

**CSWEP will sponsor four sessions at the Southern Economic Association meetings in Atlanta, GA, November 20-22, 2010.**

**Crises, Employment, Wealth, and Credit**

Organizer: Eva Sierminska

Chair: Eva Sierminska

**"Recession Effects on Returns to Employment Wage Profile Changes by Education Group?"**

Helen Connolly, Luxembourg Income Study

discussed by Pedro Silos, Federal Reserve Bank of Atlanta

This paper investigates differences in wage growth by education level and looks to see whether these profiles change with economic cycles. It utilizes a new strategy for separately identifying returns to tenure, experience, and job match. Empirical results, based on the Survey of Income and Program Participation, show that overall wage growth is higher for more educated workers during economic prosperity. This reflects higher returns to both tenure and job match. In the latest recession (through November 2009), only male high school graduates see substantial wage gains from tenure and job match.

**"Making Work Pay in an Economic Crisis: The Irish Case"**

Karina Doorley, University College Dublin and CEPS/INSTEAD, Luxembourg

discussed by Helen Connolly, Luxembourg Income Study

This paper explores the consequences of extending in-work transfers in Ireland, where support for low-wage households has been of limited scope. The employment and poverty effects of alternative policies are analyzed with counterfactual simulations using a micro-simulation model and labor supply estimations.

**"The Middle Class in the Joint Distribution of Income and Wealth in a Cross-National Perspective"**

Eva Sierminska from CEPS/INSTEAD, Luxembourg and DIW, Berlin

discussed by Maria Jose Luengo-Prado, Northeastern University

This paper, by using harmonized microdata on net worth and disposable income from the Luxembourg Wealth Study, models the joint distribution of income and wealth for Luxembourg, Germany, Italy, Sweden and the United States. It finds similar patterns of covariation of wealth and income across the countries included.

**"Assessing Potential Redlining in Credit Card Line Decisions"**

Yan (Jenny) Zhang from OCC

discussed by Ellen Meade, American University

The paper evaluated whether credit card lenders treat customers differently based on the racial and ethnic composition of geographical areas by analyzing lenders' initial decisions to grant credit card lines and subsequent decisions to change lines. After controlling for neighborhood socio-economic differences and many decision factors it does not find statistical evidence of redlining.

## **Time Allocation: Women Caring for Themselves and Others**

Organizer: Julie Hotchkiss

Chair: Ruth Uwaifo Oyelere

"Giving, and the Nature of Communities: An Analysis of How Community Characteristics Affect an Individual's Likelihood of Engaging in Volunteer Work"

Theodoros Diasakos , Collegio Carlo Alberto

Florence Neymotin , Kansas State University

discussed by Jessica Hennessey, Furman University

In this paper, the authors investigate the effect of the volunteering of others on the likelihood that an individual will also engage in volunteering activities. The theoretical part of the analysis is based on a sequential signaling framework, in which the decisions of others to volunteer is informative as to the benefit from volunteering. To test this empirically, they measure the effect of average volunteering in the community on the likelihood that an individual will volunteer, controlling for individual and community characteristics. They account for reflection bias by means of an instrumental variables strategy.

"Care Provision to Elderly Parents and Women's Hours Worked in the Labor Market"

Jennifer Graves , University of Oklahoma

discussed by Angela Fertig, University of Georgia

The paper estimates the effect of three jointly-decided care provision methods to elderly parents - informal care-giving, formal market purchased care, and monetary transfers - on the labor market involvement of their adult daughters. Instrumental variables results find negative and significant effects of providing informal care to elderly parents on women's hours worked in the labor market and positive and significant effects of parental use of formal care on women's hours worked in the labor market.

"Immigration and Its Impact on Mothers' Child Care Time and 'Quality': Evidence from the American Time-Use Survey"

Catalina Amuedo-Dorantes , San Diego State University

Almudena Sevilla Sanz , University of Oxford

discussed by Anita Pena, Colorado State University

Several decades of time-diary surveys are used to assess whether low-skilled immigration has had an impact on the child care patterns of college-educated mothers in the United States. Using an instrumental variables approach that accounts for the endogenous location of immigrants, the authors find that low-skilled immigration to the United States has contributed to substantial reductions in the time allocation to child care of college-educated mothers of non-school age children. In turn, immigration allowed these college-educated mothers of non-school age children to increase their labor market participation and leisure.

"Female Autonomy and Health Care in Developing Countries: A Closer Look at Uttar Pradesh and Bihar"

Sharmistha Self , Missouri State University

Richard Grabowski , Southern Illinois University

discussed by Kathryn Anderson, Vanderbilt University

Decisions within the household determine the allocation of resources. Theory suggests that the more autonomous women are within the household, the greater influence they will have in that allocation. This paper utilizes household survey data from rural north and northeast India and uses several measures of a woman's autonomy within the household. It is hypothesized that the greater the women's autonomy, the more likely she will be to visit a doctor, rather than other traditional sources of healing/care, when ill. The results lend support to the importance of autonomy for a woman in increasing her likelihood of visiting a medical doctor when ill. Additionally, the results show that socio-economic differences go a long way in explaining differences in healthcare choices for the sick.

