I. Course Description and Objectives -
Labor has become a largely empirical field in economics. But, these papers are grounded in a long tradition of theory. Accordingly, Econ 9230 will provide an overview of modern labor economics with a focus on both theory and empirical methods. The course has three main objectives. The first is to provide an understanding of the foundations of modern labor research. The second is to develop a comprehensive toolkit for the evaluation of key economic and policy questions, which will be useful for research in all areas of applied micro. The third is to become familiar with the most recent developments and topics in labor economics.

I hope each week will go as follows: (1) discuss foundational papers to gain intuition and understanding of the mechanics at work; (2) go over some applications of the foundational paper(s) – i.e. empirical work testing the theory or discuss a related paper that is something a PhD student might undertake; (3) a student presents on a new labor paper.

II. Textbook and Readings –
Nearly all lectures will be based on journal articles. I have assigned the following textbook to be used as reference. The edition doesn’t matter.
- Cahuc, Pierre and Andre Zylberberg. 200X. Labor Economics.

I also suggest you know the following very well. I will treat them like a textbook.

A note on articles:
- Articles in **BOLD** will be discussed in class and are game for exams. Please be prepared to discuss these. I will call on students to see if you've been reading.
- Articles in *ITALICS* may or may not be discussed in class but are game for exams as well.
- The remaining articles are useful and would be nice to cite in exams. If I discuss one in class, its fair game.
- I will not post readings, it should be easy enough for you to find them online.
III. Grading –
Your grade will be composed of the following elements:

- **30% Problem sets (3)**
  Problem sets will often include both traditional econ questions (e.g. solving an equilibrium condition, etc.) and computation work (i.e. with Stata). Groups of 2 are allowed. You may work with other students outside of your group, but all groups should not have the same answers.

- **30% In class presentation and referee report (15% each)**
  Each week one student will present a labor paper that is in working paper form. You may not choose a published piece. There are a few places to look for examples, such as: NBER, IZA, the SOLE or AEA meetings, or on economists websites. I will also post some that I think would work well. I will ask you to approve your choice with me, but will give you a lot of leeway. Finding 2 or 3 papers to let me choose from is a good idea too. Please share good ideas with other students according to their interests.
  In class presentation. You will be given 30 minutes to present. I want to you cover, 1) what question is the author asking? 2) what is the identification strategy? 3) what are the findings? If you present well, the class should feel like we've read the paper.

  Referee report. You will also hand in a referee report of the article as if you've been asked to do so by a journal. I will provide you with an example of a referee report or two to use as a guide. The key here is giving good suggestions to the reader and editor briefly. Due the day you present.

- **40% Final exam**
  This will be preparation for your qualifying exam. I expect that one-third of the exam will be setting up and/or solving a model; one-third will be empirical questions; and one-third will be of the format, “what does the literature have to say about _______?” Where I will expect you to discuss key papers, their methods and findings.

**Additional Information:**
All students are responsible for knowing GSU’s Policy on Academic Honesty as published in On Campus: The Undergraduate Co-Curricular Affairs Handbook. If you require special accommodations for exams, you must provide documentation from GSU Disability Services and make arrangements with me prior to the exam dates.

**Note:** The course syllabus provides a general plan for the course; deviations may be necessary.
I. HUMAN CAPITAL

1. Human capital models and empirical returns to schooling

a. Models

- LE – Chapter 2 as reference.

b. Returns

2. Search, Signaling and job match


II. EMPIRICS

3.a Diff-in-Diff-(in-Diff)


3.b Fixed Effects & Ashenfelter's Dip


4.a IV


4.b RD
• Kreisman, D., & Steinberg, M. (2013). The Effect of Increased Funding on Budget Allocations and Student Outcomes: RD and IV Estimates from Texas’s small district adjustment. Unpublished manuscript.

5.a Measurement error

5.b Matched Firm-Worker data

6. Really good empirical work, NEC
• Flavio Cunha paper on uncertainty in hours worked (I will find this).

III. TOPICS

7. Minimum wage, EITC

8. Discrimination.
• J. McCrary (2002), "The Effect of Court-Ordered Hiring Quotas on the Composition and Quality of Police," UC Berkeley, Nov; http://socrates.berkeley.edu/~jmccrary/
9. Schooling 1


6. Neighborhoods in which the author has lived. They are in Rochester, NY, Boston, and Washington, DC, respectively.


10. Schooling 2

IV. TIME PERMITTING

**Technology of Skill formation**

**General vs. Specific Human Capital**

**Wage structure, supply and demand**