

# How Much You Know About David Card?



## PROFILE

<b>Name:</b>	David Card
<b>Education Level:</b>	Ph.D. degree in Economics
<b>Occupation:</b>	Director of the Labor Studies Program
<b>Research Interests:</b>	Immigration, wages, education and race-related differences in the labor market
<b>Contribution:</b>	The era of Labor Economics
<b>Awards:</b>	John Bates Clark Medal (1995) IZA Prize in Labor Economics (2006) Frisch Medal (2008)

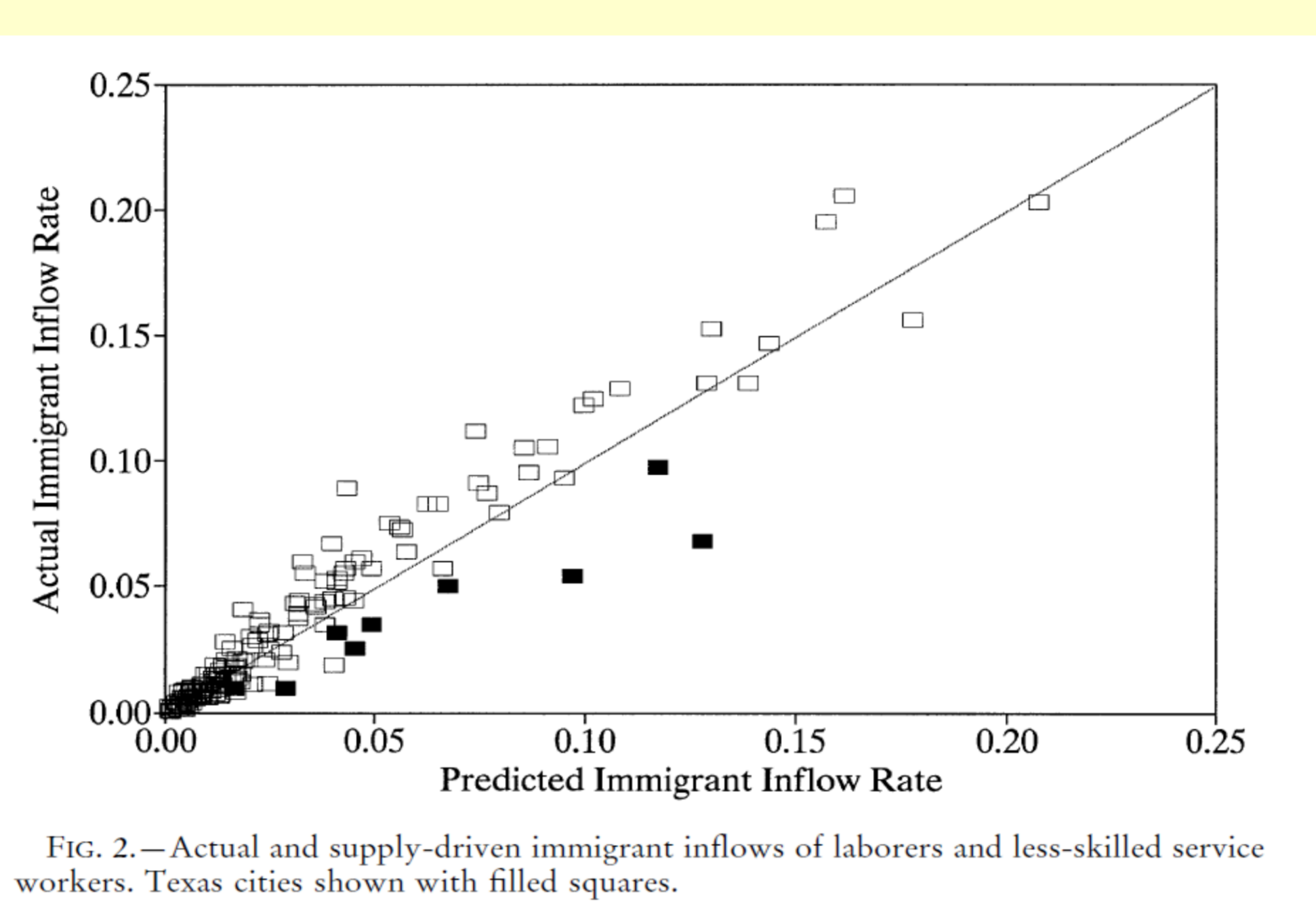
**\*\* Motivated by Card's empirical research, we can find different views on the immigration and labor market. Let's get started!**



