

Syllabus: Seminar in Labor Economics I
Economics 8676
Fall 2021
Tu-Th 12:45PM - 2:00PM
CASE E313

Prof. Richard Mansfield
Office: ECON 206C
Office Hours: Monday 10:15AM-11:45AM, Thursday 2:00PM-3:30PM

August 18, 2021

1 Course Format

This course is designed to expose students to the current frontier of research on a collection of prominent topics within Labor Economics. The goal is to develop students' understanding of (a) how to evaluate both individual articles and the literature more generally within a particular topic, and (b) how to generate ideas for research that will advance the field.

With this goal in mind, for each topic I will provide an overview of the key theoretical and econometric issues relevant to the topic, and lead a discussion of the methods and findings of several important papers. Students are expected to ask questions during the presentation.

Students will also be asked to submit short (1/2 page) summaries or analysis of the primary reading for the day. These are primarily meant to ensure that each student has done the requisite reading and is prepared to contribute to the class discussion.

The final two weeks of the course will be spent helping you generate your own research ideas by providing descriptions of key datasets in labor economics, big questions that the field has not satisfactorily addressed, and feedback on your nascent ideas.

2 Assignments and Grading

You will be graded on your midterm exam (25%), your final proposal (25%), two applied problem sets (35%), and class participation/summaries (15%).

The first problem set will involve replicating the results of Willis and Rosen (1979), which will be covered early in the semester. For the second problem set will involve coding the estimation of a very simple dynamic discrete choice model.

The midterm exam (just before Thanksgiving break) will focus on your comprehension of the papers covered in class and in required readings. The final proposal will consist of a 6-10 pages describing a novel research question, requisite data, theoretical model, and approach to identification and estimation. Further details on the proposal will be provided during the course. The class participation score will be based on attendance, oral participation in class, and the reading summaries described above.

3 General Reference Materials

Angrist, J. D., and J.-S. Pischke (2008): *Mostly harmless econometrics: An empiricist's companion*. Princeton university press.

Ashenfelter, O., and D. Card (1999): *The Handbook of Labor Economics, Volumes 3a-c*. Amsterdam: North Holland Press.

——— (2010): *Handbook of labor economics*. Elsevier.

Cuhuc, P., and A. Zylberberg (2004): *Labor Economics*. MIT Press, Chapter 2.

Ehrenberg, R., and R. Smith (2008): *Modern Labor Economics, 10th Edition*. Pearson/Addison Wesley, Chapters 3-5.

Gibbons, R. (1992):

Blundell, R., and M. C. Dias

Blundell, R., and T. MaCurdy (1999): "Labor Supply," in *Handbook of Labor Economics: Vol. 3*, ed. by O. Ashenfelter, and D. Card, pp. 1559{1695. North Holland: Amsterdam.

Camerer, C., L. Babcock, G. Loewenstein, and R. Thaler (1997): "The Labor Supply of New York City Cab Drivers: One Day at a Time," *Quarterly Journal of Economics*, 112(2), 407{441.

Chetty, R. (2012): "Bounds on elasticities with optimization frictions: A synthesis of micro and macro evidence on labor supply,"

Hamermesh, D.

- (2014b): "Measuring the impacts of teachers II: Teacher value-added and student outcomes in adulthood," *The American Economic Review*, 104(9), 2633{2679.
- § Deming, D., and C. Walters (2017): "The impacts of price and spending subsidies on us postsecondary attainment," *NBER Working Paper*.
- Altonji, J., T. Elder, and C. Taber (2005): "Selection on Observed and Unobserved Variables: Assessing the Effectiveness of Catholic Schools," *Journal of Political Economy*, 113(1), 151{184.
- Angrist, J. D., P. D. Hull, P. A. Pathak, and C. R. Walters (2017): "Leveraging lotteries for school value-added: Testing and estimation," *The Quarterly Journal of Economics*, 132(2), 871{919.
- Bettinger, E. P., B. T. Long, P. Oreopoulos, and L. Sanbonmatsu (2012): "The Role of Application Assistance and Information in College Decisions: Results from the H&R Block Fafsa Experiment," *The Quarterly Journal of Economics*, 127(3), 1205{1242.
- Cunha, F., J. Heckman, and S. Schennach (2010): "Estimating the Technology of Cognitive and Non-Cognitive Skill Formation," *Econometrica*, 78(3), 883{931.
- Dobbie, W., and R. F. Jr. (2011): "Are High-Quality Schools Enough to Increase Achievement Among the Poor? Evidence from the Harlem Children's Zone," *American Economic Journal - Applied Economics*, 3(3), 158{187.
- Meghir, C., and S. Rivkin (2010): "Econometric Methods for Research in Education," NBER Working Paper 16003. Prepared for the Handbook of Education.
- Muralidharan, K., A. Singh, and A. J. Ganimian (2016): "Disrupting education? Experimental evidence on technology-aided instruction in India," Discussion paper, National Bureau of Economic Research.
- Oreopoulos, P. (2006): "Estimating Average and Local Treatment Effects When Compulsory Schooling Laws Really Matter," *American Economic Review*, 96(1), 152{175.
- Todd, P., and K. Wolpin (2003): "On the Specification and Estimation of the Production Function for Cognitive Achievement," *The Economic Journal*, 113(485), F3{F33.

4.7 Amenities and Local Labor Markets

\$ Bayer, P., R. McMillan, A. Murphy, and C. Timmins (2016): "A dynamic model of demand for houses and neighborhoods," *Econometrica*, 84(3), 893{942.

\$ Busso, M., J. Gregory, and P. Kline (2013): "Assessing the incidence and efficiency of a prominent place based policy," *The American Economic Review*, 103(2), 897{947.

