

Economics 633(L01) Labour Economics

Instructor:	Atsuko Tanaka	Lecture Location:	SS 423
Phone:	403 220 6709	Lecture Days/Time:	TR 08:00 – 09:15
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Office Hours:	R 09:15 – 11:00	WINTER 2015	

Course Website:

<https://sites.google.com/site/econ6332015>

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 two empirical projects.

Reference:

Labor Economics, Pierre Cahuc and André 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.

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 will work on a project to be presented at the end of this course. You can use either Matlab, R, Fortran, or an equivalent program to tackle the problem. You may work in groups of up to 3 people.

- Problem Set I: (Due March 5)
The exercise asks you to calibrate/estimate a dynamic discrete choice model of labor force participation.
- Problem Set II: (Due Apr 9)

The exercise asks you to calibrate/estimate a search model.

In-class Presentation:

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

Detailed Course Outline:

N.B. The dates and details of this outline are subject to change.

1. Introduction
2. Female Labor Supply
 - i. Static Model of Married Women's Labor Force Participation
Roy (1951), Willis and Rosen (1979), Heckman and Sedlacek (1985), Heckman (1974)
 - ii. Understanding Historical Change in Labor Supply Behavior
 - iii. Childbearing and Childrearing
 - iv. Dynamic Labor Force Participation
Keane and Wolpin (2011)
3. Returns to Education
4. Roy Model and Beyond: Skill Accumulation
5. Search Model
 - i. Dynamic Programming
Sargent and Ljungqvist (2000), Stokey and Lucas (1989).
 - i. Wage Search Model
McCall (1970), Mortensen (1970), Burdett (1978)
 - ii. Learning
Jovanovic (1979)
 - iii. Spell Duration and Offer Distribution Inference
Heckman and Singer (1984)
 - iv. Empirical Work on Wage Dispersion (Apr 8, 10)
Postel-Vinay and Robin (2002), Cahuc, Postel-Vinay, and Robin (2006)
6. Other Topics: Student Presentations (subject to change)
 - a. Education
 - i. Arcidiacono and Jones (2003)
 - b. General Equilibrium Model
 - i. Lee and Wolpin (2006, 2010)
 - c. Labor Demand and Firm Dynamics
 - i. Lentz and Mortensen (2008)
 - d. Temporary Migration and Risk Sharing
 - i. Morten (2014, working paper)
 - e. Social Security Programs and Work Incentives
 - i. Autor and Duggan (2003)
 - ii. Low and Pistaferri (2014, working paper)

Grade Determination and Final Examination Details:

The grade breakdown is as follows:

Two Problem Sets---	60 percent
Two In-class Presentations---	40 percent

Note that assignments submitted late will be accepted, but the grade will be dropped by 10%.

Your course grade will be calculated using the weights indicated above. The following letter grade equivalents 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

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Desire2Learn: This course will make use of the Desire2Learn (D2L) platform. Students who are registered in the course can log on at <http://d2l.ucalgary.ca> using or through their student centre. Please note that D2L features a class e-mail list that may be used to distribute course-related information. It is your responsibility to ensure that D2L uses the e-mail address of your choice. The default is your University of Calgary e-mail address.

All students must comply with the regulations published in the University Calendar concerning “Intellectual Honesty,” “Examinations,” etc.

Faculty of Arts Program Advising and Student Information Resources

- Have a question, but not sure where to start? The Arts Students’ Centre is your information resource for everything in Arts! Drop in at SS102, call them at 403-220-3580 or email them at artsads@ucalgary.ca. You can also visit the Faculty of Arts website at <http://arts.ucalgary.ca/undergraduate> which has detailed information on common academic concerns.
- For program planning and advice, contact the Student Success Centre (formerly the Undergraduate programs Office) at 403-220-5881 or visit them on the 3rd Floor of the Taylor Family Digital Library.
- For registration (add/drop/swap), paying fees and assistance with your Student Centre, contact Enrolment Services at 403-210-ROCK [7625] or visit them in the MacKimmie Library Block.
- Online writing resources are available at <http://ucalgary.ca/ssc/writing-support/online-writing-resources>

Notes:

- It is the student's responsibility to request academic accommodations. 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.
- 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.

Safewalk / Campus Security: 403-220-5333
Emergency Assembly Point: Professional Faculties Food Court
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2014-10-08