

READING LIST
(This Version: 01/11/2010, subject to change)

Labor Economics
North Carolina State University
Course ECG590A, Spring 2010
M & W 3:00 – 4:15pm

Instructor Information:

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Course website: <http://www4.ncsu.edu/~msmorri/courses/ECG590A>

Textbook (ES): **Modern Labor Economics**, Ehrenberg and Smith, 10th Edition

All textbook readings are required, although some pages may be omitted as indicated below or as described in class. Many papers are discussed in the textbook, abbreviated “(ES: Page Number)” below. Students may request additional readings on subjects of interest and the reading list may be updated during the semester. Assigned paper readings will be posted on the course website at least one class period prior to discussion.

In-class presentation papers: Any paper on this list is eligible for the in-class presentation assignment unless indicated by a “~”. **Papers with a double star, **, are simpler and may make better presentation choices than papers with a single star, ***. In general, presentations should be prepared for the relevant class period and will be scheduled at least two weeks in advance. Presentations may be made after the relevant chapter with prior approval and only if the paper has not yet been discussed in detail in class. Students must have their presentation paper selected and approved by February 15, 2010.

Reading List:

(I) Introduction to Labor Economics (Chpt 1 & 2)

- Chapters 1 & 2, Ehrenberg and Smith

~ Adam Smith, *Wealth of Nations*, Chapter 10, available online at:

<http://geolib.com/smith.adam/won1-10.html>

(II) Introduction to Empirical Analysis and Regression Analysis (Chpt 1A)

- Chapter 1 Appendix, Ehrenberg and Smith

- Class notes

(III) Labor Demand (Chpts 3-5)

Chapter 3: The Demand for Labor

* (ES: 80-81) Jonathan Gruber, “The Incidence of Mandated Maternity Benefits,” *AER*, 84, (June 1994): 622-641. [[link](#)]

(an alternative to the above is * Gruber, Jonathan and Alan Krueger, “The Incidence of Mandated Employer-Provided Insurance: Lessons from Workers’ Compensation Insurance,” published in D. Bradford ed., *Tax Policy and the Economy Vol 5*, MIT Press. Available in working paper form as NBER WP #3557, Dec. 1990.)

Chapter 4: Labor Demand Elasticities

MINIMUM WAGE EXAMPLE: Pages 108-116 in ES. Two papers listed below - if interested, there are other relevant papers along these lines as well (see also references ES pg. 127). This set of two papers would make for a nice joint presentation as well.

** Card, David and Alan Krueger, “Minimum Wages and Employment: A Case Study of the Fast-Food Industry in New Jersey and Pennsylvania,” *American Economic Review*, Sep 1994.[\[link\]](#)

** Neumark, David, and William Wascher, “Minimum Wages and Employment: A Case Study of the Fast-Food Industry in NJ and PA: Comment,” *AER*, Sep. 1994.[\[link\]](#)

Chapter 5: Frictions in the Labor Market

** Hours of Work and the Fair Labor Standards Act: A Study of Retail and Wholesale Trade, 1938-1950

Author(s): Dora L. Costa

Source: *Industrial and Labor Relations Review*, Vol. 53, No. 4 (Jul., 2000), pp. 648-664

Stable URL: <http://www.jstor.org/stable/2696141>

[\[link\]](#)

(IV) Labor Supply (Chpts 6 – 7)

Chapter 6: Supply of Labor to the Economy: The Decision to Work

** (ES: 192) Eissa, Nada, “Taxation and Labor Supply of Married Women: The Tax Reform Act of 1986 as a Natural Experiment,” NBER WP #5023, Feb. 1995. [\[link\]](#)

-or-

Eissa and Liebman, “Labor Supply Response to the Earned Income Tax Credit,” *Quarterly Journal of Economics*, May 1996, pp. 605-637. [\[link\]](#)

** (ES: 204-205): Imbens, Guido, Donald Rubin and Bruce Sacerdote. “[Estimating the Effects of Unearned Income on Labor Supply, Earnings, Savings, and Consumption: Evidence from a Survey of Lottery Players](#),” NBER Working Paper No. 7001, March, 1999. Published with major revisions in the *American Economic Review*, Sep 2001. [Note: Please read the working paper version on the NBER website. You are definitely not responsible for the information in Appendix B or Appendix C]. [\[link\]](#)

Women’s Labor Supply Elasticity:

** (mentioned in ES pg 193) Blau and Kahn, “Changes in the Labor Supply Behavior of Married Women: 1980-2000,” *NBER Working Paper* No. 11230, Issued in March 2005 or *Journal of Labor Economics*, 25 (July 2007): 393-438.[\[link\]](#)

Chapter 7: Household Production Model, Children, Childcare, Fertility

More papers may be added to this section (Chapter 7) depending on time and interest.

