

The Ohio State University

Colleges of the Arts and Sciences Course Change Request

Department of Economics

Academic Unit

Economics

981

Book 3 Listing (e.g., Portuguese)

Course Number

Summer Autumn Winter Spring X Year 2009

Proposed effective date: choose one quarter and put an "X" after it; and fill in the year. See the OAA curriculum manual for deadlines.

A. Course Offerings Bulletin Information. Follow instructions in the OAA curriculum manual.

Before you fill out the "Present Course" information, be sure to check the latest edition of the *Course Offerings Bulletin* and subsequent Circulating Forms. You may find that the changes you need have already been made or that additional changes are needed. If the course offered is less than quarter or term, please also complete the Flexibly Scheduled/OffCampus/Workshop Request form.

COMPLETE ALL ITEMS THIS COLUMN

Present Course

1. Book 3 Listing: Seminar in the Economics of the Labor Market

2. Number: 981

3. Full Title: Seminar in the Economics of the Labor Market

4. 18-Char. Transcript Title: SEM-ECON LABOR MKT

5. Level and Credit Hours G-5

6. Description: Special topics and issues in wage determination, employment and unemployment
(25 words or less)

7. Qtrs. Offered : AU, SP

8. Distribution of Contact Time: 1-3hr cl
(e.g., 3 cl, 1 3-hr lab)

9. Prerequisite(s): ECON884

10. Exclusion:
(Not open to....)

11. Repeatable to a maximum of 10 credits.

12. Off-Campus Field Experience: NO

13. Cross-listed with: NO

14. Is this a GEC course? NO

15. Grade option (circle): Ltr S/U P
If P graded, what is the last course in the series?

16. a) Is an honors version of this course available? Y ☐ N ☒

b) Is an Embedded Honors version of this course available?
Y ☐ N ☒

c) Is this a Service Learning Course: Y ☐ N ☐

17. Other general course information:

COMPLETE ONLY THOSE ITEMS THAT CHANGE

Changes Requested

1.

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5. variable 1-5

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16. a)

b)

c)

17.

B. General Information

1. Do you want the prerequisites enforced electronically (see the OAA manual for what can be enforced)?

2. Does this course currently satisfy any GEC requirement? if so indicate which category.

3. What other units require this course? Have these changes been discussed with those units?

4. Have these changes been discussed with academic units that might have a jurisdictional interest in the subject matter? Attach relevant letters.

5. Is the request contingent upon other requests? if so list the requests.



6. **Purpose of the proposed change. (If the proposed change affects the content of the course, attach a revised syllabus and course objectives and e-mail to asccurrofc@osu.edu.)**
Depending on the stages of Ph.D. students, appropriate scope and gains from the seminar vary. For example, post-candidate and pre-candidate Ph.D. students differ in their use and need of pro-seminars and workshops. Variable credit hours will accommodate and optimize the students stages and course value.

7. Please list Majors/Minors affected by the proposed change. Attach revisions of all affected programs. This course is (check one):
☐ Required on major(s)/minor(s) ☐ A choice on major(s)/minors(s)
☐ An elective within major(s)/minor(s) ☐ A general elective:

8. Describe any changes in library, equipment or other teaching aids needed as a result of the proposed change. If the proposed change involves budgetary adjustments, describe the method of funding:

CONTACT PERSON: Ana Shook EMAIL: shook.45@osu.edu PHONE: 292-2253

Approval Process The signatures on the lines in ALL CAPS (e.g. ACADEMIC UNIT) are required.

