The Evolving U.S. Occupational Structure: A Textual Analysis

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July 24, 2017

Abstract

Using the text from help wanted ads, we construct a new data set of occupational task content from 1960 to 2000. We document that within-occupation shifts are at least as important as employment shifts across occupations in accounting for the aggregate decline of routine tasks. Motivated by these patterns, we first apply our new task measures to a reduced-form statistical decomposition, and second embed our measures in an equilibrium model of occupational choice. These two exercises indicate that shifts in the relative demand for tasks account for a 25 log point increase in 90-10 earnings inequality over our sample period.

1 Introduction

Labor income inequality in the United States has increased considerably over the last several decades. Between 1960 and 2000, the ratio of earnings for the median worker, compared to the worker at the 10th percentile of the earnings distribution, has increased from 2.60 to 2.84. Over the same period, the 90-50 earnings ratio increased even more starkly, from 1.80 to 2.26. Alongside rising inequality, there have been dramatic changes in the composition of U.S. employment. For example, the employment share of occupations intensive in routine tasks has shrunk, while the share of occupations emphasizing nonroutine tasks, as well as

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social and cognitive skills, has grown (Autor, Levy, and Murnane, 2003; Autor and Dorn, 2013; Deming, 2017).

The evidence thus far points to the decline of routine tasks across occupations, but is largely silent on whether the content of occupations themselves has changed. Meanwhile, case studies of individual occupations have found considerable changes. For example, a report by the National Research Council (1999) suggests that managerial occupations over the second half of the twentieth century increasingly have emphasized team management, coaching skills and tasks, and interaction with customers. The rise in these skills and tasks were accompanied by a decline of managerial tasks related to direct control of subordinates.[1] These findings raise the question of whether managerial occupations are unique in experiencing changes in tasks, or if comparable changes have occurred elsewhere. Moreover, to the extent that activities that workers perform on the job have shifted, what are the implications for the distribution of earnings?

In this paper we show that, in fact, substantial changes in skill and task composition have occurred within occupations since 1960.[2] Moreover, we find that these within-occupation changes in task content are responsible for much of the observed increase in earnings inequality. We start by constructing a new data set using the text content of approximately 3.9 million job ads appearing in three major metropolitan newspapers — the New York Times, the Wall Street Journal, and the Boston Globe — in order to measure long-run trends in occupations' skill and task content. We then map the words contained in job ad text to measures of skill and task content. We consider several mappings, but our main strategy relies on Spitz-Oener's 2006 classification of words into routine and nonroutine tasks. We complement this approach using the mappings in Deming and Kahn (2017) and Firpo, Fortin, and Lemieux (2014), as well as producing our own mapping to O*NET Elements. This last mapping is useful, since O*NET is at present the de facto standard in the literature for measuring the content of occupations.

To validate our new data set, we demonstrate that the skill and task measures that result from our mapping correlate, across occupations, with O*NET's measures of the importance of different tasks and skills. We also perform several checks on the data to argue that the selection of ads into our data set is not a major concern, and that our data originating from

[1]The report chronicles the evolution of multiple other occupations. In Section 4, we link the changes within managerial, clerical, and assembly occupations documented in the report to the new measures we introduce in this paper.

[2]Acemoglu and Autor (2011), among others, emphasize that skills and tasks refer to different work concepts: "A *task* is a unit of work activity that produces output (goods and services). In contrast, a skill is a worker's endowment of capabilities for performing various tasks." (p. 1045, emphasis in the original) We adopt this conceptualization of skills and tasks throughout our paper.

metropolitan areas does not bias our results.[3]

In the newspaper text, words related to interactive tasks have been increasing in frequency, while words related to routine tasks (especially routine manual tasks) have declined in frequency between 1960 and 2000. For instance, using Spitz-Oener (2006)'s task classification, we find that the frequency of words related to routine cognitive tasks has declined by almost two-thirds from the early 1960s to the late 1990s, from 0.81 mentions per thousand job ad words to 0.31 mentions per thousand words. The frequency of routine manual tasks has declined even more starkly. On the other hand, the frequency of words related to nonroutine interactive tasks has increased by more than 40 percent, from 5.84 to 8.83 mentions per thousand of job ad words. We obtain similar findings using our other classifications. Importantly, we find that a large fraction of the aggregate changes in both nonroutine and routine-task related words have occurred within occupations, rather than due to changes in the occupations' employment shares. These findings are in addition to most of the existing literature, in which occupational characteristics are measured at a single point in time.

Having documented these patterns, we then incorporate our occupational measures into Fortin, Lemieux, and Firpo (2011) and Firpo, Fortin, and Lemieux (2014)'s methodology for decomposing changes in the wage distribution across points in time. Using these methods, we break down changes in the distribution of earnings over time into changes in the attributes of workers and their occupations (the "composition" effect), as well as changes in the implicit prices of those observable characteristics (the "wage structure" effect). Next we further be break down changes in the distribution of earnings into the contributions of observable characteristics (e.g., the contribution of changes in educational attainment and of changes in the returns to education).

This decomposition indicates that occupational task measures account, through composition effects, for a 33 log point increase in 90-10 male earnings inequality. Wage structure effects account for a 7 percentage point decrease in 90-10 inequality. Among the 33 percentage points that are due to composition effects, our routine manual and routine cognitive measures each account for a 14 log points. Task measures which are fixed within a occupations across time explain a much smaller portion, 3 percentage points, of the observed increase in 90-10 inequality in total. So, occupational measures of task and skill intensity

[3] First, we show that the distribution of ads across occupations is similar to the distribution of employment according to the decennial Census (and our results largely agree with analogous comparisons made with online vacancies, e.g. Hershbein and Kahn, 2016). Second, we show that the educational requirements by occupation in our data set correlate reasonably well with those observed in the Census (Appendix A). Third, we show that trends in the propensity of unemployed workers to search for jobs through help wanted ads does not vary with the task content of their prior occupation (Appendix B). And, fourth, we show that our main results are not driven by the fact that most of our ads come from a selected number of large metro areas (Appendix E.3).

can account for a large component of the increase in earnings inequality that has occurred between 1960 and 2000, but only if these measures are allowed to vary across time.

Complementary to these decompositions, we construct a general equilibrium model of occupational choice. In our model, individual occupations are represented as a bundle of tasks. Workers' skill levels parameterize their ability to perform each of the individual tasks to be performed in their occupation. These skill levels are functions both of workers' observable gender, education, and experience and contain an idiosyncratic component. Based on their skill levels and the demand for tasks within each occupation, workers select into the occupation with the highest payoff. Using information on demographic groups' wages and occupation choices, we estimate the skills by which each demographic group performs different groups of tasks. Among the patterns of comparative advantage recovered by our model, we find that workers with lower levels of education (those who have not attended college) have a comparative advantage in routine and nonroutine manual tasks, while workers with intermediate levels of education (high school graduates) have a comparative advantage in performing routine cognitive tasks. Finally, compared to men, women have a comparative advantage in routine cognitive tasks, and a comparative disadvantage in routine manual tasks and nonroutine analytic tasks. Based on our estimated model, we compute the evolution of earnings inequality due to changes in the demand for tasks. These counterfactual exercises indicate that changes in the relative demand for tasks have led to a 36 log point increase in inequality among men, and a 31 log point increase in inequality among women and men.

So, both the statistical decompositions and our model-based counterfactual exercises indicate that a relative decline in the demand for routine tasks has substantially increased earnings inequality between 1960 and 2000. Both of these exercises require information on changes in occupations' task content, something that our data set is suited to measure.

Our paper builds on two literatures, the first of which examines the causes and consequences of the evolution of occupations. Autor, Levy, and Murnane (2003) and Acemoglu and Autor (2011) develop the hypothesis that technological advances have reduced the demand for routine tasks, which, in turn, has led to a reduction in the wages of low- and middle-skill workers. More recently, Firpo, Fortin, and Lemieux (2014) decompose changes in the distribution of wages into the contribution of occupational characteristics and other factors (including de-unionization, changes in minimum wage, and changes in worker demographics). Deming (2017) documents that employment and wage growth has been confined to occupations which are intensive in both social and cognitive skills. Michaels, Rauch, and Redding (2016) extend Autor, Levy, and Murnane (2003) to study changes in task inputs over a longer time horizon, using a methodology that is closely related to ours, exploiting the verbs from occupational descriptions and their thesaurus-based meanings. Burstein, Morales, and Vogel (2015) quantify the impact of the adoption of computers on between-group wage inequality, through the lens of a quantitative model.

In these papers, occupational characteristics are fixed over time; changes in the overall distributions of jobs' skill requirements and task content are due solely to changes in the employment shares of different occupations. Researchers use this methodology because of a limitation of the most commonly used data sets measuring occupational characteristics, namely that they are infrequently and irregularly updated.[4] One paper that focuses on within-occupation changes is Spitz-Oener (2006), which uses survey data from four waves of German workers to track skill changes within and between occupations, between the late 1970s and the late 1990s. One of our contributions is to study these changes in the U.S. context, extending the Spitz-Oener (2006) task classifications, and examining the implications of the observed changes in tasks for the wage distribution. Our paper contributes more generally to the measurement of time-varying task content of occupations, by using newspaper classifieds, a rich and largely untapped source of data. Newspaper data have the advantage of appearing in the field: firms post these ads while they are actively searching for workers, meaning that unlike survey data our data are not subject to recall-bias or selective nonresponse. Our new data set contains rich information on U.S. occupations' skill requirements, technology usage, work activities, work styles, and other job characteristics, between 1960 and 2000. These data serve a complementary role to existing data sources currently used to study the evolution of the U.S. labor market.[5]

A second related literature uses the text from online help wanted ads to study the labor market: how firms and workers match with one another, how firms differ in their job requirements, and how skill requirements have changed since the beginning of the Great Recession.[6] Using data from CareerBuilder, Marinescu and Wolthoff (2016) document substantial variation in job ads' skill requirements and stated salaries within narrowly-defined occupation codes. Moreover, the within-occupation variation is to a large extent explained by the vacancy posting's job title. In this way, Marinescu and Wolthoff provide a first piece of evidence that text from job ads contain useful information. Using online job ads, Hershbein

[4] Ross (2016) applies the 2003 to 2014 vintages of the O*NET database to construct a panel of occupations' skill and task intensity measures. In Ross (2016), within-occupation differences in task intensities are applied as an alternative source of variation, relative to previously used between-occupation trends, in identifying declines in the price of workers' routine task engagement in the last decade. In earlier work, Autor, Levy, and Murnane (2003) use the 1977 and 1991 versions of the Dictionary of Occupational Titles to compare changes in occupations' task content and computer adoption rates within these occupations.

[5] A preliminary version of this data set can be found at http://ssc.wisc.edu/~eatalay/occupation_data .

[6] Text analysis has been fruitfully applied in other branches of economics. Gentzkow and Shapiro (2010) study the text from newspapers and from the Congressional Record to construct an index of newspapers' media slant. Hoberg and Phillips (2016) use the text from publicly-traded firms' filings to the Securities and Exchange Commission to classify industries and to draw insights about the identities of firms' competitors.

and Kahn (2016) and Modestino, Shoag, and Ballance (2016) argue that jobs' skill requirements have increased during the post-Great Recession period; Deming and Kahn (2017) find that firms that post ads with a high frequency of words related to social and cognitive skills have higher labor productivity and pay higher wages. By bringing in newspaper data, we contribute to this literature with measurement of long-run changes in tasks and skills in the labor market.

The rest of the paper is organized as follows. Section 2 outlines the construction of our data set of occupations and their skill and task content. We compare this new data set to existing data sources in Section 3. In Section 4, we document changes in the distributions of occupational skills and tasks. Section 5 links task changes to changes in the earnings distribution, first in a reduced-form exercise and then with the aid of a structural model. Section 6 reviews our results and suggests areas for future research.

2 A New Data Set of Occupational Characteristics

In this section, we discuss the construction of our structured database of occupational characteristics. The primary data sets are raw text files, purchased from ProQuest and originally published the New York Times, Wall Street Journal, and Boston Globe (which we complement with a data set purchased from CareerBuilder for the purpose of identifying each ad's occupation code). We use these data sets to extract information about the frequency words related to occupations' skill requirements and their work activities. The first step in our approach is to clean and process the raw newspaper data. Then we map job ad titles to Standard Occupational Classification codes (SOC codes). Finally, we map job ad text into tasks, by grouping sets words which identify similar occupational characteristics. Once we describe these procedures, we present some simple descriptive statistics from our constructed data set.

2.1 Processing the Newspaper Text Files

The newspaper data are stored as raw text files, which ProQuest has produced using an algorithm that converts images of newspaper into text files. Figure 1 presents a snippet of the raw text from a page of display ads from the 1979 Boston Globe. This text refers to three vacancy postings, one for a "Mutual Fund Clerk" position, a second for a "Payments Clerk," and a third for a "Terminal Operator." As Figure 1 makes clear, while the text contains a high frequency of transcription errors (due to the imperfect performance of ProQuest's optical character recognition technology), there is still quite a lot of information to be extracted.

Figure 1: Unprocessed text from the Boston Globe, November 4, 1979, Display Ad # 133

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rapid growth through continued innovation and diversification If you
are highly motivated person who takes pride in your work and the company
you work for consider career with Fidelity \n MUTUAL FUNDS CLERKS \n
Individuals with 1-2 years funds transfer experience to process Keogh
IRA accounts and adjustments \n PAYMENTS CLERKS \n Varied les processing
new account applications and payments \n StI nt flt ner fr nlr ct tfl \n
Mnirk \n and maintaining client \n strong record-keeping 50 wpm \n Data
Control Department \n sorting and \n Brokerage \n environments with \n
benefits package for our Boston convenient to the Market \n gr WilnliE
lU5lty \n success \n -l 1?Q1.a1 ol P-1Sl1v MPloV \n Fidelit \n Group \n
82 DEVONSHIRE STREET BOSTON MA 02109 \n 111 \n -l \n TERMINAL OPERATOR
\n Position involves typing policy related information Into computer
terminal No previous computer experience required Typing 5055 wpm
Excellent benefits plus work Incentive program in addition to starting
salary of S150-165.
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Notes: The figure presents text from the first three of the 12 vacancy postings in a page of Display Ads in the Boston Globe. An "\n" refers to a line break.

Common work activities — such as typing, processing applications, or maintaining client records — are mentioned. In addition, one of the three advertisements includes an experience requirement; a separate advertisement includes information about the job's starting salary. The raw text files which ProQuest has provided us allow us to isolate the subset of text that come from advertisements, but do not directly allow us to identify which ads are job ads (as opposed to other types of advertisements). Nor does the text indicate when one job ad ends and another one begins. Therefore, in processing the ProQuest text files, we must i) identify which advertisements comprise vacancy postings, ii) discern the boundaries between vacancy postings, and iii) identify the job title of each vacancy posting. In addition, as much as possible, we attempt to undo the spelling mistakes induced by ProQuest's imperfect transcription of the newspaper text.

Distinguishing vacancy postings from other advertisements To distinguish vacancy postings from other types of advertisements, we apply a Latent Dirichlet Allocation (LDA) model. An LDA model is a statistical model used to classify documents to one of a number of topics. In these models, the probability that different words appear in a document depend on the (hidden) topic of that document. LDA model estimation yields estimates of these conditional probabilities.

In our context, the LDA model is used to distinguish pages of job ads (one of the model's topics) from other groups of ads. Estimation of the LDA model denotes estimation of

Table 1: Results of the LDA Model

Topic 1	Topic 2	Topic 3	Topic 4	Topic 5	Topic 6	Topic 7	Topic 8	Topic 9	Topic 10
experi	car	day	size	call	globe	coupon	reg	inc	new
system	new	travel	reg	home	school	save	save	street	free
opportun	auto	night	store	pool	sat	regular	price	ave	call
year	price	hotel	color	room	sun	fresh	set	mall	one
manag	tire	free	style	new	show	good	color	mass	get
comput	power	includ	save	open	new	shop	includ	main	money
engin	air	new	cotton	bedroom	call	one	tabl	center	day
requir	ford	call	price	estat	class	price	chair	rte	offer
design	stock	ski	marsh	hous	cours	purchas	store	servic	year
program	wheel	tour	polyest	avail	time	food	control	store	save

Notes: The table provides the top 10 word stems for each of the ten topics in our estimated LDA model performed on the Boston Globe Display Ad subsample.

the probability that different types of words (e.g., "experience," "sale," "price") appear in different pages of advertisements, conditional on the topic of the ad. Since each document page of advertisements contains a collection of words, the model will allow us to compute the probability that any one page of advertisements is comprised of job ads. Roughly put, the model identifies sets of words that uniquely appear together in the same documents within a text corpus. For example, if there were only two types of ads in our newspaper data, job ads or sales ads, one set of ads would be characterized by containing the words "experience," "resume," and "employer." A second set of ads would be characterized by containing the words "sale," "auction," or "price."

To construct our LDA model, we take samples of pages of advertisements for each of our newspapers, separately: Display Ads in the Boston Globe, spanning 1960-1983; Display Ads in the New York Times, between 1960 and 2012; Classified Ads in the Boston Globe, between 1960 and 1983; Classified Ads in the New York Times, between 1960 and 2012; and Classified Ads in the Wall Street Journal, spanning 1960-1998.

As an example of the partial output from our estimated model, Table 1 lists word steps which have the highest conditional probability of appearing in each of the the ten topics in our model. This model was estimated from pages of Display Ads appearing in the g Boston Globe.[7] Words in Topic 1 tend to appear frequently in job ads, while other topics contain words prevalent in other types of advertisements.

[7]Computing the LDA model requires us to specify the number of topics present in the text. Since there is little a priori guidance in determining the optimal number of topics, for each source we choose the number of topics, one at a time, until we reach the largest number of topics which result in only one topic that is related to job vacancy postings. In Appendix C.1, we present the tables of predictive words for the other newspapers.

At this point, each page is defined by a probability distribution over the set of possible topics. We pick the pages for which the average probability of belonging to the first topic (the topic with words common in vacancy postings) is greater than 0.3. The choice of the cutoff balances a trade-off between throwing out too many vacancy postings (particularly job ads in sales-related occupations) and including too many non-job ads in our data set. Appendix C.1 provides additional details regarding the LDA procedure, in general, and the application of this procedure to our particular problem. See, also, Blei, Ng, and Jordan (2003) and Hoffman, Blei, and Bach (2010).[8]

Discerning the boundaries between vacancy postings In the ProQuest data set, the advertisements on a single page are all grouped in a single text field. Our next task is to identify when one vacancy posting ends and a second posting begins. Here, certain phrases at the beginning or end of individual help wanted ads allow us to identify the boundaries between ads. In particular, we use a rule that relies on certain common patterns across ads, and relies on the presence of (i) zip codes, (ii) certain phrases (e.g., "send [...] resume" or "equal opportunity employer"), and (iii) the formatting of job titles (usually a few, capitalized words).

Identifying the advertisement's job title Finally, since one of the main goals of the project is to identify how individual occupations' skill profiles have changed over time, it will be necessary to assign each vacancy posting to its corresponding occupation. We proceed by searching, in each line of our display ads, for text that is either i) all capitalized or ii) only one or two words appear, for words in O*NET's "Sample of Reported Job Titles." If there is a match, we record the contents of the line as the ad's job title.

Sample of results Table 2 presents the result of our three-step procedure applied to the unprocessed text from Figure 1. At least in this small snippet of text, our algorithm is able to correctly parse job titles and identify the boundaries between the three advertisements. In identifying the boundary between the first and second ad, line breaks before "payments clerks" were helpful. In addition to these line breaks, an address—82 Devonshire Street, Boston MA 02109—helps identify the boundary between the second and third job posting. Finally, our spell-checker is able to fix some transcription errors. At the same time, even after processing, a few transcription errors remain. First, because part of the text of the first job ad appears before the job title, it is not included with the remaining text for the

[8]Within economics, we are aware of one application of LDA, which classifies FOMC statements by topic; see Fligstein, Brundage, and Schultz (2014) and Hansen, McMahon, and Prat (2014).

Table 2: Processed text from the Boston Globe, November 4, 1979, Display Ad # 133

job title	text
	rapid growth through continued innovation and diversification If you are highly motivated person who takes pride in your work and the company you work for consider career with Fidelity
mutual funds clerks	individuals with 1 2 years funds transfer experience to process Keogh IRA accounts and adjustments
payments clerks	varied Les processing new account applications and payments stir nt flt near fr NLRB ct t fl mnirk and maintaining client strong record keeping 50 wpm data control department sorting and brokerage environments with benefits package for our Boston convenient to the market gr Willie lu5lty success l 1 q1 a1 ol p 1sl1 vmplov fidelity group 82 devonshire street Boston ma 02109
terminal operators	position involves typing policy related information into computer terminal no previous computer experience required typing 5055 wpm excellent benefits plus work incentive program in addition to starting salary of 150 165

Notes: The table presents text from the first three of the 12 vacancy postings in a page of Display Ads in the Boston Globe.

"mutual funds clerks" position. In fact, it is possible that the `Fidelity \n MUTUAL FUNDS` from the unprocessed text refers to the title of the firm that is has an opening for a "Clerk" position.

To sum up, our process allows us to transform unstructured text into a set of distinct job ads and correct an amount of error induced by the optical character recognition software. However, since our efforts to process the text are imperfect, our resulting data set will necessarily contain some measurement error. At the same time, given the massive number of vacancy postings which we have been able to process, our database is still quite informative about occupations and their characteristics, which we demonstrate in Section 3.

2.2 Grouping Occupations by SOC Code

Our next step is to consolidate the information in our vacancy postings to characterize occupations and their corresponding attributes into a small number of economically meaningful categories. In the newspaper data, postings for the same occupation appear via multiple distinct job titles. For example, vacancy postings for registered nurses will be advertised using job titles which include "rn," "registered nurse," or "staff nurse." These job titles should all map to the same occupation; e.g., 291141 using the BLS Standard Occupational Classification (SOC) system, or 3130 according to the 2000 to 2009 vintage of the Census Occupation

Code.

From our list of job titles, we apply two complementary methods to group ads according to their SOC codes. First, for the most common 1000 job titles from our Boston Globe, New York Times, and Wall Street Journal job ads, we apply the mapping of www.onetsocautocoder.com to retrieve their SOC codes. These top 1000 job titles cover 2.4 of the 6.7 million ads from the previous subsection's processed newspaper data.

For the remaining ads, we apply a *continuous bag of words* model, in combination with an ancillary data set provided to us by CareerBuilder, to attempt to identify the ad's SOC code. This continuous bag of words model, roughly put, allows us to find synonyms for words or phrases based on the contexts in which they tend to appear. The model is based on the idea that words or phrases are similar if they themselves appear (in text corpora) near similar words. For example, to the extent that "nurse," "rn," and "staff nurse" all tend to appear next to words like "patient," "care," or "blood" one would conclude that "rn" and "nurse" have similar meanings to one another. For additional background on continuous bag of words models, and details on our implementation, see Appendix C.3.

This continuous bag of words model is useful, since we have an ancillary data set containing a large correspondence between job titles and SOC codes. CareerBuilder has provided us a data set of the text from online job ads, posted originally between 2011 and 2016. These ads contain a job title, an SOC code, and text describing the job characteristics and requirements. We use the online job postings from a single month, January 2015, plus all of the text from our newspaper data to construct our continuous bag of words model. We will use this model at different points in the paper to find synonyms for words or phrases. For our current task, our continuous bag of words model allows us to discern the closest job title in the CareerBuilder data set for each job title in our newspaper text. Since job titles in the CareerBuilder data set have an associated SOC code, we can compute the SOC code for any job title in our newspaper text. We retrieve these SOC codes on all of the job titles which appear at least twice in our newspaper text. In combination with the first approach, we have been able to collect SOC codes for 3.9 million job ads.

2.3 Eliciting Skill- and Task-Related Information

Within the body of our job ads, similar words will refer to a common task or skill. For example, mathematical skills could appear in job ads using the words "mathematics," "math," or "quantitative." To study occupations' evolving skill requirements and task content, it is necessary to categorize not only job titles, but also these occupational characteristics into a manageable number of groups. We follow four approaches, which we explain next.

Our main classification follows that of Spitz-Oener (2006) who, in her study of the changing task content of German occupations, groups activities into five categories: *nonroutine analytic, nonroutine interactive, nonroutine manual, routine cognitive,* and *routine analytic.*[9] In our main application of her categorization, we begin with the words in each of her five lists of task-related words. For each list, we append words which are similar to those in footnote 9, where similarity is determined by our continuous bag of words model. This is our primary classification, and we use it in each empirical exercise that follows in the paper. In addition, as a robustness check, we will consider a narrower mapping between categories and words, one which only relies in Spitz-Oener (2006)'s definitions as enumerated in footnote 9.

For varying purposes, we also consider three complementary classifications. First, with the aim of validating our datset, we map our text to O*NET's database, in particular to work styles, skills, knowledge requirements, and work activities (corresponding to O*NET Elements 1C, 2A and 2B, 2C, and 4A, respectively). For each O*NET Element, we develop a mapping that combines our own judgment-based mapping and one based on a bag-of-words algorithm. Each of the two approaches, the "judgment-based" procedure or the "continuous bag of words model-based" procedure of identifying similar words, has its strengths and weaknesses. On the one hand, the first procedure is clearly ad hoc. Moreover, the continuous bag of words model has the advantage of accounting for the possibility that employers' word choice may differ within the sample period.[10]

On the other hand, there is a danger that the bag of words model will misidentify words as synonymous even if they are not. For example, the vector representations in our bag of words model indicates that the five most similar words to the "Mathematics" O*NET Element

[9] See Table 1 of Spitz-Oener (2006) for her list of words and their associated tasks. The data set in her paper is built on a questionnaire given to West German workers. She constructs the following mapping from survey question titles to task categories: 1) non-routine analytic: analyze, analyzing, design, designing, devising rule, evaluate, evaluating, interpreting rule*, plan, planning, research, researching, sketch, sketching; 2) non-routine interactive: advertise, advertising, advise, advising, buying, coordinate, coordinating, entertain, entertaining, lobby, lobbying, managing, negotiate, negotiating, organize, organizing, presentation, presentations, presenting, purchase, sell, selling, teaching; 3) non-routine manual: accommodate, accommodating, accommodation, renovate, renovating, repair, repairing, restore, restoring, service, serving; 4) routine cognitive: bookkeeping, calculate, calculating, correcting, corrections, measurement, measuring; 5) routine manual: control, controlling, equip, equipment, equipping, operate, operating.

[10] For instance, even though "creative" and "innovative" largely refer to the same occupational skill, it is possible that their relative usage among potential employers may differ within the sample period. This is indeed the case: usage of the word "innovative" has increased more quickly than "creative" over the sample period. To the extent that our ad hoc classification included only one of these two words, we would be mis-characterizing trends in the O*NET Skill of "Thinking Creatively." The advantage of the continuous bag of words model is that it will identify that "creative" and "innovative" mean the same thing because they appear in similar contexts within job ads. Hence, even if employers start using "innovative" as opposed to "creative" part way through our sample, we will be able to consistently measure trends in "Thinking Creatively" throughout the entire period.

Title are "math," "calculus," "algebra," "science," and "linguistics." While the first four words strike us as reasonable, the fifth appears out of place. In our job ads, since evidently mathematics and linguistics are mentioned close to one other within advertisements, our model suggests that these words have similar meaning, even if they may not.

Finally, we also draw on two other task classifications proposed in the literature. For the purpose of mapping our new task measures to changes in wage inequality, we map our text to that in Firpo, Fortin, and Lemieux (2014). Firpo, Fortin, and Lemieux categorize work activities and contexts into five groups: Information Content, Automation/Routine, Face-to-Face Contact, On-Site Job, and Decision-Making.[11] Our last mapping is to skills in Deming and Kahn (2017)'s study of the relationship between firms' characteristics and the skill requirements in their vacancy postings, which we explore in the Appendix to provide complementary results.

2.4 Descriptive Statistics

The text from the Boston Globe, New York Times, and Wall Street Journal our algorithm from Section 2.1 results in a data set with 6.7 million vacancy postings.[12] Among these vacancy postings, we have been able to retrieve an SOC code for 3.9 million ads. Table 3 lists the top occupations in our data set; the first two columns list common job titles among the 6.7 million total vacancy postings, while the last two columns present the top SOCs. Across the universe of occupations, our newspaper data represents a broad swath of Management, Business, Computer, Engineering, Life and Physical Science, Healthcare, Sales, and Administrative Support occupations, but under-represents construction occupations and occupations related to the production and transportation of goods. See Appendices A and B for an analysis of the representativeness of our newspaper data relative to the Census and

[11]According to their categorization (see their Appendix Table A.2), the O*NET Elements associated with Information Content include codes related to Getting Information (4.A.1.a.1), Processing Information (4.A.1.a.2), Analyzing Data (4.A.2.a.4), Interacting with Computers (4.A.3.b.1), and Documenting/Recording Information (4.A.3.b.6). The Elements associated with the Automation/Routine group include Degree of Automation (4.C.3.b.2), Repeating Same Tasks (4.C.3.b.7), Structured versus Unstructured Work (4.C.3.b.8), Pace (4.C.3.d.3), and Repetitive Motions (4.C.2.d.1.i). Face-to-Face Contact maps to Face-to-Face Discussions (4.C.1.a.2.l), Establishing Interpersonal Relationships (4.A.4.a.4), Caring for Others (4.A.4.a.5), Working Directly for the Public (4.A.4.a.8), and Coaching and Developing Others (4.A.4.b.5). The On-site-Job group of Elements includes Inspecting Equipment, Structures, or Material (4.A.1.b.2), Handling and Moving Objects (4.A.3.a.2), Controlling Machines and Processes (4.A.3.a.3), Operating Vehicles (4.A.3.a.4), Repairing Mechanical Equipment (4.A.3.b.4), and Repairing Electronic Equipment (4.A.3.b.5). Finally, Decision-Making maps to the following O*NET Elements: Making Decisions (4.A.2.b.1), Thinking Creatively (4.A.2.b.2), Developing Objectives (4.A.2.b.4), Responsibility for Outcomes and Results (4.C.1.c.2), and Frequency of Decision Making (4.C.3.a.2.b).