### Immigration & Inequality

Educational Distribution of Workers		Relationship
Below high school (14%)	High school (60%)	Perfect Substitutes
High School Equivalent	College Equivalent	Imperfect Substitutes
Same Education Groups		Imperfect Substitutes

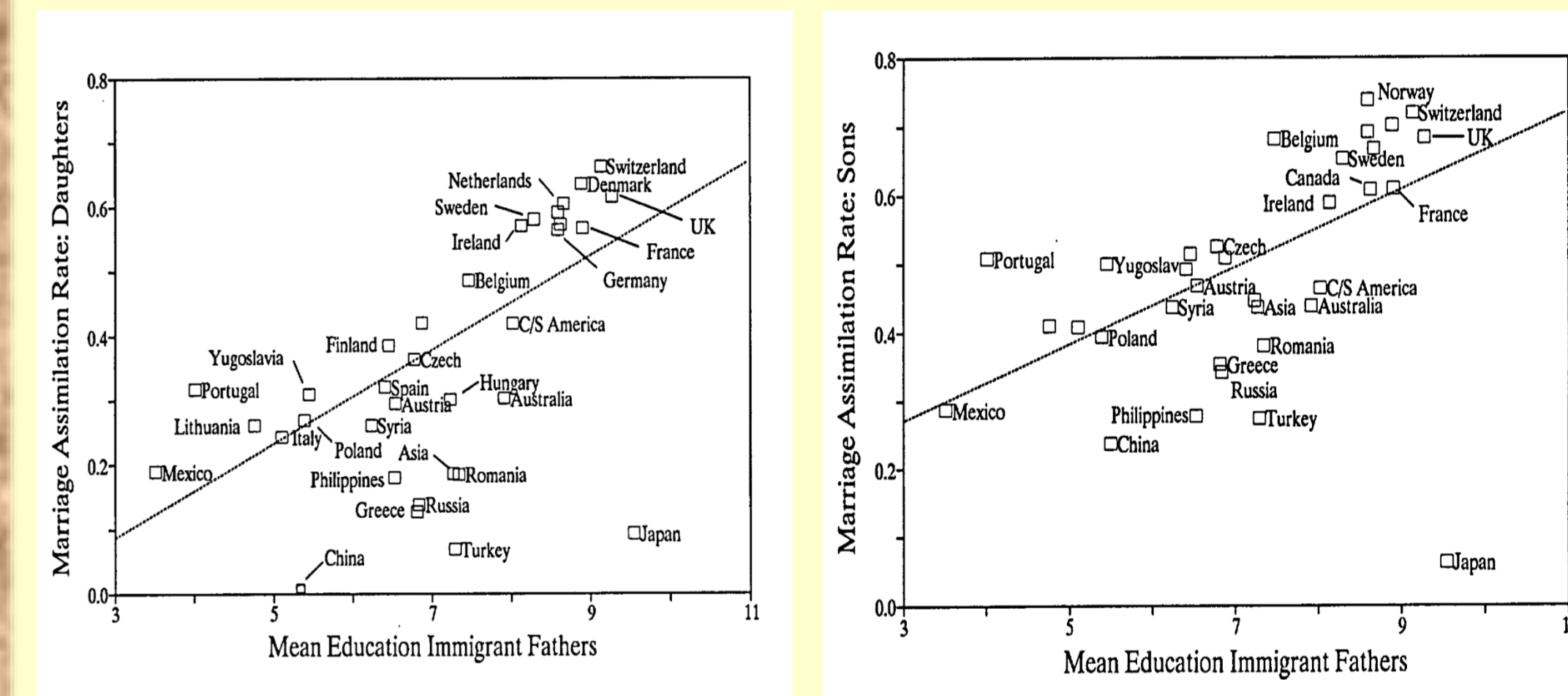
### Immigration Inflow & Outflow



### Offspring of Immigrants

#### Marriage:

- If the immigrant fathers are more educated or have higher wage, their second generation will have higher chance to marry native people, except for Asian immigrants.



