

**2007 International Symposium on Contemporary
Labor Economics (LABOR 2007)**

Labor Market Dynamics and Poverty

December 8 - 9, 2007

Wang Yanan Institute for Studies in Economics (WISE)

Xiamen University, China

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“2007 当代劳动经济学国际研讨会”会议须知

一、会议议程

会议各项议题安排详见会议议程，请各位代表依此参加相关的会议和活动。

二、大会接站

大会对所有参会代表均安排机场接送机服务,请出机场时留意“LABOR 2007”字样的接站标识,请代表们在报到时确认往返厦门的航班信息;由于火车、汽车站停车受限,请乘火车、汽车的代表自行乘出租车等交通工具(从火车站乘出租车约需 20 元)到相应地点报到,并保留票据,王亚南经济研究院将给予报销。

三、报到入住安排

- 1、所有与会人员住宿安排在厦门希尔福酒店(电话:0592-2082222;传真:0592-2092222;www.hilfrod.com), 报到时间地点为:12月7日9:00—22:30,希尔福酒店大堂。错过报到时间的代表请于12月8日上午到会场外报到。
- 2、Invited Speakers 酒店房租费由会务组承担(三晚),其余在酒店内发生的各项杂费请自理;Participants 住宿费用及其他杂费请自理。

四、就餐安排

- 12月7日, 参会代表凭代表证自行用晚餐
- 12月8日, 早餐, 希尔福酒店餐厅
中餐 12:30, 厦大逸夫楼餐厅
晚餐 18:00, 厦大逸夫楼餐厅
- 12月9日, 早餐, 希尔福酒店餐厅
中餐 12:30, 南普陀素菜馆
晚餐 18:00, 环岛路佳丽海鲜餐厅
- 12月10日, 早餐, 希尔福酒店餐厅
(用餐地点可能会有变动, 请以会务组通知为准。)

五、票务

12月8日报到时,我们将在报到桌旁设置票务台,以便需购买返程机票的代表订购票及确认返程机票。

另将有关订票电话公布如下(厦门电话区号 0592):

厦门大学票务部: 2183083 (可预订飞机票)

厦门航空订票(岛内免费送票上门): 2226666

厦门机场咨询: 6020033、6028940

厦门主要航空公司机票确认电话：

厦门航空(MF): 2226666	南方航空(CZ): 5117777, 6022936-7558
上海航空(FM): 2210600	东方航空(MU): 5732401
中国航空(CA): 5084383, 5084375	山东航空(SC): 5555555, 5562377
港龙航空(KA): 5117702	国泰航空(CX): 00852-27471888
马航(MH): 2106088, 2106188	菲律宾航空(PR): 2394729, 2394730
胜安航空(MI): 2053275, 2037127	大韩航空(KE): 2680140, 2680141
新加坡航空(SQ): 2053275	全日空(NH): 2052317, 5732888

六、会议筹备组相关人员联系电话（厦门区号 0592）

- (1) 学术组：齐豪 13599916102；沈凯玲 2185721。
- (2) 宣传组：宋江红 2180855。
- (3) 接待组：张虹 2187878；许有淑 2181003；林颖 2186573；吴舒敏 2186170。
- (4) 技术、会场组：罗智超 2186137；陈志煌 2182991；张强 2182185。
- (5) 财务组：张虹（兼）2187878。

七、常用电话

厦大医院：2186120；2186203
急救电话：120
报警电话：110

八、12月10日将组织厦门半日游（鼓浪屿、环岛路），请需要参加旅游的代表于报到时向工作人员进行登记；参加人员请准时于12月10日上午8:00于希尔福酒店大堂集合，游览预计13:00前结束（包含简单午餐）。

九、请各位代表于午餐和晚餐时凭代表证到指定餐厅用餐。

十、开会时，请各位参会代表关闭手机，尽量不要在场内走动。

十一、本次会议向 Participants 收取一定会务费，主要为会议每天餐费及会议相关材料费用，其它消费请各位代表自理；Invited Speakers 免会务费。

十二、本次大会代表合影，不统一冲洗，需要照片的可在厦门大学王亚南经济研究院网站上自行下载。

十三、会务组在会场外放置电脑，以供与会代表们休息时间时使用。

十四、厦门酒吧一条街位于湖滨东路，槟榔小区。

十五、**温馨提示：**厦门是中国“最温馨的城市”，但我们还是提醒各位代表，请注意您的人身和财产安全，建议您不要下海游泳，晚上外出请结伴而行。

2007 LABOR CONFERENCE NOTICE

1. *Conference Agenda*

Please refer to the Conference Agenda for a more detailed timetable of presentations. This guide primarily concerns with Reception, Accommodation, Registration, Dinner, Transportation and Ticket-booking arrangements during the conference.

2. *Reception*

The Conference Committee has arranged transportations for all the presenters at the airport, which requires the presenters to provide accurate arrival/departure information to/from Xiamen. At the arrival, please pay attention to the “LABOR 2007” poster to get the proper transportation arrangement.

For presenters arriving in Xiamen via train, please take a cab to the appointed registration desk in Xiamen University due to our constrained manpower and capacity. (The cab fare is approximately 20 yuan from Xiamen Railway Station to Xiamen University) ***Do remember to retain the invoice to get reimbursement from WISE.***

3. *Accommodation and Registration*

- 1) For all participants, *accommodations* are provided by Hilford Hotel (+86-592-2082222). The registration time is on 7th December and the Venue is at the lobby of Hilford Hotel, Xiamen.
- 2) The Conference only accounts for Invited Speakers’ daily rent in the hotel (3 nights) while our guests would pay for any incidental cost incurred otherwise.

4. *Dinners*

- 1) 8th December
Breakfast Hilford Hotel
Lunch 12:30 Yifu Hotel, XMU
Supper 18:00 Yifu Hotel, XMU
- 2) 9th December
Breakfast Hilford Hotel
Lunch 12:00 South Pu Tuo Temple, Vegetarian Food
Supper 18:00 Seafood Restaurant
- 3) 10th December
Breakfast Hilford Hotel

(Locations are subject to change, please be aware of the announcement given by the Conference Reception.)

5. Booking Tickets

On the registration date (7th December), the **Ticket Office** would be set aside the **Registration Office** to facilitate participants with booking affairs or confirming return tickets

You may contact the following agencies for booking affairs.

Ticket Office in XMU: 0592-2183083 (For aviation and bus ticket, please book in advance)

Xiamen Airlines Hotline: 0592-2226666 (Free delivery of tickets within the Island)

Consulting Agency at the Xiamen Airport: 0592-6020033/ 6028940

Ticket Office at the Airport: 0592-5738816

Air ticket confirmation numbers for major airlines:

MF: 2226666	CZ: 5117777, 6022936-7558
FM: 2210600	MU: 5732401
CA: 5084383, 5084375	SC: 5555555, 5562377
KA: 5117702	CX: 00852-27471888
MH: 2106088, 2106188	PR: 2394729, 2394730
MI: 2053275, 2037127	KA: 2680140, 2680141
SQ: 2053275	NH: 2052317, 5732888

6. Chief Organizers' contact information in the Conference Committee

- a) Conference Academic Affairs: Hau CHYI 13599916102
 Kailing SHEN 2185721
- b) Conference Publicity : Jianghong SONG 2180855
- c) Reception: Hong ZHANG 2187878
 Youshu XU 2181003
 Ying LIN 2186573
 Shumin WU 2186170
- d) Conference-Related Affairs: Zhichao LUO 2186137
 Zhihuang CHEN 2182991
 Qiang ZHANG 2182185
- e) Treasury: Hong ZHANG 2187878

- 7. A half-day trip around Xiamen will be specially offered on 10th December by the Committee which will guide our guests around Gu Langyu Island (the Island of Architectures and Piano) and the Ring Road. For those guests who are interested in this trip, please **register during your**

registration. For those who signed up then, please **gather at 8:00am, 10th December at Lobby at Hilford Hotel**; the trip will **last from 8:00am to 13:00.**

8. Please present your conference ID card when you have lunch and supper at the appointed restaurants.
9. Please turn your cell phone into silence or vibration mode when the conference is in progress.
10. We will charge Registration fee for all the participants. (Including reception fee at the airport, dinner charges and relative documents for the Conference); Conference fee is waved for invited speakers.
11. Photography can be downloaded in the homepage of the Wangyanan Institute for Studies in Economics (WISE) at www.wise.xmu.edu.cn.
12. Computers with access to the internet are provided for the convenience of Presenters.
13. For clubbing and pubs, please go to Bin Lang Xiao Qu (Bin Lang Community) at Hu Bin Dong Lu (Eastern Hu Bin Road).
14. For safety cautions: Although Xiamen is one of the most comfortable and safest cities in China, we suggest you take good care of yourself and your belongings. A company is better than alone when you are going out at night. Additionally, we strongly suggest you not to swim in the sea.

