

EC356 Labor Economics Syllabus (Spring 2023)

Sophie Li, ywl242@bu.edu

Course Description

The course is designed to help undergraduate students learn about recent developments in empirical research in labor economics. We will delve into highly debatable topics concerning economists (and Twitter enthusiasts): does the minimum wage increase unemployment? Does immigration reduce the wages of local workers? In the meantime, we will also explore topics that would not have even been considered labor economics decades ago: how does fertility affect women's productivity? How much of the gender wage gap could be attributed to having children?

Reading academic papers is an important skill, and this course prepares students to achieve the goal. Over the semester, students are expected to (1) understand how common econometrics models are implemented to perform policy analysis and (2) interpret research findings through figures and tables, and (3) come up with new research ideas based on existing papers.

Textbooks (Optional)

The papers listed below are required readings (and thus will appear on assignments and exams). They are free and will be made available to you via a Dropbox link that will be available on Blackboard.

Several "textbooks" which might be useful to you but are not required:

- Econometrics (DID, RD, IV): Cunningham, S. (2021). *Causal inference: The mixtape*. New Haven: Yale University Press. Retrieved from <https://mixtape.scunning.com/>
- Women in the labor force: Goldin, C. D. (2021). *Career and family: Women's century-long journey toward equity*. Princeton: Princeton University Press.

Reading List (Subject to change)

Introduction: (1 lecture)

Minimum Wage: (3 lectures)

- Card, D., & Krueger, A. B. (1994). Minimum wages and employment: a case study of the fast-food industry in New Jersey and Pennsylvania. *American Economic Review*, 84(4).

- Dube, A., Lester, T. W., & Reich, M. (2010). Minimum Wage Effects Across State Borders: Estimates using Contiguous Counties. *The Review of Economics and Statistics*, 92(4), 945–964.
- Derenoncourt, E., & Montialoux, C. (2021). Minimum Wages and Racial Inequality. In *Quarterly Journal of Economics* (Vol. 136, Issue 1).

Inequality: Measurement and Trends (2 lectures):

- Autor, D. H., Katz, L. F., & Kearney, M. S. (2008). Trends in U.S. wage inequality: Revising the revisionists. *Review of Economics and Statistics* (Vol. 90, Issue 2).
- Autor, Dube, and McGrew (2022). The Unexpected Compression: Competition at Work in the Low Wage Economy. No draft yet but here's a talk about the paper at Princeton: <https://bcf.princeton.edu/events/david-autur-on-the-unexpected-compression-competition-at-work-in-the-low-wage-economy/>

Inequality and Unions (1 lecture)

- Collins, W. J., & Niemesh, G. T. (2019). Unions and the Great Compression of wage inequality in the US at mid-century: evidence from local labour markets. *Economic History Review*, 72(2). <https://doi.org/10.1111/ehr.12744>
- Farber, H., & Herbst, D. & Kuziemko, I., & Naidu, S. (2020). Unions and Inequality over the Twentieth Century: New Evidence from Survey Data. Working Paper.

Unemployment Insurance (2 lectures)

- Boone, C., Dube, A., Goodman, L., & Kaplan, E. (2021). Unemployment Insurance Generosity and Aggregate Employment. *American Economic Journal: Economic Policy*, 13(2). <https://doi.org/10.1257/pol.20160613>
- Schmieder, J. F., von Wachter, T., & Bender, S. (2016). The effect of unemployment benefits and nonemployment durations on wages. *American Economic Review*, 106(3). <https://doi.org/10.1257/aer.20141566>

Education (3 lectures):

- Bleemer, Z., & Mehta, A. S. (Forthcoming). Will Studying Economics Make You Rich? A Regression Discontinuity Analysis of the Returns to College Major. *American Economic Journal: Applied Economics*.
- Bleemer, Z., & Mehta, A. S. (2021). College Major Restrictions and Student Stratification. Working Paper.

- Kearney, M. S., & Levine, P. B. (2019). Early childhood education by television: Lessons from Sesame Street. *American Economic Journal: Applied Economics*, 11(1).

Immigration in the Past (2 lectures)

- Abramitzky, R., Boustan, L. P., & Eriksson, K. (2012). Europe's tired, poor, huddled masses: Self-selection and economic outcomes in the age of mass migration. *American Economic Review*, 102(5).
- Abramitzky, R., Ager, P., Boustan, L. P., Cohen, E. & Hansen, C. (2022). The Effect of Immigration Restrictions on Local Labor Markets: Lessons from the 1920s Border Closure. *American Economic Journal: Applied Economics*, Forthcoming.

