THE COSTS OF OCCUPATIONAL MOBILITY: AN AGGREGATE ANALYSIS

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Abstract
We estimate the costs of occupational mobility and quantify the relative importance of differences in task content as a component of total mobility costs. We use a novel approach based on a model of occupational choice which delivers a gravity equation linking worker flows to occupation characteristics and transition costs. Using data from the Current Population Survey and the Dictionary of Occupational Titles we find that task-specific costs account for no more than 15% of the total transition cost across most occupation pairs. Transition costs vary widely across occupations and, while increasing with the dissimilarity in the mix of tasks performed, are mostly accounted for by task-independent occupation-specific factors. The fraction of transition costs that can be attributed to task-related variables appears fairly stable over the 1994–2013 period. (JEL: J62, J24)

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