Wang Yanan Institute for Studies in Economics

December, 2007

LABOR 2007 PROGRAM SUMMARY**会议议程概要**

Registration starts at 10:00am, Friday, December 7, 2007 and opening ceremony starts at 8:15am, Saturday, December 8, 2007.

Registration		
December 7, 2007		
Date/Time	Location	
December 7, 2007 9:00am—10:30pm	The lobby of Hilford Hotel	Registration

LABOR 2007 Summary of All Sessions						
Session	Date/Time	Location	Type of Session	Language	Title of Session/ Keynote Speakers	Abstracts on Page
December 8, 2007						
	December 8, 8:15am-8:30am	Qun Xian Building No.2 Room 201	Opening Ceremony			
Keynote I	December 8, 8:30am-10:15am	Room 201	Keynote	English	Xin Meng, Gary S. Fields Junsen Zhang,	16
	December 8, 10:15am-10:45am	Coffee Break				
2A	December 8, 10:45am-12:15pm	R201	Parallel	English	Return to Education	16
2B	December 8, 10:45am-12:15pm	R204	Parallel	English	Migration and Immigration	17
	December 8, 12:15pm-2:30pm	Yi-Fu Building		Lunch		
Keynote II	December 8, 2:30pm-4:00pm	R201	Keynote	English	Robert Gregory, Peter Kuhn	18
	December 8, 4:00pm-4:30pm	Coffee Break				
4A	December 8, 4:30pm-6:00pm	R201	Parallel	English	Applied Econometrics	19
4B	December 8, 4:30pm-6:00pm	R204	Parallel	English	Transition Economics	20
	December 8, 6:00pm-8:00pm	Yi-Fu Building		Dinner		

Session	Date/Time	Location	Type of Session	Language	Title of Session/ Keynote Speakers	Abstracts on Page
December 9, 2007						
Keynote III	December 8:30am-10:15am	R201	Keynote	English	Shi Li, Larry Kahn, Yongjun Chen	21
	December 9, 10:15am-10:45am	Coffee Break				
6A	December 9, 10:45am-12:15pm	R201	Parallel	English	Economic Policies	22
6B	December 9, 10:45am-12:15pm	R204	Parallel	English	Macroeconomics	23
	December 9, 12:15pm-2:30pm	South Pu Tuo Temple		Lunch		
7A	December 9, 2:30pm-4:00pm	R201	Parallel	Chinese	Chinese Economy	24
7B	December 9, 2:30pm-4:00pm	R204	Parallel	English	Applied Econometrics	24
	December 9, 4:00pm-4:30pm	Coffee Break				
8A	December 9, 4:30pm-6:00pm	R201	Parallel	English	Chinese Economy	25
8B	December 9, 4:30pm-6:00pm	R204	Parallel	English		26
	December 9, 6:00pm-8:00pm	Seafood Restaurant		Dinner		

2007 International Symposium on Contemporary Labor Economics (LABOR2007)

Labor Market Dynamics and Poverty

December 8 - 9, 2007

The Wang Yanan Institute for Studies in Economics (WISE)
Xiamen University, China

I Organizer Committee (以英文拼音为序)

Zhongwu CAI, University of North Carolina at Charlotte and Xiamen University

Guojin CHEN, Xiamen University

Hau CHYI, Xiamen University

Yongmiao HONG, Cornell University and Xiamen University

Cheng HSIAO, University of South California, USA and Xiamen University

Xiaoqiong LAI, Xiamen University

Kailing SHEN, Xiamen University

II Conference Program

Preliminary Program of November 22, 2007 (presenters are bolded.)

December 8, 2007

Section 0 (8:15am-8:30am, Qun Xian Building No. 2 Room 201): Opening Ceremony

Section Chair: **Yongmiao Hong**, Cornell University, USA and Xiamen University, China

Section 1 (8:30am-10:15am, English) Keynote Session I

Section Chair: **Yongmiao Hong**, Cornell University, USA and Xiamen University, China

[1] **8:30-9:05**: "Regional Price Differential and Income Inequality"

Xin Meng (xin.meng@anu.edu.au), Australia National University, Australia

[2] **9:05-9:40**: "Proposed New Research on Income Mobility in China"

Gary S. Fields (gsf2@cornell.edu), Cornell University, USA and IZA, Germany

[3] **9:40-10:15**: "More Men, More Crime: Evidence from China's One-Child Policy"

Junsen Zhang (jszhang@cuhk.edu.hk), Chinese University of Hong Kong, HKSAR, China

Lena Edlund, Columbia University, USA

Hongbin Li, Chinese University of Hong Kong and Tsinghua University, China

Junjian Yi, Chinese University of Hong Kong, HKSAR, China

10:15-10:45: Coffee Break

Section 2A (10:45am-12:15pm, English) Return to Education

Section Chair: **Jeffrey S. Zax** (zax@colorado.edu), University of Colorado at Boulder, USA

[1] **10:45-11:15:** " Measuring the Cognitive and Non-Cognitive Components of the Return to Schooling: Multi-Country Evidence"

Chris Sakellariou (acsake@ntu.edu.sg), Nanyang Technological University, Singapore

[2] **11:15-11:45:** "The Differences of Rate of Return to Schooling in Urban China and An Explanation"

Haigang Wang (lnswhg@mail.sysu.edu.cn), Sun Yat-sen University, China

[3] **11:45-12:15:** "Human Capital in a Worker's Paradise: Returns to Education in Urban China"

Jeffrey S. Zax (zax@colorado.edu), University of Colorado at Boulder, USA

Section 2B (10:45am-12:15pm, English) Migration and Immigration

Section Chair: **Zhengming Qian** (ringvoice@sina.com), Xiamen University

[1] **10:45-11:15:** "Causes and Consequences: the Overeducated Chinese Immigrants in the Canadian Labor Market"

Tony Fang (tonyfang@yorku.ca), York University, Canada

[2] **11:15-11:45:** " Impact of Labor Migration on the Urban-Rural Income Gap in Mainland China Based on Spatial Econometric Analysis"

Yanping Yu, Xiamen University

Zhengming Qian (ringvoice@sina.com), Xiamen University

[3] **11:45-12:15:** "Impacts of Internal Migration on Local Labor Market: Chinese Cities in the Reform Era,"

Guochang Zhao (gc_zhao@yahoo.com.cn), WISE, Xiamen University, China

12:15pm-2:30pm: Lunch

Section 3 (2:30pm-4:00pm, English) Keynote Session II:

Section Chair: **Lawrence M. Kahn** (lmk12@cornell.edu), Cornell University, USA

[1] **2:30-3:15:** Evolutions and Big Bangs: The Potential Impact of the State on the Changing Economic Outcomes of Women

Robert Gregory (bob.gregory@anu.edu.au), Australia National University, Australia

[2] **3:15-4:00:** "The International Migration of Knowledge Workers: When is Brain Drain Beneficial?"

Peter Kuhn (pjkuhn@econ.ucsb.edu), University of California at Santa Barbara, USA
Carol McAusland, University of Maryland, USA

4:00-4:30: Coffee Break

Section 4A (4:30pm-6:00pm, English) Applied Econometrics

Section Chair: **Haoming Liu** (ecsliuhm@nus.edu.sg), National University of Singapore, Singapore

[1] **4:30-5:00:** "Health Insurance and Household Saving: New Evidence from Quantile Regression"

Chung-Ming Kuan (ckuan@econ.sinica.edu.tw), Institute of Economics, Academia Sinica, Taiwan

Chien-Liang Chen (clchen@ncnu.edu.tw), National Chi Nan University, Taiwan

[2] **5:00-5:30:** "Is There a Quality-Quantity Trade off? Evidence from the Relaxation of China's One Child Policy"

Haoming Liu (ecsliuhm@nus.edu.sg), National University of Singapore, Singapore

[3] **5:30-6:00:** "How Do Married Couples Share Income Risk through Labor Supply? - Evidence from a Collective Model"

Sisi Zhang (zhangse@bc.edu), Boston College, USA

Section 4B (4:30pm-6:00pm, English) Transition Economics

Section Chair: **Zuzana Brixiova** (zbrixiova@gmail.com), Addis Ababa University, Ethiopia

[1] **4:30-5:00:** "Skill Mismatch and Entrepreneurship in Central Europe"

Zuzana Brixiova (zbrixiova@gmail.com), Addis Ababa University, Ethiopia

[2] **5:00-5:30:** "The Impact of Technology Adoption on Employment: Exploration from the perspective of manufacturing industry in transitional China"

Guangjie Ning (gjning@nankai.edu.cn), Nankai University, China

[3] **5:30-6:00:** "The Role of Transition, Increased Competition and decentralized Wage Setting in Changing the Czech Wage Structure"

Tor Eriksson (tor@asb.dk) Aarhus University, Denmark

Mariola Pytlikova (Marp@asb.dk), Aarhus University, Denmark

Frederic WARZYNSKI, Aarhus University, Denmark and Universidad Carlos III de Madrid, Spain

6:00pm-8:00pm: Dinner

December 9, 2007

Section 5 (8:30am-10:15am, English) Keynote Session III:

Section Chair: **Xin Meng** (xin.meng@anu.edu.au), Australia National University, Australia

[1] **8:30-9:05:** "Inequalities of Labor Income in Urban China: New Evidences from National 1% population survey in 2005"

Shi Li (lishi89@263.net), Beijing Normal University, China

[2] **9:05-9:40:** "Gender, Source Country Characteristics, and Labor Market Assimilation among Immigrants: 1980-2000"

Francine D. Blau, Cornell University, NBER, IZA and CESifo,

Lawrence M. Kahn (lmk12@cornell.edu), Cornell University, IZA and CESifo

Kerry L. Papps, Cornell University and IZA

[3] **9:40-10:15:** "Speedy Urbanization in China: Problems and Solutions"

陈甬军 (chenyj1108@ruc.edu.cn), 中国人民大学

秦敬云 (jyqin@xmu.edu.cn), 桂林电子科技大学

10:10-10:45: Coffee Break

Section 6A (10:45am-12:15pm, English) Economic Policies

Section Chair: **Guntur Sugiyarto** (gsugiyarto@adb.org), Asia Development Bank

[1] **10:45-11:15:** "How Does Overall Wealth Decline With Medicaid Eligibility?"

