

This PDF is a selection from a published volume from the
National Bureau of Economic Research

Volume Title: Immigration, Trade and the Labor Market

Volume Author/Editor: John M. Abowd and Richard B. Freeman, editors

Volume Publisher: University of Chicago Press

Volume ISBN: 0-226-00095-8

Volume URL: <http://www.nber.org/books/abow91-1>

Conference Date: September 11-12, 1987

Publication Date: January 1991

Chapter Title: Front matter, table of contents, preface
for "Immigration, Trade and the Labor Market"

Chapter Authors: John M. Abowd, Richard B. Freeman

Chapter URL: <http://www.nber.org/chapters/c6660>



National
Bureau of
Economic
Research

Immigration, Trade, and the Labor Market

Edited by

**John M. Abowd and
Richard B. Freeman**

This Page Intentionally Left Blank

Immigration, Trade, and the Labor Market



A National Bureau
of Economic Research
Project Report

Immigration, Trade, and the Labor Market

Edited by

John M. Abowd and
Richard B. Freeman



The University of Chicago Press

Chicago and London

JOHN M. ABOWD is professor of labor economics and management, Cornell University, and a research associate of the NBER. RICHARD B. FREEMAN is professor of economics at Harvard University and director of the Labor Studies program at NBER.

The University of Chicago Press, Chicago 60637
The University of Chicago Press, Ltd., London

© 1991 by the National Bureau of Economic Research
All rights reserved. Published 1991
Printed in the United States of America
00 99 98 97 96 95 94 93 92 91 5 4 3 2 1

Library of Congress Cataloging-in-Publication Data

Immigration, trade, and the labor market / edited by John M. Abowd and Richard B. Freeman.

p. cm. — (National Bureau of Economic Research Project paper)

“Papers presented at a conference held in Cambridge, Massachusetts, 11–12 September 1987”—Pref.

Includes bibliographical references and indexes.

ISBN 0-226-00095-8 (acid-free paper)

1. Alien labor—United States—Congresses. 2. Alien labor—Canada—Congresses. 3. Alien labor—Australia—Congresses. 4. Labor market—United States—Congresses. 5. Labor market—Canada—Congresses. 6. Labor market—Australia—Congresses. 7. Foreign trade and employment—United States—Congresses. 8. Foreign trade and employment—Canada—Congresses. 9. Foreign trade and employment—Australia—Congresses. I. Abowd, John M. II. Freeman, Richard B. (Richard Barry). III. Series.

HD8081.A5I53 1991

331.6'2—dc20

90-24954

CIP

© The paper used in this publication meets the minimum requirements of the American National Standard for Information Sciences—Permanence of Paper for Printed Library Materials, ANSI Z39.48–1984.

National Bureau of Economic Research

Officers

George T. Conklin, Jr., *chairman*
Paul W. McCracken, *vice chairman*
Martin Feldstein, *president and*
chief executive officer

Geoffrey Carliner, *executive director*
Charles A. Walworth, *treasurer*
Sam Parker, *director of finance and*
administration

Directors at Large

John H. Biggs	Martin Feldstein	Robert T. Parry
Andrew Brimmer	George Hatsopoulos	Peter G. Peterson
Carl F. Christ	Lawrence R. Klein	Robert V. Roosa
George T. Conklin, Jr.	Franklin A. Lindsay	Richard N. Rosett
Kathleen B. Cooper	Paul W. McCracken	Bert Seidman
Jean A. Crockett	Leo Melamed	Eli Shapiro
George C. Eads	Michael H. Moskow	Donald S. Wasserman
Morton Erhlich	James J. O'Leary	

Directors by University Appointment

Jagdish Bhagwati, <i>Columbia</i>	Andrew Postlewaite, <i>Pennsylvania</i>
William C. Brainard, <i>Yale</i>	Nathan Rosenberg, <i>Stanford</i>
Franklin Fisher, <i>Massachusetts Institute of</i> <i>Technology</i>	Harold T. Shapiro, <i>Princeton</i>
Jonathan Hughes, <i>Northwestern</i>	Craig Swan, <i>Minnesota</i>
Saul H. Hymans, <i>Michigan</i>	Burton A. Weisbrod, <i>Wisconsin</i>
Marjorie B. McElroy, <i>Duke</i>	Michael Yoshino, <i>Harvard</i>
James L. Pierce, <i>California, Berkeley</i>	Arnold Zellner, <i>Chicago</i>

Directors by Appointment of Other Organizations

Richard A. Easterlin, <i>Economic History</i> <i>Association</i>	David Kendrick, <i>American Economic</i> <i>Association</i>
Gail Fosler, <i>The Conference Board</i>	Ben E. Laden, <i>National Association of</i> <i>Business Economists</i>
A. Ronald Gallant, <i>American Statistical</i> <i>Association</i>	Rudolph A. Oswald, <i>American Federation of</i> <i>Labor and Congress of Industrial</i> <i>Organizations</i>
Bruce Gardner, <i>American Agricultural</i> <i>Economics Association</i>	Douglas D. Purvis, <i>Canadian Economics</i> <i>Association</i>
Robert S. Hamada, <i>American Finance</i> <i>Association</i>	Charles A. Walworth, <i>American Institute of</i> <i>Certified Public Accountants</i>
Robert C. Holland, <i>Committee for Economic</i> <i>Development</i>	

Directors Emeriti

Moses Abramovitz	Thomas D. Flynn	George B. Roberts
Emilio G. Collado	Gottfried Haberler	Willard L. Thorp
Frank W. Fetter	Geoffrey H. Moore	William S. Vickrey

Relation of the Directors to the Work and Publications of the National Bureau of Economic Research

1. The object of the National Bureau of Economic Research is to ascertain and to present to the public important economic facts and their interpretation in a scientific and impartial manner. The Board of Directors is charged with the responsibility of ensuring that the work of the National Bureau is carried on in strict conformity with this object.

