

ECON 8220: HUMAN RESOURCES & LABOR MARKETS

Spring, 2025

Instructor: Md Twfiquir (Toufiq) Rahman

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Office hours: By appointment

Time: 4:30-7:00pm

Place: 232 Aderhold Learning

Catalogue Description

The course examines the operation of labor markets, the determination of labor supply, labor demand, and wages, and the impact that market forces and institutions have on the practice of human resource management and employment relations. A variety of public policy issues related to the labor market are also considered.

Course Objectives

This course explores the functioning of today's labor market, focusing on core concepts such as labor demand and supply, wage determination, incentives, and human capital investment. Special emphasis is placed on labor market adjustments in response to emerging trends, including gig economy opportunities and the impact of Artificial Intelligence. Students will develop a solid understanding of the factors influencing employment and wage dynamics, as well as the role of markets and policies in shaping both individual and collective economic outcomes. The course combines foundational economic theories with an analysis of contemporary issues, equipping students with analytical tools to critically assess labor market phenomena.

Reference Textbooks and Readings

1. George Borjas. **Labor Economics**. McGraw-Hill, 9th Edition
2. Ehrenberg, R., Smith, R., & Hallock, K. **Modern labor economics: Theory and public policy**. Routledge.
3. Cahuc P., Carcillo S., Zylberberg A., **Labor Economics**, MIT Press. 2nd ed. Edition

Textbooks are not required for this class. The class lectures will primarily draw on the reading materials posted in the course outline. Required (*) and additional reading materials will be posted in iCollege.

Course Website: <https://gastate.view.usg.edu/d2l/home/3259768>

Assessments & Dates

Your final grade will be based on your performance on

	Weight (%)	(Due) Date
Class Attendance & Participation	10	N/A
Empirical Exercise I	15	February 24
Exam I	20	March 3
Empirical Exercise II	15	April 21
Presentation	10	April 28
Exam II	30	May 5

Grading Scale

This course uses a plus/minus grading system. Letter grades are assigned based on the following scale: 98-100 = A+, 92 - 97 = A, 90- 91 = A-, 88 - 89 = B+, 82-87 = B, 80-81= B-, 78-79 = C+, 72-77 = C, 70-71 = C-, 60-69 = D, 0-59 = F.

Empirical Exercises & Presentations

The empirical exercises will involve extracting, cleaning, and analyzing publicly available data to address questions related to labor supply and wage inequality. The relevant data sources and specific questions will be provided on iCollege.

You are required to present a paper of your choice to the class. You should consult with me before finalizing your choice. Your presentation should address the key research questions posed by the authors, explain their identification strategy, and summarize the main results.

Course Rules

All students are expected to take the exams on the scheduled date unless serious illness or business travel make this impossible. **No make-up test** will be given under any circumstances if the student fails to contact the professor prior to the test.

The attached syllabus provides a general plan for the course. Additions or deletions may occur as the course progresses.

Course Outline

(* = Required Reading)

Consider the Lecture slides as your primary reading guide.

January 13

The US Labor Market

*Cahuc, Carcillo, Zylberberg (pp.3-12)

- *Daniel Heil. 2022. “[The American Labor Market](#)”. Hoover Institution.
- *Autor, D.H., 2015. [Why are there still so many jobs? The history and future of workplace automation](#). *Journal of economic perspectives*, 29(3), pp.3-30.
- Rogerson, R., 2024. [Why Labor Supply Matters for Macroeconomics](#). *Journal of Economic Perspectives*, 38(2), pp.137-158.
- Megan Ayala & Isabella Lucy. 2022. [The Pandemic Unemployed Survey: Why Americans are Staying Out of the Workforce](#). U.S. Chamber of Commerce.
- Holzer, H., 2015. [Job market polarization and US worker skills: A tale of two middles](#). *Economic Studies*, The Brookings Institution.
- BurningGlass. 2017. [Moving the Goalposts: How demand for bachelor's degree requirement reshaping the workforce](#).

