

Syllabus: Seminar in Labor Economics I
Economics 8676
Fall 2019
Mon-Wed 10:30AM - 11:45A
ECON 5

Prof. Richard Mansfield
Office: ECON 206C
Office Hours: Thurs. 10:00AM-Noon, Fri. 10:00AM - 11:00AM

August 23, 2019

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): *Game Theory for Applied Economists*. Princeton: Princeton University Press.

Hamermesh, D. (1993): *Labor Demand*. Princeton University Press, Chapters 1-3.

Matyas, L., and P. Sevestre (2008): *The Econometrics of Panel Data, 3rd Edition*. Berlin: Springer-Verlag.

4 Course Topics and Associated Reading Lists

\$ indicates a required reading, to be discussed in class.

indicates a paper to be presented by a student.

4.1 Empirical Methods in Labor Economics

Adda, J., and R. Cooper (2003): *Dynamic economics: quantitative methods and applications*. The MIT Press.

Aguirregabiria, V., and P. Mira (2010): "Dynamic discrete choice structural models: A survey," *Journal of Econometrics*, 156(1), 38{67.

Angrist, J., and A. Krueger (1999): "Empirical Strategies in Labor Economics," in *Handbook of Labor Economics: Vol. 3A*, ed. by O. Ashenfelter, and D. Card, pp. 1277{1366. North Holland: Amsterdam.

- Blundell, R., and M. C. Dias (2009): "Alternative Approaches to Evaluation in Empirical Microeconomics," *Journal of Human Resources*, 44(3).
- Charness, G., and P. Kuhn (2011): "Lab Labor: What Can Labor Economists Learn from the Lab?," *Handbook of Labor Economics*, 4, 229{330.
- Christensen, B. J., and N. Kiefer (2009): *Economic modeling and inference*. Princeton Univ Pr.
- Imbens, G., and T. Lemieux (2008): "Regression Discontinuity Designs: A Guide to Practice," *Journal of Econometrics*, 142, 615{635.
- Keane, M. (2010): "Structural vs. Atheoretic Approaches to Econometrics," *Journal of Econometrics*, 156(1), 3{20.
- Meyer, B. (1994): "Natural and Quasi-Experiments in Economics," NBER Working Paper 170.
- Rothenberg, T. (1971): "Identification in Parametric Models," *Econometrica*, 39(3), 577{591.
- Wolpin, K. (2007): "Ex Ante Policy Evaluation, Structural Estimation and Model Selection," *American Economic Review*, 97(2), 48{52.

4.2 Labor Supply

- \$ Burtless, G., and J. Hausman (1978): "The Effect of Taxation on Labor Supply," *Journal of Political Economy*, 86(6), 1103{1131.
- \$ Chetty, R. (2011): "Bounds on Elasticities with Optimization Frictions: A Synthesis of Micro and Macro Evidence on Labor Supply," NBER Working Paper 15616.
- \$ Eckstein, Z., and K. Wolpin (1989): "Dynamic Labour Force Participation of Married Women and Endogenous Wage Growth," *Review of Economic Studies*, 56(3), 375{390.
- # Farber, H. S. (2015): "Why you can't find a taxi in the rain and

Martinez, I. Z., E. Saez, and M. Siegenthaler (2018): "Intertemporal Labor Supply Substitution? Evidence from the Swiss Income Tax Holidays," Discussion paper, National Bureau of Economic Research.

Altonji, J. (2001): "Intertemporal Substitution in Labor Supply: Evidence from Micro Data," *Journal of Political Economy*, 94(3), 176{215.

Becker, G. (1965): "A Theory of the Allocation of Time," *Economic*

Zaresani, A. (2019): "Adjustment costs and incentives to work: Evidence from a disability insurance program," .

4.3 Labor Demand

Acemoglu, D., and P. Restrepo (2017): "Robots and Jobs: Evidence from US Labor Markets," Discussion paper, National Bureau of Economic Research.

\$ Acemoglu, D., and P. Restrepo (2018): "Artificial intelligence, automation and work," Discussion paper, National Bureau of Economic Research.

\$ Autor, D., L. Katz, and M. Kearney (2006): "The Polarization of the U.S. Labor Market," *American Economic Review*, 96(2), 189{194.

Autor, D. H., D. Dorn, and G. H. Hanson (2013): "The China syndrome: Local labor market effects of import competition in the United States," *The American Economic Review*, 103(6), 2121{2168.

\$ Cooper, R., J. Haltiwanger, and J. Willis (2004): "Dynamics of Labor Demand: Evidence From Plant-Level Observations and Aggregate Implications," NBER Working Paper 10297.

\$ Hamermesh, D., and G. Pfann (1996): "Adjustment Costs in Factor Demand," *Journal of Economic Literature*, 34(3), 1264{1292.

Meer, J., and J. West (2016): "Effects of the minimum wage on employment dynamics," *Journal of Human Resources*, 51(2), 500{522.

Acemoglu, D., and P. Restrepo (2018): "The race between man and machine: Implications of technology for growth, factor shares, and employment," *American Economic Review*, 108(6), 1488{1542.

Autor, D. H. (2015): "Why are there still so many jobs? The history and future of workplace automation," *The Journal of Economic Perspectives*, 29(3), 3{30.

Autor, D. H., D. Dorn, G. H. Hanson, and J. Song (2014): "Trade adjustment: Worker-level evidence," *The Quarterly Journal of Economics*, 129(4), 1799{1860.

