INDEX

Accreditation Council for Graduate Medical Education (ACGME), 28
Administradoras de Fondos de Pensiones (AFPs), 161–162
Adult equivalent labor days (AELD), 71–73
Age discrimination, 198–199
AGE LASSO, 200
Age pay gap (APG), 195–196
  data, 203–206
  decomposition approach, 201–202
  decomposition outcome, 209–212
  descriptive statistics, 219–220
  estimation approach, 200–202
  grounds of age, 198
  model selection, 200–201, 207–208
  results, 207–212
  robustness checks, 212–214
  selected controls, 221
Ageism, 198–199
Agricultural Growth Program (AGP), 69–70
Agricultural labor
  in Ethiopia, 62
  studies, 75
  supply, 75, 87
American Medical Association (AMA), 33
Annual Social and Economic Supplement (ASEC), 34–35
Assortative mating
  data, 10–11
  educational homogamy, 11–17
  equilibrium matching, 4
  homogamy and, 5
  over life cycle, 17–19
  measuring changes in, 8–10
  measuring changes in homogamy, 6–8
  positive, 1–2
  rank-order correlation coefficient, 2
  regression and reverse regression, 19–21
  theories of marriage, 3
Asymmetric information, 233–238

Bayesian Equilibrium, 233
BSWS cross-sectional survey, 114
Bureau of Labor Statistics administrative employment data, 110
Business creation, 254
  business types associated with opportunity *vs.* necessity entrepreneurship, 279–282
  consistency with theoretical model, 261–262
  data, 263
  empirically defining necessity and opportunity entrepreneurship, 256–260
  entrepreneurship in CPS, 263–264
  entrepreneurship in German Micro Census and SOEP, 264
  exploring empirical validity of definitions, 262–278
  local economic conditions in United States, 275–276
  national trends in Germany, 269
  national trends in United States, 264–268
  new opportunity entrepreneurship rate and unemployment rates, 288–289
  quits, 258
  regression results using local unemployment rates in United States, 277

regression results using national unemployment rates, 273–274
results using local unemployment rates in Germany, 278
West and East Germany, 270–272

Card, Kruger, Giuliano wage gap (CKG wage gap), 117
Central Minimum Wage Council, 113, 119
Changes-in-changes approach (CIC approach), 29
Cobb–Douglas production function (C-D production function), 75–76, 80–81, 164
Colombian Institute of Family Welfare. *See Instituto Colombiano de Bienestar Familiar* (ICBF)
Colombian labor market regulations, 158
Colombian tax reform (2012), 154
Computer Assisted Personal Interviewing techniques (CAPI techniques), 71–73
Concave utility function, 164–165
Consumer demand, 261–262
Contiguous county-pair data, 110–111
Contract arrangement, 224–225
Contributory social benefits (CSB), 163, 167
Control variables, 196–197
Cross-sectional datasets, 256–258
Cross-sectional individual micro-data, 112
Cross-wage effect, 86
Current Population Survey (CPS), 28, 34, 49–50, 258
entrepreneurship in, 263–264
Current wage cost, offsetting increase in, 133

Decomposition approach, 201–202
Deferred compensation model, 196–197, 203–205
Descriptive statistics
APG, 219, 220
household characteristics, 73
youth, 73
youth labor time contribution, 73–74
Difference-in-difference approach (DID), 39–42, 155
Double robust LASSO procedure, 200
Double robust selection procedure, 201
Dualistic models, 156–157

East Germany, national trends in, 270–272
Econometric analysis, empirical findings from, 125–141
changes in employment flows, 138–141
effects on total wages, 128–133
minimum wage impacts on full-and part-time workers, 133–138
offsetting increase in current wage cost, 133
results, 125–128
robustness checks for main results, 128
Econometric estimates, 169–182
informality before and after reform, 171
regression models and estimates, 173–180
results based on panel data, 180–182
results based on repeated cross sections, 171–180
Econometric-based simulations, 155–156, 182–184
Economic Census, 114
Economic incentives, 64–65, 88–89, 92
Educational homogamy, 11–17

Elasticity of employment, 128
Employment. *See also* Unemployment
  changes in employment flows, 138–141
  elasticity of, 128
Employment Status Survey, 111–112
Encuesta Longitudinal Colombiana (ELCA), 169–170
Enforcement, 155
  of MW, 158
  of payroll tax, 164
Entrepreneurs, 259
Entrepreneurship, 254–256
  in CPS, 263–264
  in German Micro Census and SOEP, 264
Enumeration areas (EAs), 69–70
Equilibrium, 166–167
  wage, 229–230
Establishment-based data, 109–110
Establishment-based micro-data, 112
Establishment-based panel dataset, 108
Ethiopia
  agricultural labor in, 62
  agricultural production, 96
  data collection, 69–73
  descriptive statistics, 73–74
  econometric results, 79–90
  effect of wage differentials, 103–105
  empirical analysis, 75–79
  estimation of labor supply, 97–98
  female youth labor supply, 87–88
  instruments and FE-IV estimates, 88–90
  male youth labor supply, 83–87
  migrants and nonmigrants, 95
  on-farm and off-farm youth labor supply, 101–102
  robustness, 90
  shadow wages approach, 63
  testing for separability, 79–83
  theoretical model, 65–69
  trends, 88
  youth labor supply, 64
European Commission, 198–199
European Union (EU), 195–196