January 27

A Brief Overview of Quasi-Experimental Techniques

- *Abadie, A. and Cattaneo, M.D., 2018. Econometric methods for program evaluation. *Annual Review of Economics*, 10(1), pp.465-503.
- Neal, B., 2020. [Introduction to causal inference](#). *Course Lecture Notes (draft)*.
- Angrist, J.D. and Pischke, J.S., 2009. Mostly harmless econometrics: An empiricist's companion. Princeton university press.

February 3

Labor Demand, Minimum Wage, and AI

*Borjas. ch. 3

Ehrenberg & Smith, ch. 3 & 4

- *Clemens, J., 2021. [How do firms respond to minimum wage increases? understanding the relevance of non-employment margins](#). *Journal of Economic Perspectives*, 35(1), pp.51-72.

- Cengiz, D., Dube, A., Lindner, A., and Zipperer, B., 2019. The Effect of Minimum Wages on Low-Wage Jobs, *The Quarterly Journal of Economics*, 134(3) pp 1405–1454
- Jardim, E., Long, M.C., Plotnick, R., Van Inwegen, E., Vigdor, J. and Wething, H., 2022. Minimum-wage increases and low-wage employment: Evidence from Seattle. *American Economic Journal: Economic Policy*, 14(2), pp.263-314.
- Dube, A., Lester, T.W. and Reich, M., 2016. [Minimum wage shocks, employment flows, and labor market frictions](#). *Journal of Labor Economics*, 34(3), pp.663-704.
- Bick, A., Blandin, A. and Deming, D.J., 2024. [The rapid adoption of generative AI \(No. w32966\)](#). National Bureau of Economic Research.
- Demirci, O., Hannane, J. and Zhu, X., 2024. [Who is AI replacing? The impact of generative AI on online freelancing platforms](#).

February 10

Labor Supply: The Decision to Work

Borjas. ch.2

*Ehrenberg & Smith, ch.6

- *Eissa, N. and Liebman, J.B., 1996. [Labor supply response to the earned income tax credit](#). *The quarterly journal of economics*, 111(2), pp.605-637.
- Picchio, M., Suetens, S. and van Ours, J.C., 2018. Labour supply effects of winning a lottery. *The Economic Journal*, 128(611), pp.1700-1729.
- Martínez, Isabel Z., Emmanuel Saez, and Michael Siegenthaler. 2021. "[Intertemporal Labor Supply Substitution? Evidence from the Swiss Income Tax Holidays](#)." *American Economic Review*, 111 (2): 506–46.
- Eissa, N. and Hoynes, H.W., 2004. [Taxes and the labor market participation of married couples: the earned income tax credit](#). *Journal of public Economics*, 88(9-10), pp.1931-1958.
- Koustas, D.K., 2019, May. [What do big data tell us about why people take gig economy jobs?](#). In *AEA Papers and Proceedings* (Vol. 109, pp. 367-371).
- Albanesi, S. and Kim, J., 2021. [Effects of the COVID-19 recession on the US labor market: Occupation, family, and gender](#). *Journal of Economic Perspectives*, 35(3), pp.3-24.

February 17

Labor Supply: Family, Life-Cycle, and Gig Opportunities

Borjas. ch.2

*Ehrenberg & Smith, ch.7

- Goux, D., Maurin, E. and Petrongolo, B., 2014. [Worktime regulations and spousal labor supply](#). *American Economic Review*, 104(1), pp.252-276.
- *Angrist, J. and Evans, W.N., 1996. [Children and their parents' labor supply: Evidence from exogenous variation in family size](#).
- Goldin, C. and Mitchell, J., 2017. [The new life cycle of women's employment: Disappearing humps, sagging middles, expanding tops](#). *Journal of Economic Perspectives*, 31(1), pp.161-182.
- Bertrand, M., Goldin, C. and Katz, L.F., 2010. [Dynamics of the gender gap for young professionals in the financial and corporate sectors](#). *American economic journal: applied economics*, 2(3), pp.228-255.
- Byker, T.S., 2016. [Paid parental leave laws in the United States: Does short-duration leave affect women's labor-force attachment?](#). *American Economic Review: Papers & Proceedings*, 106(5), pp.242-246.
- Rosin-Slater, M., 2018. [Easing the Burden: Why Paid Family Leave Policies are Gaining Steam](#). Stanford: Institute for Economic Policy Research.
- Deming, D.J. and Noray, K., 2020. [Earnings dynamics, changing job skills, and STEM careers](#). *The Quarterly Journal of Economics*, 135(4), pp.1965-2005.
- Farber, H.S., 2005. [Is tomorrow another day? The labor supply of New York City cabdrivers](#). *Journal of political Economy*, 113(1), pp.46-82.