[12]This 6.7 million figure excludes vacancy postings for which we cannot identify the job title or which contain a substantial portion, 35 percent or greater, of misspelled words.

Table 3: Common occupations

Job Title		6-Digit SOC Occupations		4-Digit SOC Occupations	
Description	Count	Description	Count	Description	Count
Secretary	123.2	436014: Secretary	266.8	4360: Secretary	359.7
Sales	54.0	439061: Office Clerk	158.8	4390: Office Clerk	289.5
Assistant	53.5	412031: Retail Sales	152.9	1511: Computer Sci.	190.5
Typist	51.0	132011: Accountant	143.3	1320: Accountant	180.4
Clerk	50.6	433031: Bookkeeper	118.4	4120: Retail Sales	178.7
Accounting	50.4	291141: Nurse	97.9	4330: Bookkeeper	159.5
Engineer	42.8	439022: Typist	92.8	2911: Nurse	124.8
Manager	41.8	111021: General Mgr.	86.4	1110: General Mgr.	120.2
Bookkeeper	41.3	172112: Ind. Engineer	81.1	1721:Engineer	119.1
Salesperson	40.2	113031: Financial Mgr.	62.3	1130: Financial Mgr.	90.5

Notes: This table lists the top ten job titles (columns 1-2), the top 10 6-digit SOC codes (columns 3-4), and the top 10 4-digit SOC codes (columns 5-6) in our Boston Globe, New York Times, and Wall Street Journal data. The counts are given in thousands of newspaper job ads.

Table 4: Top occupations according to the Spitz-Oener (2006) classification of activities

Nonroutine Analytic			Nonroutine Interactive		
1710: Architects	9080	1.01	1120: Sales Managers	79812	1.08
1721: Engineers	119090	0.88	4140: Sales Representatives	65172	0.89
1720: Engineers	62034	0.88	1110: Top Executives	120192	0.75
1910: Life Scientists	8590	0.82	4120: Retail Sales	178747	0.71
1520: Math. Science	10417	0.76	4190: Other Sales	39485	0.66
Nonroutine Manual			**Routine Cognitive**		
4930: Vehicle Mechanics	28386	0.23	4510: Farming Supervisors	493	0.10
4990: Other Maintenance	27293	0.21	4330: Financial Clerks	159493	0.10
4920: Electrical Mechanics	7150	0.20	5530: Military Forces	213	0.07
4910: Maintenance Supervisors	14499	0.17	4390: Other Admin. Support	289461	0.07
4340: Record Clerks	35803	0.15	2530: Instructors	4744	0.06
Routine Manual					
5140: Metal and Plastic	22993	0.34			
4750: Extraction	1197	0.23			
4990: Other Maintenance	27293	0.13			
5141: Metal and Plastic	11237	0.12			
5191: Other Production	28219	0.12			

Notes: This table lists the top five 4-digit occupations according to the frequency with which different activity-related words are mentioned. Within each panel, the first column gives the SOC code and title; the second column gives the number of job ads in our data set; and the final column gives the frequency (mentions per vacancy posting) of task-related words. Only occupations with at least 200 advertisements, representing 106 4-digit SOC codes, are included.

CPS. (These later datasets we access via Ruggles, Genadek, Goeken, Grover, and Sobek, 2015.)

Table 4 presents the top occupations according to Spitz-Oener (2006)'s categorization of task-related keywords. Occupations which are intensive in non-routine analytic tasks are concentrated in Architectural and Engineering occupations (SOC codes beginning with "17") and Life, Physical, and Social Science Occupations (SOC codes beginning with "19"). Management ("11") and Sales ("41") occupations mention non-routine interactive tasks frequently, while customer-service and maintenance related occupations (in a variety of SOC groups) have high non-routine manual task intensities. Routine-cognitive and routine-manual-task-related words are mentioned frequently in advertisements for clerical and production-related positions.

3 Comparison of the New Data Set to O*NET Elements

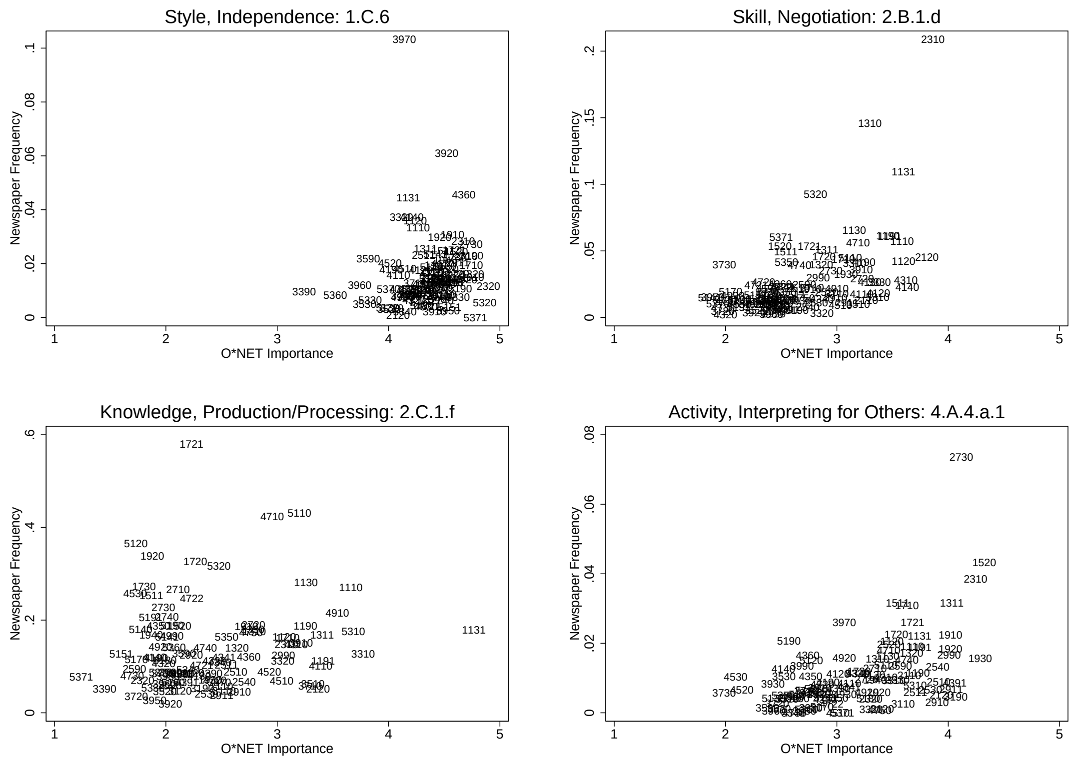
In this section we compare our new data set to the O*NET database of occupational characteristics, a database which has been extensively used to study occupational structure in the U.S. This comparison is aimed at validating our new data set: evidence that, along the dimensions for which such comparisons are possible, our measures of occupational characteristics align with existing measures would corroborate that our measures of the *trends* in occupational characteristics will be informative as well.

Our first comparison begins in Figure 2, which plots the O*NET Importance measure and Boston Globe, New York Times, and Wall Street Journal keyword frequencies. Each panel plots this comparison for a separate O*NET Elements. Within each panel, each data point represents a single 4-digit SOC occupation: For example, the "2310" (the code for Lawyers) in the top right panel indicates that the O*NET Importance of the skill of "Negotiation" is 3.9 (on a scale from 1 to 5). Among the job ads in the newspaper data, we detect 0.21 Negotiation-related keywords per ad. These elements in the four panels include one work style (Independence), one skill (Negotiation), one knowledge requirement (Production and Processing), and one work activity (Interpreting for Others). The correlations (weighted by the number of vacancy postings in our newspaper data) in these four plots are 50 percent, 47 percent, 56 percent, and 48 percent, respectively.

[13] The relationship between our newspaper keyword frequencies and O*NET Importance

[13]The un-weighted correlations are lower on average: 17 percent, 52 percent, 52 percent, and 50 percent for Independence, Negotiation, Production and Processing, and Interpreting the Meaning of Information for Others.

Figure 2: O*NET Importance Measures and Newspaper Keyword Frequencies

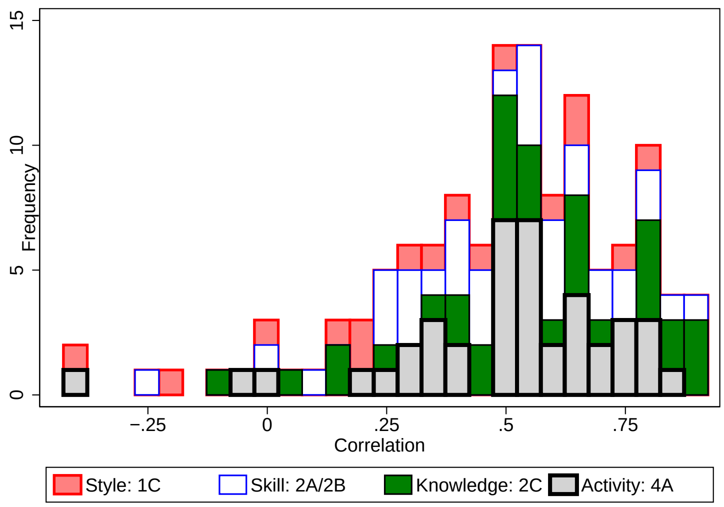


Notes: Each point in each of the four scatter plots represents a SOC code-O*NET Element ID combination. The value of the x-axis represents the O*NET Importance measure (from version 20.1 of the O*NET database). The y-axis measures the number of keyword appearances per job ad, using data from the Boston Globe, New York Times, and Wall Street Journal. Only SOC codes with at least 100 newspaper ads are plotted.

measures appears to be non-linear: For low-to-moderate O*NET importance values, skill- and task-related keywords are very rarely mentioned in vacancy postings. Our algorithm detects skill- and task-related keywords only if the O*NET Importance measures are sufficiently high, above 3 or 3.5.

The four relationships depicted in Figure 2 are broadly representative of the concordance between O*NET Importance measures and our vacancy postings' keyword frequencies. To show this, in Figure 3 we plot a histogram of the 125 correlations—one for each work style, skill, knowledge requirement, and work activity. There are two takeaways from this figure. First, the correlation between our measures and existing O*NET measures of occupational work styles, skill, knowledge requirement and task measures are, for the most part, in the 0.35 to 0.65 range. Second, the degree to which our measures match up with existing measures is somewhat higher for knowledge requirements (the mean correlation is 0.55) than it is for skills or activities (where the mean correlations are 0.48 and 0.50), and even lower for work

Figure 3: Correlations between O*NET Importance Measures and Newspaper Keyword Frequencies



Notes: The plot gives a histogram of correlations (weighted by the number of vacancy postings) between O*NET Importance measures and the occupations' keyword frequency in our vacancy posting data. Each observation is the correlation, across occupations, for an individual O*NET Element.

styles (where the mean correlation is 0.34).[14,15]

[14]Across all O*NET Elements, the unweighted correlations are lower by 8 percentage points on average.

[15]While we view O*NET as a useful and reliable benchmark, it too has its issues, which extend beyond its inability to track within-occupation changes in job characteristics over long time horizons. In their review of the design of the O*NET data collection program, the National Research Council (2010) identify several aspects of O*NET which may limit its usefulness as a research tool. First, some of the O*NET "job content measures are so complex and vague as to leave doubt as to whether they measure a single well-defined construct." (p. 177) This vagueness is problematic precisely because lay respondents are required to understand what the job content measures represent to be able to rate the importance of this concept in their occupation. Second, the scale points (e.g., a score of 2 for "somewhat important" or 4 for "very important") in the O*NET Importance scores are not precisely specified, and may mean different things for different raters. On the other hand, O*NET Level scales contain "complex terminology and technical terms that [a]re unfamiliar to some respondents." (p. 74) Finally, measures for some occupations and some O*NET Elements are collected by job raters, who may lack the necessary firsthand experience to accurately respond to the O*NET surveys. (p. 77) Summarizing these issues, Autor (2013) writes that both the Dictionary of Occupational Titles and O*NET "job content measures are often vague, repetitive, and constructed using ambiguous and value-laden scales that are likely to confuse respondents." (p. 191) In sum, while O*NET provides a useful depiction of occupational characteristics, it is not perfect. We should neither expect nor hope that our measures exactly align with O*NET measures, but interpret the correlations as reassuring evidence that the newspaper text is a valuable source of task data.

4 Trends in Tasks

In this section, we document trends in occupational tasks from 1960 to 2000. The main results from these exercises are that i) between the 1960s and 1990s words related to nonroutine interactive and analytic tasks have increased in frequency, while words related to routine manual and cognitive tasks have decreased in frequency, and ii) a large fraction of these changes are due to changes within occupations, rather than changes in employment shares across occupations. Lastly, we compare trends for three particular groups of occupations and show that our results resonate with previous findings in the literature.

4.1 Overall Trends

Table 5 present changes in task-related keywords, grouped according to the definitions introduced in Spitz-Oener (2006). The first column lists the task groups, while columns 2 through 9 compute two measures of task content, broken down in 5 year periods. The measure at the top of each row, which we interpret as the aggregate task content in the economy, presents average mentions in each occupation using Census employment shares as weights. According to this measure, mentions of nonroutine tasks increased between the early 1960s and late 1990s: by 41 percent for analytic tasks (8.83 versus 5.84 mentions per thousand ad words), by 33 percent for nonroutine analytic tasks, and by 19 percent for nonroutine manual tasks. Conversely, the largest decline in keyword frequency occurred for words related to routine manual tasks, decreasing from 1.37 to 0.18 mentions per thousand ad words. The decline of routine cognitive tasks is also considerable, going from 0.81 to 0.31 mentions per thousand words.

These changes reflect both between occupation and within occupation changes in task-related keywords. To assess the relative importance of between versus within-occupation forces in shaping these trends, we decompose changes in our aggregate measure discussed above, according to the following equation:

$$\overline{T}_t - \overline{T}_{1960} = \sum_j \vartheta_{j,1960} \left(\widetilde{T}_{jt} - \widetilde{T}_{j,1960} \right) + \sum_j \left(\vartheta_{j,t} - \vartheta_{j,1960} \right) \widetilde{T}_{jt}. \tag{1}$$

In this equation $\widetilde{T}_{jt}$, is a measure of task-related word frequency in postings for occupation j in year t. The ϑ_{jt} terms measure the share of workers in occupation j at time t, while $\overline{T}_t$ denotes the share-weighted average frequency of the task-related word at time t. In the right-hand side of Equation 1, the first sum represents the change in overall keyword frequencies due to within-occupation changes in task-related word mentions. The second sum represents the contribution of changes in the share of workers in different occupations on overall keyword

Table 5: Trends in keyword frequencies

	Frequency								Within
	60-64	65-69	70-74	75-79	80-84	85-89	90-94	95-00	Share
Nonroutine	5.84	6.26	5.88	6.55	6.92	8.10	8.97	8.83	1.10
Analytic	[5.82]	[6.28]	[5.90]	[6.47]	[6.82]	[7.97]	[8.96]	[9.11]	(0.04)
Nonroutine	5.51	5.09	5.39	6.00	6.35	6.68	7.09	7.63	0.91
Interactive	[5.50]	[5.06]	[5.25]	[5.87]	[6.14]	[6.40]	[6.63]	[7.44]	(0.05)
Nonroutine	1.96	1.88	1.85	2.17	2.16	2.15	2.30	2.37	1.11
Manual	[1.97]	[1.86]	[1.82]	[2.18]	[2.27]	[2.14]	[2.43]	[2.42]	(0.22)
Routine	0.81	0.70	0.56	0.52	0.44	0.34	0.33	0.31	0.98
Cognitive	[0.82]	[0.69]	[0.54]	[0.52]	[0.46]	[0.33]	[0.31]	[0.33]	(0.04)
Routine	1.37	1.29	1.01	0.96	0.65	0.32	0.23	0.18	0.97
Manual	[1.38]	[1.35]	[1.16]	[1.12]	[0.78]	[0.38]	[0.29]	[0.23]	(0.03)

Notes: Occupations are defined using the 4-digit SOC classification. For each column, we compute average keyword frequencies (across occupations) for each five-year period. In these averages, occupations and weighted according to the number of workers in the Decennial Census, interpolating within-decade observations using counts from the 1960, 1970, 1980, 1990, and 2000 Censuses. The numbers without square brackets represent the average keyword frequency in each five-year period. The numbers in square brackets represent the keyword frequencies which would obtain, holding fixed the number of workers in each occupation according to their values in 1960. The final "Within Share" column gives the ratio of the 1960-64 to 1995-2000 change according to the within-occupation component relative to the 1960-64 to 1995-2000 overall change. In this final column, the term within parentheses gives the bootstrapped (re-sampling ads from our newspaper text) standard errors of the "Within Share."

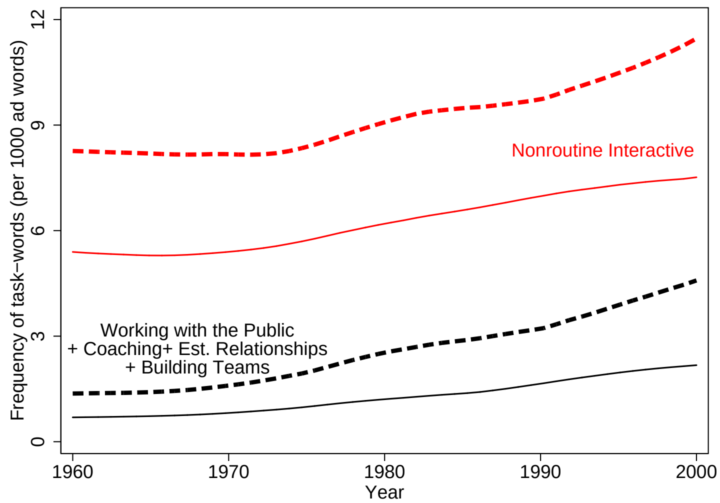
frequencies. We perform this decomposition separately for each of the five activity groups introduced in Spitz-Oener (2006), using a 4-digit SOC classification. The final column of Table 5 lists the proportion of the overall changes in keyword frequencies, comparing the 60-64 column to the 95-00 column, which are due to the within-occupation component. For all of the five Spitz-Oener (2006) keyword groups, within-occupation changes account for a predominant share of the overall changes.

Sensitivity Analysis

In Appendix D we consider the sensitivity of the results given in Table 5 to the measurement of occupational characteristics and to the occupational classification.

First, we recompute Table 5 with Spitz-Oener (2006)'s original mapping between her five task groups and task-related words, excluding the words which we have appended from our continuous bag of words model. Second, we consider two alternate measures of occupational characteristics, one introduced by Firpo, Fortin, and Lemieux (2014) and the other by Deming and Kahn (2017). Using each of these three alternate measures of occupational

Figure 4: Task Measures: Managers and All Occupations



Notes: Managerial occupations are those which have an SOC code between 1100 and 1199. Local polynomial smoother. Average, across all occupations, are depicted as solid lines. Averages, across managerial occupations, are plotted in dashed lines.

characteristics, the predominant share of the overall changes in occupational characteristics occurs within rather than between 4-digit SOC codes.

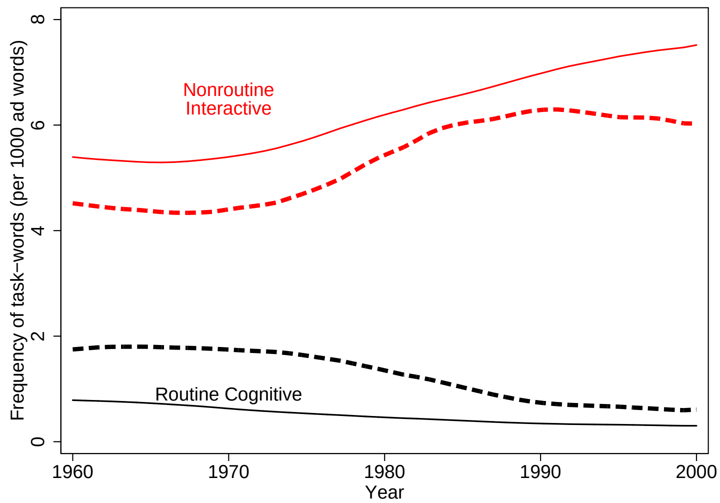
We emphasize that the extent to which between-occupation changes are responsible for overall changes in keyword frequencies may be sensitive to the coarseness of occupation definitions: If occupations are coarsely defined, one will tend to estimate between-occupation changes to be relatively unimportant. In a second robustness check, we re-estimate Equation 1 first using a 6-digit SOC codes to classify occupations, and alternatively using individual job titles to classify occupations. The resulting "within shares," as reported in the final column of each table, are modestly smaller with finer occupation classifications: Instead of a median within share of 0.98, which obtains from averaging over the final columns of 5, one would arrive at a median within share of 0.96, with a 6-digit classification, and 0.82 with a job-title-based classification; hence the overall takeaway is largely the same.

4.2 Narratives of Occupational Change

In this section, we offer three vignettes of how individual occupation groups have evolved over our sample period. The goal of this section is to provide the reader concrete, illustrative examples of how individual occupations have changed, when viewed through our task and skill measures.

In Figure 4, we present two separate task measures for managerial occupations (in thick,

Figure 5: Task Measures: Office Clerks and All Occupations



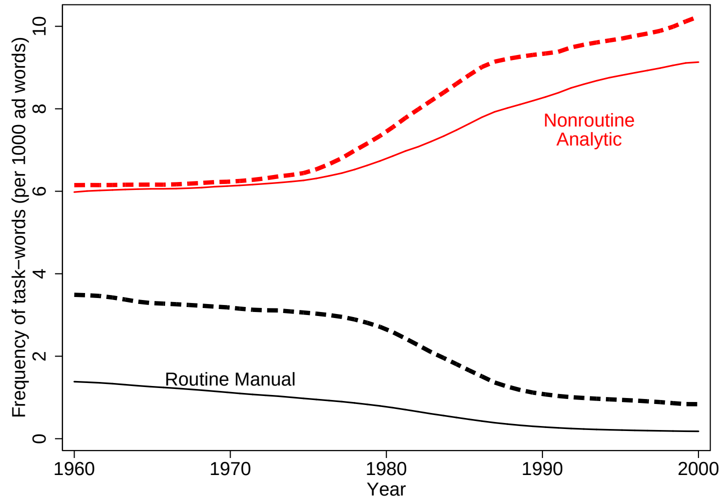
Notes: Office clerical occupations are those which have an SOC code between 4330 and 4341. Local polynomial smoother. Averages, across all occupations, are depicted as the solid lines. Averages, across office clerical occupations, are plotted in the dashed lines.

dashed lines) and all occupations (in thin, solid lines). Between 1960 and 2000, the frequency of words related to nonroutine interactive tasks (according to Spitz-Oener's categorization) in managerial occupations increase by approximately one-third, from 8.3 to 11.5 mentions per 1000 ad words.[16] This measured trend is remarkably aligned with the National Research Council (1999)'s characterization of the changing nature of managerial work. Summarizing the contemporaneous literature, the National Research Council (1999) write that trends in managerial work involve "the growing importance of skills in dealing with organizations and people external to the firm, ... the requirement that they [managers] 'coach'... and facilitate relations between workers." (pp. 137-138) Motivated by this characterization, we also plot trends in the mentions of four O*NET work activities: Working with the Public (O*NET Element 4.A.4.a.3), Establishing and Maintaining Relationships (4.A.4.a.4), Building Teams (4.A.4.b.2.), and Coaching (4.A.4.b.5). Mentions of these four activities more than tripled for managerial occupations, increasing more quickly than for the workforce as a whole. In sum, while interpersonal skills have always been a requirement for managerial occupations, the importance of social skills has widened since 1960.

Second, Figure 5 contrasts trends in tasks measures for office clerks, compared to all occupations. While the extent to which job ads mention routine cognitive task related words

[16]While it is true that some of these changes reflect trends in the relative sizes of different managerial occupations, in Appendix D.3 we plot changes in task intensities within 4-digit SOC occupations, and the results look quite similar.

Figure 6: Task Measures: Non-Supervisory Production Workers and All Occupations



Notes: Non-supervisory production occupations have an SOC code between 5120 and 5199. Local polynomial smoother. Averages, across all occupations, are depicted as the solid lines. Averages, across non-supervisory production workers, are plotted in the dashed lines.

has decreased for both office clerks and more generally for all occupations, the drop off has been more pronounced in clerical positions. Concurrently, the frequency of nonroutine interactive task related words has increased in clerical ads roughly at the same pace as in other occupations. Both trends are consistent with Autor (2015)'s account of changes experienced among bank tellers (one particular office clerk occupation). He writes: "Increasingly, banks recognized the value of tellers enabled by information technology, not primarily as checkout clerks, but as salespersons, forging relationships with customers and introducing them to additional bank services like credit cards, loans, and investment products." (Unplotted, the frequency of nonroutine analytic related keywords increased in office clerical occupations, partially closing the gap between these occupations and occupations elsewhere in the economy.) Hence, much of the overall decline in routine cognitive tasks occurred in occupations (like clerical occupations) which were previously specialized in these tasks. The remaining jobs in these occupations increasingly contain nonroutine analytic and interactive tasks.

Finally, compared to the beginning of the sample period, the frequency of routine manual tasks has declined considerably, particularly severely in non-supervisory production occupations. Figure 6 presents these trends along with changes in the frequency of nonroutine analytic task related words. Nonroutine analytic task related keywords have been increasingly mentioned in job ads for production workers. The trends in keyword frequencies in this figure are consistent with case studies of manufacturers' adoption of new information technologies (e.g., Bartel, Ichniowski, and Shaw, 2007). These new technologies substitute for workers who were previously performing routine manual tasks. The surviving production workers are those who have high levels of technical and problem-solving skills.

5 Implications for the Earnings Distribution

In this section, we use our new measures to explore the implications of changes in occupations' task content for the earnings distribution. First we bring our measures of occupations' task content to the decomposition methods of Fortin, Lemieux, and Firpo (2011) and Firpo, Fortin, and Lemieux (2014). The goal of this exercise is to determine which occupational characteristics account for changes in the distribution of earnings between 1960 and 2000. Next, in Section 5.2, we develop a framework for interpreting occupations as a bundle of tasks. We embed this framework into a quantitative general equilibrium model of occupational sorting based on comparative advantage (akin to Heckman and Sedlacek, 1985, Heckman and Scheinkman, 1987, or more recently Burstein, Morales, and Vogel, 2015). We estimate this model, then use it to quantify the impact of changes in the demand for tasks on earnings inequality.

We view the two approaches as complementary methods for understanding the sources of increasing inequality, each approach with its own advantages and disadvantages. The statistical decompositions developed by Firpo, Fortin, and Lemieux (2014) are a useful accounting device, helpful in determining which observable characteristics of workers and occupations account for changes in the earnings distribution. But with these decompositions it is difficult to study the consequences of occupational sorting based on unobservable characteristics. Likewise, they do not aim to incorporate the general equilibrium effects associated with shifts in the demand for tasks. Our Section 5.2 model is designed to grapple both with occupational sorting and general equilibrium effects. On the other hand, we impose strong parametric assumptions on workers' idiosyncratic ability to work in each potential occupation. Despite their differences, both approaches demonstrate that changes in occupations' task content generate a large fraction of the increase in 90-10 earnings inequality observed between 1960 and 2000.

5.1 Decompositions Using RIF Regressions

In this section, we perform a statistical decomposition due to Fortin, Lemieux, and Firpo (2011) to assess the role of occupations' task content on earnings inequality. Fortin, Fortin, and Lemieux introduce a method with which to decompose changes in the distribution of earnings across points in time, on the basis of the attributes of workers and their occupations.

This method, which can be thought of as an extension of a Oaxaca-Blinder decomposition, breaks down changes over time in any quantile of the earnings distribution into the contribution of observable changes in worker and occupation characteristics (the "composition" effect) and the contribution of implicit changes in the rewards to those characteristics (the "wage structure" effect).[17] One can further break down the composition and wage structure effects into the part belonging to each of these characteristics (e.g., worker's educational attainment, occupational task content, etc).

The basis of the decomposition is the following specification of workers' earnings as a function of their observed characteristics and the tasks of the occupations in which they work:

$$\log W_{ijt} = \log \pi_{0t} + \sum_{h=1}^{H} T_{hjt} \log \pi_{ht} + \sum_{k=1}^{K} \alpha_k \tilde{S}_{kg} + \log \epsilon_{ijt}. \tag{2}$$

In this equation, i is an individual, W_{ijt} is the individual's wage, $\tilde{S}_{gk}$ is an observable skill characteristic k for an individual in group g. And, π_{ht}, as a regression coefficient, represents the price of task h in period t.

