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Econ 496/895

HW #1 (*please type*)

Undergraduates: Answer any THREE questions.

Grad Students: Answer any THREE questions, plus the Graduate-Level Question.

All-Level Questions (*answers should be 1 page, double-spaced*)

1. Use the gravity model to explain the differing national origins of immigrants to the U.S. versus Europe.
2. What does the diversity lottery show us about the effectiveness of U.S. immigration restriction?
3. Why isn't illegal immigration much higher?
4. What would the population and demographics of the U.S. look like today if the 1924 Immigration Act were still the law of the land?
5. "If the positive externalities of immigration were genuine, population growth would always be a good thing." Carefully explain what is wrong with this statement.
6. Carefully explain why comparative advantage implies that population growth can – but need not – cause higher wages.
7. Why is the heterogeneity of labor so important for predicting the effects of immigration on native wages?
8. Why are international wage disparities so economically puzzling? How does "The Place Premium" account for these disparities?
9. "It is difficult to find labor markets anywhere on earth that sustain real wage differentials R_c much above 1.5 across geographic areas in the absence of policy restrictions on migration." Carefully explain the meaning and significance of this statement.
10. Apply one of the corollaries of the economics of discrimination to illegal immigrants.

Graduate-Level Question (*answer should be 2 pages, double-spaced*)

Pick one research literature Caplan builds upon in Chapters 1-2 of *Open Borders*. Read any three of the papers Caplan cites in this area. Based on your reading, carefully assess the fairness and accuracy of Caplan's use of the evidence.