Course Description and Requirements

The purpose of this portion of the course is to provide a selected survey of topics in labor economics including: human capital, estimating the returns to education, discrimination, and unions, to name a few. The course will focus on empirical work designed to test microeconomic theories of labor markets.

The grade for the course will be determined by an exam given at the end of the semester, the paper, and participation in the assignments over the course of the semester. The exam counts for a 40 percent of the final grade, the paper counts for 40%, and the assignments count for 20 percent. The paper should contain an empirical section with estimates from a microdata set. I will give you more details about the requirements for the paper early in the semester. As for assignments, students will be expected to present a selection of papers on the syllabus in class, and to write a referee report.

The course has four main goals: to introduce some of the current issues in labor economics, to increase familiarity with the common econometric techniques used in labor economics, to increase knowledge of data sources, and to help students start thinking about research topics in labor economics.

Preliminary Reading List

* Indicates required readings. The reading list is subject to change, including the addition and subtraction of *'s.

I. Labor Demand

A. Static Labor Demand


B. Dynamic Labor Demand


II. Education, Earnings, and Experience

A. Human Capital


J. Mincer, Schooling, Experience, and Earnings, Columbia University Press, 1994


B. Specific Human Capital Investments and Training


C. Returns to Education


i. Signalling


ii. Natural Experiments


iii. School Quality


III. Discrimination and Differentials by Race and Gender


IV. Unions and Collective Bargaining

A. Background, Growth and Decline


B. Modelling Union Behavior


C. Union Wage and Non-Wage Effects


D. Dispute Resolution

i. Strikes


ii. Arbitration


V. Program Evaluation

A. Experiments

i. Income Maintenance Experiments


ii. Unemployment Insurance Bonus Experiment


iii. Training Program


iv. Education


B. Natural Experiments


C. Other attempts at evaluation