

THE UNIVERSITY OF CHICAGO

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EDUCATION

The University of Chicago, 2011–present.

Ph.D. Candidate in Economics.

Thesis Title: "The Causes and Consequences of Self-Employment over the Life Cycle"

Expected Completion Date: June 2017.

BA, Economics, The University of Chicago, with honors, 2009.

References:

Prof. James J. Heckman
The University of Chicago
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(773) 702-3478

Prof. Erik Hurst
Booth School of Business
erik.hurst@chicagobooth.edu
(773) 834-4073

Prof. Magne Mogstad
The University of Chicago
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Contacts:

Placement Director:
Prof. Ufuk Akcigit
uakcigit@uchicago.edu
(773) 702-0433

Graduate Student Coordinator:
Robert Herbst
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RESEARCH FIELDS

Primary fields: Labor Economics, Applied Microeconomics.

Secondary fields: Entrepreneurship, Economics of Education.

JOB MARKET PAPER

”The Causes and Consequences of Self-Employment over the Life Cycle”

This paper uses population panel data from Sweden to investigate the causes and consequences of self-employment over the life cycle, and to evaluate how self-employment decisions can be influenced by policy. In the first part of the paper, I use machine learning methods to summarize the patterns of self-employment behavior observed in the data. I find that careers involving self-employment fit into a small number of economically distinct groups. Some self-employment spells are short, with minimal capital investment and rapid return to paid employment, while others persist and have substantial capital devoted to the business from the outset. Guided by these descriptive results, I develop and estimate a dynamic Roy model in which self-employment decisions depend on factors such as cognitive and non-cognitive skills, prior work experience, the cost of capital, and other labor market opportunities. The model integrates traditional models of dynamic career choice that feature human capital investment and models of business start-up that feature physical capital investment. I estimate the model and use it to evaluate policies designed to promote self-employment. Cognitive and non-cognitive skills, education, and prior work experience are important determinants of the types of businesses individuals start, how much capital they employ, and how long they remain in self-employment. Subsidies that incentivize self-employment are generally ineffective, both in terms of promoting long-lasting firms and in terms of improving the welfare and earnings of those induced to enter self-employment.

PUBLICATIONS

Journal Articles:

- “Returns to Education: The Causal Effects of Education on Earnings, Health, and Smoking” (with James J. Heckman and Gregory Veramendi), *Journal of Political Economy*, forthcoming.
- “On the Interpretation of Non-cognitive Skills - what is being measured and why it matters” (with Fabian Kosse), *Journal of Economic Behavior & Organization*, forthcoming.
- “What Do Grades and Achievement Tests Measure” (with Lex Borghans, Bart H. H. Golsteyn, and James J. Heckman), *Proceedings of the National Academy of Science*, 113(45), (2016).
- “Dynamic Treatment Effects” (with James J. Heckman and Gregory Veramendi), *Journal of Econometrics*, 191(2), (2016): 276-292.
- “Taking the Easy Way Out: How the GED Testing Program Induces Students to Drop Out” (with James J. Heckman, Paul A. Lafontaine, and Pedro L. Rodriguez), *Journal of Labor Economics*, 30(3), (2012): 495-520.
- “Identification Problems in Personality Psychology” (with Lex Borghans, Bart H. H. Golsteyn, and James J. Heckman), *Personality and Individual Differences*, 51, (2011): 315-320.

- “Design and Implementation of a Privacy Preserving Electronic Health Record Linkage Tool in Chicago.” (with Abel N. Kho, John P. Cashy, Kathryn L. Jackson, Adam R. Pah, Satyender Goel, Jörn Boehnke, Scott Duke Kominers, Bala N. Hota, Shannon A. Sims, Brad A. Malin, Dustin D. French, Theresa L. Walunas, David O. Meltzer, Erin O. Kaleba, Roderick Jones, and William L. Galanter), *Journal of the American Medical Informatics Association*, 22(5), (2015): 1072-1080.

