write a 1.500 word reviews on one paper covering two parts: Summary of the paper and critical evaluation. The latter should cover the following questions: Are there problems with the methodology? How general/important are the findings? Do we learn something new that we did not know before? How could the paper be improved or extended?

### **Deadlines:**

- Application until March 15th, 2018 (with the form and a transcript of records)
- Withdrawal after April 24th, 2018 is not possible (or will be graded with a 5.0)

## Dates

(Preliminary, please check the updated schedule at the beginning of the semester)

| Date           |                                |
|----------------|--------------------------------|
| 17. April 2018 | No Class                       |
| 24 April 2018  | Class 1, Introduction, HS 1108 |
| 1 May 2018     | No class, May Day              |
| 8 May 2018     | Class 2, HS 1108               |
| 15 May 2018    | Class 3, HS 1108               |
| 23 May 2018    | No class, Pentecost break      |
| 29 May 2018    | Class 4, HS 1108               |
| 5 June 2018    | Class 5, HS 1108               |
| 12 June 2018   | Class 6, HS 1108               |
| 19 June 2018   | Class 7, HS 1108               |
| 26 June 2018   | Class 8, HS 1108               |
| 3 July 2018    | Class 9, HS 1108               |
| 10 July 2018   | Class 10, HS 1108              |
| 17 July 2018   | Class 11, HS 1108              |

## Reading List

### Main Course Readings (\* = required readings)

- Borjas, G. J. 2014. *Immigration Economics*. Harvard University Press.
- Bodvarsson, Ö. B. and H. Van den Berg. 2013. *The Economics of Immigration: Theory and Policy*. 2nd edition. Springer
- Borjas, G. J. 1994. The Economics of Immigration. *Journal of Economic Literature* 32 (4): 1667–1717.
- Dustmann, C., U. Schönberg, and J. Stuhler. 2016. The Impact of Immigration: Why Do Studies Reach Such Different Results? *Journal of Economic Perspectives* 30 (4): 31–56.
- Hanson, G. H. 2010. International Migration and the Developing World. In *Handbook of Development Economics*, edited by D. Rodrik and M. Rosenzweig, 5th ed., 5:4363–4414. Elsevier BV.

### Readings by Chapter (preliminary, articles might be added or replaced)

#### Chapter 1: Introduction

##### Textbook readings

Bodvarsson, Ö. B. and H. Van den Berg. 2013. *The Economics of Immigration: Theory and Policy*. 2nd edition. Springer. Chapter 1.

Bansak, C., N. B. Simpson, and M. Zavodny. 2015. *The Economics of Immigration*. Routledge. Chapter 1.

##### Journal readings

\*Borjas, G. J. 2015. "Immigration and Globalization: A Review Essay." *Journal of Economic Literature* 53 (4): 961–74.

\*Peri, G. 2016. Immigrants, Productivity, and Labor Markets. *Journal of Economic Perspectives* 30 (4): 3–30.

Artuç, E., Docquier, F., Özden, Ç. & Parsons, C. (2015). A global assessment of human capital mobility: the role of non-OECD destinations. *World Development* 65, 6-26.

#### Chapter 2: The Determinants of International Migration

##### Textbook readings

Bodvarsson, Ö. B. and H. Van den Berg. 2013. *The Economics of Immigration: Theory and Policy*. 2nd edition. Springer. Chapter 2 and 3.

Bansak, C., N. B. Simpson, and M. Zavodny. 2015. *The Economics of Immigration*. Routledge. Chapter 2

##### Journal readings

Borjas, G. J. 1987. "Self-Selection and the Earnings of Immigrants." *American Economic Review* 77 (4): 531–53.

\*Clark, X., T. J. Hatton, and J. G. Williamson. 2007. "Explaining U.S. Immigration, 1971–1998." *Review of Economics and Statistics* 89 (2): 359–73.

\*Mayda, A. M. 2009. "International Migration: A Panel Data Analysis of the Determinants of Bilateral Flows." *Journal of Population Economics* 23 (4): 1249–74.

Sjaastad, L. A. 1962. The Costs and Returns of Human Migration. *Journal of Political Economy* 70 (5): 80–93.

Mincer, J. 1978. "Family Migration Decisions." *Journal of Political Economy* 86 (5): 749–73.

#### Chapter 3: Selection of Immigrants

##### Textbook readings

Borjas, G. J. 2014. *Immigration Economics*. Harvard University Press. Chapter 1.