Song Gao (song.gao@gmail.com), Central University of Finance and Economics,
China

[2] **11:15-11:45:** "The Targeting and Poverty Effect of the Jefes y Jefas Workfare Program
During the Argentine Crisis"

Jan Priebe (jpriebe@uni-goettingen.de), University of Goettingen, Germany

[3] **11:45-12:15:** "Does Minimum Wage Reduce Employment and Training Provision?"

Guntur Sugiyarto (gsugiyarto@adb.org), Asia Development Bank

Benjamin A. Endriga, University of Philippines

Section 6B (10:45am-12:15pm, English) Macroeconomics

Section Chair: **Shihe Fu** (fush@swufe.edu.cn), Southwestern University of Finance and
Economics, China

[1] **10:45-11:15:** "Wage Premia in Employment Clusters: Agglomeration Economies"

Shihe Fu (fush@swufe.edu.cn), Southwestern University of Finance and Economics,
China

[2] **11:15-11:45:** "Growth and Unemployment"

Patrick Touch (patrick.toche@free.fr), City University of Hong Kong, HKSAR, Hong
Kong, China

[3] **11:45-12:15:** "Real Exchange Rate and Employment in China"

Xiliang Zhao (zhaoxiliang@tsinghua.org.cn), Xiamen University, China

12:15pm-2:30pm: Lunch

Section 7A (2:30pm-4:00pm, Chinese) Chinese Economy

Section Chair: **费方域** (fyfei@sjtu.edu.cn), 上海交通大学

[1] **2:30-3:00:** "发达地区产业集聚的人口作用——以闽、粤、浙、苏四省为例"

刘娟(allanred@163.com), 厦门大学王亚南经济研究院

[2] **3:00-3:30:** "失业变动、劳动生产率与经济增长方式——我国分省数据的实证研究"

陈瑛 (chenying@ynu.edu.cn), 云南大学发展研究院

[3] 3:30-4:00: "新一代劳动力的特征和流动趋势"

张永丽 (zhylljp@163.com), 浙江大学农业现代化与农村发展研究中心
黄祖辉, 浙江大学农业现代化与农村发展研究中心

Section 7B (2:30pm-4:00pm, English) Applied Econometrics

Section Chair: **Chih-Hai Yang** (chyang@mgt.ncu.edu.tw), National Central University, Taiwan

[1] 2:30-3:00: Identification and Statistical Inference with Matched CPS data: An application to U.S. Poverty Dynamics"

Shuaizhang Feng (shuaizhang.feng@gmail.com), Shanghai University of Finance & Economics, China

[2] 3:00-3:30: "Trends in the Gender Earnings Differential in Urban China, 1988–2004"

Jun Han (hanjun@hku.hk), HIEBS, Hong Kong University, HKSAR, China "

[3] 3:30-4:00: "The Role of Transition, Increased Competition and decentralized Wage Setting in Changing the Czech Wage Structure"

Chih-Hai Yang (chyang@mgt.ncu.edu.tw), National Central University, Taiwan
Chun-Hung A. Lin (chlin@mail.tku.edu.tw), Tamkang University, Taiwan

4:00-4:30: Coffee Break

Section 8A (4:30pm-6:00pm, English) Chinese Economy

Section Chair: **Yingfeng Xu** (yingfeng.xu@ualberta.ca), University of Alberta, Canada

[1] 4:30-5:00: " Labor Supply Behavior of Taxi Drivers: A Survey in Beijing"

Xianghong Wang (shwang06@yahoo.com), Renmin University of China, China

[2] 5:00-5:30: "Labor Share of Income and Macroeconomic Challenges for the Chinese Economy"

Yingfeng Xu (yingfeng.xu@ualberta.ca), University of Alberta, Canada

[3] 5:30-6:00: "An Analysis on the Pulling Force to the Rural Labor Mobility from the Village Level"

Xiaoli Yang (yxl923@yahoo.com.cn), Shenyang Agricultural University, China

Section 8B (4:30pm-6:00pm, English)

Section Chair: **Wim Meeusen** (wim.meeusen@ua.ac.be), University of Antwerp, Belgium

[1] 4:30-5:00: "Welfare and Work Participation of Single Mothers and Children's Cognitive Development"

Hau Chyi (hauchyi@gmail.com), Xiamen University, China

Orgul Demet Ozturk (orguldemetozturk@gmail.com), University of South Carolina, USA

[2] 5:00-5:30: "Efficiency Wages, Unemployment Benefits, Union-Firm Wage Bargaining"

Wim Meeusen (wim.meeusen@ua.ac.be), University of Antwerp, Belgium
Stavrevska Vesna (vesna.stavrevska@ua.ac.be), University of Antwerp, Belgium

[3] **5:30-6:00:** “Contingent, Temporary Unemployment Insurance’s Impacts on Employment and Unemployment Durations”

Kailing Shen (kailing.shen@gmail.com), Xiamen University, China

6:00pm-8:00pm: Dinner

December 10, 2007

8:00am-1:00pm, Sight-seeing to Gu-Lang Island

8:00am: Bus departure at the front gate of Hilford Hotel

12:00: Lunch

1:00pm, Bus return to Hilford Hotel

Abstract of Papers

Section 1 (8:30am-10:15am, English) Keynote Session I

Section Chair: **YongMiao Hong**, Cornell University, USA and Xiamen University, China

[1] **8:30-9:05**: "Regional price differential and income inequality," **Xin Meng**

(xin.meng@anu.edu.au), Australia National University, Australia

[2] **9:05-9:40**: "Proposed New Research on Income Mobility in China," **Gary S. Fields**

(gsf2@cornell.edu), Cornell University, USA and IZA, Germany

The international literature presents studies of macro mobility (how much income mobility is there in the economy?) and micro mobility (which individuals experience movements of what magnitudes and what are the correlates of these movements?). In China too, both macro mobility and micro mobility studies have been conducted. This paper will review the existing Chinese studies and propose additional new work that can be carried out using Chinese panel data sets

[3] **9:40-10:15**: "More Men, More Crime: Evidence from China's One-Child Policy," **Junsen Zhang**

(jszhang@cuhk.edu.hk), Chinese University of Hong Kong, HKSAR, China; Lena Edlund, Columbia University, USA; Hongbin Li, Chinese University of Hong Kong and Tsinghua University, China; Junjian Yi, Chinese University of Hong Kong, HKSAR, China

Crime rates almost doubled in China between 1992 and 2004. Sex ratios (males to females) in the crime-prone ages of 16-25 years rose sharply over the same period, from 1.05 to 1.10. Although the scarcity of females is commonly believed to be a source of male anti-social behavior, a causal link has been difficult to establish. Variations in sex ratios are either small or related to social conditions that are also likely to affect crime rates. This paper exploits two unique features of the Chinese experience: the variations in the sex ratio are large and are mainly in response to the implementation of the one-child policy. Using annual province-level data covering the years 1988-2004, we find that a 1% increase in the sex ratio raised the violent and property crime rates by some 5-6%, which suggests that the higher male-to-female sex ratio may have accounted for 28-38% of the rise in crime during the study period

Section 2A (10:45am-12:15pm, English) Return to Education

Section Chair: **Jeffrey S. Zax** (zax@colorado.edu), University of Colorado at Boulder, USA

[1] **10:45-11:15**: "Measuring the Cognitive and Non-Cognitive Components of the Return to Schooling: Multi-Country Evidence," **Chris Sakellariou** (acsake@ntu.edu.sg), Nanyang Technological University, Singapore

Little is known about what skills that make up workers' human capital endowment contribute to higher earnings. Surveys of past empirical evidence suggest that about four-fifths of the returns to schooling are generated by effects or correlates unrelated to the cognitive skills measured by the available tests. Recently, it has been suggested that splitting the measure of cognitive skills between those acquired through schooling vs. those acquired elsewhere, leads to considerably higher estimates of the cognitive component of the return to schooling than what has been earlier found. I use the International Adult Literacy Survey (IALS) data to obtain multi-country estimates of the cognitive and non-cognitive components of the return to schooling. The results reveal considerable heterogeneity between

countries. For Scandinavian countries, more than half of the return to schooling can be attributed to schooling cognitive skills, while for the rest of the countries schooling cognitive skills account for only about 20 percent of the return to schooling.