Books:

- *The Myth of Achievement Tests, The GED and the Role of Character in American Life* (edited with James J. Heckman and Tim Kautz), The University of Chicago Press (2014).

Book Chapters:

- “The GED” (with James J. Heckman and Nicholas S. Mader), *Elsevier: Handbook of Economics of Education*, Volume 3, (2011): 423-483.
- “Growth in GED Testing,” in *The Myth of Achievement Tests, The GED and the Role of Character in American Life* (editors: James J. Heckman, John Eric Humphries, and Tim Kautz), The University of Chicago Press (2014): 109-136.
- “The Economic and Social Benefits of GED Certification” (with James J. Heckman and Tim Kautz), in *The Myth of Achievement Tests, The GED and the Role of Character in American Life* (editors: James J. Heckman, John Eric Humphries, and Tim Kautz), The University of Chicago Press (2014): 171-267.
- “Who Are the GEDs” (with James J. Heckman and Tim Kautz), in *The Myth of Achievement Tests, The GED and the Role of Character in American Life* (editors: James J. Heckman, John Eric Humphries, and Tim Kautz), The University of Chicago Press (2014): 139-170.
- “The GED Testing Program Induces Students to Drop Out” (with James J. Heckman, Paul A. Lafontaine, and Pedro L. Rodriguez), in *The Myth of Achievement Tests, The GED and the Role of Character in American Life* (editors: James J. Heckman, John Eric Humphries, and Tim Kautz), The University of Chicago Press (2014): 293-317.
- “What Should Be Done?” (with James J. Heckman and Tim Kautz), in *The Myth of Achievement Tests, The GED and the Role of Character in American Life* (editors: James J. Heckman, John Eric Humphries, and Tim Kautz), The University of Chicago Press (2014): 431-435.

WORKING PAPERS

- “The Non-Market Benefits of Abilities and Education” (with James J. Heckman and Gregory Veramendi), revise and resubmit at the *Journal of Human Capital*. [\[latest draft\]](#)

WORK IN PROGRESS

- “Does Eviction Create Poverty? Quasi-Experimental Evidence from Cook County, IL” (with Daniel Tannenbaum and Winnie van Dijk).

In Cook County, IL, more than 35,000 eviction cases appear before the circuit court every year, the majority involving tenants from the poorest areas in Chicago. Prior research suggests that eviction may not only be a symptom of poverty but may, in fact, cause or exacerbate poverty by contributing to circumstances that are adverse to economic mobility. Yet those facing eviction are likely to have recently faced negative economic shocks, which makes establishing the proposed causal relationship difficult. This paper proposes the first quasi-experimental design for evaluating the causal impact of eviction on employment, social, and schooling outcomes. Using over 400,000 eviction case histories, our research design leverages Cook County’s random assignment of eviction court cases to judges, where some judges are more lenient than others. This provides a source of exogenous variation in eviction outcomes, allowing us to study the effect of eviction on a wide range of short- and long-run household outcomes associated with poverty. *[This project has been selected as part of the “Using Linked Data to Advance Evidence-Based Policy making” initiative in partnership with the Census Bureau and the Arnold Foundation to facilitate policy evaluation through linking records to Census Bureau micro-data.]*

- “College Major Choice: Sorting and Differential Returns to Skills” (with Juanna Joensen and Greg Veramendi).

Does the college major premium reflect returns to innate abilities, prior skills, or college education? We decompose the college major premium into labor market returns to cognitive and non-cognitive abilities, and skills learned in college. This allows us to quantify how much of the college major premium is due to sorting on abilities and how much is due to the differential labor market value of major-specific skills. We find that sorting on abilities accounts for 10–50% of the college major premium. We also provide novel estimates of complementarities and interaction effects between abilities and skills, since both the returns to abilities and prior skills vary significantly across college majors. We document that 40% of students who enter STEM degrees change major or drop out. We evaluate counterfactual policies to promote STEM degrees, accounting for the fact that many who start STEM degrees do not finish.