Bodvarsson, Ö. B. and H. Van den Berg. 2013. *The Economics of Immigration: Theory and Policy*. 2nd edition. Springer. Chapter 4.

Bansak, C., N. B. Simpson, and M. Zavodny. 2015. *The Economics of Immigration*. Routledge. Chapter 4.

#### Journal readings

Abramitzky, R., L. P. Boustan, and K. Eriksson. 2012. "Europe's Tired, Poor, Huddled Masses: Self-Selection and Economic Outcomes in the Age of Mass Migration." *American Economic Review* 102 (5): 1832–56.

Autor, D. H., F. Levy, and R. J. Murnane. 2003. "The Skill Content of Recent Technological Change: An Empirical Exploration." *Quarterly Journal of Economics* 118 (4): 1279–1333.

Baudassé, T. & Bazillier, R. (2014). Gender inequality and emigration: Push factor or selection process? *International Economics* 139, 19-47.

Belot, M. V. K., and T. J. Hatton. 2012. "Immigrant Selection in the OECD." *Scandinavian Journal of Economics* 114 (4): 1105–28.

\*Borjas, G. J. 1987. "Self-Selection and the Earnings of Immigrants." *American Economic Review* 77 (4): 531–53.

Docquier, F., Marfouk, A., Salomone, S. & Sekkat, K. (2012). Are skilled women more migratory than skilled men? *World Development* 40, 251-265.

\*Fernández-Huertas Moraga, J. 2011. "New Evidence on Emigrant Selection." *Review of Economics and Statistics* 93 (1): 72–96.

Gould, E. D. and O. Moav. 2016. "Does High Inequality Attract High Skilled Immigrants?" *Economic Journal* 126 (593): 1055–91.

Grogger, J., and G. H. Hanson. 2011. "Income Maximization and the Selection and Sorting of International Migrants." *Journal of Development Economics* 95 (1): 42–57.

Roy, A. D. 1951. "Some Thoughts on the Distribution of Earnings." *Oxford Economic Papers* 3 (2): 135–46.

Stolz, Y., and J. Baten. 2012. "Brain Drain in the Age of Mass Migration: Does Relative Inequality Explain Migrant Selectivity?" *Explorations in Economic History*, 49 (2): 205–20.

#### *Chapter 4: Economic Assimilation*

##### Textbook readings

Borjas, G. J. 2014. *Immigration Economics*. Harvard University Press. Chapter 2.

Bodvarsson, Ö. B. and H. Van den Berg. 2013. *The Economics of Immigration: Theory and Policy*. 2nd edition. Springer. Chapter 4, Part 4.5.

Bansak, C., N. B. Simpson, and M. Zavodny. 2015. *The Economics of Immigration*. Routledge. Chapter 5.

##### Journal readings

\*Abramitzky, R., L. P. Boustan, and K. Eriksson. 2014. "A Nation of Immigrants: Assimilation and Economic Outcomes in the Age of Mass Migration." *Journal of Political Economy* 122 (3): 467–506.

\*Algan, Y., C. Dustmann, A. Glitz, and A. Manning. 2010. "The Economic Situation of First- and Second-Generation Immigrants in France, Germany, and the UK." *Economic Journal* 120 (542): F4–30.

Borjas, G. J. 1995. "Assimilation and Changes in Cohort Quality Revisited: What Happened to Immigrant Earnings in the 1980s?" *Journal of Labor Economics* 13 (2): 201–45.

- Borjas, G. J. 2015. "The Slowdown in the Economic Assimilation of Immigrants: Aging and Cohort Effects Revisited Again." *Journal of Human Capital* 9 (4): 483–517.
- Chiswick, B. R., and P. W. Miller. 2015. "International Migration and the Economics of Language." In *Handbook of the Economics of International Migration*, edited by B. R. Chiswick and P. W. Miller, edition 1A, 211–69. Elsevier B.V.
- Dustmann, C., T. Frattini, and I. Preston. 2013. "The Effect of Immigration along the Distribution of Wages." *Review of Economic Studies* 80 (1): 145–73.