Bewley, T. (1995): "A Depressed Labor Market as Explained by Participants," *American Economic Review*, 85(2), 250-254.

Brown, C. (1999): "Minimum Wages, Employment, and the Distribution of Income," in *The Handbook of Labor Economics, Vol. 3, Part 2*, ed. by O. Ashenfelter, and D. Card, pp. 2101-2163. North Holland: Amsterdam.

Brynjolfsson, E., and A. McAfee (2014): *The second machine age: Work, progress, and prosperity in a time of brilliant technologies*. WW Norton & Company.

Dinardo, J., and D. Card (2002): "Skill-Biased Technical Change and Rising Wage Inequality: Some Problems and Puzzles," *Journal of Labor Economics*, 20(4), 733-783.

Hamermesh, D. (1993): *Labor Demand*. Princeton University Press, Chapters 1-3.

Hellerstein, J., and D. Neumark (2007): "Production Function and Wage Equation Estimation with Heterogeneous Labor: Evidence from a New Matched Employer-Employee Data Set," in *Hard-to-Measure Goods and Services: Essays in Honor of Zvi Griliches*, ed. by E. Berndt, and C. Hulten. University of Chicago Press.

4.4 Human Capital Investment

\$ Ben-Porath, Y. (1967): "The Production of Human Capital and the Life Cycle of Earnings," *Journal of Political Economy*, 75(4), 352-365.

\$ Keane, M., and K. Wolpin (1997): "The Career Decisions of Young Men," *Journal of Political Economy*, 105(3), 473-522.

Todd, P., and K. Wolpin (2006): "Using Experimental Data to Validate a Dynamic Behavioral Model of Child Schooling: Assessing the Impact of a School Subsidy Program in Mexico," *American Economic Review*, 96(5), 1384-1417.

\$ Willis, R., and S. Rosen (1979): "Education and Self-Selection," *Journal of Political Economy*, 87(5), S7-S36.

Becker, G. (1993): *Human Capital, 3rd Edition*. Columbia University Press, Read Part 1, pg. 29-158.

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.

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 and Econometrics (Education,")-dyna(-)-2681(m7(Res)-el-2681(J/P

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

- Christensen, B. J., R. Lentz, D. T. Mortensen, G. R. Neumann, and A. Werwatz (2005): "On-the-job Search and the Wage Distribution," *Journal of Labor Economics*, 23(1), 31{58.
- Cuhuc, P., and A. Zylberberg (2004): *Labor Economics*. MIT Press, Chapters 3 and 9.
- Davis, S. T., and J. Haltiwanger (1992): "Gross Job Creation, Gross Job Destruction, and Employment Reallocation," *Quarterly Journal of Economics*, 107(3), 819{863.
- Manning, A., and B. Petrongolo (2017): "How local are labor markets? Evidence from a spatial job search model," *American Economic Review*, 107(10), 2877{2907.
- Marinescu, I. (2017): "The general equilibrium impacts of unemployment insurance: Evidence from a large online job board," *Journal of Public Economics*, 150, 14{29.
- Marinescu, I., and R. Wolthoff (2016): "Opening the black box of the matching function: The power of words," Discussion paper, National Bureau of Economic Research.
- Mortensen, D. (2003): *Wage Dispersion: Why Are Similar Workers Paid Differently?* Cambridge: MIT Press, All Chapters.
- Mortensen, D., and C. Pissarides (1999): "New Developments in Models of Search in the Labor Market," in *Handbook of Labor Economics, Volume 3 Part 2*, ed. by O. Ashenfelter, and D. Card. Amsterdam: North Holland Press.
- Moscarini, G. (2001): "Excess Worker Reallocation," *The Review of Economic Studies*, 68, 593{612.
- Pissarides, C. (2000): *Equilibrium Unemployment Theory*. Cambridge: MIT Press.
- Postel-Vinay, F., and J.-M. Robin (2002): "Equilibrium wage dispersion with worker and employer heterogeneity," *Econometrica*, 70(6), 2295{2350.
- Rogerson, R., and R. Shimer (2011): "Search in macroeconomic models of the labor market," *Handbook of Labor Economics*, 4, 619{700.

Shimer, R. (2005): "The Assignment of Workers to Jobs in an Economy with Coordination Frictions," *Journal of Political Economy*, 113(5), 996{1025.

Taber, C., and R. Vejlín (2016): "Estimation of a Roy, search, compensating differential model of the labor market," Discussion paper, National Bureau of Economic Research.

4.10 Matching Markets

Choo, E., and A. Siow (2006): "Who marries whom and why," *Journal of political Economy*, 114(1), 175{201.

Abdul kadiroglu, A., J. D. Angrist, Y. Narita, and P. A. Pathak (2015): "Research Design Meets Market Design: Using Centralized Assignment for Impact Evaluation," Discussion paper, Working paper.

Chiappori, P.-A., M. Iyigun, and Y. Weiss (2009): "Investment in schooling and the marriage market," *American Economic Review*, 99(5), 1689{1713.

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*.

——— (2010): "Identification in matching games," *Quantitative Economics*, 1(2), 203{254.

Galichon, A., and B. Salanie (2012): "Cupid's Invisible Hand: Social Surplus and Identification in Matching Models," .

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.

Siow, A. (2015): "Cohabitation Versus Marriage: Marriage Matching with Peer Effects," Discussion paper, Working paper. Department of Economics, University of Toronto, Canada.