[2] **11:15-11:45:** "The Differences of Rate of Return to Schooling in Urban China and An Explanation," **Haigang Wang** (lnswghg@mail.sysu.edu.cn), Lingnan College, Sun Yat-sen University, China

Based on data of China Household Income Project (CHIPS)1995 and 2002, this paper re-estimates the rate of returns to schooling by Hierarchical Linear Model. It is found that a) the rate varies much across the regions either in 1995 or 2002 and the variations come almost solely from between-cities within provinces instead of between-provinces as previous study; b) the degree of the marketization of labor allocation has a positive effect on the rate of returns to schooling and the variations of the rate across the regions are due to the variations of the degree of marketization of labor allocation across the regions.

[3] **11:45-12::15** "Human Capital in a Worker's Paradise: Returns to Education in Urban China," **Jeffrey S. Zax** (zax@colorado.edu), University of Colorado at Boulder, USA

A switching model with two selection equations and four regimes, applied to a micro-data set of 14,781 workers observed in 1988, analyzes returns to education in urban China during the early reform period. OLS estimates of these returns are biased: Selection-corrected estimates are typically higher. Returns to education depend positively with age for men in both the collective and state sectors, and among laborers as well as white collar workers. The same is true for women in the state sector. As complementarity between education and experience is likely to be outweighed by vintage effects in education, these results suggest that the relatively few educated members of older employee cohorts retained privileged access to the most remunerative urban jobs.

Section 2B (10:45am-12:15pm, English) Migration and Immigration

Section Chair: **Zhengming Qian** (ringvoice@sina.com), Xiamen University

[1] **10:45-11:15:** "Causes and Consequences: the Overeducated Chinese Immigrants in the Canadian Labor Market," **Tony Fang** (tonyfang@yorku.ca), York University, Canada

This paper addresses the issue of overeducation of recent immigrants, particularly Chinese immigrants, in the Canadian labour market. Using matched employee-employer data from the 2003 Workplace and Employee Survey, the determinants and earnings consequences of overeducation are explored. Although standard in the overeducation literature, this paper presents estimates of returns to years of schooling that are contingent upon perceived job requirements. Compared to Canadian-born workers, Chinese immigrants are found to have a relatively high incidence of overeducation (56% vs. 33%) and to earn relatively low returns for their surplus schooling (6.6% vs. 3.9% for very additional year of overeducation). The loss in earnings due to overeducation is shown to be large in magnitude and is a major contributor to the gap in earnings between immigrants and the Canadian-born. In light of these conclusions, implications for Canada's method of selecting immigrants in the skilled worker category and for those who are interested in applying for Canadian immigration are discussed.

[2] **11:15-11:45:** "Impact of Labor Migration on the Urban-Rural Income Gap in Mainland China Based on Spatial Econometric Analysis" Yanping Yu, Xiamen University; **Zhengming Qian**

(ringvoice@sina.com), Xiamen University

The urban-rural income gap has been enlarged and the labor migration has been expanding since implementing the reform and opening up policy. Theoretically, labor flow from the agricultural industry with low marginal productivity to non-agricultural industries with high marginal productivity may effectively narrow the gap of urban-rural marginal productivity, and reduce the urban-rural income gap accordingly. However, urban-rural income gap has been enlarged as long as the expansion of labor mobility after China's reform and opening up, especially since the 1990s, which presents a contradiction between theory with reality. To analyze such an issue, this paper empirically explores the impact of labor mobility on urban-rural income gap based on the panel data by constructing spatial models after considering the spatial dependence among regions of China. The results show that, there exist a great spatial dependence among regions as well as obvious spatial differences both in capital characteristics and flow direction of labor mobility, including the imbalance in urban-rural education. The insufficiency of both the services industry and the private economic development makes labor mobility being unable to reduce the urban-rural income gap.

[3] 11:45-12:15: "Impacts of Internal Migration on Local Labor Market: Chinese Cities in the Reform Era," **Guochang Zhao** (gc_zhao@yahoo.com.cn), WISE, Xiamen University, China

Since 1980s, along with the relaxation of limitations on internal migration, more and more migrants surge into cities. Using aggregate data on internal migration from 2000 population census and CHNS data, this paper studies the impact of internal migration on local labor market in urban area. Since migrants are likely to be attracted to high wage provinces, one instrument is constructed. The regression results indicate that in-migrants has no significant effects on the wages of local male workers and total local workers' working time, but has significant effect on the wages of local female workers. Increasing the migrants share in the total population by 1 percent decreases the local urban female workers by 6 to 10 percents on average. Using instrumental variable quantile regression, it is found that the female workers with higher wage are more affected. However, there is nearly no impact on the female workers with lower wage.

Section 3 (2:30pm-4:00pm, English) Keynote Session II:

Section Chair: **Larry Kahn** (lmk12@cornell.edu), Cornell University, USA; Francine D. Blau, Cornell University, NBER, IZA and CESifo

[1] 2:30-3:15: "Evolutions and Big Bangs: The Potential Impact of the State on the Changing Economic Outcomes of Women," **Robert Gregory** (bob.gregory@anu.edu.au), Australia National University, Australia

This paper explores the impact of the state on labour market outcomes of women and stresses the important role that economic institutions can play. It explores the changing balance between labour market and taxation issues.

[2] 3:15-4:00: "The International Migration of Knowledge Workers: When is Brain Drain Beneficial?," **Peter Kuhn** (pjkuhn@econ.ucsb.edu), University of California at Santa Barbara, USA; Carol McAusland, University of Maryland, USA

We consider the welfare effects of the emigration of workers who produce a public good (knowledge). We distinguish between the knowledge diversion and knowledge creation effects of such emigration, and show that the remaining residents of a country can gain from emigration, even when tastes for knowledge goods exhibit a kind of 'home bias'. In contrast to existing models of beneficial brain drain (BBD), our results do not require agglomeration economies,

education-related externalities, remittances, return migration, or an emigration "lottery". Instead, they are driven purely by differences in market size that induce greater knowledge creation by emigrants abroad than at home. BBD is even more likely in the presence of endogenous sending-country intellectual property rights (IPRs).

Section 4A (4:30pm-6:00pm, English) Applied Econometrics

Section Chair: **Haoming Liu** (ecsliuhm@nus.edu.sg), National University of Singapore, Singapore

[1] 4:30-5:00: " Health Insurance and Household Saving: New Evidence from Quantile Regression," **Chung-Ming Kuan** (ckuan@econ.sinica.edu.tw), Institute of Economics, Academia Sinica, Taiwan; **Chien-Liang Chen** (clchen@ncnu.edu.tw), National Chi Nan University, Taiwan

Illness and indigence are closely interdependent. Without health insurance, catastrophic medical expenditure might induce financial distress and result in poverty. Implementation of social insurance system is to diminish the link between illness and indigence. Reduced risks of health expenditure, however, might lead to lower precautionary saving. Purpose of this study is to estimate the extent to which the implementation of universal health insurance discourages precautionary saving of the household. Employing Taiwanese household expenditure survey over the past two decades, this study applies quantile regression model to difference-in-difference specification to assess the effects of National Health Insurance on saving. The empirical results depict that health insurance significantly dampens household saving and the heterogeneous quantile treatment effects (in absolute term) are positively associated with the conditional distribution of saving. Consequently, the longer time of the implementation of health insurance, the larger crowd-out effects. Furthermore, higher income and older head households become less prudent with larger reduction of saving in response to health insurance. Based on the results of quantile regression, this study provides new evidences on the replacement of health insurance on precautionary saving that differ from those presented in previous literature.

[2] 5:00-5:30: "Is There a Quality-Quantity Tradeoff? Evidence from the Relaxation of China's One Child Policy," **Haoming Liu** (ecsliuhm@nus.edu.sg), National University of Singapore, Singapore

This paper uses the exogenous variation in fertility introduced by the relaxation of China's "one child" policy to identify the impact of child quantity on child quality. Using a recently developed instrumental quantile regression approach, we show that the number of siblings has a negative effect on a child's height-for-age. The impact is particularly strong at the two tails of the height distribution for boys and at the top tail for girls. We also find that sibling gender composition directly affects child quality, particularly for boys. This raises a cautious note for researchers who want to use sibling gender composition as an instrumental variable for child quantity. Moreover, the tradeoff is much weaker when child quality is measured by education attainment, suggesting that the measurement of child quality is also crucial in testing the quality-quantity tradeoff theory.

