

Economics 6900 (06E:299): Topics in Labor Economics
University of Iowa
Spring 2017

Professor David Frisvold
PBB W374
(319) 335-0957
david-frisvold@uiowa.edu

Classes: T Th 2:00-3:15
Room: PBB C208
Office Hours: T Th 1:00-2:00

Course Description

This course is a second-semester field course in labor economics, which builds off of the topics from the first course. As labor economics is a large field, this course necessarily can focus on only selected topics within labor. The topics that will be covered in this course are intergenerational mobility, inequality and skills, the employment-based safety net, education, the role of childhood conditions, and child poverty programs. The key focus of this course will be providing students with an overview of these topics and helping students to transition from students to researchers.

Tentative Course Outline

Articles referred to in this outline are available online through either the Iowa library, the organization's working paper series, or Google Scholar. The assigned articles are marked with an asterisk. Readings without an asterisk are recommended reading for students who are particularly interested in a topic. The emphasis of the readings are recent, empirical papers. Recommended overview chapters in a variety of topics in labor economics are available in the different volumes of the Handbook of Labor Economics.

Schedule

Week 1	Background Material
January 17	Course Overview
January 19	Imbens and Wooldridge (2008)
Week 2	Intergenerational Mobility
January 24	Anderson and Mazumder (2008)
January 26	Chetty, Hendren, Kline, and Saez (2014)
Week 3	Inequality and Skills
January 31	Card and DiNardo (2002)
February 1	Autor, Katz, and Kearney (2008)
Week 4	Employment-Based Safety Net
February 7	Andersson et al. (2016)
February 9	Clemens and Wither (2014)
Week 5	Employment-Based Safety Net
February 14	Hartley, Lamarche, and Ziliak (2016)

February 16	Hoynes and Patel (2015)
Week 6	Returns to Human Capital and Schooling
February 21	Heckman, Stixrud, and Urzua (2006)
February 23	Work on replication assignment
Week 7	Production of Education
February 28	Todd and Wolpin (2003)
March 1	Card and Krueger (1992)
Week 8	Production of Education
March 7	Chetty et al. (2011)
March 9	Fryer (2011)
March 14	Spring Break
March 16	Spring Break
Week 9	Teachers and the Production of Education
March 21	Chetty, Friedman, and Rockoff (2014a)
March 23	Chetty, Friedman, and Rockoff (2014b)
Week 10	Higher Education
March 28	Dale and Krueger (2002)
March 29	Hoekstra (2009)
Week 11	Childhood Conditions
April 4	Almond (2006)
April 6	Black, Devereux, Salvanes (2007)
Week 12	Childhood Conditions
April 11	Figlio, Guryan, Karbownik, Roth (2014)
April 13	Chetty, Hendren, and Katz (2015)
Week 13	Child Poverty Programs
April 18	Garces, Thomas, and Currie (2002)
April 19	Hoynes, Schanzenbach, and Almond (2016)
Week 14	
April 25	Student Presentations
April 27	Student Presentations
Week 15	
May 2	Student Presentations
May 4	Student Presentations

Background Material

*Imbens and Wooldridge (2009) "Recent Developments in the Econometrics of Program Evaluation," JEL

Angrist and Krueger "Empirical Strategies in Labor Economics," Handbook of Labor Economics

Heckman and Vytlacil (2007) "Econometric Evaluation of Social Programs, Parts I and II" Handbook of Econometrics, Volume 6B.

Blundell, Richard and Monica Costa Dias (2009) "Alternative Approaches to Evaluation in Empirical Microeconomics," JHR

Intergenerational Mobility

*Anderson and Mazumder (2008) "Intergenerational Economic Mobility in the United States, 1940 to 2000," JHR

*Chetty, Raj, Nathaniel Hendren, Patrick Kline, and Emmanuel Saez (2014) "Where is the Land of Opportunity? The Geography of Intergenerational Mobility in the United States," *Quarterly Journal of Economics*, 129(4): 1553-1623.

Chetty, Raj, Nathaniel Hendren, Patrick Kline, Emmanuel Saez, and Nicholas Turner (2014) "Is the United States Still a Land of Opportunity? Recent Trends in Intergenerational Mobility," *American Economic Review*, 104(5): 141-147.