To perform our decompositions, we compute recentered-influence-function (RIF) regressions which describe, for workers in each quantile, the relationship between real log earnings and different occupational and worker characteristics (coefficient estimates for these RIF regressions are given in Appendix E.1.) The worker characteristics include a race indicator, an indicator for marital status, along with education and potential experience categorical variables.[18]

Our occupational characteristics are the measures based on Firpo, Fortin, and Lemieux (2014) and Spitz-Oener (2006) that we have discussed in Section 4. Since the different task measures (e.g., routine cognitive vs. nonroutine interactive) are scaled differently, not only because employers tend to systematically mention some types of words more frequently than others, but also because our algorithm may be better at detecting certain types of words than others, it is necessary to standardize our task measures. We normalize $T_{hjt} \equiv \left(\widetilde{T}_{hjt} - \mu_h\right)/\sigma_h$;

[17] While we apply the method to quantiles, the method can be applied to understand changes in other statistics.

[18] The education categories are Some High School; High School; Some College (which is the omitted group); College, and Post-graduate. The potential experience categories are defined by ten year intervals (with individuals with 20 to 30 years of potential experience belonging to the omitted group.) These education and potential experience categories are more coarsely defined than in Firpo, Fortin, and Lemieux (2014). We adopt this more coarse classification to be consistent with our analysis in Section 5.2.

The sample includes only males with age between 16 and 65. We restrict the sample to male workers since the RIF-regression decompositions are ill-equipped to handle the large increase in female labor force participation observed in the first half of our sample period. Appendix E.1 presents our decompositions for samples which include female workers.

here μ_h is the mean and σ_h is the standard deviation of keyword frequencies for task group h across years and occupations. Standardizing variables this way eliminates permanent cross-task variation in mentions, but retains the ability to do comparisons both across occupations at a point in time and within occupations across time.

Decompositions Using Spitz-Oener's (2006) Classification

We begin by following Spitz-Oener (2006), and grouping tasks into nonroutine analytic, nonroutine interactive, nonroutine manual, routine cognitive, and routine manual. We highlight the importance of our time-varying occupational measures by employing two sets of decompositions, one in which T_{hjt} is fixed to its sample mean for each occupation-task combination, the second in which T_{hjt} is allowed to freely vary across the sample within occupations.

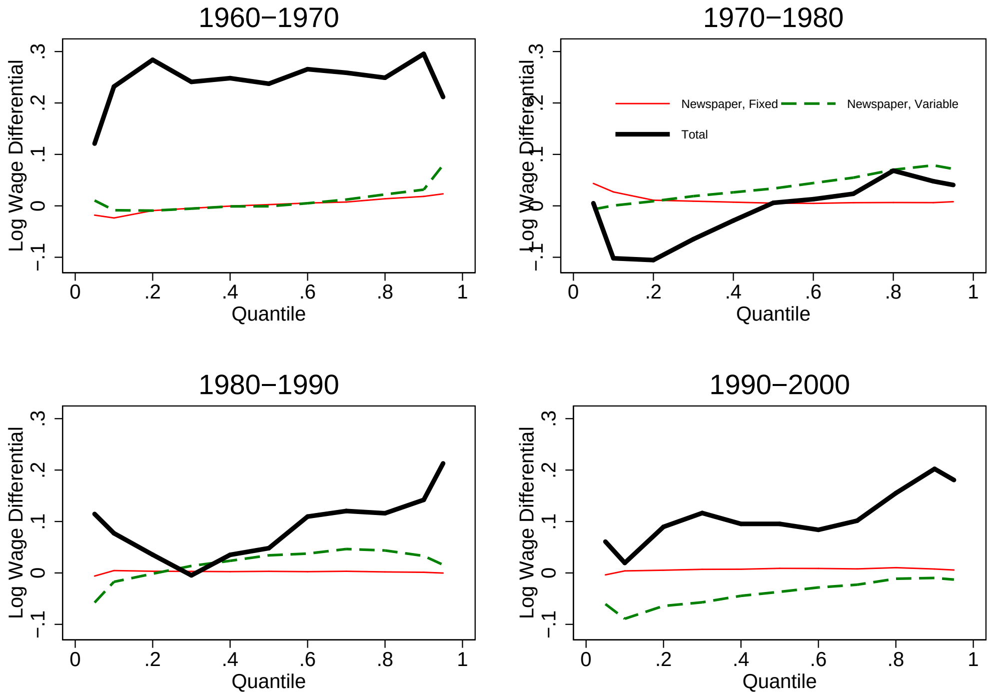
Figure 7 presents our decompositions, together with the total change at each percentile of the distribution, for each decade between 1960 and 2000. The thick solid line shows total observed changes for each percentile. According to the top-left panel, average earnings increased between 1960 and 1970, with little change in earnings inequality. In the following decades, from 1970 to 2000, inequality increased more sharply, while average earnings increased less. To what extent can occupational characteristics account for these changes?

We plot the contribution of occupational characteristics, combining both the composition and wage structure effects, in the dashed and thin solid lines in Figure 7. The thin solid line – representing the decomposition based on our newspaper data whereby the occupations' task measures are fixed throughout the sample – accounts for a small part of the changes in the earnings distribution. According to this measure, occupational characteristics account for a 4 percentage point increase in 90-10 inequality between 1960 and 70, a 2 percentage point decrease in the 1970s, no change in the 1980s, and no change in the 1990s.

In contrast, when we allow task measures to vary across time, occupational characteristics account for a substantial increase in the median and 90-10 inequality. Between 1960 and 2000, with our preferred, time-varying measure of tasks, occupational changes can account for a large increase in male earnings inequality 90-10 inequality: 4 percentage points in the 1960s, 8 percentage points in the 1970s, 5 percentage points between 1980 and 1990, and 9 percentage points between 1990 and 2000.

In Figure 8, we sum up the decompositions in the four panels of Figure 7. Over these four decades, the 90-10 ratio of earnings inequality increased by 45 log points among male workers. Of this change in earnings inequality, our measures of occupational changes account for a 25 log point increase. In this figure, we also plot the two standard deviation confidence interval of the wage structure and composition effects. The two-standard deviation confidence interval for the increase in 90-10 earnings inequality that is due to our task measures spans

Figure 7: Decomposition of Real Log Earnings



Notes: The thick solid line presents changes in log wage income of workers at different quantiles of the income distribution. The thin solid line and the dashed line give the contribution of occupations (combining the composition effects and wage structure effects) using two different measures of occupational characteristics.

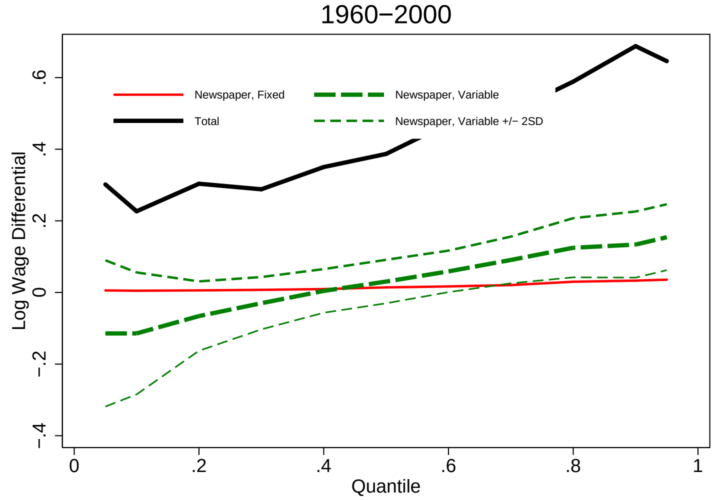
5 to 45 log points.[19] On the other hand, the contribution of occupational characteristics to 90-10 earnings inequality is a modest 3 log point increase when using measures which are fixed within occupations throughout the sample period.

We conclude that, on a decennial basis, variation in task content that includes changes within occupations across time can account for a large fraction of the rise in inequality. The contribution of occupational changes coming only from differences in task content between occupations is comparatively smaller. These conclusions are more stark once we aggregate changes through the 1960-2000 period.

To better understand the role of occupational changes in accounting for increased in-

[19]These confidence intervals aim to measure the uncertainty surrounding our sampling of newspaper text. We construct 20 bootstrapped samples from our newspaper text. For each of these bootstrapped samples, we re-estimate our RIF-regression based decompositions. To construct the dashed lines in Figure 8, we compute the standard deviation, at each quantile, of the RIF-regression estimated contribution of our task measures to changes in the earnings distribution.

Figure 8: Decomposition of Real Log Earnings



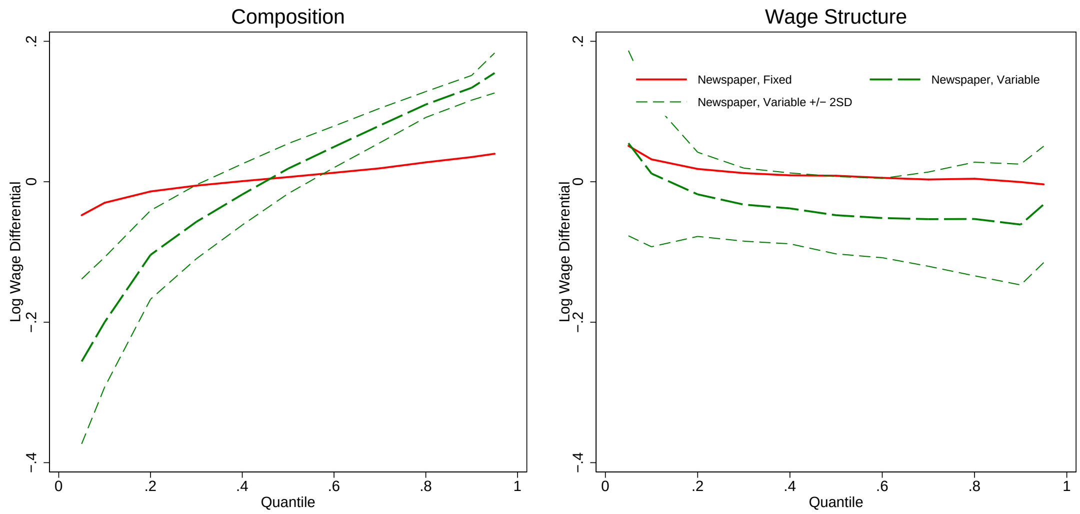
Notes: The thick solid line presents changes in log earnings of workers at different quantiles of the distribution. The thin solid line and dashed lines give the contribution of occupations (both through the composition effects and wage structure effects) using two different measures of occupational characteristics.

equality, Figure 9 separately plots the composition and wage structure effects for these two newspaper-based measures. Occupational measures in which task measures are fixed yield modest composition and wage structure effects. Changes in the composition of tasks, as measured via fixed-over-time measures, account for a 7 percentage point increase in 90-10 inequality. On the other hand, the composition effect is substantially larger using our measure in which occupations' task measures vary as time progresses: For workers above the 90th percentile of the earnings distribution, these composition effects account for at least a 13 percentage point increase in wage income; for workers below the 10th percentile, the same composition effects account for at least a 20 percentage point decline. In sum, given the large changes in workers' activities within occupations that we uncovered in the previous sections, decompositions which rely only on between-occupation changes in task or skill-intensity miss part of the contribution of composition effects on changes in the earnings distribution.[20]

In Figure 10, we present the composition and wage structure effects, broken down by the contribution of each task. The key result from this exercise is that, among the estimated compositional effects, changes in routine tasks — both cognitive and manual — generate the

[20]There are analogous wage structure and composition effects for the other, demographic and education variables. We do not plot these here. Throughout the entire distribution, but especially so for the right-tail of the distribution, the composition effect for education is positive, indicating that increases in male workers' educational status is associated with higher earnings and earnings income inequality. These results are consistent with those of Firpo, Fortin, and Lemieux (2014).

Figure 9: Decomposition of Real Log Earnings: Composition and Wage Structure



Notes: The left panel describes the contribution of occupational characteristics through compositional changes. The right panel describes the contribution of occupational characteristics through wage structure effects. The individual components of the composition and wage structure effects can be found in Figure 10.

largest changes in labor income inequality. Nonroutine analytic tasks also contribute to the increase in inequality, although to a lesser extent. On the other hand, the "price" of tasks, as measured by the wage structure effects, account for a 7 percentage point decline in 90-10 inequality. The estimated wage structure effects of other task categories are minimal.

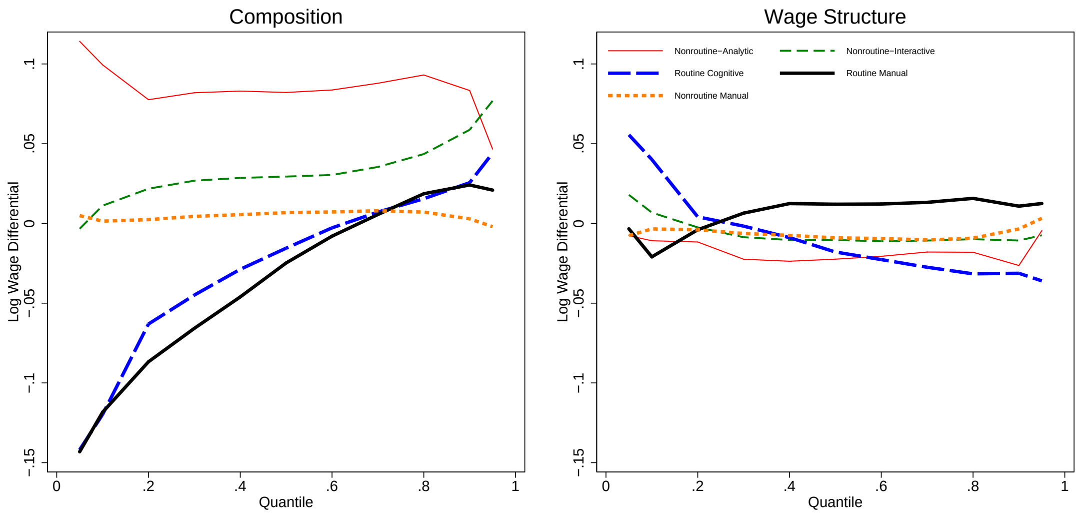
Decompositions Using Firpo, Fortin, and Lemieux (2014)'s Classification

We now perform a similar set of decompositions using Firpo, Fortin, and Lemieux (2014)'s task classification.[21] Figure 11, analogous to Figure 9, plots the composition and wage structure effects of our technology and offshoring measures on the wage distribution between 1960 and 2000. Here, composition effects account for a 1 percentage point increase in 90-10 inequality. Wage structure effects account for a more substantial increase in inequality, of 17 percentage points, with most of the increase occurring in the top of the distribution. In combination, Firpo, Fortin, and Lemieux (2014)'s task measures account for a 18 percentage point increase in 90-10 inequality.

Using fixed-over-time occupational measures yields much smaller results. Note that, because there is a direct mapping between Firpo, Fortin, and Lemieux (2014)'s classifications

[21] Again, we are unable to compute this measure for Firpo, Fortin, and Lemieux (2014)'s Automation/Routineness measure.

Figure 10: Detailed Decompositions of Real Log Earnings



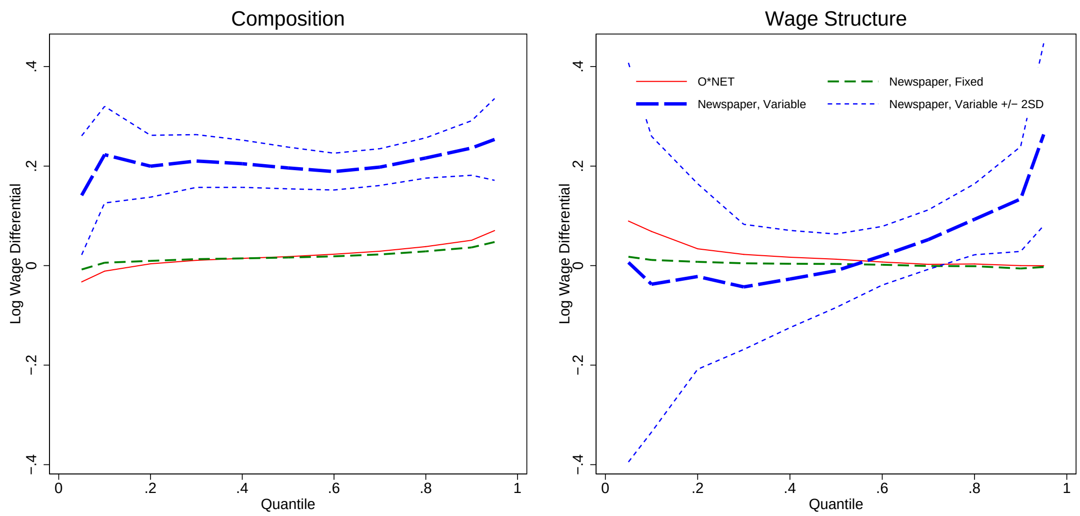
Notes: The panels describe the contribution of individual occupational characteristics, through compositional changes (left panel) and wage structure effects (right panel) to changes in the earnings distribution. In this panel we use the newspaper-based task measures which are allowed to vary within occupations across time.

and O*NET task measures, we can include measures based on O*NET. Results from decompositions based on our fixed-over-time newspaper task measures mirror those based on O*NET's task measures, reassuringly confirming that our newspaper-based task measures track similar between-occupation shifts as those based on O*NET.

Sensitivity Analysis

In the appendices, we consider three sets of exercises to examine the sensitivity of our results to the estimation sample. First, in Appendix E.2 we show that our benchmark results are robust to the way in which we construct mappings from newspaper text to Spitz-Oener's task groupings, to our transformation of the frequency of task-related words to T_{hjt}, and to the inclusion of women in the sample. Second, given the current discordance between the regions of the United States from which we are characterizing occupational characteristics (New York and Boston) versus the regions of the U.S. from workers' income and demographic variables are measured (the entire U.S.), we re-compute Figures 8 to 11 using only Census data from the New York and Boston MSAs (see Appendix E.3). Third, in Appendix E.4, we apply hourly wage data from the CPS Merged Outgoing Rotation Group, instead of annual

Figure 11: Decomposition of Real Log Earnings: Composition and Wage Structure



Notes: The left panel describes the contribution of occupational characteristics through compositional changes, using Firpo, Fortin, and Lemieux (2014)'s task definitions. The right panel describes the contribution of occupational characteristics through wage structure effects.

labor income data from the Decennial Census, to analyze changes in income inequality.[22] These three different samples present a consistent depiction on the relationships between our job characteristics and trends in labor income inequality.

5.2 Decompositions in an Estimated Equilibrium Model

In this section we take an alternative approach to calculating changes in the earnings distribution. We begin with a model in which workers quantitative model of sorting based on comparative advantage, along the lines of Burstein, Morales, and Vogel (2015) or Hsieh, Hurst, Jones, and Klenow (2016). We consider the effect of changes in the parameters of an occupational production functions, and interpret changes in T_{hjt} as reflecting exogenous shifts in the demand for worker-produced tasks.

We consider a closed economy, with many time periods $t = 1, 2, ...$ and a continuum of workers. Each individual worker i belongs to one of a finite number of groups, indexed by $g = 1, \ldots, G$. The mass of workers in group g is L_{gt}. Workers of type g are endowed with a set of skills S_{gh}, $h \in 1...H$, where h indexes different tasks which workers perform in their occupation. Worker i produces task h by combining skills and time: $q_{iht} = S_{gh} l_{iht}$. Here, l_{iht}

[22]We acknowledge a trade-off here: while we would prefer to use hourly wages as the basis for our measurement of income inequality, we wish to take advantage of the longer sample which the decennial Census offers.

equals the amount of time the worker allocates to task h. Each worker has a total of one unit of time, which she supplies inelastically in one of $j \in 1, ..., J$ occupations.

Worker i, if she works in occupation j, produces

$$V_{ijt} = \epsilon_{ijt} \prod_{h=1}^{H} \left(\frac{q_{iht}}{T_{hjt}} \right)^{T_{hjt}} \tag{3}$$

units of output. In Equation 3, ϵ_{ijt} is an occupation-worker unobserved variable, and T_{hjt} gives the importance of task h in occupation j. We fix $\sum_h T_{hjt} = 1$ for each occupation and time period. Variation in T_{hjt} across occupations captures, for example, that some occupations are more intensive in routine analytic tasks than others. To match our time-varying measures of task content, we allow the parameters T_{hjt} to evolve exogenously through time. Such changes could reflect, again as an example, declines in the demand for worker-performed routine manual or routine cognitive tasks caused by a decline in the price of computers, or increases in nonroutine interactive tasks related to the increased importance of team management. While the production function parameters, T, are distinct from the frequencies, $\widetilde{T}$, of task-related words in our newspaper text, the observable $\widetilde{T}_{hjt}$ will be useful in capturing trends and cross-occupation differences in the T_{hjt}.

We assume that worker i's wages, W_{ijt}, equal the value of the output she produces, $P_{jt}V_{ijt}$— the product of the output produced and the price of the occupation j specific output. Taking P_{jt} as given, each worker chooses the amount of time spent in each of the H tasks to maximize the value of her output. The solution to this problem implies that $l_{ijt} = T_{hjt} \cdot \left(\sum_{h'=1}^{H} T_{h'jt} \right)^{-1} = T_{hjt}$. Note that, due to the assumption that the production function of occupation-j specific output is Cobb-Douglas, individual abilities do not shape the time spent in each task.

Plugging the optimal time allocation back into Equation 3 yields worker i's log wages

$$\log W_{ijt} = \log P_{jt} + \sum_{h=1}^{H} T_{hjt} \log S_{gh} + \log \epsilon_{ijt}. \tag{4}$$

We assume that workers are freely able to choose their occupation so as to maximize their wages. Workers take as given each occupation-specific output price, and the task activities associated with each occupation. The idiosyncratic component of worker i's returns from working in occupation j, ϵ, is a Frechet-distributed random variable, drawn independently across occupations and workers, with shape parameter θ, i.e., $\Pr\left[\epsilon_{ijt} < z\right] = \exp\left(-z^{-\theta}\right)$. The parameter θ is an inverse measure of the dispersion of ϵ_{ijt} within group-occupation pairs.[23]

[23] In Appendix F, we outline the extra assumptions necessary to derive from Equation 2, the basis of

The Frechet formulation conveniently generates expressions for the fraction of group g workers which work in occupation j and the average wage of group g workers. The probability that a worker of type g sorts into occupation j is

$$\lambda_{gjt} = \frac{\left(P_{jt}\prod_{h=1}^{H}\left(S_{gh}\right)^{T_{hjt}}\right)^{\theta}}{\sum_{j'}\left(P_{j't}\prod_{h=1}^{H}\left(S_{gh}\right)^{T_{hj't}}\right)^{\theta}}. \tag{5}$$

Moreover, the average wages of group g workers equals

$$\overline{W}_{gt} = \Gamma\left(1-\frac{1}{\theta}\right)\cdot\left(\sum_{j'}\left(P_{j't}\prod_{h=1}^{H}\left(S_{gh}\right)^{T_{hj't}}\right)^{\theta}\right)^{1/\theta}, \tag{6}$$

where $\Gamma(\cdot)$ is the Gamma function.

To close the model, we assume that there is a representative consumer who has CES preferences over the output produced by the different occupations:

$$V_t = \left[\sum_{j=1}^{J}\left(\sigma_j\right)^{\frac{1}{\rho}}\cdot\left(V_{jt}\right)^{\frac{\rho-1}{\rho}}\right]^{\frac{\rho-1}{\rho}},$$

with V_{jt} representing the sum of the output of individual workers, i, who produce occupation j output, σ_j parameterizing the consumer's preferences for occupation j output, and ρ giving the preference elasticity of substitution across occupations' output. Given these preferences, we can write the market-clearing condition for occupation j output, equating expenditures on the occupation's output to the wage bill of workers who are employed in occupation j:

$$\underbrace{\frac{\sigma_j\cdot\left(P_{jt}\right)^{1-\rho}}{\sum_{j'}\sigma_{j'}\left(P_{j't}\right)^{1-\rho}}}_{\text{(A)}}\underbrace{\sum_{g}\overline{W}_{gt}L_{gt}}_{\text{(B)}} = \sum_{g=1}^{G}\underbrace{\Gamma\left(1-\frac{1}{\theta}\right)\left(\sum_{j'}\left(P_{j't}\prod_{h=1}^{H}\left(S_{gh}\right)^{T_{hj't}}\right)^{\theta}\right)^{1/\theta}}_{\text{(C)}}\underbrace{\lambda_{gjt}L_{gt}}_{\text{(D)}}. \tag{7}$$

The left hand side of Equation (7) contains two terms: the share of total expenditures on occupation j output (term A), multiplied by total expenditures (term B). On the right-hand side, the total wage bill of workers in occupation j is computed as the sum of the wage bill of group g workers in occupation j; which in turn equals the product of the average wage of

our statistical decompositions, from Equation 4. Summarizing the results of that appendix, our RIF-based regression decompositions follow from Equation 4 if one assumes that (i) tasks can be "unbundled", akin to Heckman and Scheinkman (1987), (ii) task prices are equalized across occupations, and (iii) workers do not sort on either observable or unobservable characteristics.

group g workers (term C) and the number of group workers (term D).

An equilibrium of our economy is the solution to $\{\lambda_{ij}\}_{i,j}$ and $\{P_j\}$, as determined by Equations (5) and (7).

With this model, we evaluate the impact of change in the demand for tasks on the equilibrium wage distribution. To do so, we first use data from a single period (1960) in combination with Equations (5) and (6) to estimate demographic groups' skills in producing tasks. Then, with our measures of changes in occupations' task content, we compute the counterfactual change in the distribution of wages, between 1960 and 2000, that is due only to changes in the demand for tasks. Appendix F details the equilibrium of the model, and delineates our algorithm to recompute the equilibrium to in response to changes in the Ts. Throughout the remainder of the section, we fix $\theta = \rho = 1.78$, following Burstein, Morales, and Vogel (2015).

In estimating our model, we need to map task-related keyword frequencies, as observed in the newspaper data ($\tilde{T}_{hjt}$), to our production function parameters (T_{hjt}). To ensure that our production function parameters sum to one for each occupation-year, we apply the following transformation: $T_{hjt} = \tilde{T}_{hjt} / \left(\sum_{h'} \tilde{T}_{h'jt}\right)^{-1}$.

Estimation of task-related skills

We parameterize the relationship between skills and educational and demographic observables as follows:

$$\log S_{gh} = a_{h,gender} D_{gender,g} + a_{h,edu} \cdot D_{edu,g} + a_{h,exp} \cdot D_{exp,g}. \tag{8}$$

Here, $D_{gender,g}, D_{edu,g}$ and $D_{exp,g}$ are dummies for gender, education and experience, which define the categories g. We estimate these a parameters via a method of moments procedure.[24]

Our estimation recovers $a_{h,gender}$, $a_{h,edu}$, and $a_{h,exp}$ to minimize

$$\sum_g \sum_j \omega^{\lambda}_{gj} \left(\log \lambda_{gj,1960} - \log \lambda^{\text{data}}_{gj,1960}\right)^2 + \sum_g \omega^{W}_{g} \left(\log \overline{W}_{g,1960} - \log \overline{W}^{\text{data}}_{g1960}\right)^2. \tag{9}$$

In Equation 9, $\lambda^{\text{data}}_{gj,1960}$ and $\log \overline{W}^{\text{data}}_{g1960}$ refer to the observed occupational shares and average wages.[25] The ω^{λ}_{gj} and ω^{W}_{g} are weights, characterizing the relative importance of each moment

[24] As in the previous subsection, we have two gender, five educational, and four experience groups, with "male" as the omitted gender category, "Some College" as the omitted educational category, and 20-29 years as the omitted experience category.

[25] Our estimation relies on data from 3120 (=40 · 78) moments—representing information from 40 groups

in our estimation. We compute these weights as the inverse of the variance of the moment (in the decennial census) across 40 bootstrapped samples.

Table 6 presents the results from our estimation. According to this estimation, female workers have an advantage in producing routine cognitive tasks over male workers, while male workers have an advantage in producing routine manual tasks. Workers with higher educational attainment are more skilled in performing nonroutine interactive tasks; high-school workers are most skilled in performing routine cognitive tasks; and high school dropouts have an advantage in performing routine and nonroutine manual tasks. Finally, more experienced workers are more skilled in performing nonroutine interactive, and less skilled in routine cognitive tasks.

With the aim of substantiating these estimates, we make two points. First, as an assessment in-sample fit of the model, we compare $\log \lambda_{gj,1960}$ and $\log \lambda_{gj,1960}$ (across the 3080 group-occupation observations), and $\log \overline{W}_{g,1960}$ and $\log \overline{W}^{\text{data}}_{g1960}$ (across the 40 groups). The correlation between the model-estimated occupational shares and the observed shares is 0.62, while the correlation between $\log \overline{W}_{g,1960}$ and $\log \overline{W}^{\text{data}}_{g1960}$, is 0.75. Second, identification of the parameters in Table 6 follows transparently from workers' sorting patterns. Based on our set-up, the share of workers will be high for occupations in which their skills will be used intensively. For example, mirroring the estimates in Table 6, the correlation between the average number of words related to routine cognitive tasks in occupation j and an occupation-group's $\lambda_{gj,1960}$ is substantially higher for women compared to men (0.31 versus 0.09); for high school graduates compared to post-graduates (0.46 versus 0.09); and for workers with less than 10 years of experience compared to workers with 30+ years of experience (0.26 versus 0.22).[26]

Counterfactual earnings distribution

Having estimated the distribution of skills, we now compute the counterfactual dispersion in wages which would have obtained in succeeding decades—in 1970, 1980, 1990, and 2000—as a result of changes in the demand for tasks over our sample period. To do so, we consider an exogenous change in the T_{hjt} production function parameters (which, again, we measure through the changes in task-related keyword frequencies). Stemming from these changes in the demand for tasks, we compute the counterfactual equilibrium that would have obtained,

(2 genders, 5 educational categories, and 4 experience categories) and 77 occupations—to identify 117 parameters: 77 occupation-fixed effects plus 40 a coefficients.