[3] 5:30-6:00: "How Do Married Couples Share Income Risk through Labor Supply? - Evidence from a Collective Model", **Sisi Zhang** (zhangse@bc.edu), Boston College, USA

This study provides insights on how married couples insure against each other's transitory income fluctuations by adjusting labor supply in response to spousal income shocks. The answers to this question matters for the following reasons: First, the study of intra-household insurance is important for understanding household joint decisions in face of increasing income volatility. Second, the interactions between intra-household risk sharing and public insurance help efficient design and evaluation of social insurance policies. Third, since risk sharing is insurance against transitory income fluctuations, household members may response to permanent and transitory income changes

differently, policies that protect against low permanent wages such as minimum wage legislation and policies that insure against transitory income shocks such as unemployment benefit might have different implications on household joint decisions. Most studies on intra-household risk have focused on consumption smoothing and savings decisions. Some literature such as “added worker effect” examine spousal labor supply response as an insurance mechanism but they only consider how wives’ response to husbands’ unemployment shocks, which is a one-sided effect of a single shock. In this paper I build a risk sharing model based on the collective framework developed by Chiappori (1988), in which two members jointly taking Pareto-efficient decisions. The unobserved mechanism of intra-household transfers can be identified through observations of joint labor supply. Different from existing collective models that intra-household transfers depend on husband and wife’s wage as a measure of bargaining power, I specify the intra-household transfer mechanism to reflect both bargaining power and risk sharing behavior. The amount of transfers depend on husband and wife’s relative permanent wage which reflect both bargaining power and risk sharing over persistent shocks, and their transitory wages which reflect risk sharing over transitory shocks. I also examine how risk sharing affects participation choice in addition to joint labor supply decisions, and how transfer scheme changes when one of the partners does not work. I estimate this risk sharing model using Survey of Income and Program Participation 2001 panel which contains quarterly data from December 2000 to February 2003. I first decompose wage into permanent and transitory component for each individual, then jointly estimate husband and wife’s labor supply and participation decisions using Full Information Maximum Likelihood Estimation. Structural parameters for the unobserved transfer schemes are recovered. My estimation results suggest the following: (1) Efficient risk sharing hypothesis cannot be rejected. (2) Risk sharing effect seems to dominate bargaining effect. (3) Risk sharing effect is stronger and significant for persistent shocks, but weaker for transitory shocks. (4) Risk sharing effect is stronger for low income households or household with low education. (5) In addition to risk sharing over the magnitude of the shocks, evidence suggests household members may also insure each other against high volatility of the shocks.

Section 4B (4:30pm-6:00pm, English) Transition Economics

Section Chair: **Zuzana Brixiova** (zbrixiova@gmail.com), Addis Ababa University, Ethiopia

[1] **4:30-5:00:** "Skill Mismatch and Entrepreneurship in Central Europe", **Zuzana Brixiova** (zbrixiova@gmail.com), Addis Ababa University, Ethiopia

In the transition countries of Central Europe, labor markets have exhibited persistently low employment rates – despite output recovery, relatively high levels of human capital, and the recent EU accession. Massive job reallocation from industry to the service sector, which characterized transition, revealed a mismatch between the skill requirements of the newly created jobs and the jobs destroyed. Using a simple search model, we show how in the new EU members shortages of certain categories of market skills have impeded start-ups of businesses and contributed to low employment rates. While government-financed retraining subsidies could to some extent address this bottleneck, their job-creating effect would be diminished by high payroll taxes. The subsidies could also exacerbate already high income inequality through lower after-tax wages. In contrast, further removal of business barriers would have an unambiguously positive impact on firm creation, employment and wages.

[2] **5:00-5:30:** "The Impact of Technology Adoption on Employment: Exploration from the perspective of manufacturing industry in transitional China," **Guangjie NING** (gjning@nankai.edu.cn), Nankai University, China

Using the manufacturing industry’s panel data from 1998 to 2004 in transitional China, this paper empirically analyzes the impact of technology adoption on the employment quantity and employment skill structure at the

industry level. The econometric results indicate that basically the technology adoption has positive impact on the employment quantity, and demands the improvement of the labor skill structure. However the impact of different types of technology differs, contrary to the prediction of traditional theory, the impacts of process innovation on both the employment quantity and the employment skill structure are positive, whereas the impacts of product innovation on employment quantity are virtually negative or insignificant. The performance in different ownership enterprise also varies. The coefficient of technology's impact on employment quantity in foreign enterprises is lower or insignificant. Regarding to the coefficient of technology's impact on employment skill structure, the state-owned enterprises' is lower or insignificant.

[3] 5:30-6:00: "The Role of Transition, Increased Competition and Decentralized Wage Setting in Changing the Czech Wage Structure," Tor Eriksson (tor@asb.dk) Aarhus University, Denmark; **Mariola Pytlikova** (Marp@asb.dk), Aarhus University, Denmark; Frederic WARZYNSKI, Aarhus University, Denmark and Universidad Carlos III de Madrid, Spain

In this paper, we look at the evolution of the Czech labor market, and its wage structure in particular, using a linked employer-employee dataset covering a large fraction of the Czech labor market over the period 1998-2006. We find evidence of (slightly) diminishing gender inequality, increased returns to human capital, especially to education. We investigate various hypotheses to explain that pattern. Moreover, we document a strong increase in within-firm wage dispersion and an only moderate increase in between-firm dispersion. We investigate various hypotheses related to transition towards a market economy, increased domestic and international competition and an increasingly decentralized wage bargaining to explain these patterns.

Section 5 (8:30am-10:15am, English) Keynote Session III:

Section Chair: **Xin Meng** (xin.meng@anu.edu.au), Australia National University

[1] 8:30-9:05: "Inequalities of Labor Income in Urban China: New Evidences from National 1% population survey in 2005," **Shi Li**(lishi89@263.net), Beijing Normal University, China

[2] 9:05-9:40: "Gender, Source Country Characteristics, and Labor Market Assimilation among Immigrants: 1980-2000," **Lawrence M. Kahn** (lmk12@cornell.edu), Cornell University, USA; Francine D. Blau, Cornell University, NBER, IZA and CESifo; Kerry L. Papps, Cornell University and IZA

We use 1980, 1990 and 2000 Census data to study the impact of source country characteristics on the labor supply assimilation profiles of immigrant men and women and on the fertility assimilation profile of married immigrant women. Women migrating from countries where women have high relative labor force participation rates work more on arrival and have steeper labor supply assimilation profiles than women coming from countries with more traditional gender roles. These results hold up even when we control for wage offers and family formation decisions, as well as when we control for the emigration rate from the US to the source country. These findings suggest that growing up in a country with less traditional gender roles facilitates the labor market assimilation of women, perhaps by giving them better human capital levels or a stronger work orientation. Men's labor supply profile slopes are also positively affected by source country female labor supply, although their initial work hours are negatively affected. It is possible that men moving from countries with high female labor supply invest in US human capital upon arrival, eventually resulting in more rapid increases in labor supply than otherwise.

[3] 9:40-10:15: "Speedy Urbanization in China: Problems and Solutions," 陈甬军

改革开放尤其是 20 世纪 90 年代以来, 我国城市化进程呈现出明显的加速发展态势。伴随着人口和经济活动更大规模、更快速度地向城市聚集, 城市的空间形态也开始由单体型城市向都市圈、城市带等组合城市形态转换。城市群能够克服单个城市在资源、幅员等方面的不足, 并且能够通过其集聚和辐射功能实现资源在更大范围内的优化配置, 促进区域经济的共同增长。我国城市化进程中农村劳动力向城市非农产业的转移越来越体现出明显地向城市群、都市圈集中的趋势。长三角、珠三角和环渤海地区城市群的城市非农产业都吸纳了大量的农村劳动力。针对我国农村劳动力向城市非农产业转移的研究不少, 但一般都是从城市整体的角度来探讨城市非农产业对农村劳动力的吸纳, 而较少从城市群的角度来对这一问题加以研究。鉴于此, 本文从劳动力转移的产业导向机制、劳动力转移的内在动力机制和投资传导机制的角度对我国城市群劳动力转移机制进行了研究, 并对城市群内不同功能等级城市间劳动力吸纳机制差异进行了探讨, 最终提出了我国城市群的劳动力吸纳机制模型。

Section 6A (10:45am-12:15pm, English) Economic Policies

Section Chair: **Guntur Sugiyarto** (gsugiyarto@adb.org), Asia Development Bank

[1] **10:45-11:15:** "How Does Overall Wealth Decline with Medicaid Eligibility?" **Song Gao** (song.gao@gmail.com), Central University of Finance and Economics, China

This study uses panel data from the Health and Retirement Study (HRS) to examine how elderly Americans behave in responsiveness to the Medicaid program - the largest public health insurance program provided to the poor people. We first identify those elderly who were eligible for Medicaid coverage during 1998-2004 and then focus the analysis on these poorest elderly Americans. The current Medicaid eligible elderly consist of two groups. Group one consists of the pre-existing poor who are the Medicaid-targeted beneficiaries. The second group consists of non-targeted beneficiaries who have changed their consumption and saving arrangements in order to qualify for Medicaid long term care coverage. We find that some elderly with bad health condition plan in advance to transfer their assets to qualify for Medicaid. They are Medicaid beneficiaries by choice. Such behaviors are significant and the magnitude cannot be ignored which suggests that the Medicaid resources are going to non-target beneficiaries. This has important policy implications when one considers the solvency issues and the increasing aging population.