Solon (1992) "Intergenerational Income Mobility in the United States," AER

Oreopoulos, Page, and Stevens (2008) "The Intergenerational Effects of Worker Displacement," JOLE

Inequality and Skills

*Card and DiNardo (2002) "Skill-Biased Technological Change and Rising Wage Inequality: Some Problems and Puzzles," JOLE

*Autor, Katz, and Kearney (2008) "Trends in U.S. Wage Inequality: Re-Assessing the Revisionists," Review of Economics and Statistics

Autor and Dorn (2013) "The Growth of Low Skill Service Jobs and the Polarization of the U.S. Labor Market," AER

Autor, Murnane, and Levy (2003) "The Skill Content of Recent Technological Change: An Empirical Exploration," QJE

Employment-Based Safety Net

*Clemens and Wither (2014) “The Minimum Wage and the Great Recession: Evidence of Effects on the Employment and Income Trajectories of Low-Skilled Workers,” NBER WP.

*Andersson, Holzer, Lane, Rosenblum, and Smith (2016) “Does Federally-Funded Job Training Work? Non-experimental Estimates of WIA Training Impacts Using Longitudinal Data on Workers and Firms,” CESifo WP.

Autor, Manning, and Smith (2016) “The Contribution of the Minimum Wage to U.S. Wage Inequality over Three Decades: A Reassessment,” AEJ: Applied

Meer and West (2016) “Effects of the Minimum Wage on Employment Dynamics,” JHR

Neumark, Salas, and Wascher (2014) “More on Recent Evidence on the Effects of Minimum Wages in the United States,” NBER WP 20619

Lee and Saez (2012) “Optimal Minimum Wage Policy in Competitive Labor Markets,” JPubE

Card and Krueger (1994) “Minimum Wages and Employment: A Case Study of the Fast Food Industry in New Jersey and Pennsylvania,” AER

*Hoynes, Hilary W., and Ankur J. Patel (2015) “Effective Policy for Reducing Inequality? The Earned Income Tax Credit and the Distribution of Income,” NBER Working Paper 21340.

*Hartley, Lamarche, and Ziliak (2016) “Welfare Reform and the Intergenerational Transmission of Dependence,” http://gatonweb.uky.edu/Faculty/Ziliak/TANFIGE_090216_rev.pdf.

Eissa and Liebman (1996) “Labor Supply Response to the Earned Income Tax Credit,” QJE

Bitler, Gelbach, and Hoynes (2006) “What Mean Impacts Miss: Distributional Effects of Welfare Reform Experiments,” AER

Education

More on the Returns to Human Capital and Schooling

*Heckman, Stixrud, and Urzua (2006) “The Effects of Cognitive and Noncognitive Abilities on Labor Market Outcomes and Social Behavior,”

Murnane, Willett, and Levy (1995) “The Growing Importance of Cognitive Skills in Wage Determination,” Review of Economics and Statistics

Card (1995) “Using Geographic Variation in College Proximity to Estimate the Return to Schooling,” NBER WP.

Clark and Royer (2013) “The Effect of Education on Adult Health and Mortality: Evidence from Britain,” AER

Lleras-Muney, Adriana. 2005. “The Relationship between Education and Adult Mortality in the United States.” *Review of Economic Studies*, 72(1): 189-221.

Grossman, M. 1972. “On the Concept of Health Capital and the Demand for Health” *Journal of Political Economy* 80(2), 233-55.

Frisvold and Golberstein (2011) “School Quality and the Education-Health Relationship: Evidence from Blacks in Segregated Schools” JHE.

Production of Education

*Todd and Wolpin (2003) “On the Specification and Estimation of the Production Function for Cognitive Achievement,” Economic Journal

*Card and Krueger (1992) “Does School Quality Matter? Returns to Education and the Characteristics of Public Schools in the United States,” JPE

*Chetty, Friedman, Hilger, Saez, Schanzenbach, and Yagan (2011) “How Does Your Kindergarten Classroom Affect Your Earnings? Evidence from Project STAR,” QJE

*Fryer (2011) “Financial Incentives and Student Achievement: Evidence from Randomized Trials,” QJE.