- “The Dot-Com Bubble and the Redistribution of High-Skill Labor in Sweden.”

This paper studies the reallocation of highly skilled labor following the 2001 “dot-com” crash in Sweden. The crash resulted in bankruptcy or substantial downsizing in many technology and communication related businesses. Many of these businesses were also subject to “last-in-first-out” hiring policies under Swedish law, requiring businesses to fire the most recently hired workers first. The companies affected by the dot-com crash disproportionately employed young high-skill individuals with STEM or engineering degrees. By studying the mass lay-offs and subsequent reallocation of young highly skilled workers, this paper jointly evaluates how labor market shocks impact the careers of high skill workers and how the reallocation of highly skilled labor affects industry growth and the creation of new businesses. The data allows this research to

be conducted at the population level and provides rich information on education, IQ, non-cognitive skills, and leadership ability.

TEACHING EXPERIENCE

Instructor:

- Computational Methods in Economics (B.A.), The University of Chicago (spring 2014, spring 2015).
- Practical Computing for Economists (co-teaching, Ph.D.), The University of Chicago (spring 2014, winter 2015, winter 2016).
- Research Experience for Undergraduates (co-teaching, B.A.), The University of Chicago (summer 2014, summer 2015, summer 2016).

Teaching Assistant:

- Price Theory I & II (Becker and Murphy, Ph.D.), The University of Chicago (fall 2013, winter 2014).
- Price Theory (Murphy, Ph.D.), University of Chicago (fall 2014).
- The Origins & Consequences of Inequality (Heckman, Ph.D.), The University of Chicago (winter 2014).
- Microeconomics (Stole, Executive MBA), The University of Chicago Booth School of Business (summer 2014).
- Microeconomics (Gibbs, Executive MBA), The University of Chicago Booth School of Business (summer 2014).
- Honors Workshop in Economics (Lima and Tsiang, B.A.), The University of Chicago (2016).

HONORS AND FELLOWSHIPS

- Theodore W. and Esther Schultz Economic Fellowship (2016-2017).
- Bradley Fellowship for Meritorious and Promising Graduate Students, The University of Chicago (2015).
- Outstanding Graduate Lecturer for an Economics Topics Course Award, The University of Chicago (2015).
- Finalist for the University of Chicago's Excellence in Course Design Award, The University of Chicago (2014).
- Division of the Social Sciences Summer Research Grant, The University of Chicago (2013).
- National Science Foundation Graduate Research Fellow (2012-2015).
- Division of the Social Sciences Fellowship, The University of Chicago (2011-2012, 2015-2016).
- The Lawrence G. Goldberg Honors Prize for Undergraduate Research in Economics, The University of Chicago (2009).

ACADEMIC ACTIVITIES

Talks:

- “The Causes and Consequences of Self-Employment over the Life Cycle” Workshop in Family Economics, The University of Chicago (2016).
- “Returns to Education: The Causal Effects of Education on Earnings, Health, and Smoking,” Workshop in Family Economics, The University of Chicago (2016); IZA workshop: Education Interventions and Experiments, Bonn Germany (2016); ZEW Summer Workshop, Mannheim Germany (2016); Quantitative Research Methods in Education, Health, and Social Sciences Workshop, The University of Chicago Harris School of Public Policy (2015).
- “Education, Health, and Wages,” Life Cycle Dynamics and Inequality Working Group, The University of Chicago (2013).
- Co-organized and presented at the conference on the General Educational Development program hosted at The University of Chicago (2011).
- “The GED,” The Handbook of the Economics of Education Conference, Munich Germany (2009).

Refereeing:

Demography, Economics of Education Review, Industrial Relations, Journal of Applied Econometrics, Journal of Political Economy, Journal of Public Economics, Labour Economics, Oxford Economic Papers, Sage Open, Scandinavian Journal of Economics.