[2] **11:15-11:45:** "The Targeting and Poverty Effect of the Jefes y Jefas Workfare Program during the Argentine Crisis," **Jan Priebe** (jpriebe@uni-goettingen.de), University of Goettingen, Germany

The principal objective of this paper is to examine the poverty and targeting performance of Argentina's main policy response to the grave economic crisis of 2002 using propensity score matching techniques. The author finds that the program's poverty reduction ability, in particular in terms of severe poverty, was strongly increasing over time, while its targeting performance was decreasing. Therefore, social exclusion of the very poor seemed to have decreased over time but only at the expense of a lower overall targeting performance. Based on the results from this paper and bearing in mind the recovery of the Argentine economy, the author argues in favor of a tightening of the work requirement of Jefes y Jefas. Thus, it is suggested to redesign the program in a way to make in more similar to its predecessor Trabajar. While this is expected to lead to an improvement in the program's targeting performance, the impact on poverty estimates is probably very low. Further on, the author conducts some sort of robustness analysis on the evolution of poverty rates and poverty determinants by testing for different assumptions about equivalence scales, economies of scale and poverty lines.

[3] **11:45-12:15:** "Does Minimum Wage Reduce Employment and Training Provision?" **Guntur**

Sugiyarto (gsugiyarto@adb.org), Asia Development Bank; Benjamin A. Endriga, University of Philippines

This paper examines minimum wage effects on employment and training using firm-level data. Results show negative effects on unskilled workers but not for skilled ones and the effects are more severe for small firms. Minimum wages also reduce in-house training for unskilled workers while the effects on skilled workers are mixed. The training effects are also worse for small firms but less for exporting and foreign firms. It seems that having forced to pay higher wages due to binding and increasing minimum wage, firms reduce hiring and training unskilled workers, leaving them unemployed and untrained. This response should be of utmost concerns for unskilled workers in the long-term for further deteriorating unemployment and poverty problems. Moreover, the crucial role of firm's characteristics in determining the adverse effects adds a new dimension and raises reservations of previous studies using household or labor force surveys, which cannot take this issue into account.

Section 6B (10:45am-12:15pm, English) Macroeconomics

Section Chair: **Shihe Fu** (fush@swufe.edu.cn), South Western University of Finance and Economics, China

[1] 10:45-11:15: " Wage Premia in Employment Clusters: Agglomeration Economies," **Shihe Fu**(fush@swufe.edu.cn), South Western University of Finance and Economics, China

The correlation between wage premia and concentrations of firm activity may arise due to agglomeration economies or workers sorting by unobserved productivity. A worker's residential location is used as a proxy for their unobservable productivity attributes in order to test whether estimated work location wage premia are robust to the inclusion of these controls. Further, in a locational equilibrium, identical workers must receive equivalent compensation so that after controlling for residential location (housing prices) and commutes workers must be paid the same wages and only wage premia arising from unobserved productivity differences should remain unexplained. The models in this paper are estimated using a sample of male workers residing in 33 large metropolitan areas drawn from the 52000 U.S. Decennial Census. We find that wages are higher when an individual works in a location that has more workers or a greater density of workers. These agglomeration effects are robust to the inclusion of residential location controls and disappear with the inclusion of commute time suggesting that the effects are not caused by unobserved differences in worker productivity. Extended model specifications suggest that wages increase with the education level of nearby workers and the concentration of workers in an individual's own industry or occupation.

[2] 11:15-11:45: "Growth and Unemployment," **Patrick Touch** (patrick.toche@free.fr), City University of Hong Kong, HKSAR, China

[3] 11:45-12:15: "Real Exchange Rate and Employment in China," **Xiliang Zhao** (zhaoxiliang@tsinghua.org.cn), Xiamen University, China

Real RMB Exchange Rate and Employment in China: Theory and Empirical Analysis Abstract Chinese RMB exchange rate is a popular issue recently. China is under considerable pressure from developed countries, such as USA, Japan, in favor of re-evaluation and a more flexible exchange rate regime of the RMB. On July 21, 2005, the Chinese RMB exchange rate against US dollar appreciated 2.1%, and by the end of September 2007, RMB exchange rate has appreciated 9.25%. Chinese economy must be impacted by the exchange rate appreciation. But few researches considered this problem, at least in Chinese literature. In this article, we'll try to employ the newest statistics to estimate the effect of exchange rate on Chinese employment. And hope to get some implication in

employment for Chinese government.

Section 7A (2:30pm-4:00pm, English) Chinese Economics

Section Chair: **费方域** (fyfei@sjtu.edu.cn), 上海交通大学

[1] **2:30-3:00:** “发达地区产业集聚的人口作用——以闽、粤、浙、苏四省为例,” **刘娟** (allanred@163.com), 厦门大学王亚南经济研究院

产业集聚可以有效推动一个国家和地区的经济获得快速发展,但不同的地区和国家由于历史沿袭、区位优势、资源环境和经济基础等多方面的差异性,对产业集聚的影响不同。本文以城市为研究的地理单位,通过主成分回归方法对中国发达地区产业集聚影响因素进行分析,通过实证分析考察产业集聚的人口作用,以期寻求中国经济发展内在动力和外部资源有机结合的制度路径。

[2] **3:00-3:30:** “失业变动、劳动生产率与经济增长方式——我国分省数据的实证研究,” **陈瑛** (chen_ying@ynu.edu.cn), 云南大学发展研究院

本文通过失业变动与劳动生产率权衡 (trade-off) 关系的讨论,分析不同发展阶段经济增长方式下的失业变动趋势,在此分析框架下,本文引入内生劳动供给,通过构建拓展的索罗模型,分析平衡增长路径。长期来看,失业率上升会引起劳动力对正规教育和干中学的需求减少,进而影响劳动生产率的进一步提升,经济的可持续发展。目前我国失业上升与经济增长共存仅是短期现象,调整要素供给比例、转变经济增长方式可避免上述长期趋势的出现。文章最后利用我国 1988~2005 年分省面板数据,建立固定效应的动态面板模型对以上观点进行了实证研究。

[3] **3:30-4:00:** “新一代劳动力的特征和流动趋势,” **张永丽** (zhylljp@163.com), 浙江大学农业现代化与农村发展研究中心; **黄祖辉**, 浙江大学农业现代化与农村发展研究中心

随着我国社会经济结构的全面转型,农村劳动力流动也进入一个新的阶段,出生在改革开放后的第二代流动劳动力将逐渐成为流动主体,他们的流动观念、流动动因、流动行为、生活预期等已发生了很大变化。这些变化主要表现在新一代流动劳动力外出的倾向明显提高,女性流动者的比例增加,受教育水平进一步提高,流动的稳定性显著增强;新一代流动劳动力外出的动因向职业训练和寻求发展转换,职业选择出现知识性、技术性倾向;流动动向表现出跨区域、远距离、长时间流动;与农业和农村的关系逐渐淡薄。这些变化将对我国社会经济发展产生深刻的影响,也对相关制度安排提出新的要求。

Section 7B (2:30pm-4:00pm, English) Applied Econometrics

Section Chair: **Chih-Hai Yang** (chyang@mgt.ncu.edu.tw), National Central University, Taiwan

[1] **2:30-3:00:** “ Identification and Statistical Inference with Matched CPS data: An application to U.S. Poverty Dynamics,” **Shuaizhang Feng** (shuaizhang.feng@gmail.com), Shanghai University of Finance & Economics, China

The Current Population Survey (CPS) has been one of the most important sources of information for studying the U.S. labor market. The rotation group structure of CPS allows it to be matched to form short panels. However, matched CPS data are subject to two types of errors: non-matches and mis-matches. Non-matches, or sample attritions, are mainly caused by households' moving out of the previous residence where they were sampled. On the other hand, recording errors in CPS identifiers lead to mis-matches. Ignoring both kinds of errors, which are typically done by researchers, is equivalent to assuming that non-matches are missed at random, and mis-matches do not exist. In this

paper, we use the partial identification framework to analyze issues related to identification and statistical inference with matched CPS, imposing weaker but more credible assumptions. We apply the techniques to study U.S. household poverty dynamics in the period of 1996-2006, focusing on the poor-to-poor and non-poor-to-poor transition probabilities. Our empirical results show that identification bounds for the two conditional probabilities are usually wide. Statistical inference ignoring non-matches and mis-matches could lead to false conclusions with regard to the patterns of US poverty dynamics.