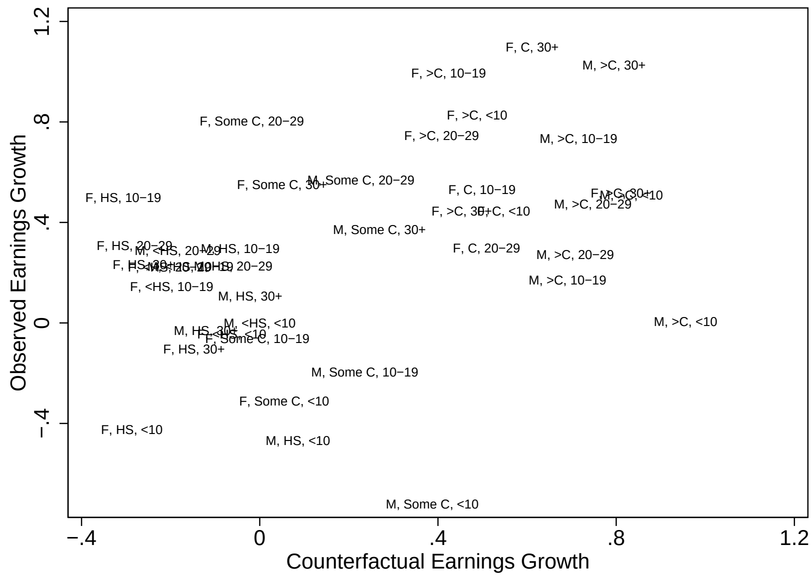
[26] As a second example, the correlation between the frequency of words related to nonroutine analytic tasks and $\lambda_{gj,1960}$ is increasing across the five education groups— -0.20, -0.22, -0.14, -0.03, -0.05— and is higher for men (-0.09) compared to women (-0.13).

Table 6: Estimates of Skills

	Nonroutine Analytic	Nonroutine Interactive	Nonroutine Manual	Routine Cognitive	Routine Manual
Gender					
Male	0.000	0.000	0.000	0.000	0.000
	(0.000)	(0.000)	(0.000)	(0.000)	(0.000)
Female	-1.779	-0.392	2.119	6.037	-5.194
	(0.005)	(0.003)	(0.010)	(0.013)	(0.012)
Education					
< HS	-1.930	-1.251	5.002	-2.882	3.539
	(0.009)	(0.006)	(0.021)	(0.016)	(0.019)
High School	-1.039	-0.493	1.732	0.747	2.483
	(0.007)	(0.005)	(0.022)	(0.015)	(0.019)
Some College	0.000	0.000	0.000	0.000	0.000
	(0.000)	(0.000)	(0.000)	(0.000)	(0.000)
College	1.464	-0.143	2.146	-2.234	-5.558
	(0.008)	(0.007)	(0.031)	(0.029)	(0.033)
Post-Graduate	1.262	-0.763	6.639	-6.605	-5.618
	(0.008)	(0.008)	(0.021)	(0.042)	(0.029)
Experience					
0-9 Years	0.318	-1.033	-0.816	1.668	-2.470
	(0.008)	(0.006)	(0.014)	(0.016)	(0.017)
10-19 Years	0.189	-0.390	-0.180	0.497	-0.275
	(0.007)	(0.005)	(0.013)	(0.019)	(0.014)
20-19 Years	0.000	0.000	0.000	0.000	0.000
	(0.000)	(0.000)	(0.000)	(0.000)	(0.000)
30+ Years	0.239	0.135	-0.828	0.161	-0.284
	(0.008)	(0.006)	(0.013)	(0.018)	(0.011)

Notes: To compute the standard errors, we re-sampled 40 times from the 1960 decennial census. For each bootstrapped sample, we recomputed the empirical occupational shares and group wages, then found the combination of parameters which minimized Equation 9. There are no standard errors associated with the omitted categories.

Figure 12: Counterfactual and Observed Earnings Growth, 1960-2000, By Demographic Group



Notes: Each point gives the growth in wages for one of the 40 g groups The first character—"M" or "F"—describes the gender; the second set of characters—"<HS," "HS," "Some C," "C," or ">C"—the educational attainment; and the third set of characters the number of years of potential experience for the demographic group.

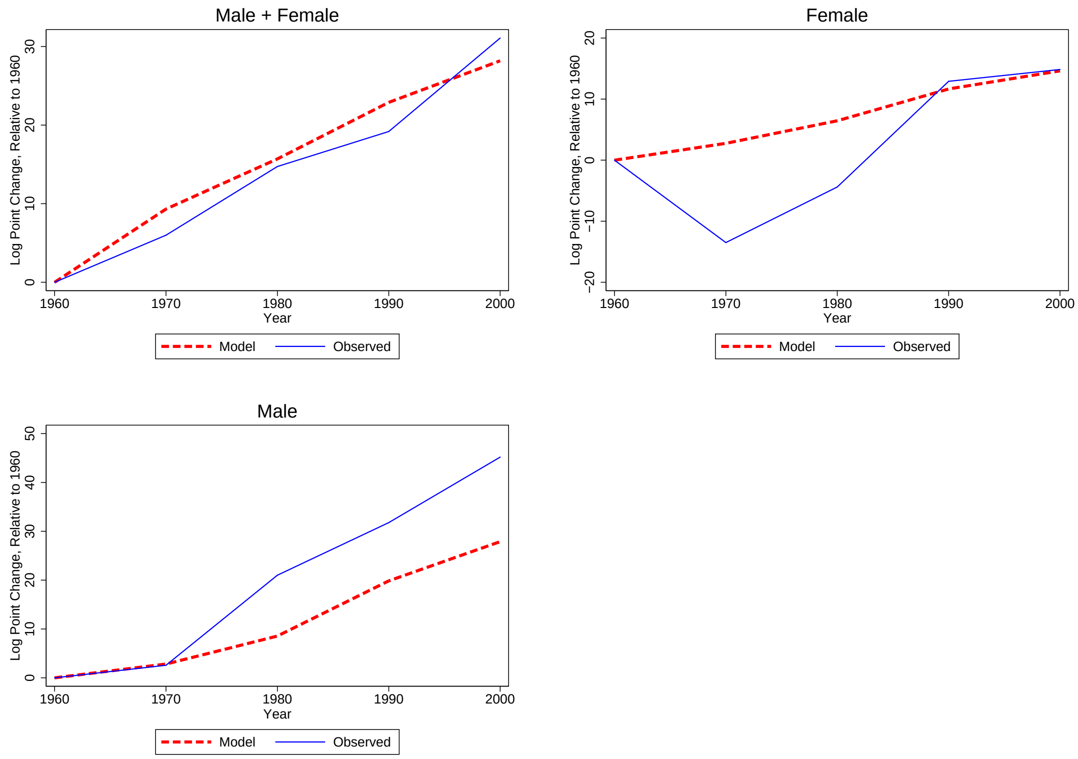
fixing $\log S_{gh}$ to the values we estimated in the previous subsection, but allowing T_{hjt} to change over time.[27]

Figure 12 plots the growth in $\overline{W}_{gt}$ between 1960 and 2000, both as observed in the data and according to our counterfactual exercise. Wage growth increases most quickly for workers with college degrees or with post-graduate education. According to our estimated model, wage growth is fastest for high-education demographic groups because these groups have an advantage in producing nonroutine analytic and interactive tasks, as of 1960, and the relative demand for these tasks has increased over the subsequent 40 years.

Increases in between-group inequality signify larger overall inequality. Figure 13 plots changes in 90-10 inequality, both the observed growth rate and the counterfactual growth rates that are due only to changes in T_{hjt}. Between 1960 and 2000, 90-10 inequality increased by 31 log points for the entire population, 45 log points for male workers, and 15 log for female workers. According to our counterfactual exercises, within occupation changes in task

[27] In the exercises in this section, we also fix the sizes of the 40 different demographic groups to their 1960 values. An alternate procedure would allow these labor supplies to vary throughout the sample according to observed demographic changes. This alternate procedure yields similarly large increases in 90-10 inequality in the counterfactual equilibrium, compared to those reported in Figure 13.

Figure 13: Counterfactual and Observed 90-10 Inequality, 1960-2000



Notes: Each panel plots the change in 90-10 earnings inequality, as observed in the decennial census (solid line), and due only to changes in the demand for tasks (dashed line).

demand account for much of the observed increase in 90-10 inequality: 28 log points for the entire sample, and 28 log points for male workers.

To sum up, occupational choice and wage data from the beginning of our sample suggest that workers with certain demographic characteristics (e.g., workers with a college degree) have an advantage in producing the tasks which have happened to grow over the subsequent forty years. Since these demographic groups were already highly remunerated in 1960, changes in the demand for tasks have exacerbated earnings inequality.

Where do these shifts in the demand for tasks come from? Our model omits capital as an input in the production of tasks. Likely, some of the differential growth rates of T_{hjt} across task groups epitomize, at a more fundamental level, changes in capital prices. To the extent that the elasticity of substitution between workers and capital is relatively high in the production of routine tasks, a decline in the price of capital will be equivalent to a reduction in the demand for worker-performed routine tasks. An interesting topic, for future work, would be build on our model of occupations as a bundle of tasks, acknowledging that workers and capital combine to perform each individual task.

6 Conclusion

In this paper we chronicle the changes in the US occupational structure between 1960 and 2000. We document that a predominant share of changes in the skill and task composition of the US workforce has occurred within rather than between occupations. Not only is it the case that occupations centered around routine tasks have declined as a share of the workforce — a central pattern of the existing task literature — but also individual occupations' routine task content has declined as well.

We then demonstrate that within-occupation task changes are fundamentally important for understanding the evolution of income inequality. We first perform a statistical decomposition on the earnings distribution and find that compositional changes associated with occupational characteristics — routine and nonroutine task content — can explain a 25 log point increase in labor income inequality (as measured by the 90-10 ratio) between 1960 and 2000. We then construct and estimate a Roy model in which changes in the demand for tasks determine workers' comparative advantage. Our estimated model accords with the results from our statistical accounting exercise.

Beyond this project, our newspaper data have the potential in addressing other questions. In ongoing work, we use the text from our newspaper text to measure the adoption of new technologies — pieces of software or hardware that are mentioned in job ads. We then explore how the introduction of new technologies directly affect the wages of workers who adopt these technologies, and indirectly the wages of non-adopting workers in related industries or occupations. In another direction, using data from online job boards, Hershbein and Kahn (2016) and Modestino, Shoag, and Ballance (2016) have argued that recessions are periods in which employers become more selective about the employees which they hire. But, because of data limitations, these papers can only study the aftermath of the most recent recession. With a longer sample, spanning several recession episodes, one could assess whether recessions are broadly a time of "upskilling," or if instead the Great Recession was unique along this dimension.

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A Additional Comparisons of the Newspaper Data to Existing Data Sources

Certain variables are present in both our new newspaper data and in previously available Census and CPS data. With the aim of demonstrating the overall reliability of our newspaper data, we compare the frequency of different occupations—and educational characteristics for each occupation—across the two data sources. Unlike the comparisons that we have made in 3, the occupational measures potentially vary across time in the data set to which we are comparing our newspaper data.

First, Figures 14 and 15 depict the share of workers (in the decennial Census) in different occupational groups, along with the frequency of job ads in the same groups. Figure 14 presents this relationship at the 2-digit level. In 1960, 1980, and 2000, the correlations between Census job frequencies and newspaper job ad data are 0.59, 0.79, and 0.63, respectively. Our newspaper data set over-represents the Sales, Health Practitioner, and Architecture/Engineering occupational groups, and conversely under-represents the Transportation, Production, and Installation and Maintenance occupational groups. (Hershbein and Kahn, 2016's data set of on-line job postings also exhibited a similar under-representation of blue-collar occupations.) Figure 15 presents the same set of relationships, now using a 4-digit SOC classification. Here, the correlations among the two measures of occupational size are somewhat weaker, ranging between 0.34 in 1960 to 0.50 in 1980.

Second, we compare measured educational attainment of occupations' workers in the decennial census to our vacancy postings' stated education requirements. In the newspaper text, we search among a list of acronyms and words to identify an undergraduate degree as a requirement, and a second list of acronyms and words to identify a professional degree requirement.[28] In Figure 16, we compare the undergraduate attainment/requirements across 4-digit SOC codes, using a local polynomial smoother. Within the individual years that are plotted, the correlations between the two measures are 0.44, 0.57, 0.68, and 0.26. (The correlation for 1990, the unplotted year, is 0.34.)

In Figure 17, we perform the same exercise for professional and post-graduate degrees. Here, the degree to which our data align with educational attainment in the decennial Census is substantially weaker. The correlation in the pooled sample of years and occupations is 0.14. For the individual years in our sample, the correlations across SOC codes are 0.15, 0.19, 0.25, 0.14, and –0.02. Overall, we conclude that the educational requirement data which we extract from our newspaper data are correlated with the more cleanly measured

[28] These two lists are i) "bachelors," "bachelor," "ba," "bsme," "bs," "bsche," "bsce," "bscs," and "bsee" and ii) "cpa," "masters," "ma," "mba." and "phd."

Figure 14: Occupation Shares

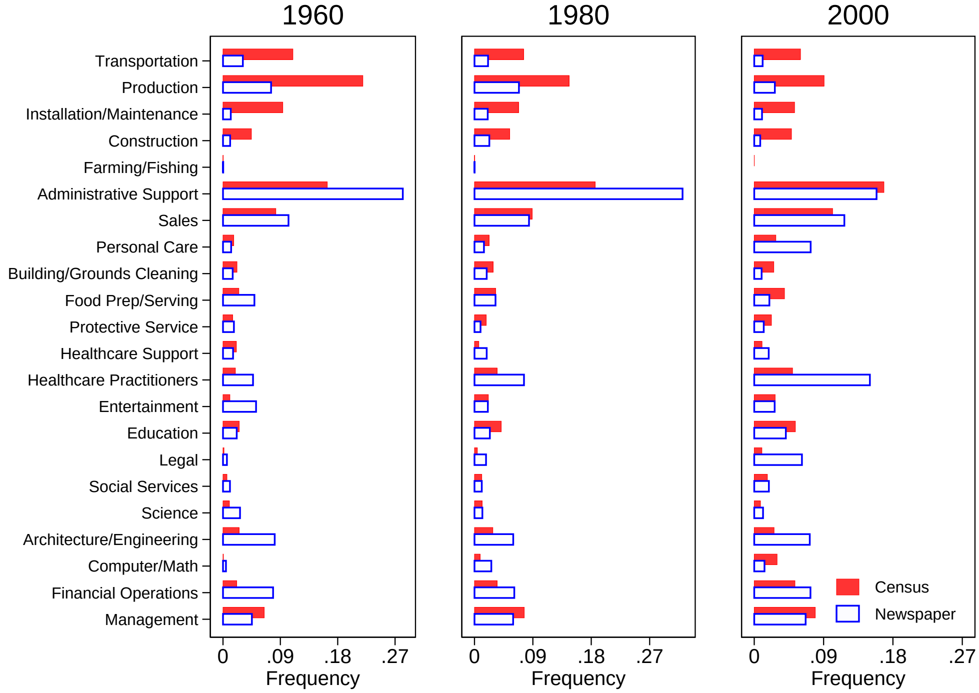


Figure 15: Occupation Shares

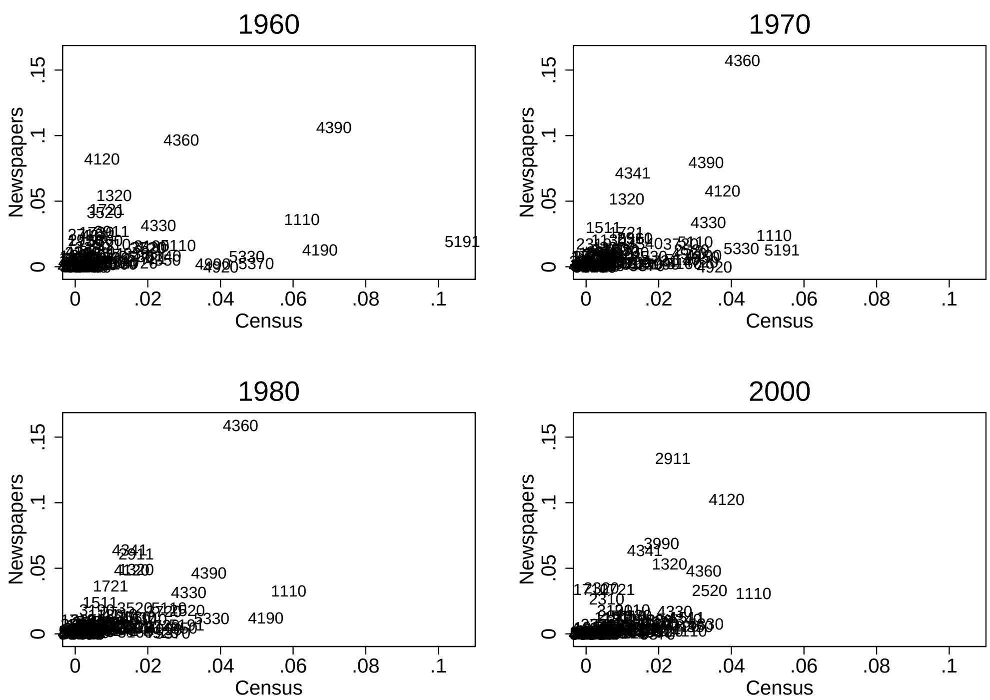
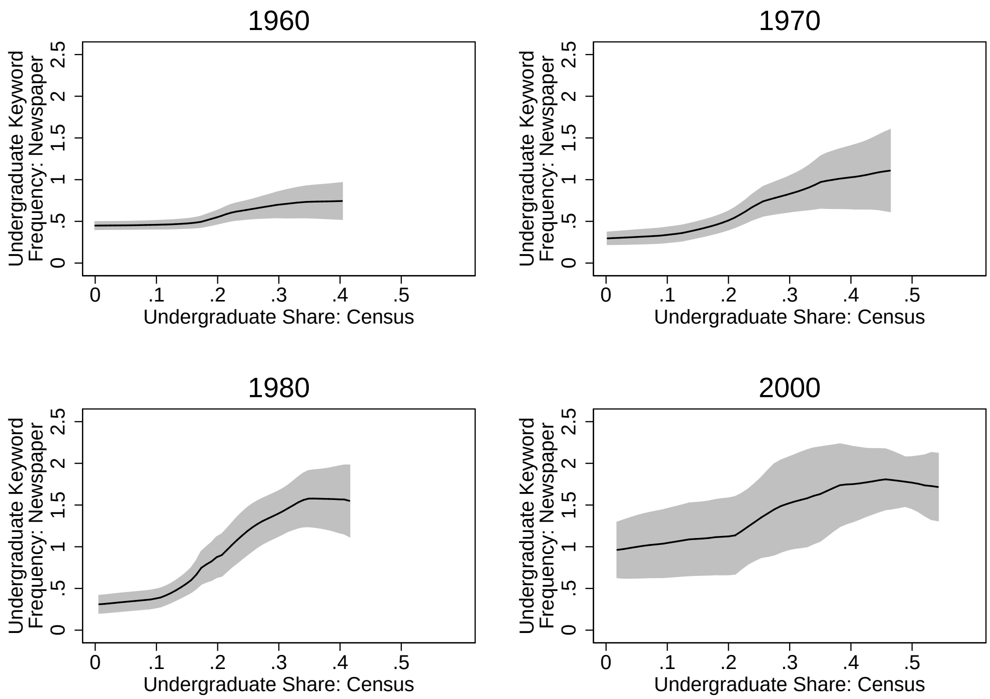


Figure 16: Educational Characteristics by Occupation



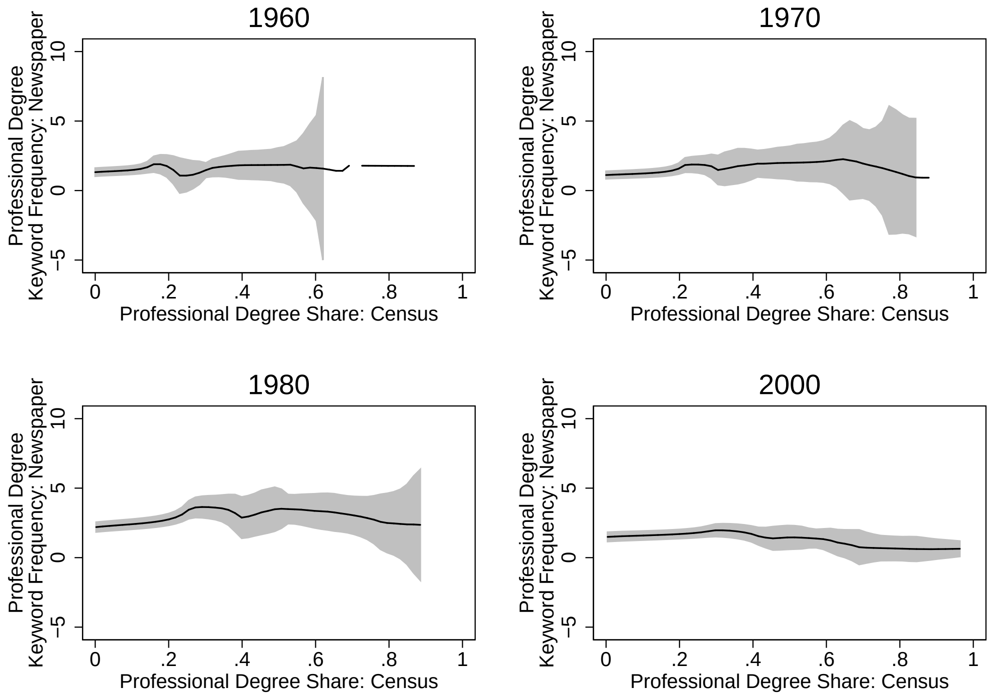
data on workers' educational attainment, but only moderately for undergraduate degrees, and weakly so for professional and graduate degrees.

B Methods of Job Search

In this section we consider the possibility that the ads which appear in our data set represent a selected sample of all job search methods. In our main analysis, we observe a dramatic increase in words related to nonroutine tasks, which we interpret as reflecting the increasing importance of nonroutine tasks in the economy. But it is also plausible that employers posting vacancies for jobs requiring nonroutine tasks are increasingly likely to post in newspaper classifieds over time. This section provides empirical evidence that the representativeness of our data set (among the set of all channels of job search) has not changed within the sample period.

The way we do so is to measure the methods that unemployed workers use for job search. We can do this using the IPUMS CPS-ASEC (Ruggles, Genadek, Goeken, Grover, and Sobek, 2015). Unemployed workers are asked whether they have used particular job search methods, and are allowed to report as many methods as they like. The population analyzed here are

Figure 17: Educational Characteristics by Occupation

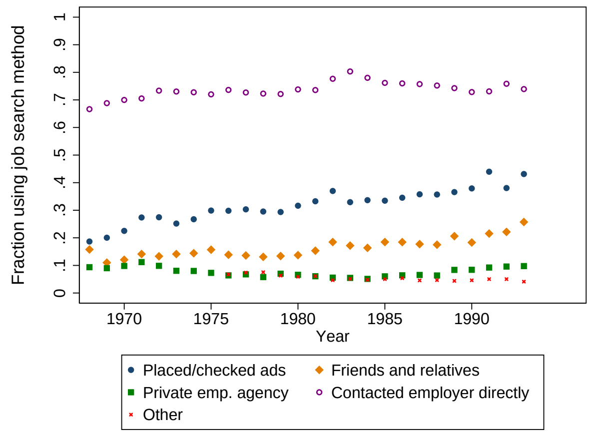


unemployed civilian workers, who are looking for a job, and who are between the ages of 16 and 64. Figure 18 reports the fraction of these workers who use alternative methods for finding a job. The variable of interest for our study is whether the unemployed worker "placed or answered ads" as a method of job search. Note that using this data we cannot separately observe workers who placed ads from those who answered ads (from those who did both), so we cannot detect compositional changes over time between these two groups.

Figure 18 shows trends in the method of job search over time. Two methods, placing or answering ads and searching through friends and relatives, are increasing steadily over the 1968-1993 time period. Note that by themselves these upward trends are not necessarily problematic; what could pose a problem, however, is the presence of differential trends by occupation, educational background, or other demographic characteristics.

In what follows we consider whether there is selection into job search by task intensity of the worker's prior occupation. If, for example, workers in occupations that are high in non-routine tasks are more likely to search in newspapers over time, compared to workers in occupations low in non-routine tasks, we would be concerned that selection is causing us to overstate the upward trend in non-routine tasks.

Figure 18: Methods of Job Search Among Unemployed



The figure above reports the fraction of unemployed workers who use alternative methods for finding a job. Respondents are allowed to report as many methods as they deem appropriate; therefore the fraction using each method need not sum to 1.

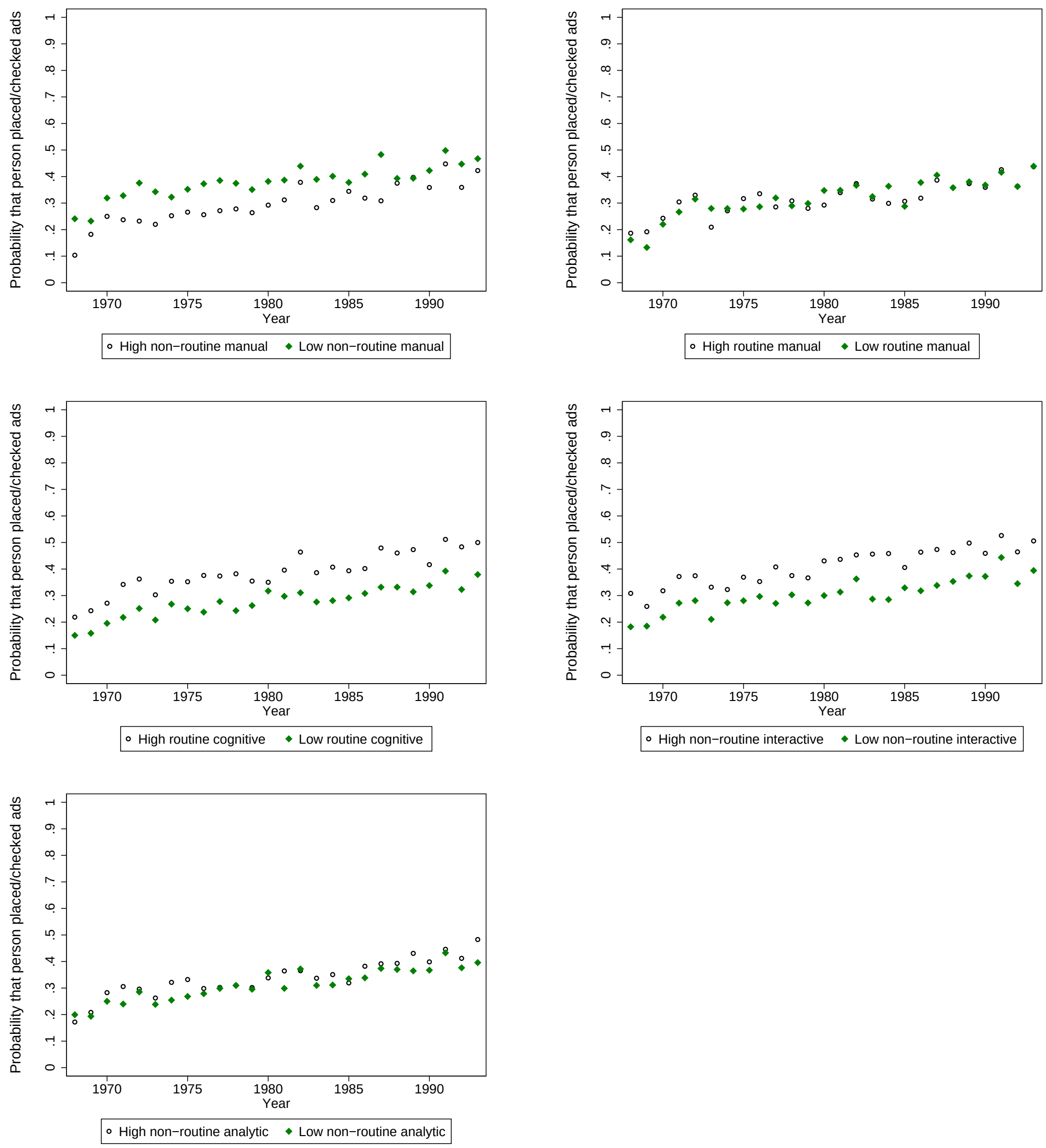
To test this hypothesis, we do the following. We first compute the mean task content in each occupation, over the entire sample period. We then plot the fraction of workers searching for jobs through ads whose last occupation was highly intensive in, say, non-routine interactive tasks (75th percentile or higher) and the same for workers in occupations that are low intensive in the same task (25th percentile or lower).[29]

Figure 19 plots the yearly averages for high versus low task intensity occupations. The main takeaway is that while the overall trend is upward, there does not appear to be a differential trend by the task intensity of the worker's prior occupation. This is reassuring for the main results of the paper because if, for example, the observed rise in interactive tasks were driven by selection of highly interactive job vacancies into newspapers, we would expect workers who work *in* highly interactive jobs to search more in newspapers over time, relative to workers in low interactive jobs.[30]

[29]The analysis that follows is not sensitive to this choice of threshold for high and low intensity occupations.

