Economics 886.01
Current Topics in Labor Economics
Spring 2009

S. Seitz
21 Campanella, Room 493
(617) 552-6042
seitzsh@bc.edu

Course Time: The course is scheduled for Mondays and Wednesdays from 1:30pm-3:00pm in Campanella 480P.

Office Hours: By appointment.

Course Content This course is a continuation of EC 885. The principal purpose of the course is to introduce students to contemporary empirical research in labor economics and to further develop the tools needed for completing a dissertation in labor economics. We will focus on four core topics: labor supply, economics of the family, human capital and asymmetric information. Equal attention is focused on the theoretical underpinnings of each subject, the alternative empirical methods for testing the implications of micro-economic models and assessing the evidence that the application of these methods has produced.

Course Format, Requirements and Evaluation
The class format will be \( \frac{2}{3} \) lectures, and \( \frac{1}{3} \) presentation of papers by students. Active participation is expected by all students during the lectures and student presentations. The following class requirements mirror many aspects of the job of a professor, so this class will give you some idea of what you are signing up for after graduation!

- You will present an article of your choice from the reading list in class. (10%)
- The audience is expected to ask questions and actively participate in both my lectures and the presentations by other students. (5%)
- You will write a referee report during the semester on a paper I have been asked to referee for a journal. (10%)
• You will be **required** to attend all the labor seminars (including those in the dissertation workshop) in the Department seminar series and to read the papers in advance, as we will discuss the papers in class. (5%)

• You will be required to write the front end of an original research paper covering either a topic covered in class or some other topic related to labor economics (subject to approval). In particular, you will need to develop a well motivated question, write down an appropriate model for answering the question, identify a data source that is suitable for answering your question, and provide some preliminary statistics and a rough plan for estimation. A paper proposal is due on **February 25** and the paper is due on the last day of classes. (30%)

• You will be required to write a final exam (40%)

**Readings:**

There is no text for this course. All of the readings should be readily available either from JStor, the library, or from me. The reading list contains far more papers than we will be able to cover in the lectures and I will announce in advance which papers will be included in the lectures. The others are good references for those writing papers in the area. The readings that will be covered in the lectures are noted by (*).

**Academic Integrity:**

Boston College values the academic integrity of its students and faculty. It is your responsibility to familiarize yourself with the university’s policy on academic integrity: [http://www.bc.edu/offices/stserv/academic/resources/policy/#integrity](http://www.bc.edu/offices/stserv/academic/resources/policy/#integrity). If you have any questions, always consult your professor.

Violations of academic integrity will be reported to your class dean and judged by the academic integrity committee in your school. If you are found responsible for violating the policy, penalties may include a failing grade as well as possible probation, suspension, or expulsion, depending on the seriousness and circumstances of the violation.
1  Introduction and Review of Basic Time Allocation Model (1 lecture)

No readings.

2  Methodology (1 lecture)


3  Static Labor Supply (2 lectures)


## 4 Family Labor Supply (2 lectures)


## 5 Introduction to Dynamic Discrete Choice Models (3 lectures)


6 Dynamic Labor Supply (1 lecture)


7 Economics of the Family (4 lectures)


8 Human Capital

8.1 Human Capital Investment Problems (3 lectures)


### 8.2 Equilibrium Models of Human Capital Investment (1 lecture)


### 9 Asymmetric Information in the Labor Market

### 9.1 Signalling Models (2 lectures)


9.2 Principal-Agent Problems (1 lecture)


9.3 Moral Hazard (2 lectures)