[2] 3:00-3:30: "Trends in the Gender Earnings Differential in Urban China, 1988–2004," **Jun Han** (hanjun@hku.hk), HIEBS, Hong Kong University, HKSAR, China

This paper analyzes changes in the gender earnings gap in urban China over the period 1988–2004 using urban household survey data. The mean female/male earnings ratio declined from 86.3% to 76.2%. Mainly responsible for this diverging trend were rapid increases in returns to both observed and unobserved skills, which accentuated the disadvantage associated with women's lower skill levels. The gender gap in observed skills such as education narrowed over the study period, but did not close, and there is evidence that the gap in unobserved skills widened considerably. Increased discrimination may also have served to widen the gender earnings gap. Analyses by earnings percentile and by sub-period show that although the gap widened much more at the lower end of the earnings distribution than at the upper end over the period as a whole, it widened greatly at the upper end in the most recent years (2001–2004).

[3] 3:30-4:00: "The Role of Transition, Increased Competition and decentralized Wage Setting in Changing the Czech Wage Structure" **Chih-Hai Yang** (chyang@mgt.ncu.edu.tw), National Central University, Taiwan; Chun-Hung A. Lin (chlin@mail.tku.edu.tw), Tamkang University, Taiwan

To gain a deeper insight into the dynamics of regional labour market in Taiwan, the authors investigate the extent of regional unemployment persistence between 1998 and 2004. The preliminary tests show the regional unemployment has a high degree of persistence and also exhibit a statistically significant spatial dependence of unemployment across regions and a possible spatial correlation from the omitted variables. By utilizing the well-known concept of spatial spillover effect, three different types of empirical modeling are performed and compared: pure panel data model, SAR model and GSM model. The results show the GSM model is our preferred specification. Without incorporating the spatial spillover effect from both the spatially lagged unemployment and the spatial error term, the pure panel data model and SAR model will under-estimate the degree of regional unemployment persistence in Taiwan's regional labour market.

Section 8A (4:30pm-6:00pm, English) Applied Econometrics

Section Chair: **Yingfeng Xu** (yingfeng.xu@ualberta.ca), University of Alberta, Canada

[1] 4:30-5:00: " Labor Supply Behavior of Taxi Drivers: A Survey in Beijing," **Xianghong Wang** (shwang06@yahoo.com), Renmin University of China, China

Taxi drivers are known for working long hours. This paper examines how labor supply behavior of taxi drivers reacts to wage levels and their fairness perceptions. In contrast to standard theory, negative wage elasticity of labor supply has been observed in some situations when workers have the freedom to choose the number of hours to work. Behavioral economics proposes that heuristics methods and loss aversion may guide people to supply their labor based on daily income targeting, leading to negative wage elasticity of labor supply. The empirical results, however, vary across studies. Since econometric analysis of field data may produce different results from differences in

methods and data errors, it's important to supplement with a direct survey. We test the elasticity hypothesis using a survey with the taxi drivers in Beijing. The results indicate that only a small number of drivers reported daily targeting. However, those who used daily targeting also reported higher monthly income, consistent with the loss aversion hypothesis. Most drivers think that their income levels are not fair relative to the amount of work they do. However, fairness concerns have no significant impact on their labor supply because of lacking market power. The results are consistent with bounded rationality.

[2] 5:00-5:30: "Labor Share of Income and Macroeconomic Challenges for the Chinese Economy,"
Yingfeng Xu (yingfeng.xu@ualberta.ca), University of Alberta, Canada

Is labor share of income too low in China? To what extent is this feature of labor market related to the two major challenges of macroeconomic imbalance for China: inadequate domestic demand and excessive external surplus? From a post-Keynesian perspective, this paper presents a novel case that labor share of income is too low in China. Furthermore, this is the root cause for China's excessive external surplus and feeble domestic demand, while an under-valued RMB (renminbi) is merely a symptom. A salient feature of the post-Keynesian school is to recognize the fact that capital owners save more out of profits than workers save out of wages, which captures a fundamental characteristic of the Chinese economy. A small theoretical model is developed to provide a comprehensive framework for assessing how a rise in labor share of income, either via wage increases or nominal RMB appreciation, would affect domestic demand and external balance in the case of the Chinese economy. Empirical evidence from a wide variety of sources is presented to support the following points: 1) labor share of income is too low, or wage level is too low or the real exchange rate is too level relative to world average; 2) a rise in labor share of income through wage increases or nominal RMB appreciation would not dampen aggregate production and employment; 3) but it would play a significant role in boosting domestic demand and reducing external surplus.

[3] 5:30-6:00: "An Analysis on the Pulling Force to the Rural Labor Mobility from the Village Level," Xiaoli Yang (yx1923@yahoo.com.cn), Shenyang Agricultural University, China

Whether the rural labor flows or not is decided to the city's attraction and the countryside's pulling force. This article explores the rural labor mobility mechanism from the village level. On the basis of a large-scale rural survey conducted in Liaoning Province, this thesis starts on the theoretical analysis, then, analyses if the labor mobility is related with the income and employment opportunity in rural, the improvement of environmental conditions followed with the new rural reconstruction, and the democratic management in rural. It is found that the new rural reconstruction has improved the inhabitant's living condition in rural, and raised the democratic management level, but these factors cannot affect out-migration. The city's attraction is bigger than the countryside's pulling force by far.

Section 8B (4:30pm-6:00pm, English)

Section Chair: **Wim Meeusen** (wim.meeusen@ua.ac.be), University of Antwerp, Belgium

[1] 4:30-5:00: "Welfare and Work Participation of Single Mothers and Children's Cognitive Development," **Hau Chyi** (hauchyi@gmail.com), WISE, Xiamen University, China; **Orgul Demet Ozturk** (orguldemetozturk@gmail.com), University of South Carolina, USA

The effects of single mothers' welfare participation and work decisions on children's outcomes are important. First, theories and empirical studies regarding the effects of mothers' work on children's attainments yield ambiguous

findings. Second, participating in AFDC also exhibits a negative statistical relationship with the participating children's possible outcomes of all sorts in the data. We develop a dynamic structural model of a single mother's work and welfare participation decisions while their children are young. This model is used to measure the effects of mothers' decisions on children's attainments in the short run. Using NLSY79 children's PIAT Math test scores as a measure of attainment, we find that single mother's work and welfare use in the first five years of her child's life both have positive effect on her child's outcome, but this effect declines by the initial ability. The higher the potential ability of child, the lower the positive impact work and welfare have. In fact, in case of welfare the effect is negative if child has more than about median initial ability.. Furthermore, we find that work requirement reduces a single mother's use of welfare. However, the net effect of work requirement on a child's test score depends on whether mother's work brings in enough labor income to compensate for the loss of welfare benefits. We also look at the implications of welfare eligibility time limit, child bonus, and maternal leave, on child's outcome.

[2] 5:00-5:30: "Efficiency Wages, Unemployment Benefits, Union-Firm Wage Bargaining," Wim Meeusen (wim.meeusen@ua.ac.be), University of Antwerp, Belgium; Stavrevska Vesna (vesna.stavrevska@ua.ac.be), University of Antwerp, Belgium

Recently a number of contributions in the field of labour market economics have tried with some success to marry two different but important approaches to the explanation of non-competitive wage formation, i.e. efficiency wages and union-firm wage bargaining. Basically, this reinforcement effect occurs because a plausible bargaining environment like the one created by efficiency wages would make it easier for unions to extract concessions. Efficiency wages compensate for the adverse influence of union wage claims on employment because of the higher labour productivity that ensues and therefore the reduced impact on profits. In this paper we contribute towards the existing theory in several aspects. First, we show that there may be a logical consistency issue in choosing the same expected outside wage in efficiency wage models as the fallback wage considered by the unions in their bargaining strategy. Second, in extension to the present literature, we use a more general production function and we show that the obtained results represent a generalised expression of those obtained using, as customary, a linear production function. Allowing for the possibility that union preferences vary between wages and employment, we also show that Summers' reinforcing effect is no longer decreasing in competition for each value of the parameter describing these preferences. The findings indicate a possibility of sustainability of higher wages in terms of maintenance of international competitiveness because of productivity gains. Finally, we show that Dixit-Stiglitz type of monopolistic competition models that would exhibit involuntary unemployment and by means of which the researcher would want to examine the effects of introducing a system of social security would require such a union-firm bargaining component

[3] 5:30-6:00: "Contingent, Temporary Unemployment Insurance's Impacts on Employment and Unemployment Durations," Kailing Shen (kailing.shen@gmail.com), Xiamen University, China

This paper studies contingent, temporary unemployment insurance (UI) coverage's impacts on employment and unemployment durations using a duration model extended with heaping considerations and a recent Canadian panel data. A unique source of identification here is the Employment Insurance (EI) reform of Canada in the 1996. Based on the estimated coefficients from the duration models, the simulations suggest that UI increases unemployment rates by 2% and 5% in the non-seasonal and seasonal sectors respectively.

