



Department of Economics Course Outline

Course:	Economics 633 [Labor Economics]	Term:	Winter 2014
Time:	TR 08:00 – 09:15 am	Section:	01
Instructor:	Atsuko Tanaka	Place:	SS 403 (subject to change)
Office:	SS 432	Telephone:	403-220- 6709
Office Hours:	TR 09:15 – 10:15 am	E-mail:	atanaka@ucalgary.ca

Course Description:

This is a graduate course in labor economics. The course emphasizes empirical implementation of theoretical models through the use of data and econometrics. Topics include labor supply theory, search theory, wage determination theories, and numerical methods for the estimation of dynamic models. The main text will be lecture notes made available throughout the course. This course will be a combination of lectures and student presentations. There will also be an empirical project.

Reference:

Labor Economics, Pierre Cahuc and Andre Zylberberg, The MIT Press, 2004.

Please Note: In planning this course, I assume students are familiar with Stata and Matlab, or equivalent is required. A programming tutorial will not be provided.

Topics:

1. Tools:

- a. Dynamic Programming
 - i. Sargent and Ljungqvist (2000), Stokey and Lucas (1989).
- b. Numerical Methods.
 - i. Judd (1998)

2. Female Labor Supply:

- a. Static Roy Model
 - i. Roy (1951), Willis and Rosen (1979), Heckman and Sedlacek (1985), Heckman (1974)
- b. Dynamic Female Labor Supply Model
 - i. Keane and Wolpin (2011)

3. Search Theory

- a. Wage Search Model
 - i. McCall (1970), Mortensen (1970), Burdett (1978)
- b. Learning
 - i. Jovanovic (1979)
- c. Spell Duration and Offer Distribution Inference
 - i. Heckman and Singer (1984)
- d. Empirical Work on Wage Dispersion
 - i. Postel-Vinay and Robin (2002), Cahuc, Postel-Vinay, and Robin (2006)

4. Other Topics: Student's Presentation (subject to change)

- a. Interstate Migration
 - i. Schulhofer-Wohl and Kaplan (2012)
- b. Temporary Migration and Risk Sharing in India
 - i. Morten (2013)
- c. Expected Income and Migration
 - i. Kennan and Walker (2011)
- d. General Equilibrium Model
 - i. Lee and Wolpin (2006)
- e. Labor Demand and Firm Dynamics
 - i. Lentz and Mortensen (2008)
- f. Trade and Wages
 - i. Melitz (2003)
 - ii. Helpman, Itskoki, Muendler, Redding (2013)
- g. Education
 - i. Arcidiacono and Jones (2003)

Evaluation:

Students will be evaluated based on their class performance, in-class presentation and two empirical projects.

Problem sets with brief description:

In these problem sets, you work on a project that you will present in the end of this course. You can use either Matlab, R, Fortran, or equivalent to tackle the problem.

- Problem Set I:
The exercise is to calibrate/estimate a dynamic discrete choice model of labor force participation.
- Problem Set II:
The exercise is to calibrate/estimate a search model.

In-class Presentation:

Students are asked to present papers from a reading list and their analysis from the problem sets.

You may work in groups of up to 3 people.

Grade Determination and Final Examination Details:

The grade breakdown is as follows:

Problem Sets--- 60 percent

In-class Presentations --- 40 percent

Note that assignments submitted late will be accepted, but graded lower by 10%.

Your course grade will be calculated using the weights indicated above. The following letter grade equivalences apply:

A+	97 – 100	B	82 – 85	C-	70 - 72
A	93 – 96	B-	79 – 81	D+	67 – 69
A-	89 – 92	C+	76 – 78	D	60 – 66
B+	86 – 88	C	73 – 75	F	0 - 59

Course Policies

A passing grade on any particular component of the course is not required for a student to pass the course as a whole.

Students seeking reappraisal of a piece of graded term work should discuss their work with the instructor *within fifteen days* of work being returned to class.

Other Resources

Disability Resource Center. If you are a student with a documented disability who may require academic accommodation and have not registered with the Disability Resource Centre, please contact their office at 403-220-8237. Students who have not registered with the Disability Resource Centre are not eligible for formal academic accommodation. You are also required to discuss your needs with your instructor no later than fourteen (14) days after the start of this course. Please note: It is the student's responsibility to request academic accommodations.

Writing Resources. Online writing resources are available at <http://ucalgary.ca/ssc/writing-support/online-writing-resources>.

Other Important Information:

Safewalk / Campus Security: 220-5333

Emergency Assembly Point: Professional Faculties Food Court

Alternative Assembly Point: Education Block Food Court

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2013-11-15