Immigration in the Present (2 lectures)

- Card, D. (1990). The Impact of the Mariel Boatlift on the Miami Labor Market. *ILR Review*, 43(2).
- Borjas, G. J. (2017). The Wage Impact of the Marielitos: A Reappraisal. *ILR Review*, 70(5). <https://doi.org/10.1177/0019793917692945>

Intergenerational Mobility: Measurement (2 lectures)

- Chetty, R., Hendren, N., Kline, P., & Saez, E. (2014). Where is the land of opportunity? The geography of intergenerational mobility in the United States. *Quarterly Journal of Economics*, 129(4).
- Chetty, R., Hendren, N., Jones, M. R., & Porter, S. R. (2020). Race and economic opportunity in the United States: An intergenerational perspective. In *Quarterly Journal of Economics* (Vol. 135, Issue 2). <https://doi.org/10.1093/qje/qjz042>
- Ferrie, J. P. (2005). History lessons: The end of American exceptionalism? Mobility in the United States since 1850. In *Journal of Economic Perspectives* (Vol. 19, Issue 3).
- Olivetti, C., & Paserman, M. D. (2015). In the name of the son (and the daughter): Intergenerational mobility in the United States, 1850-1940. *American Economic Review*, 105(8), 2695-2724.
- Long, J., & Ferrie, J. (2018). Grandfathers Matter(ed): Occupational Mobility Across Three Generations in the US and Britain, 1850-1911. *Economic Journal*, 128(612).

Intergenerational Mobility and Race (2 lectures)

- Ager, P., Boustan, L., & Eriksson, K. (2021). The intergenerational effects of a large wealth shock: White southerners after the civil war. *American Economic Review*, 111(11).
- Andrews, Rodney, Marcus Casey, Bradley Hardy, and Trevon Logan. 2017. "Location matters: Historical racial segregation and intergenerational mobility." *Economics Letters*.

Crime and Employment (2 lectures)

- Doleac, J. L., & Hansen, B. (2020). The unintended consequences of "ban the box": Statistical discrimination and employment outcomes when criminal histories are hidden. *Journal of Labor Economics*, 38(2).
- Freedman, M., Owens, E., & Sarah. (2018). Immigration, employment opportunities, and criminal behavior. *American Economic Journal: Economic Policy*, 10(2).

Evidence of Discrimination through Experiments (2 lectures)

- Bertrand, M., & Mullainathan, S. (2004). Are Emily and Greg More Employable Than Lakisha and Jamal? A Field Experiment on Labor Market Discrimination. *American Economic Review*, 94(4).
- Dupas, P., Modestino, A. S., Niederle M., Wolfers, J., & The Seminar Collective. (2021). Gender and the Dynamics of Economics Seminars. NBER Working Paper.

Overview: Women in the Labor Force and the Gender Wage Gap (1 lecture)

- Goldin, C. (2006). The quiet revolution that transformed women's employment, education, and family. *American Economic Review*, 96(2).
- Blau, F. D., & Kahn, L. M. (2017). The gender wage gap: Extent, trends, & explanations. *Journal of Economic Literature*, 55(3).
- Goldin, C. D. (2021). *Career and family: Women's century-long journey toward equity*. Princeton: Princeton University Press. (optional since this is a book)

Fertility (2 lectures)

- Bailey, M. J., Hershbein, B., & Miller, A. R. (2012). The opt-in revolution? Contraception and the gender gap in wages. *American Economic Journal: Applied Economics*, 4(3).

- Gershoni, N., & Low, C. (2021). Older Yet Fairer: How Extended Reproductive Time Horizons Reshaped Marriage Patterns in Israel. *American Economic Journal: Applied Economics*, 13(1).

Occupational Choices (1 lecture)

- Wasserman, M. (2019). Hours Constraints, Occupational Choice, and Gender: Evidence from Medical Residents.

Child Penalty (2 lectures)

- Kleven, Henrik, Camille Landais, and Jakob Egholt Søgaaard. 2019. "Children and Gender Inequality: Evidence from Denmark." *American Economic Journal: Applied Economics*, 11 (4): 181-209.
- Kleven, Henrik, Camille Landais, Johanna Posch, Andreas Steinhauer, and Josef Zweimüller. 2019. "Child Penalties across Countries: Evidence and Explanations." *AEA Papers and Proceedings*, 109: 122-26.
- Kleven, H. (2022). The Geography of Child Penalties and Gender Norms: Evidence from the United States. NBER Working Paper #30176.
- <https://www.nber.org/reporter/2022number4/child-penalties-and-gender-inequality>

Gender Norms (2 lectures)

- Bursztyn, L., Fujiwara, T., & Pallais, A. (2017). 'Acting wife': Marriage market incentives and labor market investments. In *American Economic Review* (Vol. 107, Issue 11).
- Cullen, Z. & Perez-Truglia, R. (2022). The Old Boys' Club: Schmoozing and the Gender Gap. NBER Working Paper.
- Vogl, T. (2013). Marriage Institutions and Sibling Competition: Evidence from South Asia. *Quarterly Journal of Economics*.