参会者名单

List of Participants

1	Zuzana	Brixiova	zbrixiova@gmail.com	Addis Ababa University, Ethiopia
2	Zongwu	Cai	zcaic@uncc.edu	University of North Carolina at Charlotte, USA and Xiamen University, China
3	Chien-Liang	Chen	clchen@ncnu.edu.tw	National Chi Nan University, Taiwan
4	Guojin	Chen	chengj@xmu.edu.cn	Xiamen University, China
5	Hau	Chyi	hauchyi@gmail.com	Xiamen University, China
6	Tony	Fang	tonyfang@yorku.ca	York University, Canada
7	Shuaizhang	Feng	shuaizhang.feng@gmail.com	Shanghai University of Finance & Economics, Singapore
8	Gary	Fields	gsf2@cornell.edu	Cornell University
9	Song	Gao	song.gao@gmail.com	Central University of Finance and Economics, China
10	Robert	Gregory	bob.gregory@anu.edu.au	Australia National University, Australia
11	Jun	Han	hanjun@hku.hk	Hong Kong University, HKSAR, China
12	Yongmiao	Hong	yh20@wiser.org.cn	Cornell University, USA and Xiamen University, China
13	Cheng	Hsiao	chowderlad@gmail.com	University of South California, USA and Xiamen University, China
14	Larry	Kahn	lmk12@cornell.edu	Cornell University, USA
15	Chung-Ming	Kuan	ckuan@econ.sinica.edu.tw	Institute of Economics, Academia Sinica, Taiwan
16	Peter	Kuhn	pjkuhn@econ.ucsb.edu	University of California at Santa Barbara, USA
17	Xiaoqiong	Lai	xqlai@xmu.edu.cn	Xiamen University, China
18	Shi	Li	lishi89@263.net	Beijing Normal University, China
19	Chun-Hung	Lin	chlin@mail.tku.edu.tw	Tamkang University, Taiwan
20	Haoming	Liu	ecsliuhm@nus.edu.sg	National University of Singapore, Singapore
21	Juan	Liu	allanred@163.com	WISE, Xiamen University
22	Wim	Meeusen	wim.meeusen@ua.ac.be	University of Antwerp, Belgium
23	Xin	Meng	xin.meng@anu.edu.au	Australia National University, Australia
24	Guangjie	Ning	gjning@nankai.edu.cn	Nankai University, China
25	Jan	Priebe	jpriebe@uni-goettingen.de	University of Goettingen, Germany
26	Mariola	Pytlikova	Marp@asb.dk	Aarhus School of Business, Aarhus University, Denmark
27	Chris	Sakellariou	acsake@ntu.edu.sg	Nanyang Technological University, Singapore
28	Kailing	Shen	kailing.shen@gmai.com	Xiamen University, China

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29	Guntur	Sugiyarto	gsugiyarto@adb.org	Asia Development Bank
30	Patrick	Touch	patrick.toche@free.fr	City University of Hong Kong, HKSAR, China
31	Stavrevska	Vesna	vesna.stavrevska@ua.ac.be	University of Antwerp, Belgium
32	Haigang	Wang	lnswhg@mail.sysu.edu.cn	Lingnan College Sun Yat-sen University, China
33	Xianghong	Wang	shwang06@yahoo.com	Renmin University of China, China
34	Yingfeng	Xu	yingfeng.xu@ualberta.ca	University of Alberta, Canada
35	Chih-Hai	Yang	chyang@mgt.ncu.edu.tw	National Central University, Taiwan
36	Derek	Yu	dereky@sun.ac.za	Stellenbosch University, South Africa
37	Jeffrey S.	Zax	zax@colorado.edu	University of Colorado at Boulder, USA
38	Sisi	Zhang	zhangse@bc.edu	Boston College, USA
39	Junsen	Zhang	jszhang@cuhk.edu.hk	Chinese University of Hong Kong, HKSAR, China
40	Guochang	Zhao	Gc_zhao@yahoo.com.cn	WISE, Xiamen University, China
41	Xiliang	Zhao	zhaoxiliang@tsinghua.org.cn	Department of Economics, Xiamen University, China
42	陈瑛		chen_ying@ynu.edu.cn	云南大学发展研究院
43	陈甬军		chenyj1108@ruc.edu.cn	中国人民大学
44	费方域		fyfei@sjtu.edu.cn	上海交通大学经济学院执行院长
45	傅十和		fush@swufe.edu.cn	西南财经大学经济与管理研究院
46	龚小伟		gxw@xmyjs.com.cn	厦门市经济研究所
47	黎霞		li.xia@mail.shufe.edu.cn	上海财经大学经济学院
48	秦敬云		jyqin@xmu.edu.cn	桂林电子科技大学
49	徐伟红		cec_tianqi@zju.edu.cn	浙江大学公共管理学院
50	杨肖丽		yx1923@yahoo.com.cn	沈阳农业大学经济管理学院
51	张永丽		zhyljp@163.com	浙江大学农业现代化与农村发展研究中心

厦门大学王亚南经济研究院简介

2005年，厦门大学“985工程”（II）——“宏观经济分析与预测”哲学社会科学创新基地建设项目正式启动，厦门大学王亚南经济研究院正式成立。研究院是在创新基地的基础上启动和发展起来的。圆满完成创新基地所提出的各项任务，是研究院今后三年的阶段性目标，这也将为研究院的长期发展奠定坚实的基础。

王亚南经济研究院力争在不太长的时间内成为亚太地区和国内一流的、与国际接轨的现代经济学研究机构，将致力于：

- ◆在国际顶尖和一流经济学期刊上积极发表论文；
- ◆在国内顶尖和一流经济学期刊上积极发表论文；
- ◆培养一批一流精干的中青年经济学家，塑造 WISE 品牌；
- ◆成为亚太地区一个有影响的经济学国际交流中心；
- ◆使厦门大学经济学科在一些主要领域，即计量经济学、金融学、宏观经济学、政治经济学等研究在国内处于顶尖地位，在国外有一定的影响；
- ◆成为国家和地方社会经济发展重要的“智囊团”和“思想库”。

研究院已聘请著名经济学家、原中国社会科学院常务副院长王洛林教授担任名誉院长，康奈尔大学经济学系教授、教育部“长江学者”讲座教授洪永淼担任院长，同时聘请的学术顾问有：普林斯顿大学经济学系荣誉教授邹至庄，加州大学圣地亚哥校区经济学系荣誉教授、2003年诺贝尔经济学奖获得者Clive Granger，麻省理工学院经济学系教授、Clark奖获得者Jerry Hausman，南加州大学经济学系教授、经济学国际一流期刊 *Journal of Econometrics* 主编萧政，宾州大学经济学系荣誉教授、1979年诺贝尔经济学奖获得者Lawrence Klein等。研究院第一次海外招聘就从北美招聘到五名海归博士作为研究院的全职教授。

目前研究院拥有计量经济学研究中心、金融经济学研究中心、劳动经济研究中心、统计学科研究中心、计算与数据中心、SAS 计量经济学合作中心等学术单位。研究院在条件成熟时将建立其他研究中心。

WISE INTRODUCTION

The Wang Yanan Institute for Studies in Economics (WISE) has been set up as an international-oriented institute. It signifies Xiamen University's aim to maintain its leading position in economic research in the nation, and aspires to become an international center for research and teaching excellence. Thanks to the contribution of the late president, Professor Wang Yanan, who was first to translate Adam Smith's *The Wealth of Nations* and Karl Marx's *On Capital* into Chinese, economics in Xiamen University has always been among the top programs in China.

WISE focuses intensively on high-quality postgraduate training, frontier research, and international academic interactions and cooperation. WISE is particularly inspired to achieve the following:

- Publishing research results in top domestic and international academic journals;
- Enhancing the curriculum design in economic studies at XMU, including Econometrics, Finance, Macroeconomics, Labor Economics and Political Economy;
- Striving to excel WISE in research and nurture a team of young economists and econometricians with academic leadership;
- Taking up “think tank” role to provide first-class policy analysis and consultancy national and regional governments;
- Establishing itself as an influential regional center in Asia-Pacific for international academic exchange in economics and finance.

WISE has since set up the following academic research centers, including *the Center for Econometrics Research, the Center for Financial Research, the Center for Macroeconomics Research, the Center for political Economy Research, the Center for Statistics Research, China Center for Research in Labor Economics and Social Security, SAS Center for Excellence in Econometrics, Cornell-XMU Exchange Center, and XMU-SMU Research Center for China Capital Market*. At the current stage, WISE has chosen econometrics, finance, and labor economics as priority fields in its development strategy.

WISE currently has twenty-two faculty members, including seven full-time faculty recruited from prestigious universities overseas and four part-time faculty from the U.S. who visit WISE regularly each year. With a full capacity of fifty, WISE is seeking high-quality researchers in all areas in economics and finance at all ranks, both in international and domestic job hunting markets.