*Chetty, Friedman, and Rockoff (2014) “Measuring the Impacts of Teacher I: Evaluating Bias in Teacher Value-Added Estimates,” AER

*Chetty, Friedman, and Rockoff (2014) “Measuring the Impacts of Teacher I: Teacher Value-Added and Student Outcomes in Adulthood,” AER

Dahl and Lochner (2012) “The Impact of Family Income on Child Achievement: Evidence from the Earned Income Tax Credit,” AER

Sacerdote (2001) “Peer Effects with Random Assignment: Results for Dartmouth Roommates,” QJE

Cunha and Heckman (2007) “The Technology of Skill Formation,” AER

Lazear (2001) “Educational Production,” QJE

Higher Education

*Dale and Krueger (2002) “Estimating the Payoff to Attending a More Selective College: An Application of Selection on Observables and Unobservables,” QJE.

*Hoekstra (2009) “The Effect of Attending the Flagship State University on Earnings: A Discontinuity-Based Approach,” *Review of Economics and Statistics*

Black and Smith (2004) “How Robust is the Evidence on the Effects of College Quality? Evidence from Matching” *Journal of Econometrics*

Black and Smith (2006) “Estimating the Returns to College Quality with Multiple Proxies for Quality” *JOLE*

Fletcher and Frisvold (2014) “The Long Run Health Returns to College Quality,” *Review of Economics of the Household*

Childhood Conditions

*Almond, D. (2006) “Is the 1918 Influenza Pandemic Over? Long-Term Effects of In Utero Influenza Exposure in the Post-1940 U.S. Population.” *Journal of Political Economy*, 114(4) 672-712.

*Black, Devereux, Salvanes (2007) “From the Cradle to the Labor Market? The Effect of Birth Weight on Adult Outcomes,” *QJE*

*Figlio, Guryan, Karbownik, Roth (2014) “The Effects of Poor Neonatal Health on Children’s Cognitive Development,” *AER*

*Chetty, Raj, Nathaniel Hendren, and Lawrence F. Katz (2015) “The Effects of Exposure to Better Neighborhoods on Children: New Evidence from the Moving to Opportunity Experiment,” NBER Working Paper 21156.

Carneiro, Loken, and Salvanes (2010) “A Flying Start? Long Term Consequences of Maternal Time in Investments in Children during Their First Year of Life”

Case, Lubotsky, and Paxson (2002) “Economic Status and Health in Childhood: The Origins of the Gradient,” *AER*

Child Poverty Programs

*Garces, Thomas, and Currie (2002) “Longer-Term Effects of Head Start,” *AER*

*Hoynes, Hilary W., Diane Whitmore Schanzenbach, and Douglas Almond (2016) “Long Run Impact of Childhood Access to the Safety Net,” *AER*

Bitler, Hoynes, and Domina (2014) “Experimental Evidence on Distributional Effects of Head Start,” NBER WP.

Heckman, Pinto, and Savelyev (2013) “Understanding the Mechanisms through which an Influential Early Childhood Program Boosted Adult Outcomes,” AER

Garcia, Heckman, Leaf, and Prados (2016) “The Life-cycle Benefits of an Influential Early Childhood Program”

Rossin-Slater (2013) “WIC in your Neighborhood: New Evidence on the Impacts of Geographic Access to Clinics,” Journal of Public Economics.

Hoynes, Page, and Stevens (2011) “Can Targeted Transfers Improve Birth Outcomes? Evidence from the Introduction of the WIC Program,” Journal of Public Economics.

Figlio, David, Sarah Hamersma, and Jeffrey Roth (2008) “Does Prenatal WIC Participation Improve Birth Outcomes? New Evidence from Florida” Journal of Public Economics.

Frisvold (2015) “Nutrition and Cognitive Achievement: An Evaluation of the School Breakfast Program,” Journal of Public Economics.

Frisvold and Lumeng (2011) “Expanding Exposure: Can Increasing the Daily Duration of Head Start Reduce Childhood Obesity?” JHR

Course Requirements

Paper	40 %
Replication Assignment	25 %
Presentations of Two Articles	20 %
Presentation of Your Paper	15 %

Presentations of Articles: Students will lead the discussion of two articles from different topics from the syllabus in class. This will consist of providing a 20-minute conference-style presentation that focuses on the contribution of the paper to the literature and the key aspects of the paper. Afterwards, the presenter should describe any critiques of the paper, areas to improve the paper, and any potential extensions of the paper. Then, the presenter will facilitate a discussion of the paper.