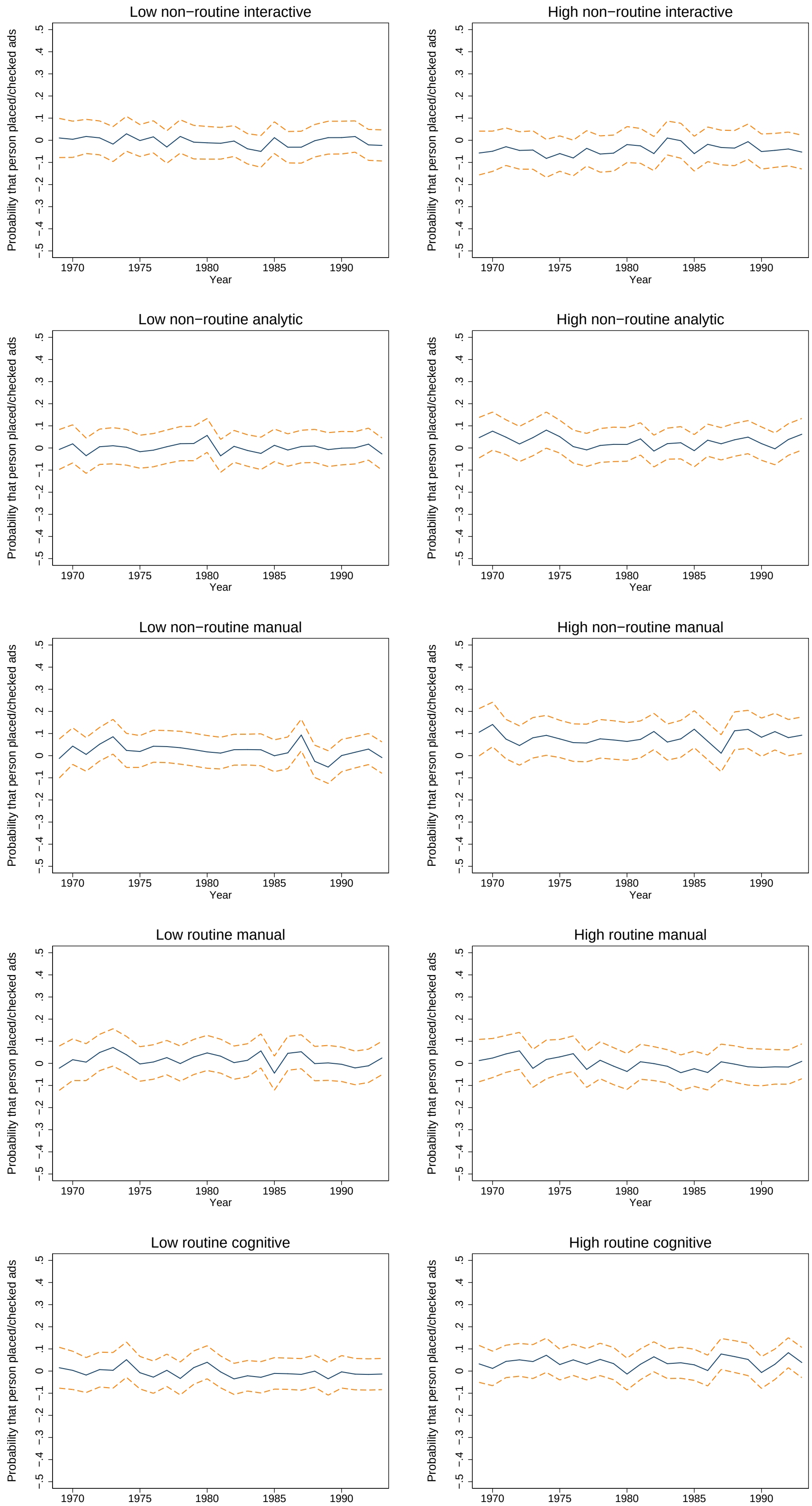
[30]Note that while trends in job search do not appear to differ by occupation, it is apparent that there are *level* differences in job search: for example, workers in high routine cognitive occupations are more likely to use job ads as a search method compared with workers in low routine cognitive occupations. This pattern is consistent with our finding in the Appendix A that job vacancies in administrative support occupations are more likely to appear in newspapers when compared to overall employment. That (i) occupations with high routine cognitive task content are more likely to appear in newspapers and (ii) workers from these occupations are more likely to search in newspapers is reassuring for this validation exercise as a whole, since it demonstrates that demand side differences in vacancy posting behavior are also reflected in supply side search behavior.

Figure 19: Trends in Job Search Method by Task Intensity of Occupation



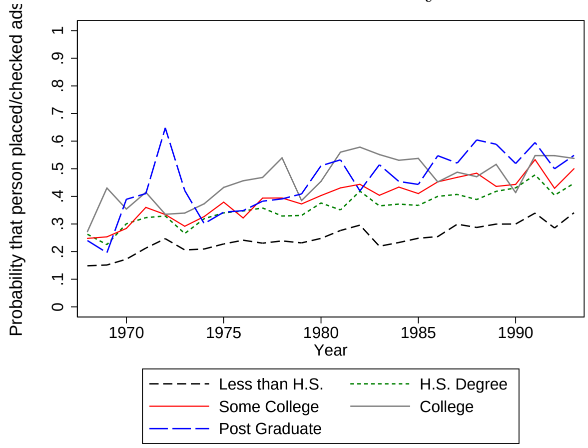
Notes: The figure above plots the fraction of job seekers using job ads as a search method, by task intensity of prior occupation. "High" refers to being in an occupation in the 75th percentile or higher in the task, while "low" refers to being in the 25th or lower percentile of the task.

Figure 20: Trends in Job Search Method by Task Intensity of Occupation



The figure above plots the estimates for β_t in Equation 10 for each of the five tasks, along with the 95 percent confidence intervals. Each panel represents the results of a separate regression.

Figure 21: Trends in Job Search Method by Education Category



The figure above plots the yearly fraction of job seekers searching for employment through job ads, by education category.

We test this hypothesis formally using the following regression:

$$y_i = \beta_0 + \beta_t \widetilde{T}_h^\tau + x_i^{'}\gamma + \xi_t + \epsilon_i \tag{10}$$

where $\widetilde{T}_h^\tau$ is an indicator for being in the τth percentile of the task h distribution (where h indicates one of the five Spitz-Oener task measures). In keeping with our regressions from Section 5.1, the vector x_i are controls including gender, marital status, experience dummies (for <10 years, 10-19 years, 20-29 years, and 30+ years), a non-white race dummy, and dummy variables over our five educational groups. Figure 20 plots the estimates for β_t. The omitted year is 1968, so coefficients β_t are interpreted as relative to 1968. Overall, the Figure 20 plots suggest no detectable trends in job search behavior through ads.

A final consideration is whether there is selection by the type of workers who search in newspapers. Figure 21 plots the fraction of job seekers searching for employment through job ads, by education category, in each year. This figure overall suggests no clear pattern of differential trends in newspaper search by worker education level.

C Details on the Construction of the Database

This section provides further details that, due to space constraints, we could not include in Section 2. As discussed in that Section, constructing the database entails transforming raw, unstructured text into a set of job ads for which we identify job titles and task contents. This requires three steps: i) identifying pages of job ads from the broader sample of advertisements, ii) processing the newspaper text files, iii) grouping occupations according to useful classifications, and iv) eliciting task and skill related information. We turn to each next. Note that some of the language in this appendix is taken directly from Section 2.

C.1 Details on the Latent Dirichlet Allocation Procedure, Used to Distinguish Vacancy Postings from Other Ads

Given the massive amount of newspaper text, it is practically impossible for us to manually distinguish job vacancy postings from other types of advertisements. A simple solution would be to remove newspaper pages where no job vacancy related word can be found. This solution, however, could be problematic as sales-related advertisements, which are a large fraction of advertisements, seem to have several words that appear in the job vacancy postings as well: The word "sale" itself would be a perfect example. Nevertheless, it is reasonable to assume that job vacancy postings would have different features (distributions of words, to be more precise) compared to other types of advertisements. Using this intuition, Latent Dirichlet Allocation (LDA) is an algorithm that provides a short description for text documents in the corpus. It is an "unsupervised learning algorithm" in a sense that training data set is not required. The exposition in this section draws heavily from Blei, Ng, and Jordan (2003, pp. 996-998).

Notation and Terminology

1. A *vocabulary* is a set of all possible V words.

2. A *word* w is a vector of length V. If w takes on the ith element of the vocabulary, then $w_i = 1$. Otherwise, $w_i = 0$.

3. A *document* is a sequence of N words denoted by $\mathbf{d} = (w_1, w_2 ... w_N)$.

4. A *corpus* is a collection of M documents denoted by $\boldsymbol{D} = (\mathbf{d}_1, \mathbf{d}_2 ..., \mathbf{d}_M)$.

5. A *topic* $z \in \{z_1, z_2, ..., z_K\}$ denotes a "hidden label" across documents in a corpus. The dimensionality K is assumed to be known and fixed.

Data Generating Process

The model assumes generating process as follows.

1. First, a vector $\alpha = (\alpha_1, \alpha_2, ..., \alpha_K)$ and a K by V matrix β are chosen an held fixed throughout the corpus.

2. Next, for each document $\mathbf{d_m}$ in the corpus, choose a K-dimensional topic weight vector θ_m drawn from a Dirichlet distribution with parameter vector α. That is:

$$\Pr\left(\theta_{m1}, \theta_{m2}, ..., \theta_{mK} | \alpha_1, \alpha_2, ..., \alpha_K\right) = \frac{\Gamma\left(\sum \alpha_k\right)}{\prod \Gamma\left(\alpha_k\right)} \prod_{k=1}^{K} \left(\theta_{mk}\right)^{\alpha_k - 1},$$

   where each $\alpha_k > 0$ and $\Gamma(\cdot)$ refers to the Gamma function.

3. Finally, each word in a document $\mathbf{d}_m$is determined by first choosing a topic $z \in \{z_1, z_2, ..., z_K\}$where the probability of choosing a particular topic k is equal to $\Pr\left(z = z_k | \theta_{m1}, \theta_{m2}, ..., \theta\right.$ θ_{mk}.Then, choose a word $w_n$from a word-topic probability matrix β where the n, k element of β=$\Pr\left(w_n = 1 | z_k = 1\right)$

Conditional on α and β, the joint distribution of a topic mixture θ, a set of topics $\mathbf{z}$, and document$\mathbf{d}_m$ (which contains words w_n) is given by:

$$\Pr\left(\theta, \mathbf{z}, \mathbf{d}_m | \alpha, \beta\right) = p\left(\theta | \alpha\right) \prod_{n=1}^{N} p\left(z_k | \theta\right) p\left(w_n | z_k, \beta\right).$$

The marginal distribution, or likelihood, of a document $\mathbf{d}_m$ which contains words w_n is given by integrating over θ and summing over potential topics z_k

$$\begin{aligned} \Pr\left(\mathbf{d}_m | \alpha, \beta\right) &= \int p\left(\theta | \alpha\right) \left(\prod_{n=1}^{N} \sum_{k} p\left(z_k | \theta\right) p\left(w_n | z_k, \beta\right)\right) d\theta \\ &= \frac{\Gamma\left(\sum \alpha_k\right)}{\prod \Gamma\left(\alpha_k\right)} \int \prod_{k=1}^{K} \left(\theta_{mk}\right)^{\alpha_k - 1} \prod_{n=1}^{N} \sum_{k} \prod_{v=1}^{V} p\left(\theta_k \beta_{kv}\right)^{w_n} d\theta \end{aligned}$$

Estimation

The main purpose of LDA is to determine the distribution of the latent topics conditional on the observed words in each document, which is:

$$\Pr\left(\theta, \mathbf{z} | \mathbf{d}_m \alpha, \beta\right) = \frac{\Pr\left(\theta, \mathbf{z}, \mathbf{d}_m | \alpha, \beta\right)}{\Pr\left(\mathbf{d}_m \alpha, \beta\right)}$$

The estimated values, $\widehat{\alpha}$ and $\widehat{\beta}$. are values of α and β which maximize the log likelihood of the documents:

$$\left(\widehat{\alpha}, \widehat{\beta}\right) = \arg\max \left\{\sum_{m=1}^{M} \log\left[\Pr\left(\mathbf{d}_m |, \alpha, \beta\right)\right]\right\}$$

The posterior distribution cannot be computed directly. As an feasible approximation, we use Hoffman, Blei, and Bach (2010) Expectation Maximization algorithm. The python code for this algorithm has is part of the *gensim* module; see Rehurek and Sojka (2010).

Details on Our Implementation

To construct our LDA model, we take samples of pages of advertisements for each of our newspapers, separately: Display Ads in the Boston Globe, spanning 1960-1983; Display Ads in the New York Times, between 1960 and 2012; Classified Ads in the Boston Globe, between 1960 and 1983; Classified Ads in the New York Times, between 1960 and 2012; and Classified Ads in the Wall Street Journal, spanning 1960-1998. [31] Since the text in Display Ads are larger, our code more easily identifies and processes the text in these ads. For this reason, we apply our processing code separately for these different types of ads.

For each of our five subsamples, we first restrict attention to pages of advertisements which are sufficiently long, with at least 200 words. From these pages of ads, we remove *stop words* (e.g., common words like "a," "the," and "and"), numerals, and words which are not contained in the English dictionary. We then *stem* words; that is, we remove word affixes so that words in different forms—singular nouns, plural nouns, verbs, adjectives, adverbs—are grouped as one. To emphasize, the removal of certain types of words and the stemming of words pertains only in constructing our LDA model. Once we have estimated this model, we will restore our original text. The method and results are detailed in Section C.1.

After applying the model, each page in each subsample is defined by a probability distribution over the K topics. We pick the pages for which the average probability of belonging to the first topic (the topic with words common in vacancy postings) is greater than 0.3.

LDA Results

In Table 1, using the subsample of text from the Boston Globe Display Ads, we presented partial results from our LDA procedure, describing the ten words which were most predictive of the ten different topics. In Table 7, we provide analogous results for the other four subsamples, the Boston Globe Classified Ads, the New York Times Classified and Display Ads, and the Wall Street Journal Classified Ads. Again, we chose the number of topics, K, so that i) there is a clear, identifiable topic associated with job ads, but ii) if we were to add a $K+1^{\text{st}}$ topic, then there would be multiple job-related topics resulting from the LDA model. These words are those with the highest values of β_{nk}.

[31] This 6.7 million figure excludes vacancy postings which contain a substantial portion, 35 percent or greater, of words that are misspelled.

Table 7: Predictive Word Stems in the LDA Model

Panel A: Globe Classified	
1	opportun experi work salari call year employ posit manag resum
2	bath bdrm kit acr new home lot gar owner ranch
3	auto new car call ford low stereo rte price motor
4	call offic new day want busi inc free avail mass
5	bdrm bay mod back avail kit bath studio call build
Panel B: New York Times Classified	
1	resum seek must work call exp manag new send salari
2	new com call sun sat store sell car leas excel
3	build new ave park studio east fee view call fir
4	new home acr hous owner den kit pool col area
Panel C: New York Times Display	
1	experi manag seek opportun program new system requir servic year
2	cinema ave street new sun film mall plaza sat park
3	invest fund market busi new servic inform call compani financi
4	new car leas black call mile auto dealer red silver
5	one make time new get like year wine take best
6	rate month save may account call offer new fee credit
7	offer inc share purchas may new compani bond secur corpor
8	new com time art book music call school box program
9	price store new reg design select save collect white avenu
10	day hotel night travel includ free resort per call new
11	price free system drive call color store com order includ
12	new room home park call ave view avail estat hous
Panel D: Wall Street Journal Classified	
1	manag experi resum salari opportun posit year requir market send
2	acr call home estat properti new room beach real owner
3	new call owner price air leas interior car avail mile
4	busi call servic new market invest franchis inc offer opportun
5	street box journal wall busi compani avail want seek product

C.2 Processing the Newspaper Text Files

The goal of this step is to parse the raw text files into a set of separate ads, complete with titles and word content.

Discerning the Boundaries Between Vacancy Postings In the ProQuest data set, the advertisements on a single page are all grouped in a single text field. Our next task is to identify when one vacancy posting ends and a second posting begins. Here, certain phrases at the beginning or end of individual help wanted ads allow us to identify the boundaries between ads. We use the following three-step rule to demarcate individual ads:

- Zip codes: Most job vacancy posts have addresses at the end. Zip codes, in particular, are relatively easy to detect using a series of regular expressions. Moreover, depending on each newspaper, sometimes there are special zip codes, such as "Boston MA 02107" in the Boston Globe. The first step of our algorithm marks the end of an advertisement if an address or zip code is detected.

- Ending phrases: Some phrases indicate that a job vacancy post is ending, for example: "send [. . .] resume" or "submit [. . .] resume"; "in confidence to"; "affirmative action employer"; "equal opportunity" or "equal opportunities." The algorithm marks the end of an advertisement if any of these patterns is detected and starts a new one after the following line.

- Beginning of the posts: A job vacancy post usually starts with a job title, which stands alone within a few lines and is uppercase. If we detect consecutive short lines of uppercase letters, we group those lines together. We then test whether the lines are a job title (see below). If so, the algorithm assigns the beginning of an advertisement at this point.

Identifying the Advertisement's Job Title Finally, since one of the main goals of the project is to identify how individual occupations' skill profiles have changed over time, it will be necessary to assign each vacancy posting to its corresponding occupation. On their website, O*NET publishes, for each occupation, a "Sample of Reported Job Titles." We retrieve these titles, a list of more than eight thousand, from the O*NET website. From this list of titles, we construct a list of one-word personal nouns. For instance, "Billing, Cost, and Rate Clerks" is a potential job title according to O*NET; see http://www.onetonline.org/link/summary/43-3021.02. Since it is exceedingly unlikely that this exact phrase appears in any of our ads, we identify a potential job title to appear when the word "Clerk" is mentioned.

Then in each line of our display ad in which either i) words are all-capitalized or ii) only one or two words appear, we search among the words in that line of advertisement text for a personal-noun job title. According to our example in Figure 1, this would occur in the lines containing “MUTUAL FUNDS CLERKS,” “DEVONSHIRE STREET BOSTON MA 02109”, “PAYMENTS CLERKS,” “ TERMINAL OPERATOR,” and “Fidelit,” “Group,” “111.” The first two examples would satisfy criterion (i); the lines with “PAYMENTS CLERKS,”, “ TERMINAL OPERATOR,” satisfy both criteria; and the last three lines satisfy only criterion (ii). If there is a match, we record the contents of the line as the ad’s job title.

C.3 Details on the Continuous Bag of Words Model

The goal of the continuous bag of words (CBOW) model is to compute similarity score among words in our corpus. The first three subsections of this appendix provide a basic set up of such a model, drawing from Section 2 of Bengio, Ducharme, Vincent, and Jauvin (2003). After this, we describe how we use our estimated continuous bag of words model to link job titles to SOC codes and job ad text to categories of occupational characteristics.

Notation and Terminology

1. A *word,* w_i, is a unit of text.
2. A *vocabulary,* V*,* is a set of all possible V words.
3. A *corpus* is a sequence of words denoted by $\{w_1, w_2 ... w_T\}$.
4. A *context* of a word is a set of adjacent words of predetermined distance. For example, in the n-gram model, a context of a word w_i is $\mathcal{H} = \left\{w_{i-1}, w_{i-2} ... w_{i-(n-1)}\right\}$. is a set of $n-1$ words which w_i .

Model Setup and Estimation

The underlying assumption in the continuous bag of word model is that words in similar contexts share semantic meaning in the population of text data. In the CBOW model, similar context refers to a set adjacent words, typically a fixed number n words before and after.[32]

[32] However, given the same set of adjacent words, the order does not matter. For example, if the window size is 1, then, the context [..., w_1, $\overline{w}$, w_2, ...] is the same as [..., w_2, $\overline{w}$, w_1, ...] for any word $\overline{w}$.

The objective, which we will try to maximize via maximum likelihood, is to construct a model which describes the probability of observing a word w_t conditional on the features of the words in its context $C(\mathcal{H})$. Below, we will use $\hat{P}\left(w_i|C(\mathcal{H})\right)$ to denote this probability (which is our MLE objective). The model estimation can be decomposed into 2 parts:

1. A mapping C from each word w_i in V to a real vector of predetermined length N. Here N will be parameter we are free to choose, describing how many features to include in our model to describe each individual word. In practice, C is a |V| by N dimensional matrix.

2. A function g which maps a sequence of C words in the context to a conditional probability distribution over words. $\hat{P}\left(w_i|C(\mathcal{H})\right) = g\left(w_i, C\left(w_{j1}\right), C\left(w_{j2}\right), ...\right)$, where all of the j belong to $\mathcal{H}$. In practice, g can be represented as a N by |V| matrix for each possible context $\mathcal{H}$.

In these two steps, we are predicting the likelihood of observing a particular word w_i based on the features of the words that surround it. Our model will yield a good representation of the words in our vocabulary if they accurately and parsimoniously describe the attributes of these words.The maximum likelihood procedure chooses C and g to match conditional probabilities observed in the corpus. Though the idea is relatively simple, dimensionality of the model is highly dimensional require additional adjustments to reduce computation burden. To this end, we follow the procedure as mentioned in Mikolov et al., (2013a; 2013b), and implemented by Rehurek and Sojka (2010). We choose the dimension of C to be 300, and the context of word w_i to include the five words succeeding and preceding each w_i . In writing out of MLE objective function, we omit words w_i with total frequency lower than 5.[33]

Construction of the CBOW Model

As part of a separate ongoing project, CareerBuilder has provided us a wide sample of job ads posted on-line between 2011 and 2016. As with our newspaper data, these text contain a job title for each vacancy posting. Unlike the newspaper data, and useful for the construction of a mapping between job titles and SOC codes, the CareerBuilder data include a CareerBuilder-constructed SOC code for each advertisement.

Using our sample of text from the Boston Globe, New York Times, and Wall Street Journal and the entries from sample of 2.0 million job ads that were posted on CareerBuilder

[33] Mikolov, Chen, Corrado, and Dean (2013a) estimated a model using text from a Google News corpus, and found that increasing the dimensionality of the model's vector representation from 300 to 600 led to only small improvements in the accuracy.

in January 2015, we construct a continuous bag of words model, applying the procedure of the previous subsection. The output of this model is a vector representation, C, for each word. A phrase, too, can be represented as a vector, as the sum of the vectors of the phrase's constituent words. For example, we will find it useful to construct a vector representation of a phrase like "construction manager." To do so, we would simply sum the vectors for "construction" and "manager."

With our estimate of C we use a cosine similarity score: $\frac{C(w_i)\cdot C(w_j)}{|C(w_i)||C(w_j)|}$ to compute similarity between two words (or phrases) w_i and w_j. We use this similarity score for two purposes, to link job titles to SOC codes and to link the words used in the body of job ads to categories of work characteristics. In the following two subsections, we detail these two applications of our CBOW model.

Grouping Occupations and Mapping Them to SOC Codes

In the newspaper data, postings for the same occupation appear via multiple distinct job titles. For example, vacancy postings for registered nurses will be advertised using job titles which include "rn," "registered nurse," or "staff nurse." These job titles all map to the same occupation; e.g., 291141 using the BLS Standard Occupational Classification (SOC) system, or 3130 according to the 2000 to 2009 vintage of the Census Occupation Code. To group job titles to occupation codes, we apply the BLS SOC code. We first lightly edit job titles to reduce the number of unique titles: We combine titles which are very similar to one another (e.g., replacing "host/hostesses" with "host", "accounting" with "accountant"); replace plural person nouns with their singular form (e.g., replacing "nurses" with "nurse", "foremen" with "foreman"); and remove abbreviations (e.g., replacing "sr" with "senior", "asst" with "assistant", and "customer service rep" with "customer service representative").

From this shorter list, we apply two complementary methods to classify ads according to SOC codes. First, for the most common 1000 job titles from our Boston Globe, New York Times, and Wall Street Journal job ads, we apply the mapping of www.onetsocautocoder.com to retrieve the SOC codes for the most common job titles. These top 1000 job titles span 2.4 of the 6.7 million ads from the previous subsection's processed newspaper data.

For the remaining 4.2 million ads, we apply a *continuous bag of words* model, in combination with an ancillary data set provided to us by CareerBuilder. (See Bengio, Ducharme, Vincent, and Jauvin, 2003 and Mikolov et al., 2013a; 2013b. Appendix C.3 provides additional background and details on our implementation.) Generally speaking, a continuous-bag-of-words model is based on the idea that words or phrases are similar if they themselves appear (in text corpora) near similar words. For example, to the extent that "nurse" and "rn" both tend to appear next to words like "patient," "medical" or "acute" one would conclude that “nurse” and “rn” have similar meanings to one another. Building on this idea, a continuous bag of words model represents each word as a (long) vector, with the elements in each vector measuring the frequency with which other words are mentioned nearby (e.g., for the “nurse” vector, what fraction of the time in our corpus of vacancy posting text are “aardvark, “abacus,” ... “zoo,” or “zygote” mentioned in close proximity to the word “nurse”?). Given this vector representation, two words are similar if the inner product of their vectors is large. Short phrases, too, can be usefully represented as vectors as the sum of the vectors of the constituent words (for example, the vector representation of “construction manager” would equal the sum of the “construction” and “manager” vectors.) Taking stock, with the continuous bag of words model, we can represent any phrase—and in particular any job title—as a vector. As a result of this procedure, we can also compute the similarity of any two job titles, as the inner product of the job titles’ associated vectors.

This continuous bag of words model is useful, since we have an ancillary data set containing a large correspondence between job titles and SOC codes. CareerBuilder has provided us a data set of the text from on-line job ads, posted originally between 2011 and 2016. These ads contain a job title, an SOC code, and text describing the job characteristics and requirements. We use the job postings from a single month, January 2015, to construct our continuous bag of words model. Wit this model in hand, for a given job title in our newspaper text we can compute the closest job title in the CareerBuilder data set, and therefore retrieve the SOC code for that job title. We perform this second procedure on all of the job titles which appear in at two five ads in our data set. In combination with the first approach, have been able to collect SOC codes for 3.9 million job ads.

We believe approach based on www.onetsocautocoder.com is more accurate. However, it is infeasible to hand-collect the hundreds of thousands of possible job titles which appear in our newspaper text. For the 1000 most common job titles, we can compare how our continuous bag of words based procedure matches with the hand-collected SOC codes. The SOC codes resulting from the two approaches agree at the 2-digit level 75 percent of the time, at the 4-digit level 64 percent of the time, and ad the 6-digit level 56 percent of the time.

Eliciting Skill- and Task-Related Information

Within the body of the job ads, similar words will refer to a common task or skill. For example, mathematical skills could appear in job ads using the words “mathematics,” “math,” or “quantitative.” To study occupations’ evolving skill requirements and task content, it is necessary to categorize not only job titles, but also these occupational characteristics into a manageable number of groups. Here, we construct three classification schemes.

Our main classification follows that of Spitz-Oener (2006) who, in her study of the changing task content of German occupations, groups activities into five categories: *nonroutine analytic, nonroutine interactive, nonroutine manual, routine cognitive,* and *routine analytic*. In our main application of her categorization, we begin with the words in each of her five lists of task-related words. For each list, we append words which are similar to those in footnote 9, where similarity determined by our continuous bag of words model. This is our primary classification, and we use it in each calculation that follows in the paper. In addition, as a robustness check, we will consider a narrower mapping between categories and words, one which only relies in Spitz-Oener (2006)'s definitions as enumerated in footnote 9.

For varying purposes, we also consider two additional complementary classifications. With the aim of emulating O*NET's database, we construct our own mappings between words and phrases on the one hand and occupational work styles (corresponding to O*NET Elements beginning with 1C), skills (encompassing O*NET Elements 2A and 2B), knowledge requirements (corresponding to O*NET Elements 2C), and work activities (O*NET Elements 4A) on the other. For each O*NET Element, we begin by looking for words and phrases related to the O*NET Title, referring to the O*NET Element Description to judge whether these synonyms should be included or excluded, or if other words should be included. For instance, for the "Production and Processing" knowledge requirement, our list of synonymous words includes the original "production" and "processing," and also "process," "handle," "produce," "render," and "assembly." And, since the O*NET Description for "Production and Processing" states that the skill is associated with the "Knowledge of raw materials, production processes, quality control, costs, and other techniques for maximizing the effective manufacture and distribution of goods," we also include "quality control," "raw material," "qc," and "distribution" in our list of words and phrases to search for when measuring this knowledge requirement. Admittedly, since this procedure is based on our own judgment, it is necessarily ad hoc. Moreover it will not be able to capture all of the words phrases which are indicative of a particular work style, skill, knowledge requirement, or work activity.