February 24	<ul style="list-style-type: none"> Fos, V., Hamdi, N., Kalda, A. and Nickerson, J., 2025. Gig labor: Trading safety nets for steering wheels. <i>Journal of Financial Economics</i>, 163, p.103956. Jacobson, A., 2022. Tech and the Gig Economy: Understanding Side Hustles vs. Moonlighting.
	Compensating Wage Differentials, Labor Market Frictions, and Job Match *Borjas. ch.5 Ehrenberg & Smith, ch.8
March 3	<ul style="list-style-type: none"> Maestas, N., Mullen, K.J., Powell, D., Von Wachter, T. and Wenger, J.B., 2023. The value of working conditions in the United States and implications for the structure of wages. <i>American Economic Review</i>, 113(7), pp.2007-2047. Chen, M.K., Rossi, P.E., Chevalier, J.A. and Oehlsen, E., 2019. The value of flexible work: Evidence from Uber drivers. <i>Journal of political economy</i>, 127(6), pp.2735-2794. Stern, S. (2004). Do Scientists Pay to Be Scientists? <i>Management Science</i>, 50(6):835-853.
	EXAM I
March 10	Human Capital, Education, and Skill Biased Technological Change (SBTC) *Borjas. ch.6 Ehrenberg & Smith, ch.9
March 17	<ul style="list-style-type: none"> *Binder, A.J. and Bound, J., 2019. The declining labor market prospects of less-educated men. <i>Journal of Economic Perspectives</i>, 33(2), pp.163-190. Kreisman, D. and Stange, K., 2020. Vocational and career tech education in American high schools: The value of depth over breadth. <i>Education Finance and Policy</i>, 15(1), pp.11-44. Autor, D., Goldin, C. and Katz, L.F., 2020, May. Extending the race between education and technology. In <i>AEA papers and proceedings</i> (Vol. 110, pp. 347-351).
	Spring Break
March 24	Wage Distribution and Inequality Borjas. ch.7 *Ehrenberg & Smith, ch.15
March 31	<ul style="list-style-type: none"> *Fortin, N.M. and Lemieux, T., 1997. Institutional changes and rising wage inequality: Is there a linkage?. <i>Journal of economic perspectives</i>, 11(2), pp.75-96. Card, D., Heining, J. and Kline, P., 2013. Workplace heterogeneity and the rise of West German wage inequality. <i>The Quarterly journal of economics</i>, 128(3), pp.967-1015. Alderman, B.L., Blair, R.D. and Saygin, P.Ö., 2023. Monopsony, wage discrimination, and public policy. <i>Economic Inquiry</i>, 61(3), pp.572-583. Bonhomme, S., Holzheu, K., Lamadon, T., Manresa, E., Mogstad, M. and Setzler, B., 2023. How much should we trust estimates of firm effects and worker sorting?. <i>Journal of Labor Economics</i>, 41(2), pp.291-322. Wiltshire, J.C., 2021. Walmart supercenters and monopsony power: How a large, low-wage employer impacts local labor markets.
	Labor Market Discrimination *Borjas. ch.9
	<ul style="list-style-type: none"> Bertrand, M. and Mullainathan, S., 2004. Are Emily and Greg more employable than Lakisha and Jamal? A field experiment on labor market discrimination. <i>American economic review</i>, 94(4), pp.991-1013. Sloane, C.M., Hurst, E.G. and Black, D.A., 2021. College majors, occupations, and the gender wage gap. <i>Journal of Economic Perspectives</i>, 35(4), pp.223-248.