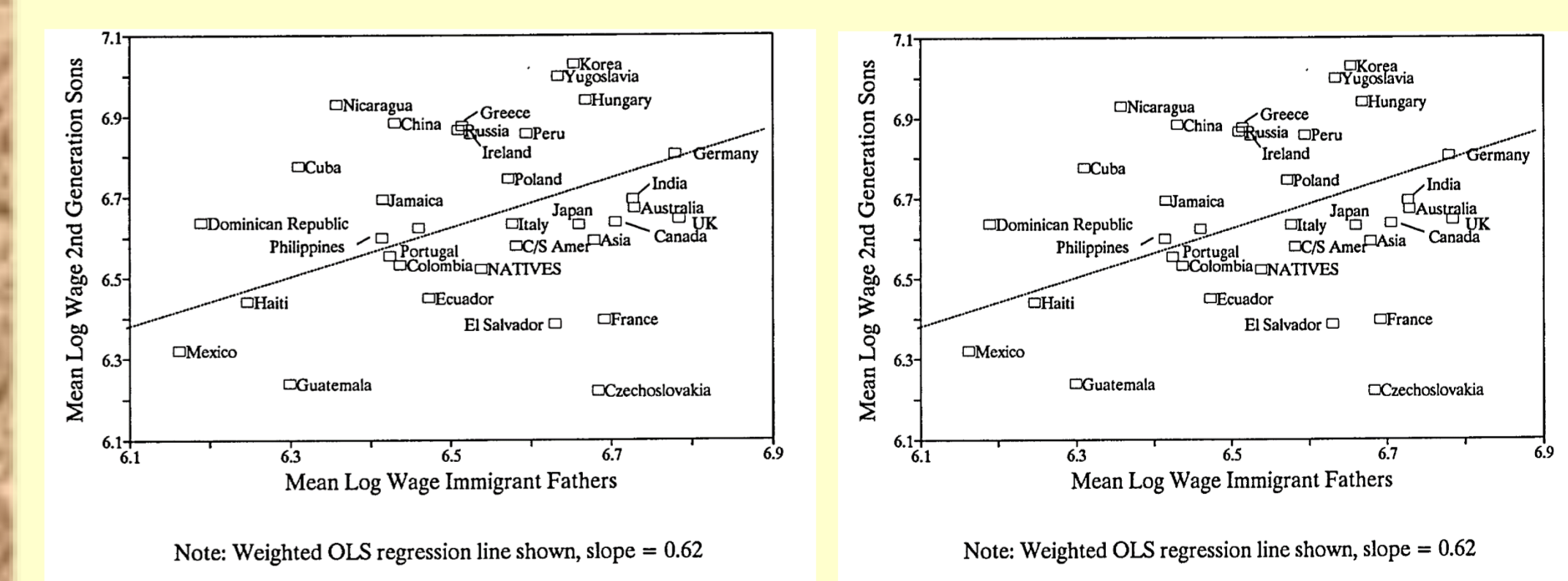
- Immigrant inflows were insensitive for both natives and earlier immigrants in intercity mobility rates.



- The education level of the fathers was more important in 1940/70 but wage became more important in 1970 /95.

