

Michelle Jiang

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Placement Chairs: Sandra Black (sblack@columbia.edu); Suresh Naidu (sn2430@columbia.edu)

Placement Administrators: Amy Devine (aed2152@columbia.edu); Rosie Lourentzatos (rlc2109@columbia.edu)

EDUCATION

Columbia University in the City of New York

Ph.D., Economics	2024 (expected)
M.Phil., Economics	2021
M.A., Economics	2020

University of Chicago

B.A., Economics with Honors	2016
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RESEARCH FIELDS

Labor Economics, Behavioral/Experimental Economics, Applied Microeconomics

JOB MARKET PAPER

Information Asymmetry in Job Search

(with Kai Zen)

Abstract: Standard models of rational job search assume agents know the distribution of offered wages when deciding which jobs to accept. We test if incorrect beliefs about wages affect real-world job search behavior in a field experiment with 1100 senior-year undergraduate students in the graduating Class of 2023 at the University of California, Berkeley. Partnering with the Career Center, we present personalized information graphics on school-and-major-specific salary distributions to students in the treatment group. We first document novel evidence that even prior to labor market entry, errors exist in wage beliefs – some students overestimate the available distribution, while others underestimate the available distribution. Post-treatment, we find that students treated with correct information update their beliefs towards the truth, and this is reflected in changes in reservation wages. At the end of the school year, we find that in comparison to the control group, students who increased their reservation wage after treatment had higher total and base salaries conditional on employment, a result significant at the 5% level. However, these same students had a lower, but imprecisely estimated likelihood of being employed by June post-graduation. An opposite but symmetric effect occurred for students who decreased their reservation wage. Our results are consistent with job search models where workers with more optimistic expectations wait longer to accept a job, but accept higher wages. We use our experimental estimates together with the model to simulate the effect of pay transparency laws on labor market outcomes, including wage dispersion. Our paper suggests an economically important role for subjective beliefs about labor market conditions and shows the effectiveness of a light-touch information intervention on employment and earnings for first-time job seekers.

PUBLICATIONS

1. **Minority Turnout and Representation under Cumulative Voting: An Experiment** (with Alessandra Casella and Jeffrey Guo). *Games and Economic Behavior* 141: 133-155, September 2023, <https://doi.org/10.1016/j.geb.2023.05.012>.

Abstract: Under majoritarian election systems, securing the participation and representation of minorities remains an open problem, made salient in the US by its history of voter suppression. One remedy recommended by the courts is the adoption of Cumulative Voting (CV) in multi-member districts: each voter has as many votes as open positions

but can cumulate votes on as few candidates as desired. Historical experiences are promising but also reflect episodes of minority activism. We present the results of a controlled lab experiment that isolates the role of the voting rule from other confounds. Although each voter is treated equally, theory predicts that CV should increase the minority's turnout relative to the majority and the minority's share of seats won. Our experimental results strongly support both theoretical predictions.

WORK IN PROGRESS

1. Layoff Shocks and Job Mobility: A Study on Labor and Networks

Abstract: Traditional labor search models study worker productivity and wages, but do not account for how individual networks affect hiring. Recent literature suggests that networks play a larger role than previously expected; in particular, by cushioning negative labor shocks. The rationale is that having a larger network expands an individual worker's information set about outside options, leading to higher bargaining power and subsequent job mobility. However, prior literature does not account for why worker separations may be endogenous; more skilled workers may be more mobile. To address this, I combine LinkedIn data with mass layoffs data from the Worker Adjustment and Retraining Notification (WARN) Act. Using individuals' indirect links as an instrument for their networks in conjunction with mass layoffs from WARN as exogenous shocks, I test the impact of network size on future employment in the biotechnology sector, which has frequent mass layoffs due to clinical trial failure on the margin. In doing so, I seek to answer the following question: Do larger or higher-quality networks cushion against negative employment shocks? I find that connections help workers find jobs more quickly. Across a variety of specifications, each additional connection leads to approximately 10 fewer days of unemployment; for one standard deviation, this is 4.8 less months of unemployment.

2. Measuring the Returns to Diversity: State Variations in Affirmative Action

Abstract: Measuring the returns to diversity is traditionally difficult due to student selection into colleges. To account for selection, I use the exogenous measure of state-year variations in affirmative action bans as an instrument for changing cohort racial composition. This allows me to employ a two-stage difference-in-differences strategy to study the impact of diversity on post-school labor market outcomes. I find that given a 1 percentage point increase in the share of white enrollment (a decrease in diversity), instrumented via the affirmative action ban, mean cohort earnings increase by \$3000, while mean cohort employment decreases by 1 percentage point. The results persist across multiple years after graduation, and are robust across a variety of specifications and controls. My contribution to the literature is twofold. First, I examine post-school labor market outcomes such as earnings and employment, allowing me to analyze the long-term effects of increasing or decreasing diversity in student cohorts. Second, I build upon previous papers on the affirmative action ban by accounting for implementation of the percent plan, a policy which de facto partially reverses the enrollment effects of affirmative action bans. I show that this policy confounds enrollment results from previous papers.