- | | | |
|--|---------------------|-------------|
| 1. Academic Unit Undergraduate Studies Committee Chair | Printed Name | Date |
|  | Hajime Miyazaki | 10/24/08 |
| 2. Academic Unit Graduate Studies Committee Chair | Printed Name | Date |
|  | Donald Haurin | 10/23/08 |
| 3. ACADEMIC UNIT CHAIR/DIRECTOR | Printed Name | Date |
| 4. After the Academic Unit Chair/Director signs the request, forward the form to the ASC Curriculum Office, 4132 Smith Lab, 174 West 18 th Ave. or fax it to 688-5678. Attach the syllabus and any supporting documentation in an e-mail to asccurrofc@osu.edu . The ASC Curriculum Office will forward the request to the appropriate committee. | | |
| 5. COLLEGE CURRICULUM COMMITTEE | Printed Name | Date |
| 6. ARTS AND SCIENCES EXECUTIVE DEAN | Printed Name | Date |
| 7. Graduate School (if appropriate) | Printed Name | Date |
| 8. University Honors Center (if appropriate) | Printed Name | Date |
| 9. Office of International Affairs (study tours only) | Printed Name | Date |
| 10. ACADEMIC AFFAIRS | Printed Name | Date |

Spring 2008

Economics 981: Seminar on the Economics of the Labor Market

Course Description

This is the third in a three-quarter sequence of graduate courses on labor economics. This course covers labor demand, labor supply, and (if time permits) job search. The methodological approach is mainly microeconomic, and integrates theory and empirical analysis. Applications to a number of policy issues are covered. Students are encouraged to participate actively in class discussion.

Assignments

Students will work on a project involving empirical analysis of data from the Current Population Survey (CPS). Students will be expected to (1) Become familiar with *stata*; (2) Become familiar with the CPS data by studying questionnaires and codebooks; (3) Extract data from a CPS file and organize it into a useable form; (4) Perform simple descriptive analyses of employment, hours of work, and earnings; (5) Estimate simple versions of models similar to those studied in the graduate labor economics courses; (6) Write several short progress reports describing the results of the empirical analyses, and discuss them in class; (7) Write a paper summarizing the project and incorporating revisions suggested by the instructor in response to the short reports; and (8) Present the paper in class. Students may also be asked to lead the discussion of an article.

Grading

There will be one exam, accounting for 50 percent of the course grade. The empirical analysis project and class participation counts for the other 50% of the course grade. There will be a few ungraded problem sets.

Contact: Office hours Tues. & Thurs. 2:00-3:30 pm, and by appointment. 445 Arps, 2-2009, blau.12@osu.edu.

Readings

There is no specific textbook for the course, but a number of chapters in the Handbook of Labor Economics, Volumes 1, 2, 3A, 3B, and 3C (North Holland, 1986, 1999) will be assigned. This five-volume reference work is an essential part of the library of professional labor economists. It will be on reserve in the Library. Students are *not* expected to read every article on the reading list. The required readings for each section will be assigned in class in advance of the date on which they will be discussed in class. Students are expected to have read the assigned articles and be prepared to discuss them in class. Students are encouraged to read additional items of particular interest to them.

One copy of all required readings will be available for photocopying in a box or folder outside my office (445 Arps Hall). You may borrow a copy for xeroxing, and should return it promptly so other students will have access to it. As noted above, the entire Handbook of Labor Economics will be on reserve. Journal articles can be obtained in hard copy from the Library, from the box in Arps, or in electronic form from the library web site: <http://library.osu.edu/> (Click on E-Journals).

Abbreviations Used in the Reading List

AER:	American Economic Review	JHR:	Journal of Human Resources
ECON:	Econometrica	JOLE:	Journal of Labor Economics
EJ:	Economic Journal	JPE:	Journal of Political Economy
HLE:	Handbook of Labor Economics	LE:	Labour Economics
IER:	International Economic Review	QJE:	Quarterly Journal of Econ .
ILRR:	Industrial and Labor Relations Review	RLE:	Research in Labor Economics
JE:	Journal of Econometrics	RESTAT:	Rev. of Econ. & Statistics
JEL:	Journal of Economic Literature	RESTUD:	Review of Econ. Studies

Note: readings in bold are required. Required readings for Labor Supply and Job Search have not yet been determined.