For this reason, we amend to our initial lists of words and phrases an additional set of words, using a continuous bag of words model, similar to the one constructed in Section 2.2, built from the newspaper (1960-2000) and on-line (2015 January) job ads. model. We compute the similarity of the words in each O*NET Element Title and all of the other words in our corpus of newspaper vacancy postings. For instance, for "Production and Processing," our model yields: "process," "manufacturing," "processions," "production," "processes," "packaging," "fabrication," "procession," "proce," "operation,"... We take the top 20 words for each O*NET Element and add these words to those words and phrases from our "judgment-based" procedure described in the previous paragraph.

Each of the two approaches, the "judgment-based" procedure or the "continuous bag of words model-based" procedure of identifying similar words, has its strengths and weaknesses. On the one hand, the first procedure is clearly ad hoc. Moreover, the continuous bag of words model has the advantage of accounting for the possibility that employers' word choice may differ within the sample period.[34]On the other hand, there is a danger that the bag of words model will identify words to be similar even if they are not synonymous. For example, the vector representations in our bag of words model indicates that the five most similar words to the "Mathematics" O*NET Element Title are "math," "calculus," "algebra," "science," and "linguistics." While the first four words strike us as reasonable, the fifth does not. In our job ads, since (apparently) mathematics and linguistics are mentioned close to one other within advertisements, our model suggests that these words have similar meaning. But they do not.

Our third classification scheme applies the mapping between keywords and skills which Deming and Kahn (2017) define in their study of the relationship between firms' characteristics and the skill requirements in their vacancy postings. See Table 1 of Deming and Kahn (2017) for their list of words and their associated skills. Their main groups are: 1) cognitive: analytical, cognitive, critical thinking, math, problem solving, research, statistics; 2) social: collaboration, communication, negotiation, presentation, social, teamwork; 3) character: detail oriented, meeting deadlines, multi-tasking, time management; 4) writing: writing; 5) customer service: client, customer, customer service, patient, sales; 6) project management: project management; 7) people management: leadership, mentoring, people management, staff, supervisory; 8) financial: accounting, budgeting, cost, finance, financial; 9) computer (general): computer, software, spreadsheets. To each of these lists of words, we append additional words which are sufficiently similar to any of the words in the original list.

[34]For instance, even though "creative" and "innovative" largely refer to the same occupational skill, it is possible that their relative usage among potential employers may differ within the sample period. This is indeed the case: usage of the word "innovative" has increased more quickly than "innovative" over the sample period. To the extent that our ad-hoc classification included only one of these two words, we would be mis-characterizing trends in the O*NET Skill of "Thinking Creatively." The advantage of the continuous bag of words model is that it will identify that "creative" and "innovative" mean the same thing, because they appear in similar contexts, within job ads. So, even if employers start using "innovative", as opposed to "creative," part way through our sample, we will be able to consistently measure trends in "Thinking Creatively" throughout the entire period.

D Sensitivity Analysis Related to Sections 3 and 4

In this appendix, we explore the results of Sections 3 and 4.1 with alternate skill and task measures and alternate occupation classification schemes.

D.1 Top Occupations

In addition to the measures developed by Spitz-Oener (2006) and Firpo, Fortin, and Lemieux (2014), which we have explored in the body of the paper, we apply the mapping between keywords and skills which Deming and Kahn (2017) used in their study of the relationship between firms' characteristics and the skill requirements in their vacancy postings.[35] For each skill group, we append words which are similar to those mentioned in footnote 35, using the continuous bag of words model that we have used throughout the paper to identify words and phrases that are similar to one another.

Table 8 lists the top occupations according to the skill groups in Deming and Kahn (2017). According to intuition, ads for sales representatives and sales managers have the highest frequency of words related to customer service skills; ads for financial specialists and managers have the highest frequency of words related to financial skills; and ads for supervisors, managers, and health diagnosticians have the highest frequency of words related to people management.

D.2 Trends in Keyword Frequencies

In Section 4.1. we considered trends in the frequency with which different groups of words were mentioned in our newspaper text. We showed that the frequency of words related to routine cognitive and routine manual tasks have declined over the sample period, while words related to nonroutine task words have increased in frequency. Moreover, nearly all of these changes have occurred within, rather than between, 4-digit SOC codes. In this appendix, we first consider alternate groups of skill- and task-related words, the first due to Deming and Kahn (2017) and the second due to Firpo, Fortin, and Lemieux (2014). Next, returning to Spitz-Oener (2006)'s occupation codes, we re-consider trends in task mentions

[35] See Table 1 of Deming and Kahn (2017) for their list of words and their associated skills. Building on their definitions, we use the following rules 1) cognitive: analytical, cognitive, critical thinking, math, problem solving, research, statistics; 2) social: collaboration, communication, negotiation, presentation, social, teamwork; 3) character: character, energetic, detail oriented, meeting deadlines, multi-tasking, time management; 4) writing: writing; 5) customer service: client, customer, customer service, patient, sales; 6) project management: project management; 7) people management: leadership, mentoring, people management, staff, supervisory; 8) financial: accounting, budgeting, cost, finance, financial; 9) computer (general): computer, software, spreadsheets.

Table 8: Top occupations according to the Deming and Kahn (2017) classification of skills

Character			Customer Service		
4360: Admin. Assistants	359669	0.02	4140: Sales Representatives	65172	0.52
3960: Concierges	3933	0.02	1120: Sales Managers	79812	0.46
3990: Other Personal Care	19219	0.02	4120: Retail Sales	178747	0.39
2540: Librarians	7890	0.02	4190: Other Sales	39485	0.37
4110: Supervisors of Sales	61529	0.02	4130: Sales Rep., Services	66588	0.30
5340: Rail Transportation	658	0.02	4110: Supervisors of Sales	61529	0.27
Computer			**Financial**		
1511: Computer	190499	0.23	1320: Financial Specialists	180404	0.55
1520: Math. Science	10417	0.12	1130: Operation Managers	90545	0.51
1311: Business Operations	70272	0.11	1311: Business Operations	70272	0.21
1720: Engineers	62034	0.11	3330: Law Enforcement	5442	0.20
5350: Water Transportation	1184	0.10	1110: Top Executives	120192	0.19
1721: Engineers	119090	0.09	1520: Math. Science	10417	0.18
People Management			**Problem Solving**		
5110: Production Supervisors	51986	0.17	1920: Physical Scientists	17788	0.35
5530: Military Forces	213	0.16	1520: Math. Science	10417	0.32
1110: Top Executives	120192	0.15	1910: Life Scientists	8590	0.31
2911: Health Diagnosing	124761	0.14	1940: Science Technicians	12808	0.26
2540: Librarians	7890	0.13	1311: Business Operations	70272	0.17
1130: Operation Managers	90545	0.13	1930: Social Scientists	5233	0.17
Project Management			**Social**		
3970: Tour and Travel Guides	750	0.02	2110: Counselors/Soc. Workers	57537	0.11
1191: Other Management	53523	0.01	3990: Other Personal Care	19219	0.06
1721: Engineers	119090	0.01	1110: Top Executives	120192	0.06
3330: Law Enforcement	5442	0.01	1930: Social Scientists	5233	0.06
1511: Computer	190499	0.00	1311: Business Operations	70272	0.05
1720: Engineers	62034	0.00	2510: Post-secondary Teachers	9923	0.05
Writing					
2730: Media	70276	0.15			
1930: Social Scientists	5233	0.05			
1311: Business Operations	70272	0.03			
5530: Military Forces	213	0.03			
2320: Legal Support	10025	0.03			
2530: Instructors	4744	0.03			

Notes: This table lists the top six occupations according to the frequency with which different activity-related words are mentioned. Within each panel, the first column gives the SOC code and title; the second column gives the number of job ads in our data set; and the final column gives the frequency (mentions per vacancy posting) of task-related words. Only occupations with at least 200 advertisements, representing 106 4-digit SOC codes, are included. Footnote 35 contains the words and phrases corresponding to each skill that were used in Deming and Kahn (2017). To these lists, we append similar words, using the continuous bag of words model introduced in Section 2.3.

Table 9: Trends in keyword frequencies

	Frequency								Within
	60-64	65-69	70-74	75-79	80-84	85-89	90-94	95-99	Share
Character	0.10	0.08	0.08	0.14	0.25	0.42	0.51	0.47	0.94
	[0.10]	[0.08]	[0.08]	[0.15]	[0.25]	[0.39]	[0.53]	[0.45]	(0.07)
Computer	0.18	0.45	0.48	0.67	0.97	1.12	1.59	2.16	1.04
	[0.18]	[0.45]	[0.49]	[0.68]	[0.94]	[1.27]	[1.82]	[2.24]	(0.03)
Customer	2.05	1.91	2.04	2.28	2.49	2.79	3.16	3.16	0.86
Service	[2.06]	[1.92]	[1.97]	[2.22]	[2.41]	[2.68]	[3.02]	[3.01]	(0.08)
Financial	1.01	1.16	1.25	1.18	1.50	1.63	1.71	1.67	0.81
	[0.99]	[1.10]	[1.16]	[1.01]	[1.29]	[1.46]	[1.54]	[1.53]	(0.08)
People	0.61	0.70	0.74	0.82	1.13	1.17	1.25	1.25	0.92
Management	[0.60]	[0.70]	[0.72]	[0.78]	[1.12]	[1.12]	[1.15]	[1.19]	(0.04)
Problem	0.91	0.93	0.66	0.71	0.87	1.00	1.08	1.02	0.05
Solving	[0.91]	[0.94]	[0.66]	[0.65]	[0.82]	[0.93]	[1.02]	[0.91]	(143.74)
Project	0.00	0.01	0.01	0.01	0.02	0.02	0.02	0.08	1.09
Management	[0.00]	[0.01]	[0.01]	[0.01]	[0.02]	[0.02]	[0.02]	[0.09]	(0.13)
Social	0.19	0.20	0.21	0.29	0.48	0.89	1.04	1.31	0.96
	[0.18]	[0.19]	[0.20]	[0.25]	[0.44]	[0.79]	[0.90]	[1.26]	(0.07)
Writing	0.17	0.14	0.15	0.20	0.22	0.32	0.39	0.30	0.71
	[0.17]	[0.13]	[0.13]	[0.16]	[0.18]	[0.28]	[0.36]	[0.26]	(0.10)

Notes: See the notes for Table 5.

with an alternate methodology for identifying task-related words and alternate occupation classifications.

In Table 9 we use Deming and Kahn's categorization of skills. Character, Social Skills, and People Management have become increasingly prevalent with within-occupational changes again accounting for an overwhelming proportion of these trends.

Next, we study within and between changes in work frequencies using the Firpo, Fortin, and Lemieux (2014) categorization of O*NET Work Activities and Work Contexts. Since our constructed data set includes only Work Activities, our corresponding measures of Firpo, Fortin, and Lemieux (2014)'s O*NET groups are based only off of Work Activity variables.[36] Table 10 illustrates that words related to Information Content, Face-to-Face Contact, and Decision-Making have increased in prevalence, and that most of these changes are due to within, rather than between, occupational changes.

In the remaining tables of this subsection, we revert to Spitz-Oener (2006) categorization of groups of tasks. In the body of the paper, when producing Table 5, we applied not only Spitz-Oener (2006) mapping between words and task groups, but also our own continuous bag

[36] And, as a result, since their Automation/Routine measure includes only Work Contexts, we will not be able to recreate it here.

Table 10: Trends in keyword frequencies

	Frequency								Within
	60-64	65-69	70-74	75-79	80-84	85-89	90-94	95-99	Share
Information	1.05	1.68	1.57	1.99	2.51	2.89	3.34	4.09	0.99
Content	[1.04]	[1.71]	[1.55]	[1.95]	[2.37]	[2.95]	[3.44]	[4.05]	(0.02)
Face-to-	0.54	0.66	0.75	0.95	1.25	1.25	1.60	2.09	0.97
Face	[0.53]	[0.66]	[0.72]	[0.91]	[1.25]	[1.15]	[1.47]	[2.05]	(0.04)
On-Site	3.79	3.59	3.18	3.45	3.06	2.39	2.24	2.64	0.68
Job	[3.80]	[3.64]	[3.32]	[3.64]	[3.19]	[2.44]	[2.35]	[3.03]	(0.10)
Decision-	0.55	0.67	0.67	0.74	0.88	1.06	1.32	1.52	0.97
Making	[0.55]	[0.66]	[0.64]	[0.72]	[0.83]	[0.98]	[1.21]	[1.49]	(0.05)

Notes: See the notes for Table 5.

Table 11: Trends in keyword frequencies

	Frequency								Within
	60-64	65-69	70-74	75-79	80-84	85-89	90-94	95-99	Share
Nonroutine	2.31	2.54	2.20	2.14	2.40	2.31	2.39	2.68	1.03
Analytic	[2.30]	[2.57]	[2.24]	[2.10]	[2.28]	[2.16]	[2.29]	[2.69]	(0.12)
Nonroutine	1.56	1.35	1.53	1.56	1.73	2.00	1.97	2.15	0.90
Interactive	[1.56]	[1.33]	[1.44]	[1.48]	[1.64]	[1.86]	[1.80]	[2.09]	(0.06)
Nonroutine	1.56	1.52	1.54	1.82	1.80	1.85	1.95	1.94	1.08
Manual	[1.57]	[1.50]	[1.52]	[1.83]	[1.84]	[1.84]	[2.06]	[1.98]	(0.17)
Routine	0.22	0.18	0.16	0.17	0.15	0.09	0.12	0.08	0.82
Cognitive	[0.21]	[0.17]	[0.15]	[0.16]	[0.14]	[0.09]	[0.11]	[0.11]	(0.08)
Routine	0.25	0.21	0.19	0.18	0.11	0.03	0.01	0.01	1.02
Manual	[0.25]	[0.23]	[0.24]	[0.22]	[0.14]	[0.03]	[0.02]	[0.01]	(0.01)

Notes: See the notes for Table 5. In Table 5, we include not only the words mentioned in footnote 9, but also similar words, according to our continuous bag of words model. Here, instead, we apply only the mapping between task groups

of words model to identify additional words to search for. In Table 11, we recompute trends in keyword frequencies, now using Spitz-Oener (2006)'s original mapping between words and task groups. In this table, the frequency of task-related keywords is lower, compared to Table 5. However, the trends in keyword frequencies — increasing for nonroutine tasks and decreasing for routine tasks— are similar to hose depicted in Table 5. Moreover, as in Table 5, a large fraction of the overall changes in keyword frequencies occur within occupations.

In Table 5, in the body of the paper, we applied a 4-digit SOC classification. In Tables 12 and 13 we recompute these trends with narrower occupation classification schemes. In Table 12, we apply a 6-digit SOC classification, while in Table 13 we categorize ads according to their job title (as opposed to grouping job titles by SOC codes). The classification used in Table 13 is the first classification one could possibly apply when decomposing trends

Table 12: Trends in keyword frequencies

	Frequency								Within
	60-64	65-69	70-74	75-79	80-84	85-89	90-94	95-99	Share
Nonroutine	5.84	6.26	5.88	6.55	6.92	8.10	8.97	8.83	1.06
Analytic	[5.82]	[6.29]	[5.84]	[6.52]	[6.87]	[8.01]	[8.99]	[9.00]	(0.05)
Nonroutine	5.51	5.09	5.39	6.00	6.35	6.68	7.09	7.63	0.94
Interactive	[5.44]	[4.94]	[5.23]	[5.68]	[6.17]	[6.49]	[6.75]	[7.44]	(0.05)
Nonroutine	1.96	1.88	1.85	2.17	2.16	2.15	2.30	2.37	0.96
Manual	[1.88]	[1.86]	[1.80]	[2.15]	[2.30]	[2.12]	[2.30]	[2.27]	(0.25)
Routine	0.81	0.70	0.56	0.52	0.44	0.34	0.33	0.31	1.01
Cognitive	[0.82]	[0.71]	[0.55]	[0.54]	[0.47]	[0.36]	[0.33]	[0.31]	(0.04)
Routine	1.37	1.29	1.01	0.96	0.65	0.32	0.23	0.18	0.94
Manual	[1.38]	[1.33]	[1.11]	[1.15]	[0.78]	[0.38]	[0.36]	[0.26]	(0.04)

Notes: See the notes for Table 5. Compared to Table 5, we apply a occupation classification scheme based on 6-digit SOC codes, as opposed to 4-digit SOC codes.

in keyword frequencies in between-occupation and within-occupation components. As one would expect, with a finer occupation classification scheme, the share of changes in keyword frequencies that are due to the within-occupation component are somewhat lower. However, even here, for each of the task measures, a majority of the changes in task content occur within occupations.

D.3 Plots of Task Measures within Occupations

In this appendix, we plot changes in the frequencies of different task words within the three clusters of occupations which were the focus of Section 4.2. The goal of this appendix is to demonstrate that the trends which we had plotted in Section 4.2 reflect changes within 4-digit SOC occupations as opposed to changes between 4-digit occupations, within these clusters of occupations. In Figure 22, we plot changes in the frequencies of nonroutine interactive tasks (left panel) and the interpersonal activities which were mentioned in the National Research Council (1999) report. Both sets of measures suggest that, within 4-digit occupations, tasks involving working and communicating with other people have become more important in managerial occupations.

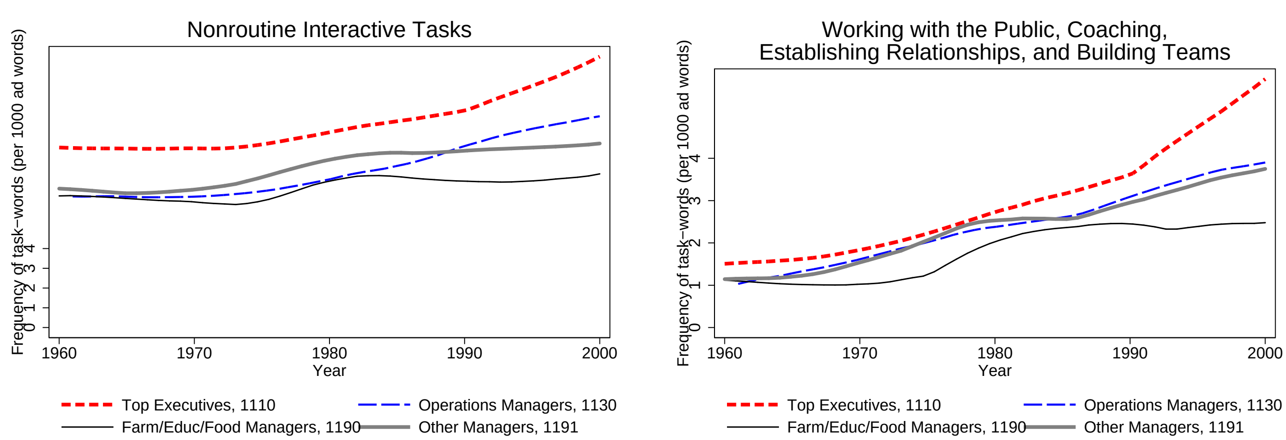
Second, in Figure 23, we plot trends in routine cognitive tasks (left panel) and nonroutine interactive tasks (right panel) for three office clerk occupations. Within each of the three occupations, routine cognitive tasks have been mentioned in job ads less and less frequently, over time; the largest decrease has occurred for financial clerks. On the other hand, mentions of nonroutine interactive tasks have displayed no trend for two occupations, but have increased considerably for the third (credit/file clerks).

Table 13: Trends in keyword frequencies

	Frequency								Within
	60-64	65-69	70-74	75-79	80-84	85-89	90-94	95-99	Share
Nonroutine	6.59	7.01	6.28	7.24	7.23	8.31	8.92	9.19	0.82
Analytic	[6.49]	[6.77]	[6.10]	[7.10]	[7.22]	[8.46]	[9.36]	[8.62]	
Nonroutine	6.00	5.57	5.81	6.59	7.17	7.53	8.22	8.95	0.58
Interactive	[5.85]	[5.56]	[5.76]	[6.15]	[6.62]	[7.09]	[7.06]	[7.56]	
Nonroutine	1.42	1.48	1.47	1.74	1.74	1.93	1.98	1.93	0.77
Manual	[1.44]	[1.50]	[1.44]	[1.59]	[1.81]	[1.73]	[1.90]	[1.83]	
Routine	0.99	0.87	0.69	0.66	0.55	0.38	0.31	0.34	1.02
Cognitive	[1.04]	[0.86]	[0.74]	[0.72]	[0.69]	[0.48]	[0.43]	[0.37]	
Routine	0.99	0.96	0.68	0.66	0.45	0.27	0.11	0.09	0.88
Manual	[1.01]	[0.95]	[0.71]	[0.76]	[0.60]	[0.36]	[0.25]	[0.22]	

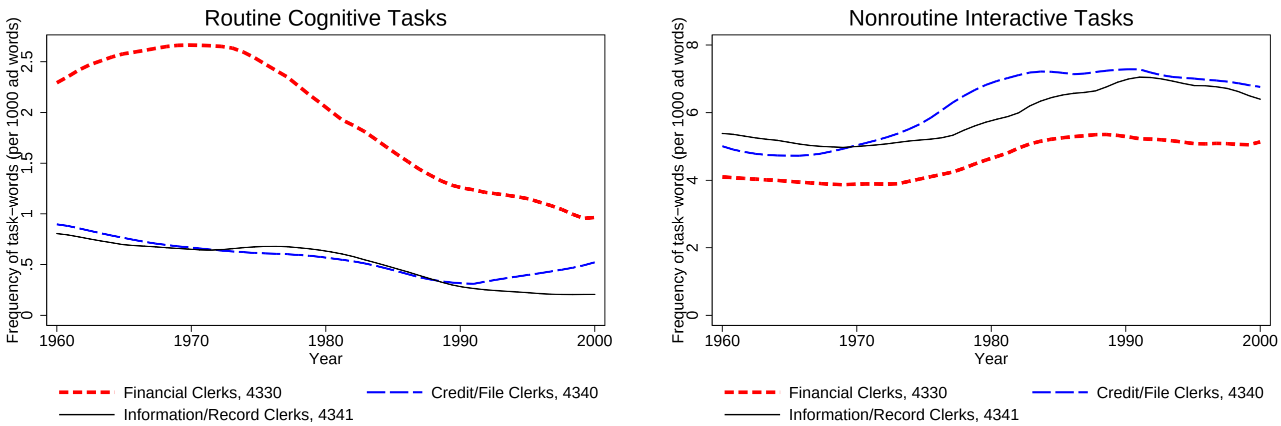
Notes: See the notes for Table 5. Compared to Table 5, we apply a occupation classification scheme based on job titles as opposed to 4-digit SOC codes.

Figure 22: Task Measures: Managerial Occupations



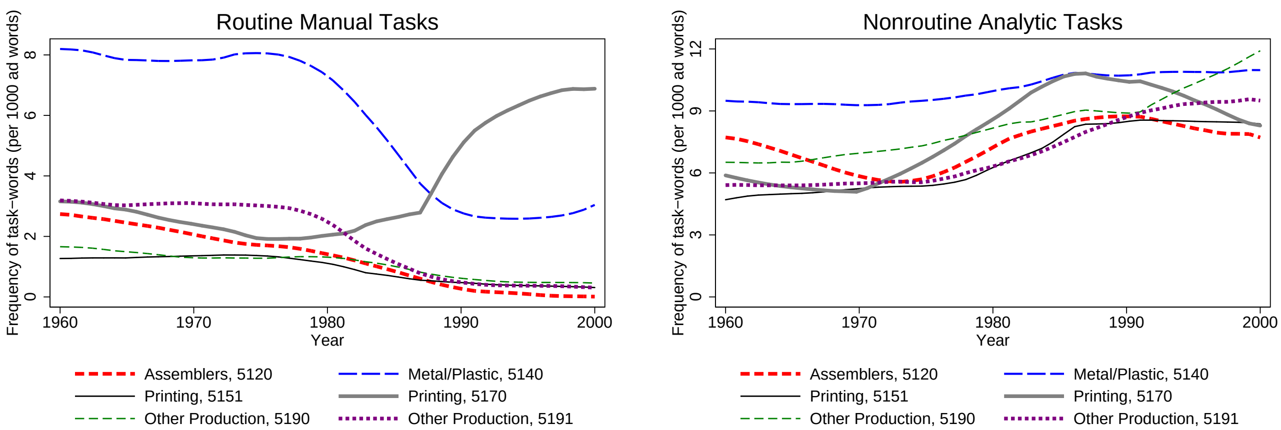
Notes: Local polynomial smoother.

Figure 23: Task Measures: Office Clerk Occupations



Notes: Local polynomial smoother.

Figure 24: Task Measures: Non-Supervisory Production Occupations



Notes: Local polynomial smoother.

Finally, Figure 24 presents the changes in routine manual tasks and nonroutine analytic tasks for six separate production worker occupations. Across all six occupations, the frequency of routine manual words has declined. Broadly, but not uniformly so (the exception being the "Printing" occupation), within these occupations the frequency of words related to nonroutine analytic tasks has increased.

To sum up, we conclude from Figure 22 to 24 that our narratives from Section 4.2 describe within-occupational changes in task content. Again, these changes would be difficult to detect using previous, conventional data sets tracking job content.

E Sensitivity Analysis and Supplemental Figures Related to Section 5.1

E.1 RIF Regression Results

In this appendix, we present supplemental tables and figures related to our wage distribution decompositions in Section 5.1. Tables 14 through 18 give the results from the RIF regressions of male workers' log wage income in 1970, 1980, and 1990 (we omitted the results from 1960 and 2000 so as to fit each table on a single page). These RIF regressions correspond to the decompositions plotted in Figures 8 to 11 in Section 5.1. Each of the five tables use different measures of workers' task intensities. In Tables 14 and 15, we report the RIF regression coefficients using the task measures defined by Spitz-Oener (2006): In Table 14, the task measures freely vary throughout the sample period, while in Table 15 occupations' task measures are fixed at their sample mean.

Tables 16 through 18 give the RIF coefficient estimates instead using Firpo, Fortin, and Lemieux (2014)'s task measures. Table 16 is closest, in its task measures, to Appendix Table A3 of Firpo, Fortin, and Lemieux (2014); it applies O*NET's task measures. The final two tables apply text from the Boston Globe, New York Times, and Wall Street Journal to characterize occupational task intensities. In Table 17, with the aim of isolating the differences in the final results that are due to the data source (O*NET as opposed to newspaper data) as opposed to using occupational task measures which are changing over time instead of fixed across the sample, occupations' task intensities are fixed across the sample. In Table 18, instead, the task measures are vary between the two points in the sample.

E.2 Decompositions with Alternate Measures, Samples

In this appendix, we begin to explore the sensitivity of our Section 5.1 results to our specification of tasks in our RIF regressions and to the sample. We begin in Figures 25 and 26 by modifying the way in which we measure our groups of nonroutine and routine tasks. In these two figures, we search only for the question titles in Spitz-Oener (2006)'s original definitions when constructing our task measures. Our measures do not include similar words identified from our continuous bag of words model.

Turning to the results, as the solid line of Figure 25 implies, decompositions in which the task measures are fixed within occupations account for a minor portion of the increase in inequality. This is consistent to the results given in Section 5.1, in our benchmark specification. Task measures which are allowed to vary throughout the sample period, within occupations, account for a 40 log point increase in 90-10 earnings inequality that has occurred

Table 14: RIF Regression Coefficients on Male Log Earnings, Spitz-Oener (2006) Task Measures

Year	1970		1980		1990	
Quantile	10	90	10	90	10	90
Non white	-0.382	-0.094	-0.258	-0.087	-0.061	-0.103
	(0.009)	(0.002)	(0.006)	(0.001)	(0.002)	(0.002)
Not married	-1.040	-0.066	-0.890	-0.061	-0.312	-0.111
	(0.008)	(0.002)	(0.004)	(0.001)	(0.002)	(0.001)
Experience<10	-0.924	-0.407	-0.828	-0.361	-0.439	-0.381
	(0.006)	(0.003)	(0.004)	(0.002)	(0.002)	(0.002)
10≤Experience<20	-0.050	-0.144	-0.067	-0.161	-0.022	-0.192
	(0.005)	(0.003)	(0.003)	(0.002)	(0.001)	(0.002)
Experience≥30	-0.012	-0.047	0.056	-0.032	-0.002	-0.001
	(0.005)	(0.003)	(0.004)	(0.002)	(0.002)	(0.003)
Some High School	-0.220	-0.255	-0.665	-0.165	-0.320	-0.145
	(0.007)	(0.003)	(0.005)	(0.001)	(0.003)	(0.002)
High School	0.150	-0.131	0.042	-0.076	0.000	-0.096
	(0.006)	(0.003)	(0.004)	(0.001)	(0.002)	(0.002)
College	0.318	0.481	0.411	0.294	0.180	0.413
	(0.008)	(0.006)	(0.004)	(0.002)	(0.002)	(0.003)
Post-grad	0.371	0.670	0.369	0.438	0.181	0.937
	(0.008)	(0.007)	(0.005)	(0.003)	(0.002)	(0.004)
Nonroutine Analytic	0.110	0.106	0.068	0.042	0.037	0.020
	(0.002)	(0.002)	(0.002)	(0.001)	(0.001)	(0.001)
Nonroutine Interactive	0.046	0.086	0.005	0.081	0.016	0.153
	(0.002)	(0.001)	(0.002)	(0.001)	(0.001)	(0.001)
Routine Cognitive	0.157	-0.033	0.133	-0.035	0.071	-0.031
	(0.003)	(0.001)	(0.003)	(0.001)	(0.002)	(0.001)
Routine Manual	0.072	-0.030	0.104	-0.009	0.070	-0.014
	(0.001)	(0.001)	(0.001)	(0.000)	(0.001)	(0.001)
Nonroutine Manual	0.015	0.000	-0.011	-0.004	0.019	-0.008
	(0.002)	(0.001)	(0.002)	(0.000)	(0.001)	(0.001)
Constant	10.114	11.351	10.158	11.310	9.890	11.354
	(0.006)	(0.004)	(0.004)	(0.002)	(0.002)	(0.002)
N	619181	619181	1806425	1806425	2033031	2033031
Adjusted R^2	0.174	0.190	0.130	0.143	0.130	0.171

Notes: The table contains coefficients and standard errors from RIF regressions. The task measures are computed using data from the Boston Globe, New York Times, and Wall Street Journal, with keyword frequencies computed on a year-by-year basis and then smoothed using a locally weighted polynomial regression. Each of the four activity measures are normalized to have mean zero and standard deviation 1, averaged over all individuals in the regression the decennial regression samples.

