

University of Colorado at Boulder
Department of Economics

Prof. Brian Cadena

Economics 8686: Graduate Labor 2, Fall 2012

with three or

Other University Policies:

Campus policy regarding religious observances requires that faculty make every effort to deal reasonably and fairly with all students who, because of religious obligations, have conflicts with scheduled exams, assignments or required attendance. In this class, please inform me no later than two weeks prior to any conflict you foresee, sooner if possible, so that we can find an alternative arrangement for you to complete the requirements of the course. See full details at http://www.colorado.edu/policies/fac_relig.html

If you qualify for accommodations because of a disability, please submit to me a letter from Disability Services in a timely manner so that your needs be addressed. Disability Services determines accommodations based on documented disabilities. Contact: 303-492-8671, Willard 322, and www.Colorado.EDU/disabilityservices

Students and faculty each have responsibility for maintaining an appropriate learning environment. Those who fail to adhere to such behavioral stand(- dp who faif 1(cybehx .1.ral ss, asaipl)Tj.arnin

Reading List

The reading list is subject to revision prior to the start of each main topic, but these are the papers I currently plan to cover. Readings in bold will be discussed in class. Other readings are additional information for the interested student. Papers denoted with *** will be presented by students as part of the assigned presentations.

1. Introduction and First Paper

Card, D. The Impact of the Mariel Boatlift on the Miami Labor Market, Industrial and Labor Relations Review, Jan., 1990, 43, 245-257

Angrist, J. and Krueger, A., Empirical Strategies in Labor Economics Handbook of Labor Economics, 1999, 1296-1299, 1326-1329

2. Theory of Labor Demand

a. Lecture Notes

Hamermesh, D., The demand for labor in the long run, Handbook of Labor Economics, 1986, 429-471

3. Labor Demand Application: Wage Effects of Immigration – Competing Estimates

Altonji, J. & Card, D. in Abowd, J. & Freeman, R. (ed.) 471 -Skilled Natives, Immigration, Trade, and the Labor Market, University of Chicago Press, 1991 147-234

Borjas, G.; Freeman, R. B. & Katz, L. F., How Much Do Immigration and Trade Affect Labor Market Outcomes? Brookings Papers on Economic Activity, The Brookings Institution, 1997, 1997, 1-90

Card, D., Immigrant Inflows, Native Outflows, and the Local Market Impacts of Higher Immigration, Journal of Labor Economics, 2001, 19, 22-64

Friedberg, R. M., The Impact of Mass Migration on the Israeli Labor Market, The Quarterly Journal of Economics, Nov., 2001, 116, 1373-1408

Borjas, G. J. The Labor Demand Curve Is

Lecture Notes

Brown, C. in Ashenfelter, O. C. & Card, D. (ed.)

Minimum wages, employment, and the distribution of income
Handbook of Labor Economics, 1999, 3, Part 2, 2101 - 2110

- b. Empirical Implications of the Minimum Wage

Brown, C. in Ashenfelter, O. C. & Card, D. (ed.)

Minimum wages, employment, and the distribution of income
Handbook of Labor Economics, 1999, 3, Part 2, remainder of article

Card, D., Using Regional Variation in Wages to Measure the Effects of the Federal Minimum Wage, Industrial and Labor Relations Review, 1992, 46, 22-37

Card, D. & Krueger, A. B., Minimum Wages and Employment: A Case Study of the Fast-Food Industry in New Jersey and Pennsylvania, The American Economic Review, 1994, 84, 772-793

*****Neumark, D. & Wascher, W., Minimum Wages and Employment: A Case Study of the Fast-Food Industry in New Jersey and Pennsylvania: Comment, American Economic Review, 2000, 90, 1362-1396 AND**

*****Card, D. & Krueger, A. B., Minimum Wages and Employment: A Case Study of the Fast-Food Industry in New Jersey and Pennsylvania: Reply, The American Economic Review, 2000, 90, 1397-1420**