Reading List

1. LABOR DEMAND

A. Static Models

Hamermesh, Daniel, "The Demand for Labor in the Long Run," HLE, Chap. 8.

Hamermesh, Daniel, Labor Demand, Princeton University Press, 1993, Chapters 1-3.

Allen, R. G. D., Mathematical Analysis for Economists, St. Martin's Press, 1938, Sections 11.8, 12.9, 13.7, 14.8, 19.5, 19.6.

B. General Empirical Applications

Welch, Finis, "Education in Production," JPE, Jan./Feb. 1970, pages 35-59.

Zellner, Arnold, Jan Kmenta, Jacques Dreze, "Specification of Cobb-Douglas Production Function Models," ECON, October 1966.

Griliches, Zvi, "A Note on Capital-Skill Complementarity," RESTAT, March 1969.

Roberts, Mark J., and Emmanuel Skoufias, "The Long Run Demand for Skilled and Unskilled Labor in Colombian Manufacturing Plants," *RESTAT*, 79 (2), May 1997, pages 330-34.

Hamermesh, Daniel, and Stephen Trejo, "The Demand for Hours of Labor: Direct Evidence from California," *RESTAT* 88 (1), Feb. 2000: 38-47.

Ciccone, Antonio, and Giovanni Peri, "Long-Run substitutability between more and less educated workers: evidence from U.S. states 1950-1990," *RESTAT* 82, Nov. 2005: 652-663.

C. Immigration

LaLonde, Robert, and Robert Topel, "Labor Market Adjustment to Increased Immigration," in John Abowd and Richard Freeman (eds.) Immigration, Trade, and the Labor Market University of Chicago, 1991.

Borjas, George, "The labor demand curve is downward sloping: reexamining the impact of immigration on the labor market," *QJE* 118 (4), Nov. 2003: 1335-74.

Card, David, "Is the new immigration really so bad?" *EJ* 115, Nov. 2005: F300-323.

Dustmann, Christian, Francesca Fabbri, and Ian Preston, "The impact of immigration on the British labour market," *EJ* 115, Nov. 2005: F324-341.

Smith, James, "Immigrants and the Labor Market," *JOLE* 24 (2), April 2006: 203-234.

Borjas, George, "Native Internal Migration and the Labor Market Impact of Immigration," *JHR* 41 (2), Spring 2006: 221-258.

Freeman, Richard, "People flows in globalization," *Journal of Economic Perspectives* 20 (2), Spring 2006: 145-170.

D. The Minimum Wage

Brown, Charles, "Minimum Wages, Employment, and the Distribution of Income," *HLE*, Vol. 3B, Chapter 32.

Kennan, John, "The Elusive Effects of Minimum Wages," *JEL* 33 (4), Dec. 1995, pages 1950-1965.

Deere, Donald, Kevin M. Murphy, and Finis Welch, "Employment and the 1990-1991 Minimum-Wage Hike," *AER* 85 (2), May 1995, pages 232-237.

Card, David and Alan Krueger, "Minimum Wages and Employment: A Case Study of the Fast-Food Industry in New Jersey and Pennsylvania," AER 84 (4), September 1994: 772-93.

"Review Symposium: Myth and Measurement: The New Economics of the Minimum Wage, by David Card and Alan Krueger," ILRR 48 (4), July 1995.

Neumark, David, and William Wascher, "Minimum Wages and Employment: A Case Study of the Fast-Food Industry in New Jersey and Pennsylvania: Comment" AER 90 (5), Dec. 2000: 1362-96.

Card, David and Alan Krueger, "Minimum Wages and Employment: A Case Study of the Fast-Food Industry in New Jersey and Pennsylvania: Reply" AER 90 (5), Dec. 2000: 1397-1420.

Neumark, David, Mark Schweitzer, and William Wascher, "The effects of minimum wages on the distribution of family incomes, JHR 40, Fall 2005: 867-917.