Table 15: RIF Regression Coefficients on Male Log Earnings, Spitz-Oener (2006) Task Measures

Year	1970		1980		1990	
Quantile	10	90	10	90	10	90
Non white	-0.422	-0.094	-0.261	-0.088	-0.061	-0.107
	(0.009)	(0.002)	(0.006)	(0.001)	(0.002)	(0.002)
Not married	-1.058	-0.070	-0.892	-0.061	-0.309	-0.113
	(0.008)	(0.002)	(0.004)	(0.001)	(0.002)	(0.002)
Experience<10	-0.929	-0.413	-0.829	-0.362	-0.439	-0.388
	(0.006)	(0.003)	(0.004)	(0.002)	(0.002)	(0.002)
10≤Experience<20	-0.052	-0.145	-0.067	-0.161	-0.022	-0.196
	(0.005)	(0.003)	(0.003)	(0.002)	(0.001)	(0.002)
Experience≥30	-0.024	-0.047	0.057	-0.032	-0.003	-0.001
	(0.005)	(0.003)	(0.004)	(0.002)	(0.002)	(0.003)
Some High School	-0.254	-0.252	-0.666	-0.171	-0.318	-0.159
	(0.007)	(0.003)	(0.005)	(0.001)	(0.003)	(0.002)
High School	0.142	-0.133	0.042	-0.079	-0.001	-0.102
	(0.006)	(0.003)	(0.004)	(0.001)	(0.002)	(0.002)
College	0.322	0.484	0.408	0.296	0.178	0.414
	(0.008)	(0.006)	(0.004)	(0.002)	(0.002)	(0.003)
Post-grad	0.342	0.665	0.352	0.440	0.167	0.923
	(0.008)	(0.007)	(0.005)	(0.003)	(0.002)	(0.004)
Nonroutine Analytic	0.034	0.082	0.059	0.033	0.047	0.022
	(0.002)	(0.001)	(0.001)	(0.001)	(0.001)	(0.001)
Nonroutine Interactive	-0.009	0.089	-0.012	0.074	0.002	0.122
	(0.002)	(0.001)	(0.002)	(0.001)	(0.001)	(0.001)
Routine Cognitive	0.095	-0.025	0.083	-0.029	0.030	-0.037
	(0.003)	(0.001)	(0.003)	(0.001)	(0.001)	(0.001)
Routine Manual	0.087	-0.025	0.095	-0.006	0.040	-0.006
	(0.002)	(0.001)	(0.001)	(0.000)	(0.001)	(0.001)
Nonroutine Manual	-0.101	-0.008	-0.022	-0.007	0.024	-0.017
	(0.002)	(0.001)	(0.002)	(0.000)	(0.001)	(0.001)
Constant	10.158	11.282	10.150	11.308	9.870	11.394
	(0.006)	(0.004)	(0.004)	(0.002)	(0.001)	(0.002)
N	619181	619181	1806425	1806425	2033031	2033031
Adjusted R^2	0.171	0.188	0.129	0.143	0.131	0.168

Notes: The table contains coefficients and standard errors from RIF regressions. The task measures are computed using data from the Boston Globe, New York Times, and Wall Street Journal, with keyword frequencies computed on a year-by-year basis and then smoothed using a locally weighted polynomial regression. Each of the four activity measures are normalized to have mean zero and standard deviation 1, averaged over all individuals in the regression the decennial regression samples.

Table 16: RIF Regression Coefficients on Male Log Earnings, Firpo, Fortin, and Lemieux (2014) Task Measures

Year	1970		1980		1990	
Quantile	10	90	10	90	10	90
Non white	-0.402	-0.107	-0.252	-0.090	-0.060	-0.115
	(0.009)	(0.002)	(0.006)	(0.001)	(0.002)	(0.002)
Not married	-1.052	-0.077	-0.884	-0.060	-0.308	-0.112
	(0.008)	(0.002)	(0.004)	(0.001)	(0.002)	(0.002)
Experience<10	-0.938	-0.430	-0.812	-0.352	-0.432	-0.381
	(0.007)	(0.003)	(0.004)	(0.002)	(0.002)	(0.002)
10≤Experience<20	-0.053	-0.147	-0.061	-0.158	-0.019	-0.194
	(0.005)	(0.004)	(0.003)	(0.002)	(0.001)	(0.002)
Experience≥30	-0.010	-0.056	0.060	-0.030	-0.004	0.002
	(0.005)	(0.003)	(0.004)	(0.002)	(0.002)	(0.003)
Some High School	-0.229	-0.286	-0.624	-0.165	-0.318	-0.156
	(0.007)	(0.003)	(0.005)	(0.001)	(0.003)	(0.002)
High School	0.146	-0.154	0.069	-0.074	0.001	-0.097
	(0.006)	(0.003)	(0.004)	(0.001)	(0.002)	(0.002)
College	0.310	0.509	0.366	0.287	0.170	0.405
	(0.008)	(0.006)	(0.004)	(0.002)	(0.002)	(0.003)
Post-grad	0.315	0.689	0.305	0.425	0.163	0.891
	(0.008)	(0.007)	(0.005)	(0.003)	(0.002)	(0.004)
Information Content	-0.003	-0.064	0.101	-0.043	0.003	-0.060
	(0.002)	(0.001)	(0.002)	(0.001)	(0.001)	(0.001)
Face-to-Face	0.145	0.014	0.127	-0.017	0.061	-0.020
	(0.003)	(0.002)	(0.004)	(0.001)	(0.001)	(0.001)
On-Site Job	0.078	0.028	0.118	0.008	0.062	-0.011
	(0.002)	(0.001)	(0.001)	(0.001)	(0.001)	(0.001)
Decision-Making	-0.057	0.160	-0.075	0.129	-0.040	0.175
	(0.003)	(0.003)	(0.003)	(0.001)	(0.001)	(0.002)
Constant	10.119	11.339	10.136	11.306	9.866	11.397
	(0.006)	(0.004)	(0.004)	(0.002)	(0.001)	(0.002)
N	622352	622352	1806425	1814774	2039522	2039522
Adjusted R^2	0.164	0.198	0.130	0.147	0.130	0.169

Notes: The table contains coefficients and standard errors from RIF regressions. The task measures are computed using data from the Boston Globe, New York Times, and Wall Street Journal, with keyword frequencies computed on a year-by-year basis and then smoothed using a locally weighted polynomial regression. Each of the four activity measures are normalized to have mean zero and standard deviation 1, averaged over all individuals in the regression the decennial regression samples.

Table 17: RIF Regression Coefficients on Male Earnings, Firpo, Fortin, and Lemieux (2014) Task Measures

Year	1970		1980		1990	
Quantile	10	90	10	90	10	90
Non white	-0.385	-0.090	-0.255	-0.090	-0.062	-0.116
	(0.009)	(0.002)	(0.006)	(0.001)	(0.002)	(0.002)
Not married	-1.033	-0.058	-0.885	-0.060	-0.313	-0.111
	(0.008)	(0.002)	(0.004)	(0.001)	(0.002)	(0.001)
Experience<10	-0.915	-0.388	-0.824	-0.354	-0.438	-0.375
	(0.007)	(0.003)	(0.004)	(0.002)	(0.002)	(0.002)
10≤Experience<20	-0.049	-0.138	-0.065	-0.159	-0.021	-0.193
	(0.005)	(0.003)	(0.003)	(0.002)	(0.001)	(0.002)
Experience≥30	-0.008	-0.048	0.060	-0.031	-0.004	0.004
	(0.005)	(0.003)	(0.004)	(0.002)	(0.002)	(0.003)
Some High School	-0.180	-0.244	-0.655	-0.167	-0.317	-0.168
	(0.007)	(0.003)	(0.005)	(0.001)	(0.003)	(0.002)
High School	0.182	-0.128	0.049	-0.075	0.006	-0.108
	(0.006)	(0.003)	(0.004)	(0.001)	(0.002)	(0.002)
College	0.253	0.466	0.403	0.286	0.155	0.427
	(0.008)	(0.006)	(0.004)	(0.002)	(0.002)	(0.003)
Post-grad	0.287	0.664	0.344	0.422	0.150	0.902
	(0.008)	(0.007)	(0.005)	(0.003)	(0.002)	(0.004)
Information Content	0.149	-0.034	0.000	-0.045	0.036	-0.068
	(0.003)	(0.003)	(0.001)	(0.001)	(0.001)	(0.001)
Face-to-Face	0.206	0.049	0.120	-0.009	-0.024	0.008
	(0.006)	(0.004)	(0.002)	(0.002)	(0.002)	(0.002)
On-Site Job	0.078	0.004	0.119	0.000	0.059	-0.013
	(0.002)	(0.001)	(0.001)	(0.001)	(0.001)	(0.001)
Decision-Making	-0.021	0.233	-0.073	0.166	0.027	0.174
	(0.004)	(0.003)	(0.002)	(0.002)	(0.002)	(0.002)
Constant	10.255	11.398	10.125	11.334	9.864	11.376
	(0.006)	(0.004)	(0.004)	(0.002)	(0.001)	(0.002)
N	619181	619181	1814774	1806425	2033031	2033031
Adjusted R^2	0.171	0.196	0.128	0.147	0.130	0.169

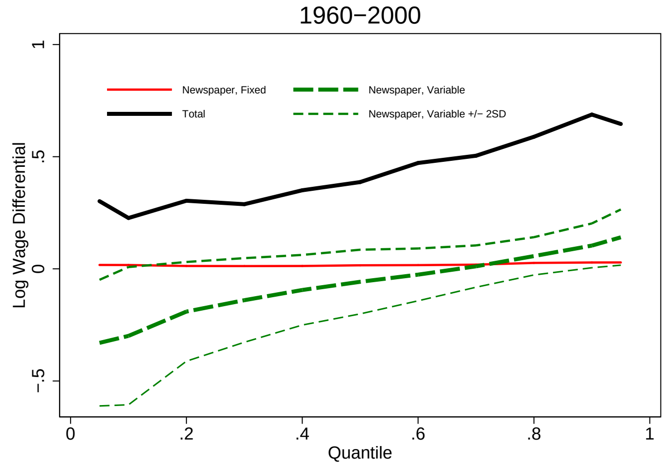
Notes: 5 The table contains coefficients and standard errors from RIF regressions. The task measures are computed using data from the Boston Globe, New York Times, and Wall Street Journal with keyword frequencies computed as averages over the 1960-2000 period. Each of the four activity measures are normalized to have mean zero and standard deviation 1, averaged over all individuals in the regressions from our decennial regressions.

Table 18: RIF Regression Coefficients on Male Log Earnings, Firpo, Fortin, and Lemieux (2014) Task Measures

Year	1970		1980		1990	
Quantile	10	90	10	90	10	90
Non white	-0.411	-0.099	-0.257	-0.085	-0.051	-0.099
	(0.009)	(0.002)	(0.006)	(0.001)	(0.002)	(0.002)
Not married	-1.061	-0.074	-0.864	-0.053	-0.287	-0.100
	(0.008)	(0.002)	(0.004)	(0.001)	(0.002)	(0.002)
Experience<10	-0.933	-0.438	-0.814	-0.348	-0.428	-0.368
	(0.007)	(0.003)	(0.004)	(0.002)	(0.002)	(0.002)
10≤Experience<20	-0.049	-0.149	-0.061	-0.156	-0.021	-0.190
	(0.005)	(0.004)	(0.003)	(0.002)	(0.001)	(0.002)
Experience≥30	-0.022	-0.060	0.064	-0.033	0.000	-0.003
	(0.005)	(0.003)	(0.004)	(0.002)	(0.002)	(0.003)
Some High School	-0.206	-0.254	-0.626	-0.154	-0.290	-0.127
	(0.007)	(0.004)	(0.006)	(0.001)	(0.003)	(0.002)
High School	0.162	-0.140	0.050	-0.073	0.010	-0.085
	(0.006)	(0.003)	(0.004)	(0.001)	(0.002)	(0.002)
College	0.308	0.472	0.371	0.271	0.147	0.358
	(0.008)	(0.007)	(0.005)	(0.002)	(0.002)	(0.003)
Post-grad	0.347	0.622	0.305	0.393	0.120	0.823
	(0.008)	(0.007)	(0.005)	(0.003)	(0.002)	(0.004)
Information Content	-0.045	0.024	0.090	-0.012	0.068	-0.040
	(0.003)	(0.002)	(0.002)	(0.001)	(0.001)	(0.001)
Face-to-Face	0.080	-0.013	0.042	0.014	-0.004	0.031
	(0.002)	(0.001)	(0.001)	(0.001)	(0.001)	(0.001)
Automation/Routine	-0.128	-0.087	-0.151	-0.049	-0.091	-0.070
	(0.003)	(0.002)	(0.002)	(0.001)	(0.001)	(0.001)
On-Site Job	-0.118	-0.096	0.060	-0.062	0.053	-0.118
	(0.003)	(0.002)	(0.002)	(0.001)	(0.001)	(0.001)
Decision-Making	0.128	0.150	0.166	0.118	0.104	0.185
	(0.003)	(0.002)	(0.002)	(0.001)	(0.001)	(0.001)
Constant	10.115	11.341	10.086	11.298	9.831	11.376
	(0.006)	(0.004)	(0.004)	(0.002)	(0.001)	(0.002)
N	622352	622352	1814774	1814774	2039522	2039522
Adjusted R^2	0.165	0.197	0.132	0.147	0.143	0.175

Notes: The table contains coefficients and standard errors from RIF regressions. The task measures are computed using data from O*NET and the definitions of Firpo, Fortin, and Lemieux (2014). Each of the five task measures are normalized to have mean zero and standard deviation 1, averaged over all individuals in the regression the decennial regression samples.

Figure 25: Decomposition of Real Log Earnings: Specification of Task Measures



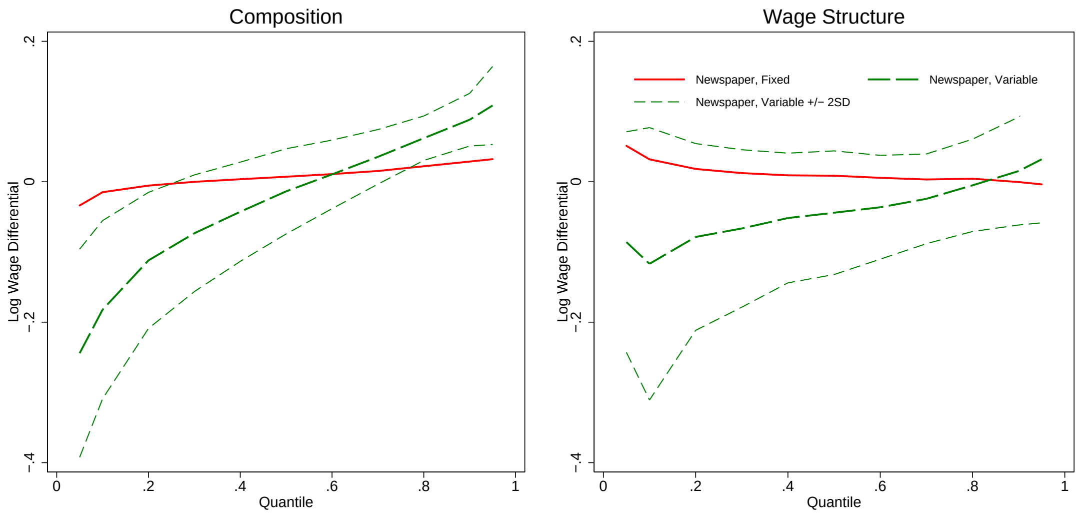
Notes: The figure describes the contribution of occupational characteristics, through both compositional and wage structure changes, using Spitz-Oener (2006)'s definitions of routine and nonroutine tasks. In Figure 8, we include not only the words mentioned in footnote 9, but also similar words, according to our continuous bag of words model. Here, instead, we apply only the mapping between task groups.

between 1960 and 2000. This 40 log point figure is somewhat larger than the 25 log point effect which we report in Section 5.1. A second difference, compared to the decompositions depicted in Figure 8, the confidence bands are considerably wider: Task measures which are constructed by searching for fewer words (which is the case when omitting similar words from the continuous bag of words model) are subject to more sampling uncertainty. Because of the decreased sampling uncertainty associated with searching for additional task-related words, we prefer to use the continuous-bag-of-words-model based measure as our benchmark measure of occupations' task usage.

In Figure 25, we plot the composition and wage structure effects separately. As in Section 5.1, changes in task composition of the workforce, as opposed to changes in the return to tasks, are the primary source of the increase in earnings inequality.

Throughout Section 5.1, we transformed the raw newspaper text frequencies using the normalization: $T_{hjt} = \left(\widetilde{T}_{hjt} - \mu_h\right)/\sigma_h$, where, as a reminder,$\mu_h$ is the mean and σ_h is the standard deviation of keyword frequencies, for task group h, across years and occupations. As a robustness check, we consider in Figure 26 decompositions which are based on an alternate normalization. Instead of subtracting by the mean and dividing by the standard deviation, we instead rank newspaper ads according the number of mentions of each task: $T_{hjt} = \mathrm{rank_h}\widetilde{T}_{hjt}$. This measure ranges between -0.5 (for ads which have the minimum mentions of the given task, compared to all other newspaper ads in our newspaper data)

Figure 26: Decomposition of Real Log Earnings: Specification of Task Measures



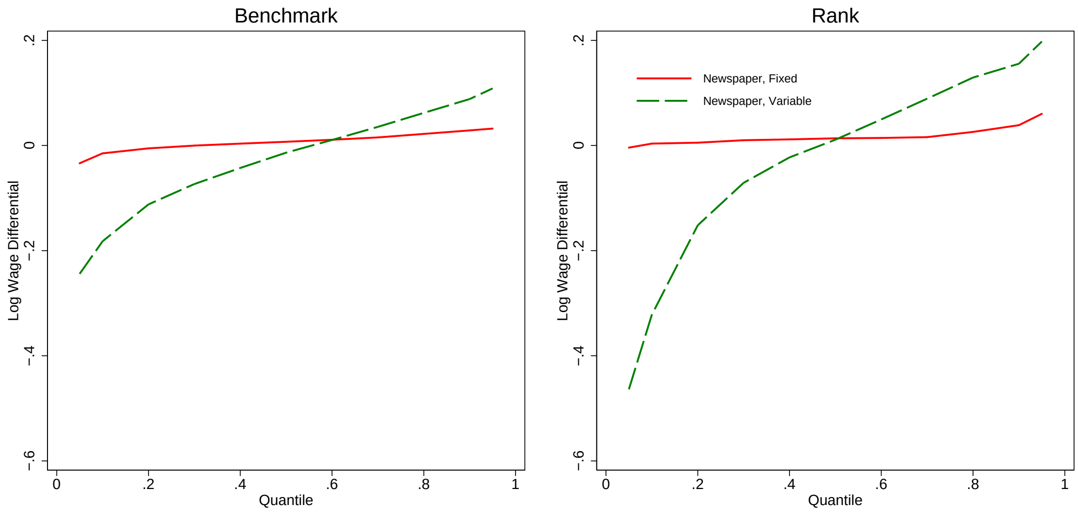
Notes: The left panel describes the contribution of occupational characteristics through compositional changes, using Spitz-Oener (2006)'s definitions of routine and nonroutine tasks. The right panel describes the contribution of occupational characteristics through wage structure effects. In Figure 8, we include not only the words mentioned in footnote 9, but also similar words, according to our continuous bag of words model. Here, instead, we apply only the mapping between task groups.

to 0.5 (for ads which mention the particular task most frequently). With this alternate definition, the contribution of our task measures to 90-10 inequality is considerably larger — 48 log points vs 25 log points — than in our benchmark specification.

Up to now, our RIF-regression based decompositions included only male workers in our samples. We excluded female workers from our sample because of the vast increase in female labor force participation that has occurred since 1960. In Figure 28, we recompute our decompositions with both male and female workers (in the left panel) and female workers only (in the right panel). Qualitatively, the results are similar to those given in 8. However, including female workers increases the measured role of our task measures in accounting for the increase in earnings inequality. According to the decomposition plotted in the right panel, Spitz-Oener (2006)'s task measures account for a 51 log point increase in earnings inequality. The difference between these decompositions and those using our benchmark sample are primarily due to the wage structure effect (unplotted), and primarily in the earlier part of the sample.

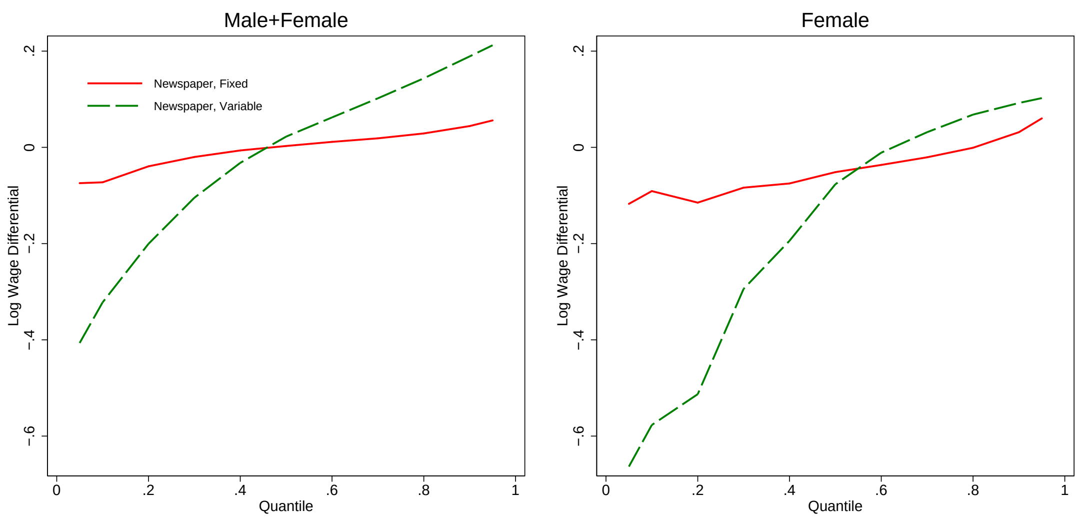
To sum up: Our benchmark results, given in Figure 8 in Section 5.1, assigned a 25 log point contribution of our task measure to the increase in 90-10 inequality, primarily through composition as opposed to wage structure effects. In this appendix, we considered three

Figure 27: Decomposition of Real Log Earnings: Specification of Task Measures



Notes: The figure describes the contribution of occupational characteristics, through both compositional and wage structure changes, using Spitz-Oener (2006)'s definitions of routine and nonroutine tasks.

Figure 28: Decomposition of Real Log Earnings: Male vs. Female



Notes: The figure describes the contribution of occupational characteristics, through both compositional and wage structure changes, using Spitz-Oener (2006)'s definitions of routine and nonroutine tasks.

robustness checks: to the way in which our task measures are measured, to the transformation applied to the raw newspaper frequency counts, and to the sample. In each of these three instances, the contribution of our task measures to earnings inequality is at least as large as those reported in Section 5.1. Moreover, as in Section 5.1, in each of these three robustness checks the primary contribution of our task measures is through composition effects.

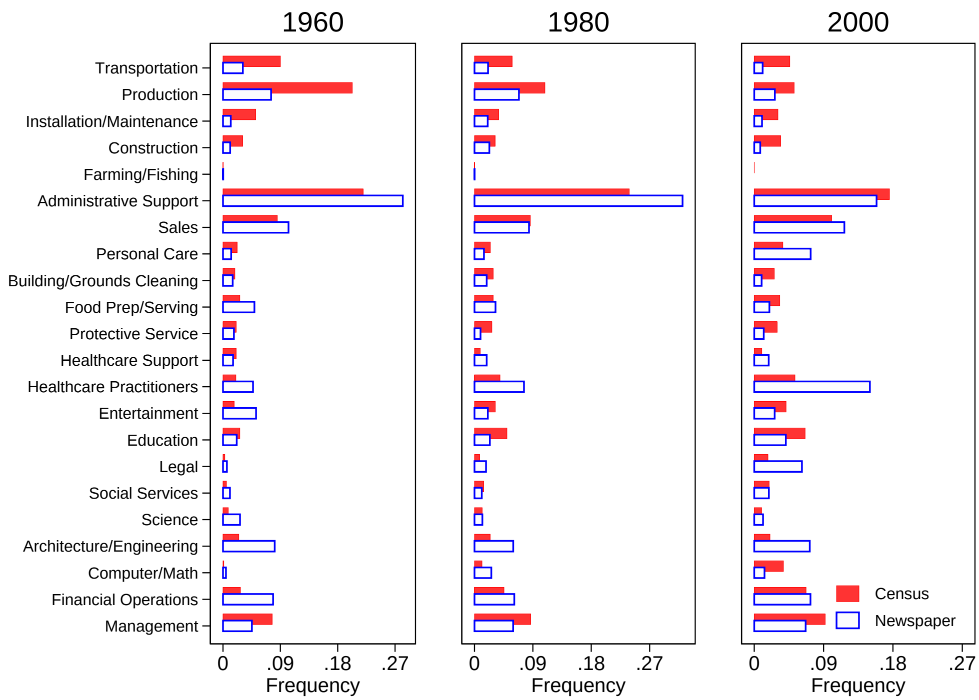
E.3 Decompositions Which use Census Data from Only New York and Boston

Our newspaper data contain information almost exclusively about vacancies in the New York and Boston metro areas. We used this information about New York and Boston ads to characterize the skill and task content of jobs throughout the United States. This discrepancy could potentially be problematic, especially since workers in New York and Boston are not representative of U.S. workers, more generally, and since this non-representativeness may be growing over time (because, for example, the college graduate share in New York and Boston has increased faster than in other parts of the country.) In this appendix, we re-compute some of our main figures, using only Census data on workers from the New York and Boston metropolitan statistical areas.[37] To preview, the main results of this appendix are that i) relationship between occupations' shares of newspaper vacancy posting counts and their shares of workers in the decennial Census is slightly stronger when we restrict our Census data to only include individuals residing the New York and Boston metro areas, and that ii) the RIF-based wage decompositions paint a similar picture for the role of technology in accounting for labor income inequality, with one important difference. While we prefer to keep the paper's main sample as one which includes workers throughout the United States, since this choice allows us to make statements about the U.S. wage distribution (an object of greater intrinsic interest than the wage distribution of workers residing in New York and Boston), we are admittedly ambivalent about this choice.

Figures 29 and 30 present the share of workers in each occupation in the decennial Census and the share of vacancy postings in each occupation in our newspaper data. Again, compared to Figures 14 and 15, the sole difference is that we are looking at workers who in the Census are reported as living in either the Boston MSA or the New York MSA. The two data sources now align slightly more closely here, than in Figures 14 and 15. Across 2-digit occupations, the correlation of the shares depicted in Figure 29 are 0.76, 0.92, and 0.73 for

[37]To ensure that the boundaries of the MSAs are fixed through time, we remove observations who reside in counties which were added to the New York MSA definitions part of the way through our sample period: Hunterdon County, Middlesex County, Somerset County, Sussex County, and Warren County. All five of these counties are in New Jersey.

Figure 29: Occupation Shares



1960, 1980, and 2000, on average 14 percentage points higher than in comparable years when using Census data from the entire U.S. In Figure 30, the correlations among occupations' newspaper vacancy postings and occupations New York and Boston worker shares are 0.48, 0.61, 0.61, and 0.53 for 1960, 1970, 1980, and 2000, respectively.

Next, we examine whether the wage decompositions differ when using only Census data from the New York and Boston metro areas. Within the New York and Boston metro areas, overall labor earnings inequality increased more rapidly than in the U.S. overall. Between 1960 and 2000, the 90-10 difference of log earnings increased by 75 log points; the 50-10 difference of log earnings increased by 43 log points. While the increase in inequality is greater in Boston and New York than in the country as a whole, as in Section 31 Spitz-Oener (2006)'s measures explain a 25 log point increase in 90-10 earning inequality, a 11 log point increase in the 90-50 difference.