\$ Kline, P., and E. Moretti (2014): "People, places, and public policy: Some simple welfare economics of local economic development programs," .

\$ Roback, J. (1982): "Wages, Rents, and the Quality of Life," *Journal of Political Economy*, 90, 1257{1278.

\$ Rosen, S. (1974): "Hedonic Prices and Implicit Markets: Product Differentiation in Pure Competition," *Journal of Political Economy*, 82(1), 34{55.

Anelli, M., and F. Koenig (2021): "Willingness to Pay for Workplace Safety," .

Bayer, P., F. Ferreira, and R. McMillan (2007): "A Unified Framework for Measuring Preferences of Schools and Neighborhoods," *Journal of Political Economy*, 115(4), 588{638.

Chay, K., and M. Greenstone (2005): "Does Air Quality Matter? Evidence from the Housing Market," *Journal of Political Economy*, 113(2), 376{424.

Chetty, R., N. Hendren, and L. F. Katz (2016): "The effects of exposure to better neighborhoods on children: New evidence from the Moving to Opportunity experiment," *The American Economic Review*, 106(4), 855{902.

Chetty, R., N. Hendren, P. Kline, and Eerdand

Enrico, M. (2011): "Local labor markets," *Handbook of labor economics*, 4, 1237-1313.

Greenstone, M., R. Hornbeck, and E. Moretti (2010): "Identifying agglomeration spillovers: Evidence from winners and losers of large plant openings," *Journal of Political Economy*, 118(3), 536-598.

Kline, P., and E. Moretti (2013): "Local Economic Development, Agglomeration Economies, and the Big Push: 100 Years of Evidence from the Tennessee Valley Authority," *Quarterly Journal of Economics*, Forthcoming.

4.8 Labor Market Search/Wage Equilibrium

§ Jarosch, G., J. Nimcsik, and I. Sorkin (2019): "Granular Search, Market Structure, and Wages," .

Cahuc, P., F. Postel-Vinay, and

Mortensen, D. (2003):

- Chiappori, P.-A., and B. Salanie (2014): "The econometrics of matching models," *forthcoming Journal of Economic Literature*.
- Choo, E. (2015): "Dynamic marriage matching: An empirical framework," *Econometrica*, 83(4), 1373{1423.
- Fox, J. T. (2009): "Structural empirical work using matching models," *New Palgrave Dictionary of Economics. Online edition*.
- Galichon, A., and B. Salanie (2012): "Cupid's Invisible Hand: Social Surplus and Identification in Matching Models," .
- Mourifie, I., and A. Siow (2021): "The Cobb-Douglas marriage matching function: Marriage matching with peer and scale effects," *Journal of Labor Economics*, 39(S1), S239{S274.
- Roth, A. E., and M. A. O. Sotomayor (1992): *Two-sided matching: A study in game-theoretic modeling and analysis*, no. 18. Cambridge University Press.

5 University Policies

5.1 Classroom Behavior

Both students and faculty are responsible for maintaining an appropriate learning environment in all instructional settings, whether in person, remote or online. Those who fail to adhere to such behavioral standards may be subject to discipline. Professional courtesy and sensitivity are especially important with respect to individuals and topics dealing with race, color, national origin, sex, pregnancy, age, disability, creed, religion, sexual orientation, gender identity, gender expression, veteran status, political affiliation or political philosophy. For more information, see the policies on classroom behavior and the Student Conduct & Conflict Resolution policies.

5.2 Requirements for COVID-19

requirements will be referred to Student Conduct and Conflict Resolution. For more information, see the policy on classroom behavior and the Student Code of Conduct. If you require accommodation because a disability prevents you from fulfilling these safety measures, please follow the steps in the "Accommodation for Disabilities" statement on this syllabus.

As of Aug. 13, 2021, CU Boulder has returned to requiring masks in classrooms and laboratories regardless of vaccination status. This requirement is a temporary precaution during the delta surge to supplement CU Boulder's COVID-19 vaccine requirement. Exemptions include individuals who cannot medically tolerate a face covering, as well as those who are hearing-impaired or otherwise disabled or who are communicating with someone who is hearing-impaired or otherwise disabled and where the ability to see the mouth is essential to communication. If you qualify for a mask-related accommodation, please follow the steps in the "Accommodation for Disabilities" statement on this syllabus. In addition, vaccinated instructional faculty who are engaged in an indoor instructional activity and are separated by at least 6 feet from the nearest person are exempt from wearing masks if they so choose.

Students who have tested positive for COVID-19, have symptoms of COVID-19, or have had close contact with someone who has tested positive for or had symptoms of COVID-19 must stay home. If you are sick or quarantined, inform the professor. If you need to miss more than two classes, you can set up a Zoom meeting with the professor to formulate a plan to catch up.

5.3 Accommodation for Disabilities

If you qualify for accommodations because of a disability, please submit your accommodation letter from Disability Services to your faculty member in a timely manner so that your needs can be addressed. Disability Services determines accommodations based on documented disabilities in the academic environment. Information on requesting accommodations is located on the Disability Services website. Contact Disability Services at 303-492-8671 or dsinfo@colorado.edu for further assistance. If you have a temporary medical condition, see Temporary Medical Conditions on the Disability Services website.

5.4 Preferred Student Names and Pronouns

CU Boulder recognizes that students' legal information doesn't always align

retaliation, to ensure that individuals impacted receive information about their rights, support resources, and reporting options.

5.7 Religious Holidays

Campus policy regarding religious observances requires that faculty make every effort to deal reasonably and fairly with all students who, because of religious obligations, have conflicts with scheduled exams, assignments or required attendance. If you expect to miss an exam in order to observe a religious holiday, you must communicate this request to the professor prior to Tuesday, August 31st.