Flinn, Christopher J., "Minimum Wage Effects on Labor Market Outcomes Under Search, Matching, and Endogenous Contact Rates," ECON, 74 (4), 2006: 1013-1062.

Hyslop, Dean, and Steven Stillman, "Youth minimum wage reform and the labour market in New Zealand" LE, 14, 2007:201-230.

Neumark, David, and Olena Nizalova, "Minimum wage effects in the longer run," JHR 42 (2), 2007: 435-452.

E. Dynamics and the Cost of Adjustment

Nickell, S.J., "Dynamic Models of Labour Demand," HLE, Chap. 9.

Hamermesh, Daniel, Labor Demand, Princeton University Press, 1993, Chapters 6-8.

Rosen, Sherwin, "Short-Run Employment Variation on Class-I Railroads in the U. S., 1947-1963," ECON, 1968.

Hamermesh, Daniel, "Labor Demand and the Structure of Adjustment Costs," AER, 79, 1989: 674-89.

Abowd, John M., Patrick Corbel, and Francis Kramarz, "The Entry and Exit of Workers and the Growth of Employment: An Analysis of French Establishments," RESTAT 81 (2), May 1999, pages 170-187.

Davis, Steven J., and John Haltiwanger, "Gross Job Flows," HLE, Vol. 3B, Chap. 41, 1999.

Abowd, John M. and Francis Kramarz, "The costs of hiring and separations, LE 10 (5), Oct. 2003: 499-530.

Davis, Steven J., and John Haltiwanger, "Gross Job Creation, Gross Job Destruction, and Employment Reallocation," QJE 107, 1992, pages 819-863.

Rota, Paola, "Estimating labor demand with fixed costs," IER 45 (1), Fe. 2004: 25-48.

Nilsen, Øivind A., Kjell G. Salvanes, Fabio Schiantarelli, "Employment changes, the structure of adjustment costs, and plant size," European Economic Review 51, April 2007:577-598.

2. LABOR SUPPLY

A. Basic Models

Blundell, Richard, and Thomas MaCurdy, "Labor Supply: A Review of Alternative Approaches," HLE, Volume 3A, Chapter 27, pages 1560-1606.

Pencavel, John, "Labor Supply of Men: A Survey," HLE, Chap. 1, page 7-60.

Killingsworth, Mark, and James Heckman, "Female Labor Supply: A Survey," HLE Chap. 2, pages 104-184.

MaCurdy, Thomas, "Interpreting Empirical Models of Labor Supply in an Intertemporal Framework with Uncertainty," in James Heckman and Burton Singer (eds.) Longitudinal Analysis of Labor Market Data, Cambridge University Press, 1985.

B. Extensions

Cogan, John, "Fixed Costs and Labor Supply," ECON 49 (4), July 1981, pages 945-963.

McElroy, Marjorie, and Mary Jean Horney, "Nash-Bargained Household Decisions: Toward a Generalization of the Theory of Demand," IER, 1981, pages 333-349.

Chiappori, Pierre-Andre, "Collective Labor Supply and Welfare," JPE, June 1992, pages 437-467.

Becker, Gary, "A Theory of the Allocation of Time," EJ Sept. 1965.

Gronau, Rueben, "The Intrafamily Allocation of Time: The Value of the Housewife's Time," AER Sept. 1973.

C. Empirical Applications: Static Models

Heckman, James, "Shadow Prices, Market Wages, and Labor Supply," *ECON* July 1974.

Heckman, James, "Sample Selection Bias as a Specification Error with an Application to the Estimation of Labor Supply Functions," in James P. Smith (ed.) Female Labor Supply: Theory and Estimation, Princeton University Press, 1980.

Burtless, Gary, and Jerry Hausman, "The Effect of Taxation on Labor Supply: Evaluating the Gary Negative Income Tax Experiment," *JPE*, December 1977, pages 1103-31.