#### Wage:

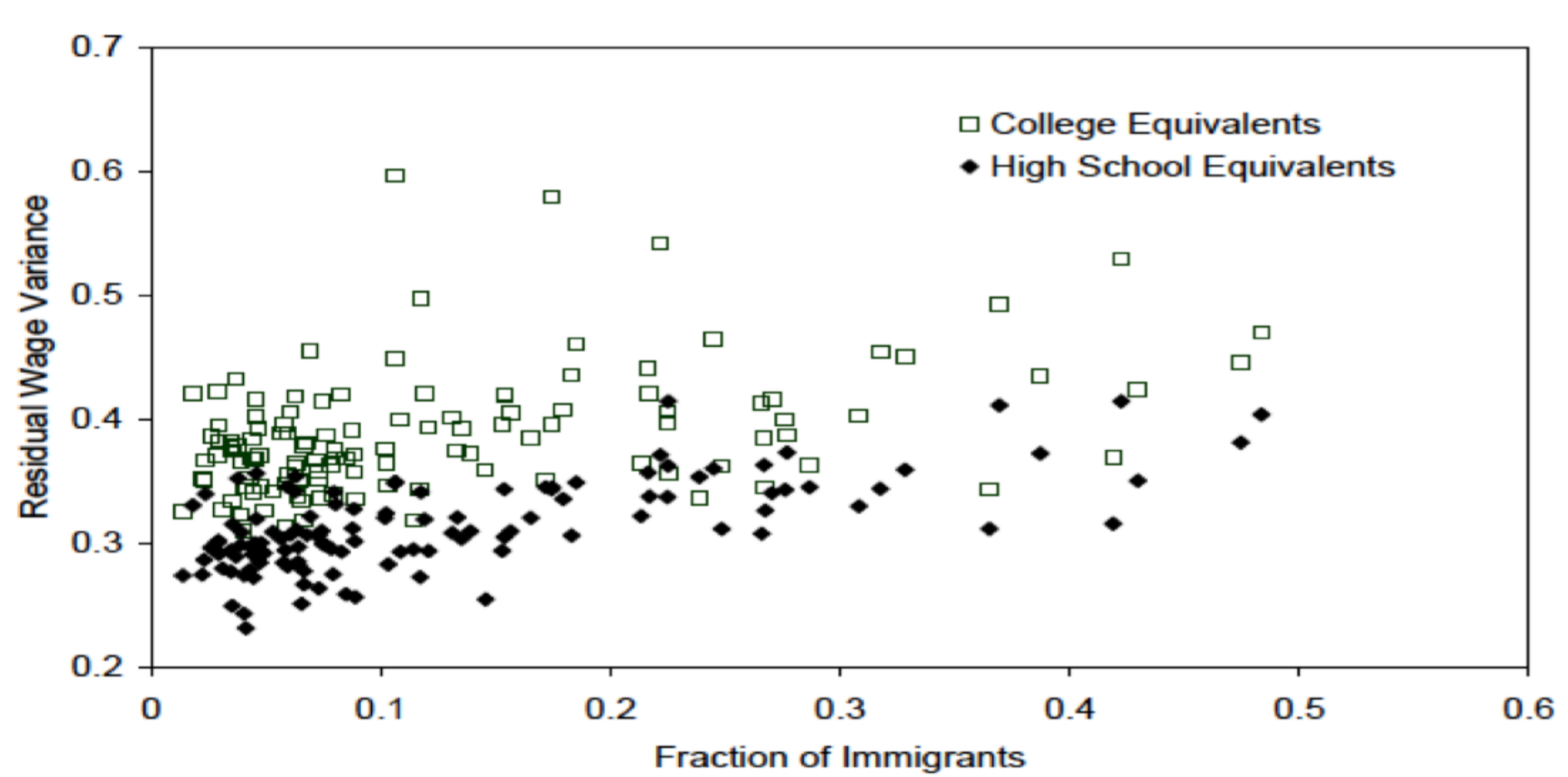
- The intergenerational assimilation of wage is faster in 1940/70, than 1970/95. This may only be due to increased wage disparity over time.
- The effect of father's wage to their children is greater in 1970/95.



- The figures show mean log wage in 1970 and mean log wage of second generation in 1994-96.

Immigrant inflows had a very small effect on the relative wages of U.S. natives.

Figure 5: Immigrant Density and Residual Wage Inequality (Native Men)



**Q: However, why the overall wage inequality (including natives and immigrants) still increased??**

- Same skill or education level: immigrants → No perfectly substitute for the natives.
- Immigrants from same countries: → move to same cities in US → similar relative skill distribution → Competitive effects of additional immigrant inflows are concentrated among immigrants than natives

**Q: Why the effect of new immigrant's flow is not as serious as we think?**

- The relative size of their less-skilled populations had a large increase when cities received large inflows of new immigrants.
- The relative wages of laborers and less-skilled service in high immigrant cities reduced no more than 3% in the late 1980s.
- Due to the relative high elasticity of substitution between different skill categories, the relative wage structure did not affected by shifting in relative supply of different occupations very much.

Chi Audio



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Website



### Take home message:

Immigration are still an issue that quite a lot of people disagree with. Increasing number of immigrants has caused great debates and conflicts in Hong Kong and the US. However, David Card has broken these traditional thoughts and shown different aspects of these issues to us!