### **Marriage, Risk, and Veterinarians**

Organizer: Julie Hotchkiss

Chair: Angela Fertig

#### "A Semi-Parametric Approach to Finding a Married Woman's Wage Premium"

Neha Nanda, Florida State University

discussed by Susan Averette, Lafayette College

This paper provides the first in-depth study of a female marriage premium, using two semi-parametric techniques that have not been applied to the marriage premium literature previously. The results indicate that women with higher earning potential are more likely to get married, leading to a positive and significant marriage premium amounting to 11 percent. Only women with at least a few years of college education earn the premium and Black women earn a premium that is 9 percentage points higher than that for White women.

#### "Women in Top Management and Job Self Selection"

Suresh L. Paul, NuNine

Herman Sahni, California State University-San Marcos

discussed by Melinda Morrill, North Carolina State University

This study examines the type of firms that female top management executives prefer to work in and finds that female executives predominantly work in high-risk firms and in high-risk industries. The results also indicate that female managers have a higher probability of dismissal, a lower tenure in office, and lower pay than their male counterparts.

#### "Risk in Human Capital Investment and Gender Difference in Adult College Enrollment"

Xueyu Cheng, Alabama State University

discussed by Kathleen Thomas, Mississippi State University

This paper examines why women are increasingly likely to attend college at older ages. Theory suggests that people may delay college enrollment in order to deal with uncertainty in their returns to college. Consistent with this, the empirical results show that greater uncertainty among women in terms of returns to education can explain why women attend college at later ages.

### "Impact of Gender and Rurality on Veterinarian Practice"

Tong Wang, Iowa State University

David A. Hennessy, Iowa State University

discussed by Rachana Bhatt, Georgia State University

This paper analyzes the effects of feminization and rurality on veterinarian fields of practice and job location choice in order to explain the shortage in food animal veterinarians. The results indicate that large food animals are mainly treated by male veterinarians and that, in recent years, male veterinarians are less likely to locate in rural areas. In addition, the income elasticity of demand for veterinarian service is lower in rural areas, making veterinarian practice in rural areas less attractive. These supply and demand side stories can explain the shortage.

### **Issues of Migration and Multi-nationals**

Organizer: Julie Hotchkiss

Chair: Anita Pena

### "Coming to America: Does Home Country's Economic Status Matter for Self-Employment in the U.S.?"

Ruth Uwaifo Oyelere, Georgia Institute of Technology and IZA, Bonn

Willie Belton, Georgia Institute of Technology

discussed by Pia Orrenius, Federal Reserve Bank of Dallas

The authors ask whether economic status of an immigrant's home country affects the probability of self-employment in the U.S. by estimating the probability of self-employment for groups relative to U.S. born white Americans using multi-stage stratified samples of the CPS. They find (1) that immigrants from developing countries (across racial groups) have lower self-employment probabilities than do their counterparts from developed countries while immigrants from developed countries generally have higher self-employment probabilities relative to U.S. born white Americans, (2) that naturalized Americans with similar race and home country economic status have higher self employment than noncitizens while naturalized immigrants from LDCs have lower self-employment probabilities than those from DCs, and (3) that financial assets cannot fully explain differences.

### "Immigrant and Minority Homeownership through Recent Housing Boom and Bust"

Kusum Mundra, Rutgers University-Newark and IZA, Bonn

discussed by Madeline Zavodny

The author uses the 2007 American Housing Sample to examine whether the easing of the recent credit market helped immigrant and minority homeownership or triggered movement out of homeownership. Preliminary findings include (1) that Hispanic immigrants have significantly higher homeownership than white non-Hispanic immigrants, (2) that households who obtained mortgages during 1994 – 2007 have higher rates of homeownership (particularly Hispanics), though households who owned homes during 1990 – 2007 show higher rates of losing their homes, and (3) that all minority groups show significantly lower housing quality than does the white non-Hispanic group.

"FDI, Agglomeration Economies, and Productivity: Evidence from China"

Fariha Kamal, Syracuse University

discussed by Volodymyr Lugovskyy, Georgia Institute of Technology

The author asks how values of agglomeration economies change as firms become dissimilar by ranking nearby activity in ascending order of productivity (and technological distance) into state, private, and foreign owned firms using the Annual Survey of Industrial Firms collected by the Chinese National Bureau of Statistics. Results suggest that nearby foreign presence attenuates spillovers to domestic firms, that spillovers are larger within the same ownership type than those across types, and that cross-type spillovers are asymmetric in that spillovers from more productive foreign to less productive domestic enterprises are smaller compared to those in the opposite direction.