Hausman, Jerry, "Labor Supply," in Henry J. Aaron and Joseph Pechman (eds.) How Taxes Affect Economic Behavior, Washington, D. C.: Brookings Institution, 1981.

Mroz, Thomas, "The Sensitivity of an Empirical Model of Married Women's Hours of Work to Economic and Statistical Assumptions," *ECON*, July 1987, pages 765-799.

Moffitt, Robert, "An Economic Model of Welfare Stigma," *AER* Dec. 1983, pages 1023-1035.

MaCurdy, Thomas, David Green, Harry Paarsch, "Assessing Empirical Approaches for Analyzing Taxes and Labor Supply," *JHR*, Summer 1990, pages 415-490.

Blundell, Richard, Alan Duncan, and Costas Meghir, "Estimating Labor Supply Responses Using Tax Reforms," *ECON*, 66 (4), July 1998, pages 827-862.

Meyer, Bruce D., and Daniel T. Rosenbaum, "Welfare, the Earned Income Tax Credit, and the Labor Supply of Single Mothers," *QJE* 116 (3), 2001: 1063-1114.

D. Empirical Applications: Dynamic Models

MaCurdy, Thomas, "An Empirical Model of Labor Supply in a Life Cycle Setting," *JPE*, Dec. 1981, pages 1059-1085.

Heckman, James, and Thomas MaCurdy, "A Life Cycle Model of Female Labour Supply," *RESTUD* 47 Jan. 1980, pages 47-74.

Browning, Martin, Angus Deaton, and Margaret Irish, "A Profitable Approach to Labor Supply and Commodity Demands Over the Life-Cycle," *ECON* May 1985, pages 503-543.

Altonji, Joseph, "Intertemporal Substitution in Labor Supply: Evidence from Micro Data," *JPE* 94, June 1986, Part 2, pages S176-S215.

Heckman, James, "Heterogeneity and State Dependence," in Sherwin Rosen (ed.) Studies in Labor Markets, University of Chicago Press, 1981.

Hotz, V. Joseph, Finn Kydland, and Guilherme Sedlacek, "Intertemporal Preferences and Labor Supply," *ECON*, 56, March 1988, pages 335-360.

Eckstein, Zvi, and Kenneth Wolpin, "Dynamic Labor Force Participation of Married Women and Endogenous Work Experience," *RESTUD*, 56, 1989, pages 375-390.

Van der Klaauw, Wilbert, "Female Labour Supply and Marital Status Decisions: A Life-Cycle Model," *RESTUD*, 63, 1996, pages 199-235.

Farber, Henry S. "Is Tomorrow Another Day? The Labor Supply of New York City Cabdrivers," *JPE* 113 (1), 2005: 46-82.

Ziliak, James P., and Thomas J. Kneisner, "The effect of income taxation on consumption and labor supply," *JOLE* 23 (4), 2005: 769-796.

Pistaferri, Luigi, "Anticipated and unanticipated wage changes, wage risk, and intertemporal labor supply," *JOLE* 21 (3), 2003: 729-754.

French, Eric, "The Labor Supply Response to (Mismeasured But) Predictable Wage Changes," *RESTAT* 86 (2), 2004: 602-613.

Ham, John C., and Kevin T. Reilly, "Testing Intertemporal Substitution, Implicit Contracts, and Hours Restriction Models of the Labor Market Using Micro Data," *AER* 92 (4), 2002: 905-927.

E. Retirement

Crawford, Vincent P. And David M. Lilien. "Social Security and the Retirement Decision," *QJE* 96 (3) August 1981: 505-529.

Lazear, Edward, "Retirement from the Labor Force," *HLE*, Chap. 5.

Stock, James, and David Wise, "Pensions, the Option Value of Work, and Retirement," *ECON*, 58, 1990, pages 1151-1180.

Berkovec, James, and Steven Stern, "Job Exit Behavior of Older Men," *ECON*, 59, 1991, pages 189-210.

Blau, David, "Labor Force Dynamics of Older Men," *ECON*, 62 (1), 1994, pages 117-156.