3. Postsecondary Supply and Unemployment Dynamics (with Rajashri Chakrabarti, Michael Lovenheim, and William Nober)

POLICY BLOGS

1. "Did the Value of a College Degree Decline during the Great Recession?" (with Rajashri Chakrabarti and Will Nober), *Liberty Street Economics*, Jul. 2019, <https://libertystreeteconomics.newyorkfed.org/2019/07/did-the-value-of-a-college-degree-decline-during-the-great-recession/>
2. "Education's Role in Earnings, Employment, and Economic Mobility" (with Rajashri Chakrabarti), *Liberty Street Economics*, Sep. 2018, <https://libertystreeteconomics.newyorkfed.org/2018/09/educations-role-in-earnings-employment-and-economic-mobility.html>
3. "Are Student Loans Cyclical? It Depends" (with Rajashri Chakrabarti, Nicole Gorton-Caratelli, and Wilbert van der Klaauw), Nov. 2017, <http://libertystreeteconomics.newyorkfed.org/2017/11/are-student-loan-defaults-cyclical-it-depends.html>
4. "Who is More Likely to Default on Student Loans?" (with Rajashri Chakrabarti, Nicole Gorton-Caratelli, and Wilbert van der Klaauw), Nov. 2017, <http://libertystreeteconomics.newyorkfed.org/2017/11/who-is-more-likely-to-default-on-student-loans.html>

GRANTS

Columbia Program for Economic Research, <i>PER Summer Research Grant</i> [\$4,000]	2022
National Science Foundation, <i>Doctoral Dissertation Research Improvement Grant</i> , Award 2117566 [\$24,851]	2021
Columbia Program for Economic Research, <i>PER Field/Experimental Research Grant</i> [\$20,000]	2021
Columbia Program for Economic Research, <i>PER Summer Research Grant</i> [\$4,000]	2020

AWARDS AND FELLOWSHIPS

Ford Foundation, Honorable Mention - Dissertation Fellowship	2023
Columbia University, Wueller Teaching Award	2023
Columbia University, Caswell L. Johnson Fellowship	2022-23
American Economic Association, AEA Summer Fellowship: Federal Reserve Bank of Atlanta	2022
National Science Foundation, Honorable Mention - Graduate Research Fellowship	2022
Columbia University, Provost's Diversity Fellowship	2018-19
Federal Reserve Bank of NY, Bank Vault Award of Excellence	2016-17
University of Chicago, David S. Hu Award in Economics	2016-17

CONFERENCES AND PRESENTATIONS

ASSA 2023 Annual Meeting, CSQIEP Pink Papers on Labor, Mobility, and Mental Health	Jan. 7, 2023
NBER Behavioral Public Economics Bootcamp	May 5-7, 2022
NYU Rebecca B. Morton Conference on Experimental Political Science, Poster (with Jeffrey Guo)	Mar. 5, 2021
NYU Courant Institute GSTEM Summer Program, Presentation (with Rajashri Chakrabarti)	Aug. 4, 2017
18th ACM Conference on Economics and Computation at MIT, Poster	Jun. 26, 2017
Midwest Economics Association Annual Meeting, Undergraduate Session: Applied Micro II	Apr. 1, 2016

TEACHING AND WORK EXPERIENCE

Instructor:

Labor Economics, Columbia University	2022 Summer, 2020 Summer
— 2022 Evaluation	

Teaching Assistant:

Advanced Microeconomics (Susan Elmes), Columbia University	2023 Spring
Introduction to Econometrics (Michael Best, Seyhan Erden), Columbia University	2022 Spring, 2020 Fall
Political Economy (Alessandra Casella), Columbia University	2021 Fall, 2020 Fall
Principles of Economics (Prajit Dutta), Columbia University	2018 Fall

Research Assistant:

Research Assistant for Sandra Black, Columbia University	2021
Sr. Research Analyst, Microeconomics Group, Federal Reserve Bank of New York	2016-18
Research Assistant for E. Glen Weyl, University of Chicago	2014-16

VOLUNTEERING AND SOCIAL IMPACT

Columbia University Association of Graduate Economics Students (AGES), <i>Co-president</i>	2020-21
• Acted as a liaison between faculty and graduate students. Founding member of the AGES Diversity Initiative.	
Columbia University Economics Diversity Initiative, <i>Committee Member</i>	2020-22
• Created and led the undergraduate mentoring program for underrepresented students, promoted activities to demystify the hidden curriculum, successfully advocated for inclusive curricula and diversity in invited speakers.	
Moneythink , <i>Volunteer Teacher</i>	2012-15
• Taught and coordinated afterschool financial and college literacy programs for students in low-income high schools	

MISCELLANEOUS

Citizenship: USA
Language: English (native), Mandarin Chinese (fluent), Spanish (basic)
Programming: STATA, Python, z-Tree, ArcGIS, MATLAB, R, Excel and \LaTeX

REFERENCES

Sandra Black (co-sponsor)

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