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- Bertrand, M., Goldin, C. and Katz, L.F., 2010. [Dynamics of the gender gap for young professionals in the financial and corporate sectors.](#) *American economic journal: applied economics*, 2(3), pp.228-255.
 - Goldin, C. and Rouse, C., 2000. Orchestrating impartiality: [The impact of “blind” auditions on female musicians.](#) *American economic review*, 90(4), pp.715-741.
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April 7

Labor Mobility: Migration, Immigration, and Turnover

Borjas. ch.8

*Ehrenberg & Smith, ch.10

- *Bick, A., Blandin, A., & Mertens, K., & Rubinton, H., 2024. [The Impact of Work from Home on Interstate Migration in the U.S.](#) Federal Reserve Bank of St. Louis.
 - Azoulay, P., Jones, B.F., Kim, J.D. and Miranda, J., 2022. [Immigration and entrepreneurship in the United States.](#) *American Economic Review: Insights*, 4(1), pp.71-88.
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April 14

Pay, Productivity, and Incentives

Borjas. ch.11

Ehrenberg & Smith, ch.11

- *Lazear, E.P. and Shaw, K.L., 2007. [Personnel economics: The economist's view of human resources.](#) *Journal of economic perspectives*, 21(4), pp.91-114.
 - *Lazear, E.P., 2018. [Compensation and incentives in the workplace.](#) *Journal of Economic Perspectives*, 32(3), pp.195-214.
 - Cullen, Z., 2024. [Is pay transparency good?.](#) *Journal of Economic Perspectives*, 38(1), pp.153-180.
 - Prendergast, Canice. 1999. "[The Provision of Incentives in Firms.](#)" *Journal of Economic Literature*, 37 (1): 7–63.
 - Imberman, S.A., 2015. [How effective are financial incentives for teachers?.](#) *IZA World of Labor*.
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April 21

Student Presentations

April 28

Student Presentations

May 5

EXAM II

Academic Integrity

All students are responsible for knowing and adhering to GSU's Policy on Academic Honesty as published in Student Code of Conduct Handbook. Special notes about exams: Don't be a free rider - you cannot ask people (your classmates or others) or the internet for help during exams. Don't be a job-creator or an entrepreneur. You cannot pay people to help you. You cannot help people for payment (or for free).

Disruptive Student Behavior

Students are expected to behave properly in the shared student learning environment – so as not to interfere with the learning environment of others in the class. Students not adhering to these rules/guidelines may be asked to leave the class and may be subject to an administrative withdrawal (depending on the severity of the infraction). For an online course, this includes disruptive behavior in the course website(s). See the Student Code of Conduct Handbook for more information on GSU's policy on disruptive student behavior in the classroom or other learning environment.

Unauthorized Public Posting and Distribution of Course Materials

The selling, sharing, publishing, presenting, or distributing of instructor-prepared course lecture notes, videos, audio recordings, or any other instructor-produced materials from any course for any commercial purpose is strictly prohibited unless explicit written permission is granted in advance by the course instructor. This includes posting any materials on websites such as Chegg, Course Hero, OneClass, Stuvia, StuDocu and other similar sites. Unauthorized sale or commercial distribution of such material is a violation of the instructor's intellectual property and the privacy rights of students attending the class and is prohibited.

Semester Dates

The course syllabus provides a general plan for the course; deviations may be necessary. Important University dates can be found here.

Withdrawals, Incompletes, and Grade Changes

Students who withdraw after the midpoint of each term will not be eligible for a "W" except in cases of Emergency Withdrawal. Also, see Withdrawal Policy, Repeat to Replace Policy, and Grade Appeal and Change (including Incomplete Grades) Policy.

Health Issue Information

Students are expected to attend class if they do not have an excused absence because of illness. The university has a process for students seeking excused absences through the Dean of Students Office. Students submit documentation to <https://deanofstudents.gsu.edu/student-assistance/#professor>. Professors will then be notified by the Dean of Students of any excused absence without the need to manage medical information individually.