#### *Chapter 5: Children of Immigrants*

##### Textbook readings

- Borjas, G. J. 2014. *Immigration Economics*. Harvard University Press. Chapter 9.
- Bansak, C., N. B. Simpson, and M. Zavodny. 2015. *The Economics of Immigration*. Routledge. Chapter 6.
- Dustmann, Christian, and Albrecht Glitz. 2011. "Migration and Education." In *Handbook of the Economics of Education*, edited by Eric A. Hanushek, Stephen Machin, and Ludger Woessmann, 4th ed., 4:327–439. Elsevier B.V., Chapter 5.

##### Journal readings

- \*Algan, Y., C. Dustmann, A. Glitz, and A. Manning. 2010. "The Economic Situation of First- and Second-Generation Immigrants in France, Germany, and the UK." *Economic Journal* 120 (542): F4–30.
- Blau, F. D., L. M. Kahn, A. Y.-H. Liu, and K. L. Papps. 2013. "The Transmission of Women's Fertility, Human Capital, and Work Orientation across Immigrant Generations." *Journal of Population Economics* 26 (2): 405–35.
- \*Dustmann, C., T. Frattini, and G. Lanzara. 2012. "Educational Achievement of Second Generation Immigrants: An International Comparison." *Economic Policy* 27 (69): 143–85.
- Furtado, D., and N. Theodoropoulos. 2011. "Interethnic Marriage: A Choice between Ethnic and Educational Similarities." *Journal of Population Economics* 24 (4): 1257–79.
- Kalmijn, M. 1993. "Spouse Selection among the Children of European Immigrants: A Comparison of Marriage Cohorts in the 1960 Census." *International Migration Review* 27 (1): 51–78.

#### *Chapter 6. Labor Market Effects of Immigration*

##### Textbook readings

- Borjas, G. J. 2014. *Immigration Economics*. Harvard University Press. Chapters 3 to 6.
- Card, D., and G. Peri. 2016. "Immigration Economics by George J. Borjas: A Review Essay." *Journal of Economic Literature* 54 (4): 1333–49.
- Bodvarsson, Ö. B. and H. Van den Berg. 2013. *The Economics of Immigration: Theory and Policy*. 2nd edition. Springer. Chapters 5 to 7.
- Bansak, C., N. B. Simpson, and M. Zavodny. 2015. *The Economics of Immigration*. Routledge. Chapters 7 and 8.

##### Journal readings

- Angrist, J. D., and A. B. Krueger. 1999. "Empirical Strategies in Labor Economics." In *Handbook of Labor Economics*, edited by O. C. Ashenfelter and D. Card, 3A ed., 1277–1366. Elsevier B.V.
- Autor, D. H., D. Dorn, and G. H. Hanson. 2013. "The China Syndrome: Local Labor Market Effects of Import Competition in the United States." *American Economic Review* 103 (6): 2121–68.
- \*Card, D. 2001. "Immigrant Inflows, Native Outflows, and the Local Labor Market Impacts of Higher Immigration." *Journal of Labor Economics* 19 (1): 22–64.

- \*Ottaviano, G. I. P., and G. Peri. 2012. "Rethinking the Effect of Immigration on Wages." *Journal of the European Economic Association* 10 (1): 152–97.
- Razin, A., E. Sadka, and P. Swagel. 2002. "Tax Burden and Migration: A Political Economy Theory and Evidence." *Journal of Public Economics* 85 (2): 167–90.

*Chapter 7. The Perspective of Origin Countries*

- Bertoli, S. & Marchetta, F. (2015). Bringing it all back home-return migration and fertility choices. *World Development* 65, 27-40.
- \*Beine, M., Docquier, F., & Rapoport, H. (2008). Brain drain and human capital formation in developing countries: Winners and losers. *The Economic Journal*, 118(528), 631-652.
- Gibson, J., & McKenzie, D. (2011). The microeconomic determinants of emigration and return migration of the best and brightest: Evidence from the Pacific. *Journal of Development Economics*, 95(1), 18-29.
- Spilimbergo, A. (2009). Democracy and Foreign Education. *The American Economic Review*, 99(1), 528-543.
- \*Docquier, F., Lodigiani, E., Rapoport, H., & Schiff, M. (2015). Emigration and democracy. *Journal of Development Economics*, 120, 209-223.
- Bollard, A., McKenzie, D., Morten, M., & Rapoport, H. (2011). Remittances and the brain drain revisited: The microdata show that more educated migrants remit more. *The World Bank Economic Review*, 1hr013.
- Dustmann, C., & Mestres, J. (2010). Remittances and temporary migration. *Journal of Development Economics*, 92(1), 62-70.