Fertility, 29, 49–50, 52
Firms, 153–154, 157, 229
  demand, 261–262
  firm-specific human capital, 232
  strategy set, 229–230
First Job Act, 162
Fixed effects model (FEs model), 79, 196, 201
Formal firms, 157
Formal-informal size dualism, 156
Fraction of Minimum Wage Workers (FMW), 111
Full-Time Equivalent Employment (FTE), 108–109
Full-time workers, MW impacts on, 133–138
  on outcomes of full-time workers, 136–138
  on outcomes of part-time workers, 138
  relative impact of minimum wage increase, 133–136

Gelbach decomposition, 196–197, 200, 206, 209–210, 213
Gender
  differences, 27–30, 50–53
  discrimination, 196
German Micro Census, 263
  entrepreneurship in, 264
Germany
  national trends in, 269
  results using local unemployment rates in, 278
Global Entrepreneurship Monitor (GEM), 254–255, 259
Gran Encuesta Integrada de Hogares (GEIH), 169, 182

Great Depression, 254
Great Recession, 254, 268

Healthcare syatem, 160
Hirsch, Kaufman, Zelenska wage gap (HKZ wage gap), 117
Homogamy
  and assortative mating, 5
  measuring changes in, 6–8
  regressions of, 16
Household
  characteristics, 73–74
  income, 164–166
  survey panel dataset, 155–156
Human capital
  accumulation, 223–224, 227
  model, 196–197
  theory, 224–225

Identification strategy, 117–119
Incumbent firm, 230–231, 233
Individual time-constant heterogeneity, 212–213
Individual-level heterogeneity, 206
Industrial minimum wages, 113
Informal employment, 153–154
Informal firms, 157
Informal labor markets, 156
Informal workers, 153–154
Informality, 153–155, 157, 167–169
  before and after reform, 171, 180–182
INKAR database, 263–264
Instituto Colombiano de Bienestar Familiar (ICBF), 161–162
Intercept-shift approach, 213
Inverse Mills ratio, 202

Japanese minimum wage system, 113–120
  analysis methods, 119–120
  data source, 114–117
  identification strategy, 117–119
  minimum wage system in Japan, 113
Job assignment, 229–230, 235
Job tenure, 248
  job tenure-nonpromotion-wage relation, 241–244
  job tenure-wage profile, 240
Job-level tenure, 224

Kaitz indices, 112
Keio household panel survey, 112

Labor market
  equilibrium, 166–167
  heterogeneities, 196–197
  households, 164–166
  minimum wage, 158–159
  model, 154–156, 163–169
  profits, 164
  reform, informality, and simulations, 167–169
  regulations, 158–160
  social security, 159–160
Labor supply
  estimation, 97–98
  female youth, 87–88
  male youth, 83–87
  youth, 64
Lazear's model, 203–205
Least Absolute Shrinkage Operator (LASSO), 207–209
Lehman shock, 123
Life-cycle human capital model, 203–205
Lifetime job security, 115–116
Linear Probability Model (LPM), 174
Linear probability regressions, 273
Local economic conditions in United States, 275–276
  regression results using, 277
Local Minimum Wage Councils, 113
Local unemployment rates in Germany, 278

Long-term labor supply
difference-in-differences approach, 39–42
distributional effects, 46–47
estimated mean effects, 42–45
threats to identification, 45–46
Longitudinal Colombian Survey. *See Encuesta Longitudinal Colombiana* (ELCA)

Machine-learning approach, 196, 200
Major Integrated Household Survey. *See Gran Encuesta Integrada de Hogares* (GEIH)
Market heterogeneity, 126
Mills ratio, 209
Minimum wage (MW), 108, 155, 158–159
change in log average employment and treatment intensity, 148–149
change in log hourly wage, 146
confirmation of regional and yearly variation of minimum wage, 124–125
effect on employment, 108
empirical findings from econometric analysis, 125–141
empirical findings from simple graphical analysis, 120–125
gap index, 118
inspecting time-oriented and regional heterogeneity of data, 120–123
Japanese minimum wage system, 113–120
prefectural minimum wages, 150–151
probability density of change in log average employment, 147
related literature, 110–112
Minimum Wage Act, 109, 113
Modeling informality, 156–157