Peracchi, Franco, and Finis Welch, "Labor Force Transitions of Older Workers," *JOLE*, 12 (2), 1994, pages 210-242.

Rust, John, and Christopher Phelan, "How Social Security and Medicare Affect Retirement Behavior in a World of Incomplete Markets," *ECON*, 65 (4), July 1997.

Hurd, M. and M.J. Boskin. "The Effect of Social Security on Retirement in the Early 1970s," *QJE* 99, November 1984: 767-790.

Krueger, Alan B. and Pischke, Jorn-Steffen, "The Effect of Social Security on Labor Supply: A Cohort Analysis of the Notch Generation." *JoLE* 10 (4) 1992: 412-37.

Friedberg, Leora. "The Labor Supply Effects of the Social Security Earnings Test," *RESTAT* 82 (1), Feb. 2000: 48-63.

Gruber, Jonathan. "Disability Insurance Benefits and Labor Supply," *JPE* 108 (6), Dec. 2000: 1162-84.

Blau, David, and Donna Gilleskie. "Health Insurance and Retirement of Older Married Couples," *Journal of Applied Econometrics* 21, 2006: 935-953.

3. Job Search

A. Theory

Mortensen, Dale, "Job Search and Labor Market Analysis," *HLE*, Vol. 2, Chap. 15, 1986.

Mortensen, Dale, and Christopher Pissarides, "New Developments in Models of Search in the Labor Market," *HLE*, Vol. 3B, Chap. 39, 1999.

Rogerson, Richard, Robert Shimer, and Randall Wright, "Search-Theoretic Models of the Labor Market: A Survey," *JEL* 43 (4), Dec. 2005: 959-988.

B. Empirical Applications

Flinn, Christopher, and James Heckman, "Models for the Analysis of Labor Force Dynamics," In G. Rhodes and R. Basman (eds.) Advances in Econometrics, JAI Press, 1982.

Flinn, Christopher, and James Heckman, "New Methods for Analyzing Structural Models of Labor Force Dynamics," *JE*, 24, 1982, pages 115-168.

Lancaster, Tony, "Econometric Methods for the Duration of Unemployment," *ECON*, 47, July 1979, pages 936-956.

Wolpin, Kenneth, "Estimating a Structural Search Model: The Transition from School to Work," *ECON*, 55, July 1987, pages 801-818.

Meyer, Bruce, "Unemployment Insurance and Unemployment Spells," *ECON* 58 (4), July 1990: 757-782.

McCall, Brian, "Unemployment Insurance Rules, Joblessness, and Part-Time Work," *ECON* 64 (3), May 1996: 647-682.

Abbring, Jaap, Gerard van den Berg, and Jan van Ours, "The effect of unemployment insurance sanctions on the transition rate from unemployment to employment," *EJ* 155, July 2005: 602-30.

Christensen, Bent Jesper, Rasmus Lentz, Dale Mortensen, George Neumann, and Axel Werwatz, "On-the-job search and the wage distribution," *JOLE* 23, Jan. 2005: 31-58.

Rendon, Silvio, "Job Search and Asset Accumulation under Borrowing Constraints," *IER* 47 (1), Feb. 2006: 233-263.

Bloemen, Hans, "Job Search, Search Intensity, and Labor Market Transitions: An Empirical Analysis," *JHR* 40 (1), 2005: 231-269.

Academic Misconduct: It is the responsibility of the Committee on Academic Misconduct to investigate or establish procedures for the investigation of all reported cases of student academic misconduct. The term “academic misconduct” includes all forms of student academic misconduct wherever committed; illustrated by, but not limited to, cases of plagiarism and dishonest practices in connection with examinations. Instructors shall report all instances of alleged academic misconduct to the committee (Faculty Rule 3335-5-487). For additional information, see the Code of Student Conduct: (http://studentaffairs.osu.edu/resource_csc.asp)

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