2. The President of the National Bureau shall submit to the Board of Directors, or to its Executive Committee, for their formal adoption all specific proposals for research to be instituted.

3. No research report shall be published by the National Bureau until the President has sent each member of the Board a notice that a manuscript is recommended for publication and that in the President's opinion it is suitable for publication in accordance with the principles of the National Bureau. Such notification will include an abstract or summary of the manuscript's content and a response form for use by those Directors who desire a copy of the manuscript for review. Each manuscript shall contain a summary drawing attention to the nature and treatment of the problem studied, the character of the data and their utilization in the report, and the main conclusions reached.

4. For each manuscript so submitted, a special committee of the Directors (including Directors Emeriti) shall be appointed by majority agreement of the President and Vice Presidents (or by the Executive Committee in case of inability to decide on the part of the President and Vice Presidents), consisting of three Directors selected as nearly as may be one from each general division of the Board. The names of the special manuscript committee shall be stated to each Director when notice of the proposed publication is submitted to him. It shall be the duty of each member of the special committee to read the manuscript. If each member of the manuscript committee signifies his approval within thirty days of the transmittal of the manuscript, the report may be published. If at the end of that period any member of the manuscript committee withholds his approval, the President shall then notify each member of the Board, requesting approval or disapproval of publication, and thirty days additional shall be granted for this purpose. The manuscript shall then not be published unless at least a majority of the entire Board who shall have voted on the proposal within the time fixed for the receipt of votes shall have approved.

5. No manuscript may be published, though approved by each member of the special manuscript committee, until forty-five days have elapsed from the transmittal of the report in manuscript form. The interval is allowed for the receipt of any memorandum of dissent or reservation, together with a brief statement of his reasons, that any member may wish to express; and such memorandum of dissent or reservation shall be published with the manuscript if he so desires. Publication does not, however, imply that each member of the Board has read the manuscript, or that either members of the Board in general or the special committee have passed on its validity in every detail.

6. Publications of the National Bureau issued for informational purposes concerning the work of the Bureau and its staff, or issued to inform the public of activities of Bureau staff, and volumes issued as a result of various conferences involving the National Bureau shall contain a specific disclaimer noting that such publication has not passed through the normal review procedures required in this resolution. The Executive Committee of the Board is charged with review of all such publications from time to time to ensure that they do not take on the character of formal research reports of the National Bureau, requiring formal Board approval.

7. Unless otherwise determined by the Board or exempted by the terms of paragraph 6, a copy of this resolution shall be printed in each National Bureau publication.

(Resolution adopted October 25, 1926, as revised through September 30, 1974)

Contents

Preface	ix
Introduction and Summary	1
John M. Abowd and Richard B. Freeman	

I. IMMIGRANT FLOWS AND PERFORMANCE IN THE UNITED STATES

1. Immigration and Self-Selection	29
George J. Borjas	
2. Undocumented Mexican-born Workers in the United States: How Many, How Permanent?	77
George J. Borjas, Richard B. Freeman, and Kevin Lang	
3. The Effect of Policy Restrictions on Capital and Labor Flows in Mexico	101
Juan Diez-Canedo R.	
4. Internal Migration of U.S. Immigrants	121
Ann P. Bartel and Marianne J. Koch	
5. Migration, Ethnicity, and Labor Force Activity	135
Marta Tienda and Franklin D. Wilson	

II. IMPACT OF IMMIGRATION, TRADE, AND CAPITAL FLOWS ON THE U.S. LABOR MARKET

6. Labor Market Adjustments to Increased Immigration	167
Robert J. LaLonde and Robert H. Topel	

7. The Effects of Immigration on the Labor Market Outcomes of Less-skilled Natives	201
Joseph G. Altonji and David Card	
8. Industrial Wage and Employment Determination in an Open Economy	235
Richard B. Freeman and Lawrence F. Katz	
9. Foreign-Owned Businesses in the United States	261
Jonathan S. Leonard and Rachel McCulloch	
10. Immigration, International Trade, and the Wages of Native Workers	285
Peter Kuhn and Ian Wooton	
11. Immigrants, Labor Market Pressures, and the Composition of the Aggregate Demand	305
Susan M. Collins	

III. COMPARATIVE EXPERIENCES: CANADA AND AUSTRALIA

12. An Analysis of the Earnings of Canadian Immigrants	321
David E. Bloom and Morley Gunderson	
13. The Effects of International Competition on Collective Bargaining Outcomes: A Comparison of the United States and Canada	343
John M. Abowd and Thomas Lemieux	
14. Male Immigrant Wage and Unemployment Experience in Australia	369
John J. Beggs and Bruce J. Chapman	
15. Why are Low-skilled Immigrants in the United States Poorly Paid Relative to Their Australian Counterparts? Some of the Issues Illustrated in the Context of the Footwear, Clothing, and Textile Industries	385
R. G. Gregory, R. Anstie, and E. Klug	
Appendix: The NBER Immigration, Trade, and Labor Markets Data Files	407
John M. Abowd	
List of Contributors	423
Author Index	425
Subject Index	429

Preface

This volume consists of papers presented at a conference held in Cambridge, Massachusetts, 11–12 September 1987, and is part of the National Bureau of Economic Research Labor Studies program. Support for the project came from the Ford Foundation. We are grateful to Jennifer Amadeo-Holl, Jane Konkel, and Jean Brown for help in getting these papers ready for publication.

Any opinions expressed in this volume are those of the respective authors and do not necessarily reflect the views of the National Bureau of Economic Research or the sponsoring organization.

This Page Intentionally Left Blank