Paper: Students will prepare a paper on the topic of their choice. The paper should include at least a fully developed proposal, and potentially some initial results. It should be prepared in a format similar to the journal articles that we will discuss in class. Students are encouraged to discuss their paper ideas with me and are required to submit a 300-word abstract of the paper by the end of week 5 (February 16). The additional references related to the course topics are listed to help you find additional references about any topics that are of particular interest to you as you consider potential topics for this paper. You should begin thinking about a paper topic immediately, and you are encouraged to discuss your paper with me throughout the semester. The final paper, which should incorporate any helpful comments from your presentation, will be due on the date of the last day of finals.

Replication Assignment: Students will attempt to replicate a published paper about a topic related to the course in a top field or general interest journal. Students should discuss the paper to replicate with me before beginning the assignment. Students should replicate the first three tables of the published paper and submit a written report (5 pages) that includes the original tables; the replicated tables; describes the topic, data, and econometrics of the original paper; and describes any difficulties with replicating the tables. This assignment is due by the class after Spring Break.

Presentation of Your Paper: Students will present their paper during the last couple weeks of the course. The format will be similar to a conference presentation.

Other Course Details

Other Events: You are encouraged to attend any related Tow Seminars and the Davies-deBoer Seminars in Health Economics throughout the semester.

Course Management: I will likely not use ICON for this course, except possibly for grades. I will instead correspond with you directly through e-mail. Send me an e-mail after the first class so that I know your contact information.

This syllabus is not a fixed document and is subject to revisions.

Communication: Communication with students outside of class will primarily occur through e-mail, office hours, and appointments by request. University policy specifies that students are responsible for all official correspondence sent to their University of Iowa e-mail address. The University provides guidance for acceptable etiquette when utilizing electronic communication technologies.

Students with Disabilities: If you have a disability that may require some modification of seating, testing, or any other class requirement, please let me know as soon as possible so that appropriate arrangements can be made. Similarly, if you have any emergency medical information about which I should know, or if you need special arrangements in the event the building must be evacuated, please let me know. The Office of Student Disability Services is available to assist you. Students seeking classroom and/or exam accommodations should first register with Student Disability Services (SDS): <http://www.uiowa.edu/sds/>.

Academic Misconduct: Any type of academic misconduct will result in an F for the course grade. Expectations regarding working with others and how to reference the literature will be made clear; however, if you have any questions, you should e-mail me. All incidents of cheating or plagiarism will be reported to the Associate Dean of the Tippie College of Business and the student may be placed on disciplinary probation, suspended, or even permanently expelled, depending on the severity of the offense. In general, the decision of the Professor may be appealed to the College of Business' Judicial Board, then to the Associate Dean for the Undergraduate Program. The Honor Code for the Tippie College of Business will determine the appropriate appeal process. By enrolling in this course, you agree to be bound by the Honor Code, which can be found here: <http://www.biz.uiowa.edu/upo/honorcode.html>.

Sexual Harassment: The University will not tolerate sexual harassment, nor will it tolerate unwelcomed behavior of a sexual nature toward members of the University community when that behavior creates an intimidating or hostile environment for employment, education, on-campus living, or participation in a University activity. Incidents of sexual harassment should be reported immediately. See the UI Comprehensive Guide on Sexual Harassment for assistance, definitions, and the full University policy: <http://www.sexualharassment.uiowa.edu/index.php>. Concerns regarding sexual harassment should be directed to the Office of the Sexual Misconduct Response Coordinator (<http://osmrc.uiowa.edu/>).

Grievance Policy: Student concerns regarding this course should first be discussed with me, the faculty member teaching this course. If we can't resolve the complaint, you may contact the departmental executive officer of the Department of Economics (Professor Sa-Aadu, 319-335-0930, jsa-aadu@uiowa.edu). If you cannot resolve the complaint by speaking with the DEO, you should take your concern to the Dean's Office (C120 PBB).

Writing Support: The Writing Center is available to provide support on all aspects of the writing process. For more details, visit their website: <http://www.uiowa.edu/~writingc/index.shtml>.