National Action Plan for Employability of young people, 203
National Bureau of Economic Research (NBER), 265
National Service of Learning. *See Servicio Nacional de Aprendizaje* (SENA)
National unemployment rates, regression results using, 273–274
Necessity entrepreneurship, 254–260
business types associated with, 279–282
Noncompensating wage differentials, 196, 207–208
Noncontributory social benefits (NCSB), 163
Nonpromotion signals and job tenure analysis, 230–238
data and tests, 238–248
full information model with T-periods, 230–233
model, 227–230
model with asymmetric information, 233–238
Nonpromotion wage, 238
Not engaged in Education, Employment, or Training (NEET), 197

Oaxaca and Blinder method, 196
Oaxaca-Blinder decomposition, 201
Omitted variable bias (OVB), 202
Opportunity entrepreneurship, 254–260
business types associated with, 279–282

Ordinary least squares model (OLS model), 119–120, 174, 200–201, 241
'Outside firms' wage, 234

Part-time workers, MW impacts on, 133–138
  on outcomes of full-time workers, 136–138
  on outcomes of part-time workers, 138
  relative impact of minimum wage increase, 133–136
Payroll taxes, 156–157, 161–163
Pearson correlation coefficient (*r*), 8–10
Pension and Parafiscals Management Unit (UGPP), 161–162
Pension system, 159–160
Perceived discrimination, 197–198
Persistence hypothesis, 32–33
Physician labor supply, 27–28
  CIC approach, 29
  conceptual framework, 32–34
  CPS, 28
  data construction and summary statistics, 34–37
  effectiveness of reform, 37–39
  long-term labor supply, 39–47
  mechanisms, 49–53
  physician work-hour regulations, 30–32
Physician work-hour regulations, 30–32
Plan de Impulso a la Productividad y el Empleo (PIPE), 162
Plan to Boost Productivity and Employment. *See Plan de Impulso a la Productividad y el Empleo* (PIPE)
Positive assortative mating, 1–2
Prefectural minimum wages, 113, 119
Productivity, 156
Profits, 164
Promotion dynamics, 226
Promotion-as-signal framework, 223–224, 226
Public pay-as-you-go scheme, 160

Random-effects (RE), 79
Reform, 167–169
Regional economic shocks, 119
Regional heterogeneity of data, 120–123
Regression analysis, 108
Regression coefficients, 127
Regression model, 19–21, 109
  and estimates, 173–180
Relative impact of minimum wage increase, 133–136
Relative wage gap indices, 118
Repeated cross sections (RCS), 155
Reverse regression, 19–21
Revised Minimum Wage Act (2007), 119
"Roaring 90s", 254
Robustness checks, 212–214

Self-employed workers, 159, 164
Self-employment, 259
Self-fulfilling prophecy, 199–200
Servicio Nacional de Aprendizaje (SENA), 161–162
Shadow income, 78
Shadow wages, 63–69, 75, 77–78, 83, 86, 88–90
Signaling of promotion, 238
Simulations, 167–169
Sistema de Identificación de Potenciales Beneficiarios de Programas Sociales (SISBEN), 160
Social protection, 156
Social security, 159–160
  healthcare, 160
  pension system, 159–160
  reform, 158

Socio-economic Panel (SOEP), 260, 263, 282
  entrepreneurship in, 264
South Nations and Nationality People (SNNP), 69–70
Spatial Planning Regions (SPRs), 263
Spearman rank-order correlation coefficient, 8
Specification, 109
Standard two-way fixed model, 112
Stereotype correction process, 200
Stereotype threat, 199–200

T-periods, full information model with, 230–233
Tax reform in Colombia, 161–163
  econometric estimates, 169–182
  econometric-based simulations, 182–184
  empirical background, 157–158
  histograms of hourly wages, 187
  labor market model, 163–169
  labor market regulations, 158–160
  labor statistics, 191
  literature review, 156–158
  modeling informality, 156–157
  payroll taxes and 2012 tax reform, 161–163
  replication exercise, 192–193
Taxes
  effects on labor markets, 157
  on firms' profits, 161
  payroll, 156–157
Tenure-wage equation, 238
Time-oriented data, 120–123
Traditional two-way fixed effect, 110–111
Treatment Intensity, 117
Triple differences-type estimator (DDD-type estimator), 119

Underdeveloped economy, 154
Unemployment. *See also* Employment
  rates in Germany, 278, 289
  rates in United States, 277
  status, 260
Unidad de Gestión Pensional y Parafiscales (UGPP), 155–156
United States
  local economic conditions in, 275–276
  national trends in, 264–268
  regression results using local unemployment rates in, 277
US Bureau of Labor Statistics (BLS), 264–265
US Panel Study of Income Dynamics (PSID), 263

Value-added tax (VAT), 163

Wage. *See also* Minimum wage (MW)
  gap, 117
  nonpromotion, 238
  wage-job-tenure profile, 226, 238
WAGE LASSO, 200
West Germany, national trends in, 270–272
Work ethic, 199
Workers, 229
  informal, 153–154
  productivity, 224–225
  self-employed, 159, 164
  young, 199–200

Youth, 73
  labor supply, 83–88
  labor time contribution, 73–74