*****Baskaya, Y.S. & Rubinstein, Y. Using Federal Minimum Wages to Identify the Impact of Minimum Wages on Employment and Earnings Across the U.S. States, Working Paper, 2011**

6. Discrimination

- c. Models of Discrimination

Lecture Notes

Becker, G. The Economics of Discrimination University Of Chicago Press, 1971

Aigner, D. J. & Cain, G. G., Statistical theories of discrimination in labor markets, Industrial and Labor Relations Review, 1977, 30, 175-187

Coate, S. & Loury, G. Antidiscrimination Enforcement and the Problem of Patronization The American Economic Review, 1993, 83, 92-98

- d. Blinder-Oaxaca and its Limitations

Lecture Notes

Altonji, J. & Blank, R., Race and Gender in the Labor Market
Handbook of Labor Economics, 1999, 3, 3143-3259

Barsky, R.; Bound, J.; Charles, K. & Lupton, J., Accounting for the black-white wealth gap: A nonparametric approach, Journal of the American Statistical Association, 2002, 97, 663-673

- e. Modern Empirical Tests of Discrimination

Goldin, C. & Rouse, C. Orchestrating Impartiality: The Impact of "Blind" Auditions on Female Musicians The American Economic Review, 2000, 90, 715-741

Neal, D. & Johnson, W. The Role of Premarket Factors in Black-White Wage Differences Journal of Political Economy, 1996, 104, 869

Hellerstein, J.; Neumark, D. & Troske, K. Wages, Productivity, and Worker Characteristics: Evidence from Plant-Level Production Functions and Wage Equations *Journal of Labor Economics*, 1999, 17, 409-446

*****Bertrand, M. & Mullainathan, S. Are Emily and Greg More Employable Than Lakisha and Jamal? A Field Experiment on Labor Market Discrimination** *The American Economic Review*, 2004, 94, 991-1013

*****Charles, K. K. & Guryan, J. Prejudice and Wages: An Empirical Assessment of Becker's The Economics of Discrimination**, *Journal of Political Economy*, 2008, 116, 773-809

7. Unions

f. What do Unions Do?

Lecture Notes

Farber, H. S. in Ashenfelter, O. C. & Layard, R. (ed.), *The Analysis of Union Behavior*, *Handbook of Labor Economics*, 1986, 2, 1039 - 1089

Freeman, R., Longitudinal Analyses of the Effects of Trade Unions *Journal of Labor Economics*, 1984

Krueger, A. & Mas, A., Strikes, Scabs, and Tread Separations: Labor Strife and the Production of Defective Bridgestone/Firestone Tires, *Journal of Political Economy*, 2004, 112, 253-289

g. Union Formation and Firm Survival

DiNardo, J. & Lee, D. Economic Impacts of New Unionization on Private Sector Employers: 1984-2001 *Quarterly Journal of Economics*, 2004, 119, 1383-1441

h. Unionization and Inequality

DiNardo, J.; Fortin, N. & Lemieux, T., Labor Market Institutions and the Distribution of Wages: A Semiparametric Approach *Econometrica*, 1996, 64, 1001-1044

8. Incentives

i. Theoretical Overview

Lecture Notes

Prendergast, C., The Provision of Incentives in Firms, *Journal of Economic Literature*, 1999, 37, 7-63

Lazear, E. P., Salaries and Piece Rates, *The Journal of Business*, 1986, 59, 405-431

Lazear, E. P. & Rosen, S., Rank-Order Tournaments as Optimum Labor Contracts, *The Journal of Political Economy*, 1981, 89, 841-864

j. Empirical Analysis of Piece Rates and Bonuses

Lazear, E. P., Performance Pay and Productivity, *The American Economic Review*, 2000, 90, 1346-1361

Jacob, B. A. & Levitt, S. D., Rotten Apples: An Investigation of the Prevalence and Predictors of Teacher Cheating, *The Quarterly Journal of Economics*, The MIT Press, 2003, 118, 843-877