

Econ 781 Labour Economics

Winter 2016

Class Time: 15:00-17:50, Monday

Instructor: Shintaro Yamaguchi

Office: KTH 440

e-mail: yamtaro@mcmaster.ca

Office hours: 16:00-17:00, Wednesday

Objective

This course will cover core topics in labour economics at the graduate level. The objective is to train students in the theoretical and quantitative analysis of labour market issues. The course is designed for both MA and PhD students.

Textbook

The following textbook is required for the course:

- Pierre Cahuc, Stéphane Carcillo, and André Zylberberg, *Labor Economics* (2nd edition), MIT Press, 2014.

Topics

1. Labor Supply

- Cahuc, Carcillo, and Zylberberg (2014): Sections 1-3 in Ch.1.
- Wooldridge (2010): Ch. 15 and 19
- Blundell, Duncan, and Meghir (1998)
- Baker, Gruber, and Milligan (2008)
- Schönberg and Ludsteck (2014)

2. Labor Demand

- Cahuc, Carcillo, and Zylberberg (2014): Sections 1-2 in Ch. 2.
- Hamermesh and Trejo (2000)

3. Labor Market Equilibrium

- Cahuc, Carcillo, and Zylberberg (2014): Sections 1-2 in Ch. 3.
- Gruber (1997)
- Anderson and Meyer (2000)

- Olson (2002)

4. Education and Human Capital

- Cahuc, Carcillo, and Zylberberg (2014): Ch. 4.
- Oreopoulos (2006)
- Kambourov and Manovskii (2009)
- Yamaguchi (2012)

5. Wage Inequality

- Cahuc, Carcillo, and Zylberberg (2014): Ch. 10.
- Autor, Levy, and Murnane (2003)
- Autor, Katz, and Kearney (2008)
- Autor, Dorn, and Hanson (2013)

6. Discrimination

- Cahuc, Carcillo, and Zylberberg (2014): Ch. 8.
- Blau and Kahn (1997)
- Mulligan and Rubinstein (2008)
- Yamaguchi (2015)

7. Job Search

- Cahuc, Carcillo, and Zylberberg (2014): Ch. 5.

Evaluation

Evaluation will include the following.

- Problem set (20%)
 - You may work together on the problem set but you must hand in only your own work, expressing your own understanding of the material.
- Presentation (20%)
 - There will be two in-class presentations.
 - All students are required to read the papers and participate in discussion actively.
 - * All students except for the presenter must submit a two-page summary of the paper. Write in your own words, rather than copying from the paper. It must be prepared in 12 pt font and the single spacing with 1 inch margin in all sides. You may be asked to revised and resubmit if not satisfactory.

- * All students except for the presenter must ask a question or make a comment for each presentation.
- Presentation 1 (10%)
 - * The presentation should summarize the main argument, situate the paper in the literature, and assess the paper's contribution.
- Presentation 2 (10%)
 - * You choose a paper from the following journals. The choice must be approved by me.

American Economic Review, Econometrica, Quarterly Journal of Economics, Journal of Political Economy, Review of Economic Studies, Journal of Labor Economics, American Economic Journal (Micro/Macro/Policy/Applied), Quantitative Economics, Economic Journal, International Economic Review, Review of Economics and Statistics, Journal of Econometrics, Journal of Human Resources

- * The presentation will not only summarize the paper, but also make critical arguments and suggest areas where the research could be extended.

- Writing assignment (20%)

- Based on the in-class presentation 2, write an article that summarizes the paper, makes critical arguments, and proposes a new research. It should include feedback from me and other students in presentation 2. The report should be in about 5 pages: 1 page for a summary, 2 pages for critical arguments, and 2 pages for proposing a new research. It must be prepared in 12 pt font and the single spacing with 1 inch margin in all sides.

- Final exam (40%)

The attention of all students is drawn to the Senate Policy Statement on academic ethics and to the Senate Resolution on Academic Dishonesty to which the Statement refers.

References

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- AUTOR, D. H., L. F. KATZ, AND M. S. KEARNEY (2008): "Trends in U.S. Wage Inequality: Revising the Revisionists," *The Review of Economics and Statistics*, 90(2), 300–323.
- AUTOR, D. H., F. LEVY, AND R. J. MURNANE (2003): "The Skill Content of Recent Technological Change: An Empirical Exploration," *Quarterly Journal of Economics*, 118(4), 1279–1333.

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- YAMAGUCHI, S. (2012): “Tasks and Heterogeneous Human Capital,” *Journal of Labor Economics*, 30(1), 1 – 53.
- (2015): “Changes in Returns to Task-Specific Skills and Gender Wage Gap,” Available at <http://dx.doi.org/10.2139/ssrn.2035833>.