** (ES: 213) Shin-Yi Chou, Michael Grossman, and Henry Safer, “An Economic Analysis of Adult Obesity: Results from the Behavioral Risk Factor Surveillance System,” *Journal of Health Economics*, 23, (May 2004): 565-587.[[link](#)]

Retirement (more papers available if interested):

** Nicole Maestas, “Back to Work: Expectations and Realizations of Work after Retirement,” *RAND Working Paper Series*, WR-196-1, August 2005.[[link](#)]

* Ashenfelter, Orley and David Card. 2002. “Did the Elimination of Mandatory Retirement Affect Faculty Retirement? *American Economic Review* 92, pp. 957-80.[[link](#)]

Time Use:

* (ES: 234-235) Biddle and Hamermesh, “Sleep and the Allocation of Time,” *Journal of Political Economy*, 98, no. 5, pt. 1 (Oct. 1990): 992-943.[[link](#)]

The remaining chapters will be covered in approximately the order below, depending on time and interest.

Chapter 8: Compensating Wage Differentials

~ A.D. Roy, “Some Thoughts on the Distribution of Earnings,” *Oxford Economic Papers*, New Series, Vol. 3, No. 2, (Jun, 1951) pp. 135-146.[[link](#)]

Value of Statistical Life (VSL) Literature:

Viscusi and Aldy, “The Value of a Statistical Life: A Critical Review of Market Estimates Throughout the World.” *Journal of Risk and Uncertainty*, 27 (August 2003): 5-76.[[link](#)]

* Kip Viscusi, “The Value of Risks to Life and Health,” *Journal of Economic Literature* 31 (Dec 1993): 1912-1946.[[link](#)]

Chapter 9: Human Capital, Returns to Education, Training Programs

* Mincer and Ofek, “Interrupted Work Careers: Depreciation and Restoration of Human Capital,” *JHR*, Vol 17 (1) Winter 1982: 3-24.[[link](#)]

* (ES: 316-317) Ashenfelter and Rouse, “Income, Schooling, and Ability: Evidence from a New Sample of Identical Twins,” *QJE* 113 (Feb. 1998): 253-284. (Part of this paper can be presented and part is a bit more challenging)[[link](#)]

* (This is a more challenging paper – but may still be suitable for presentation) Job Market Signaling

Author(s): Michael Spence

Source: *The Quarterly Journal of Economics*, Vol. 87, No. 3 (Aug., 1973), pp. 355-374

Stable URL: <http://www.jstor.org/stable/1882010> [[link](#)]

Chapter 12: Discrimination

** (ES: 400) Goldin and Rouse, “Orchestrating Impartiality: The Impact of ‘Blind’ Auditions on Female Musicians,” *AER* 90, (Sep. 2000): 715-741.[[link](#)]

** (ES: 436-437) Bertrand, Marianne and Sendhil Mullainathan “Are Emily and Greg More Employable than Lakisha and Jamal? A Field Experiment on Labor Market Discrimination” *AER*, Sep 2004.[[link](#)]

* McDonald and Thornton, “Do New Male and Female College Graduates Receive Unequal Pay?” *The Journal of Human Resources*, XLII (1), 2007. [[link](#)]

Neumark, David, “[Sex Discrimination in Restaurant Hiring: An Audit Study](#),” *Quarterly Journal of Economics*, August 1996, pp. 915-942. [[link](#)]

Chapter 15: Earnings Inequality:

* Chinhui Juhn, “Decline of Male Labor Market Participation: The Role of Declining Market Opportunities,” *The Quarterly Journal of Economics*, Feb. 1992.[[link](#)]

O’Neill, June, “[The Role of Human Capital in Earnings Differences Between Black and White Men](#),” *Journal of Economic Perspectives*, Fall 1990, pp. 25-45. [[link](#)]

* Gary Solon, “Intergenerational Income Mobility in the United States Intergenerational Income Mobility in the United States,” *The American Economic Review*, Vol. 82, No. 3 (Jun., 1992), pp. 393-408 [[link](#)]

Chapter 10: Immigration and Mobility

** (ES: 343) Card, David. “[The Impact of the Mariel Boat Lift on the Miami Labor Market](#),” *Industrial and Labor Relations Review*, January 1990, pp. 245-257. [[link](#)]

Chapter 11: Pay and Productivity:

** Performance Pay and Productivity (This is a really nice article for presenting, don’t worry about the model and focus on the idea, data, and empirical results)

Author(s): Edward P. Lazear

Source: *The American Economic Review*, Vol. 90, No. 5 (Dec., 2000), pp. 1346-1361

Stable URL: <http://www.jstor.org/stable/2677854>

[[link](#)]

Chapter 13: Unions and the Labor Market

** (ES: 463) David Card, “The Impact of Deregulation on the Employment and Wages of Airline Mechanics,” *ILRR* 39 (July 1986): 527-538.[[link](#)]

Economic History:

** Goldin and Katz, “The Power of the Pill: Oral Contraceptives and Women’s Career and Marriage Decisions,” *Journal of Political Economy*, 2002, Vol. 110 no. 4, 730-770.[[link](#)]