In Figure 32, we separately plot the composition and wage structure effects. The task measures, through changes in composition, account for a 25 log point portion of the increase in 90-10 inequality, with a 2-standard deviation confidence interval of 7 and 43 log points for this effect.

The detailed decomposition (Figure 33) indicates that changes in the composition of jobs,

Figure 30: Occupation Shares

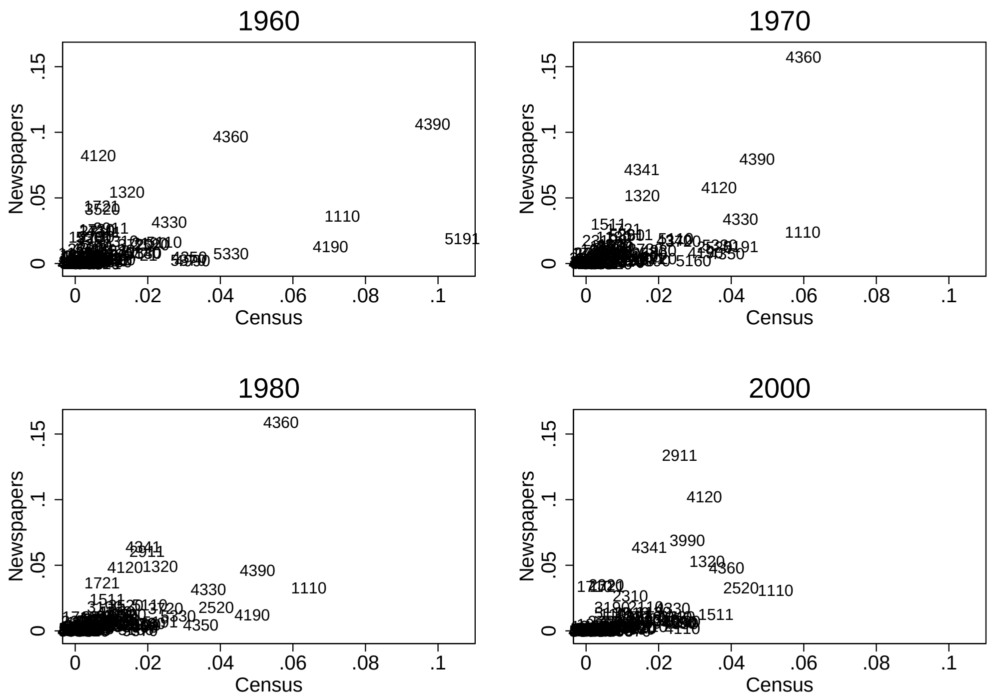
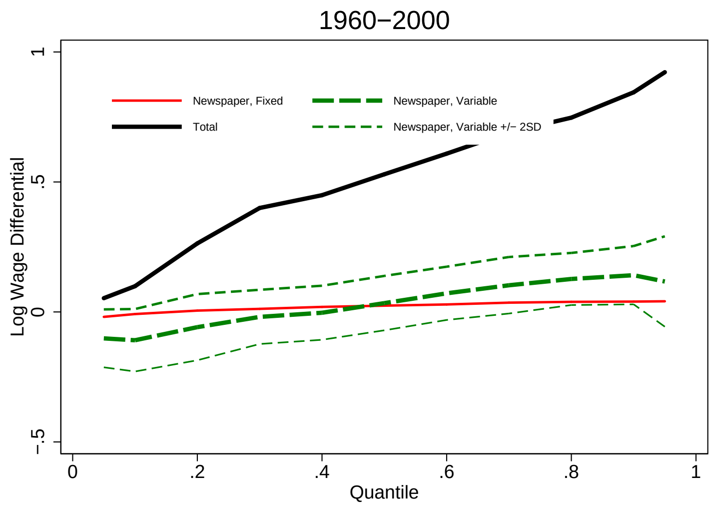
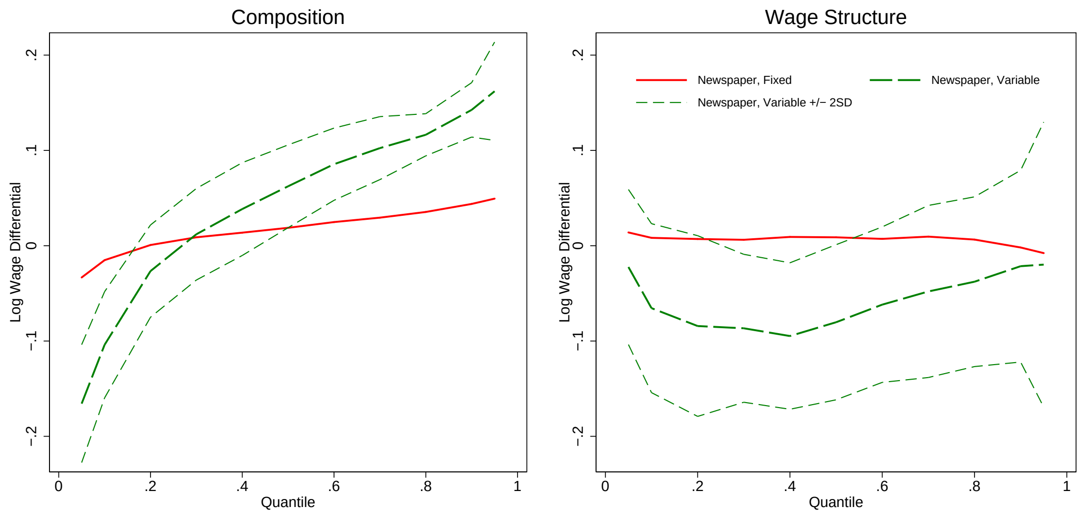


Figure 31: Detailed Decompositions: Boston and New York data



Notes: The panels describe the contribution of individual occupational characteristics, through compositional changes (left panel) and wage structure effects (right panel) to changes in the wage distribution.

Figure 32: Decomposition of Real Log Earnings: Composition and Wage Structure, Boston and New York data



Notes: The left panel describes the contribution of occupational characteristics through compositional changes, using Spitz-Oener (2006)'s definitions of routine and nonroutine tasks. The right panel describes the contribution of occupational characteristics through wage structure effects. The individual components of the composition and wage structure effects can be found in Figure 33.

as measured by their routine cognitive and routine manual task measures account for a 10 log point and 9 log point increase in 90-10 inequality. The contribution of wage structure effects are important for the routine manual task measure, explaining 4 log point increase in 90-10 inequality, with most of this effect occurring in the bottom half of the earnings distribution.

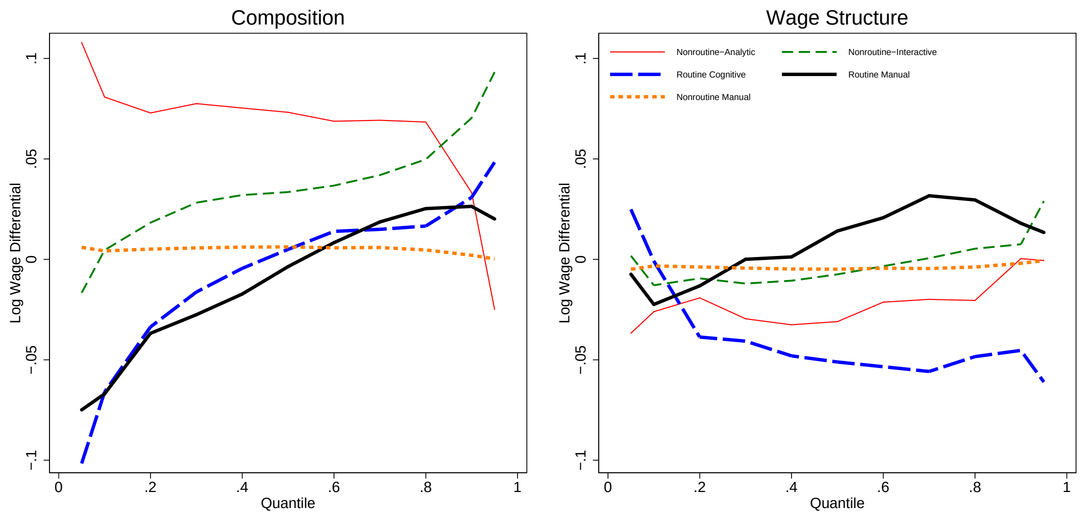
In Figure 34, we present the change in the distribution of earnings between 1960 and 2000, and the changes which are due to technological progress and offshoring, according to the Firpo, Fortin, and Lemieux (2014) definitions of O*NET Elements. The task measures, here, contribute a 46 log point increase in 90-10 inequality (though the 2 standard deviation confidence interval spans 0.24 to 0.69.)

Finally, in Figure 35, we break down the contribution of the composition and wage structure effects. As in Section 5.1, the wage structure effects rather than composition effects account for the majority of the increase in labor earnings inequality.

E.4 Decompositions which use the CPS Merged Outgoing Rotation Group

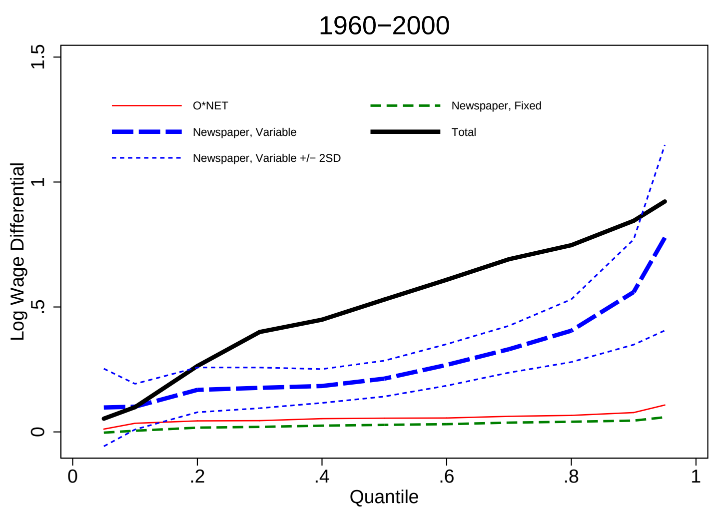
Firpo, Fortin, and Lemieux (2014) used the CPS Merged Outgoing Rotation Group (MORG)

Figure 33: Detailed Decompositions: Boston and New York data



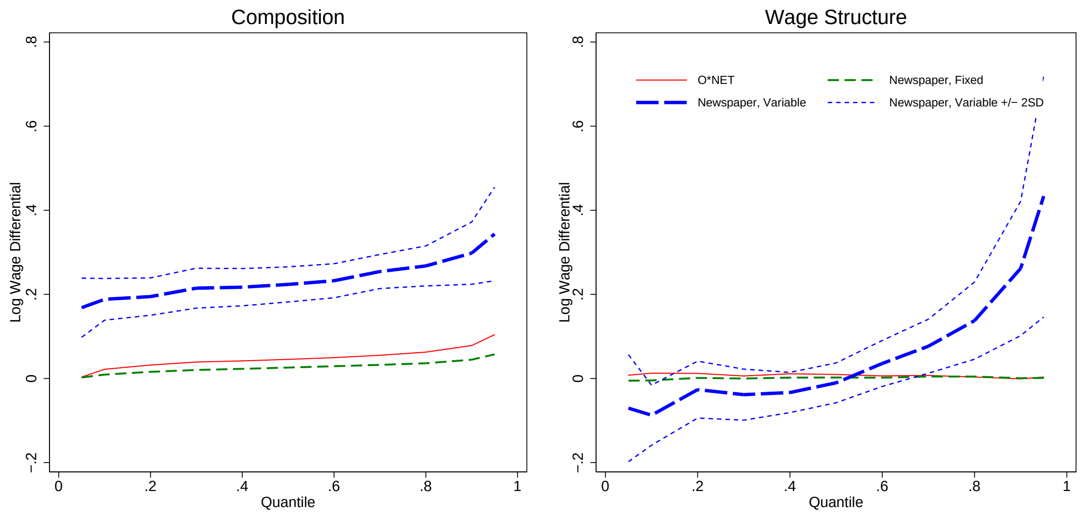
Notes: The panels describe the contribution of individual occupational characteristics, through compositional changes (left panel) and wage structure effects (right panel) to changes in the wage distribution. In this panel we use the newspaper-based task measures which are allowed to vary within occupations across time.

Figure 34: Decomposition of Real Log Earnings: Boston and New York data



Notes: The thick solid line presents changes in log wage income of workers at different quantiles of the income distribution. The thin solid line and dashed lines give the contribution of occupations (both through the composition effects and wage structure effects) using three different measures of occupational characteristics.

Figure 35: Decomposition of Real Log Earnings: Composition and Wage Structure, Boston and New York data



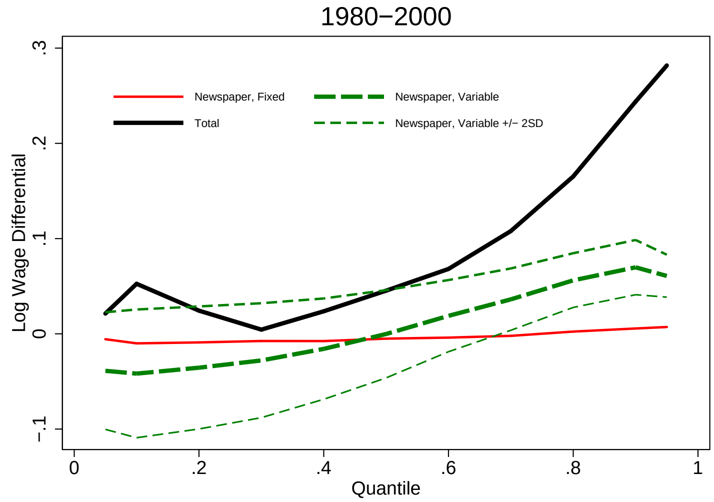
Notes: The left panel describes the contribution of occupational characteristics through compositional changes, using Firpo, Fortin, and Lemieux (2014)'s O*NET based definitions. The right panel describes the contribution of occupational characteristics through wage structure effects. The individual components of the composition and wage structure effects can be found in Figure 31.

to form the sample for their RIF-based decompositions (these authors used the 1976-1978 May CPS in the first few years of the sample, to extend the period over which union status could be measured.) In our baseline analysis, we used the decennial census, leading us to use workers' labor income earnings as an outcome measure (as opposed to hourly wages). We chose the decennial census to extend the sample period as far back as our newspaper data would allow, while recognizing that total labor income earnings are not the ideal measure of the demand for individual workers' labor. In this appendix, we recompute Figures 8 to 11 using data from the 1980-2000 MORG. As in the body of the paper, but unlike in Appendix E.3, our sample of workers includes those from the entire United States. Over this period, the 90-10 and 90-50 ratios of hourly workers increased by 19 percentage points and 20 percentage points respectively.

Figures 36, 37, and 38 present decomposition results, now using Spitz-Oener (2006)'s task measures. In Figure 36, we plot the change, via both composition and wage structure effects, accounted by our task measures. Our task measures account for a 11 percentage point increase in 90-10 wage inequality.

Figure 37 plots the composition and wage structure effects separately. The task measures, through composition effects, account for a 14 percentage point increase in 90-10 wage inequality (with a 2-standard deviation confidence interval of 7 to 21 percentage points).

Figure 36: Decomposition of Real Log Hourly Wage: MORG Data



Notes: The figure describes the contribution of occupational characteristics, through both compositional and wage structure changes, using Spitz-Oener (2006)'s definitions of routine and nonroutine tasks.

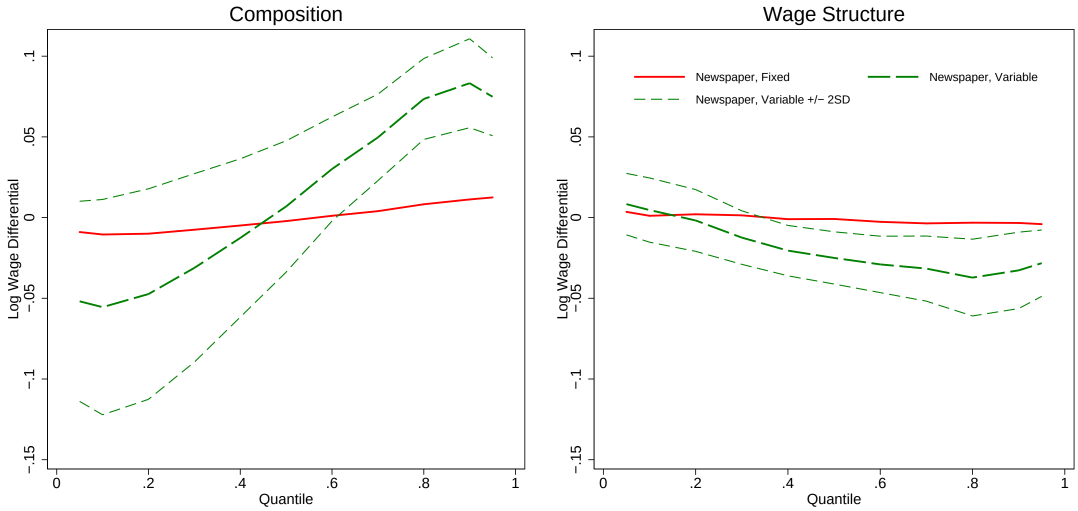
The wage effects account for a negligible portion of wage inequality. Figure 38 plots the composition and wage structure effects, separately for each of Spitz-Oener (2006)'s task measures. In Figure 38, we plot the results from the corresponding detailed decompositions. As in the benchmark specification, changes in the composition of workers' jobs (measured by their routine cognitive and routine manual tasks) are the primary contributors of increasing wage inequality.

In the remaining figures in this subsection, we re-compute our wage decompositions, now using Firpo, Fortin, and Lemieux (2014)'s occupational measures. Firpo, Fortin, and Lemieux (2014)'s measures of technological changes and offshorability account (combining both the composition and wage structure effects) for a 8 percentage point increase in the 90-10 ratio (with the two standard deviation confidence interval of 0.04 to 0.12) and a 5 percentage point increase in the 90-50 ratio of hourly wages, with the entire effects being due to the composition effects (see Figure 40, where we resent the composition and wage structure effects separately). Decompositions based on time-invariant occupational measures account for at most a 1 percentage point increase in 90-10 or 90-50 inequality

F Details of the Section 5.2 Model

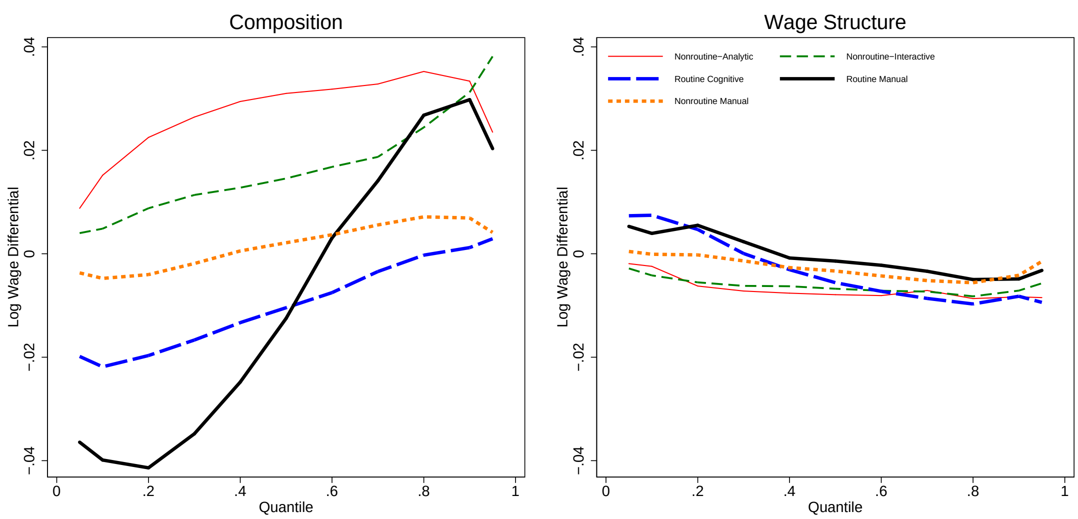
In this section, we describe the assumptions necessary to derive the empirical specification for our RIF-regression decomposition from Equation 4. We then delineate two algorithms,

Figure 37: Decomposition of Real Log Hourly Wage: Composition and Wage Structure, MORG Data



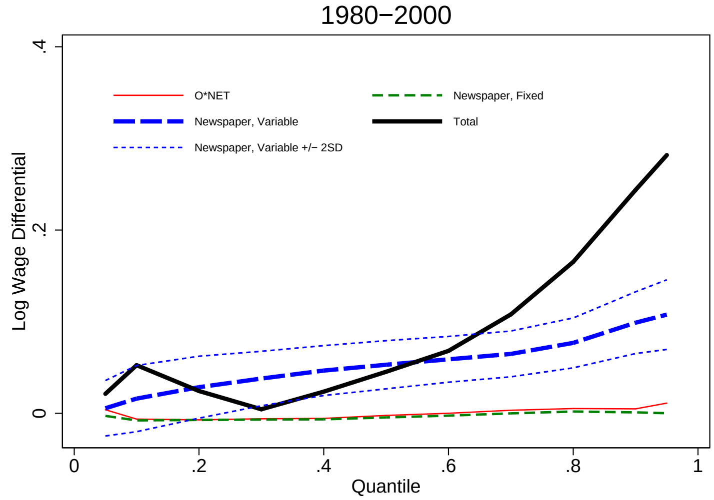
Notes: The left panel describes the contribution of occupational characteristics through compositional changes, using Spitz-Oener (2006)'s definitions of routine and nonroutine tasks. The right panel describes the contribution of occupational characteristics through wage structure effects. The individual components of the composition and wage structure effects can be found in Figure 38.

Figure 38: Detailed Decompositions: MORG Data



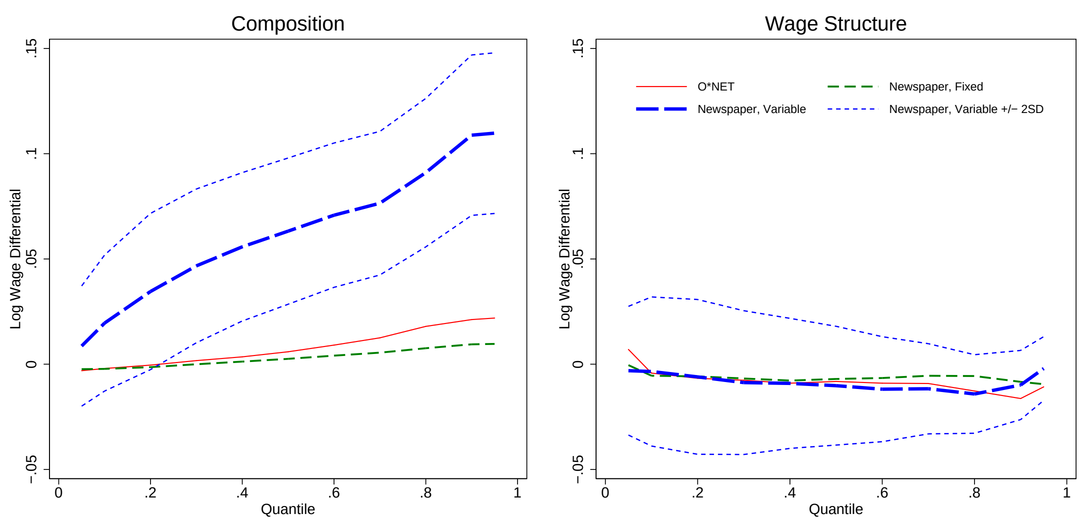
Notes: The panels describe the contribution of individual occupational characteristics, through compositional changes (left panel) and wage structure effects (right panel) to changes in the wage distribution. In this panel we use the newspaper-based task measures which are allowed to vary within occupations across time.

Figure 39: Decomposition of Real Log Hourly Wage: MORG Data



Notes: The thick solid line presents changes in log wage income of workers at different quantiles of the income distribution. The thin solid line and dashed lines give the contribution of occupations (both through the composition effects and wage structure effects) using three different measures of occupational characteristics.

Figure 40: Decomposition of Real Log Hourly Wage: Composition and Wage Structure, MORG Data



Notes: The left panel describes the contribution of occupational characteristics through compositional changes, using Firpo, Fortin, and Lemieux (2014)'s O*NET based definitions. The right panel describes the contribution of occupational characteristics through wage structure effects.

the first to compute the counterfactual changes in groups' wages, and the second to apply those changes in groups' wages to compute changes in the overall distribution (within-group and between group) of wages. Throughout this section use $\hat{X}$ to refer to the ratio of variable X from one period to the next: $\hat{X} = \frac{X_{t+\tau}}{X_t}$.

Linking the Model of Occupations as a Bundle of Tasks to the RIF Regressions

In motivating our RIF-regression based decomposition, we begin by relating the price of occupation-j specific output with the prices of its constituent tasks:[38]

$$\log P_{jt} = \log \pi_{0t} + \sum_{h=1}^{H} T_{hjt} \log \pi_{ht}. \tag{11}$$

With the pricing equation (11) our wage equation (4) becomes:

$$\log W_{ijt} = \log \pi_{0t} + \sum_{h=1}^{H} T_{hjt} \log \pi_{ht} + \sum_{h=1}^{H} T_{hjt} \log S_{gh} + \log \epsilon_{ijt}. \tag{12}$$

We next assume that individual i's ability to perform task h at time time t is linearly related to a set K of observable characteristics so that the underlying skill of group g individuals in performing task h can be written as $\log S_{gh} = \sum_{k=1}^{K} b_{hk} \tilde{S}_{gk}$. With this assumption, Equation 12 implies:

$$\log W_{ijt} = \log \pi_{0t} + \sum_{h=1}^{H} T_{hjt} \log \pi_{ht} + \sum_{k=1}^{K} \alpha_{kj} \tilde{S}_{kg} + \log \epsilon_{ijt}, \tag{13}$$

where, again, $\tilde{S}_{gk}$ is an observable skill characteristic k for an individual in group g. We further simplify and further impose $\alpha_{kj} = \alpha_k$ for all occupations j. This restriction generates the wage setting equation which we apply in our decompositions. In sum, to arrive at Equation (13) — which is equivalent to Equation (2) in the body of the paper — we simplify our model of tasks and occupations by assuming that (i) task prices are equalized across occupations, and (ii) workers do not sort on either observable (since $\tilde{S}_{kg}$ is the same for all occupations) or unobservable characteristics.

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[38] This is the akin to the formulation in Yamaguchi (2012). To motivate this equation, suppose that workers can "un-bundle" their tasks in the sense of Heckman and Scheinkman (1987) and sell these tasks to a competitive firm in their occupation. This competitive firm produces according to the production technology embodied in Equation 3, and hires workers to produce task h in return for a wage of π_{ht}. The firm's cost minimization implies that the cost of producing a unit of output is log-linearly related to the price of the tasks purchased in the labor market.

Algorithm to Compute Counterfactual Changes in Wages

1. Start with an occupational price guess $\hat{P}^{[0]}$.

2. Compute

$$\hat{W}_{gj}^{[1]} = \hat{P}_j^{[0]} \prod_h (S_{hi})^{T_{hj}\left(\hat{T}_{hj}-1\right)}$$

$$\hat{\lambda}_{gj}^{[1]} = \frac{\left(\hat{W}_{gj}^{[1]}\right)^\theta}{\sum_{j'} \lambda_{gj'} \left(\hat{W}_{gj}^{[1]}\right)^\theta}$$

$$\widehat{\bar{W}_g}^{[1]} = \left(\sum_j \left(\hat{W}_{gj}^{[1]}\right)^\theta \lambda_{gj}\right)^{1/\theta}$$

3. Compute the excess demand function

$$\begin{aligned} Z_j^{[1]} &= \hat{E}^{[1]} - \sum_{g=1}^{G} \widehat{\bar{W}_g}^{[1]} \hat{\lambda}_{gj}^{[1]} \chi_{gj} \\ &= \sum_{g=1}^{G} \widehat{\bar{W}_g}^{[1]} \xi_g - \sum_{g=1}^{G} \widehat{\bar{W}_g}^{[1]} \hat{\lambda}_{gj}^{[1]} \chi_{gj} \end{aligned}$$

4. Compute the new prices

$$\hat{P}_j^{[1]} = \hat{P}_j^{[0]} + \nu Z_j^{[1]}$$

   for some small adjustment number ν. We also need to normalize $P_1^{[1]} = 1$.

5. Check for convergence, otherwise go back to 2.

Algorithm to Simulate the Distribution of Wages

Given $\bar{W}_{g,1960}$ and $\widehat{\bar{W}_g}$ (constructed from the previous algorithm), we now know $\bar{W}_{g,t}$. Note that the distribution of wages for each type g in this model is Frechet, with parameters $\left(\bar{W}_{g,t}, \theta\right)$. To get at the distribution of wages within the model:

1. Fix a large number $\bar{L}^{sim}$ which controls the size of the simulation. We use $\bar{L}^{sim} = 10^6$.

2. For each group g, sample $\bar{L}^{sim} \times \sum_{j=1}^{J} \lambda_{gj}$ wages. To do so, draw for each observation in group i a unit exponential $\mathcal{U}$ and then apply the transformation $W = \bar{W}_{g,t} \cdot \mathcal{U}^{-1/\theta}$.

3. The vector of all W is a sample of wages in this economy.