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Course Description
This is a survey course in labor economics that provides an overview of the primary topics in this field. Its goal is to enable students to use the tools of theoretical and empirical economic analysis to analyze the workings of the labor market. The course will extend the students’ knowledge of microeconomic theory as it applies to the labor market by introducing the main economic models that are used to analyze labor market issues. It will also focus on empirical issues and methodological challenges faced in empirical analysis of the labor market. Topics will include labor supply, labor demand, determination of earnings, inequality, unemployment and discrimination.

Prerequisites
440.601 Microeconomic Theory and Policy; 440.606 Econometrics

Text

You may use an older edition of the text. The Ehrenberg and Smith text is denoted as “ES” in the reading list. I will provide additional readings for each topic. All articles in the reading list should already be available online through the library. However, if you have difficulty accessing them, please let me know.

E-mail
The best way to reach me is via e-mail. Please indicate “Labor Economics” as part of your subject line of your e-mails addressed to me.

Please note that e-mail correspondence from me, AAP or the JHU in general will go to your JHU e-mails accounts. Therefore, please make sure that your JHU e-mail accounts are activated and working at all times. You may use the forwarding option to forward your JHU mails to another e-mail account.
Blackboard
Assignments, answer keys, slides and other course documents will be posted on blackboard. The following link takes you to the blackboard login page: https://blackboard.jhu.edu.

Course Requirements
Your final grade will be determined by your score on a midterm exam, a cumulative final, and a research paper. The weights given to these components are listed below.

<table>
<thead>
<tr>
<th>Component</th>
<th>Weight (Due Date)</th>
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<tbody>
<tr>
<td>Midterm Exam</td>
<td>30 % (March 25)</td>
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<tr>
<td>Final Exam</td>
<td>30 % (May 6)</td>
</tr>
<tr>
<td>Term Paper</td>
<td>30 % (Final draft due April 29)</td>
</tr>
<tr>
<td>Brief Discussion Papers</td>
<td>10%</td>
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Midterm and Final Exams: The exams will consist of both problems and short essay questions. The final exam will be cumulative. In the event that you miss the midterm exam, there will be no make-up exam. Your final exam will be re-weighted to carry those points.

Term Paper: You have two options for the term paper.
A. Survey Paper: Conduct a thorough literature review on a topic of your choosing. The survey paper should include your synthesis of the current knowledge on the topic as presented in the literature as well as your critical discussion of how the current state of knowledge can be advanced in the future. You may choose any topic in labor economics that interests you. This is an opportunity for students to investigate a topic that was not covered in class or extend their knowledge of one that was covered. If the topic is one that is covered in class, it is essential that the paper is exploring the topic beyond the sources and the discussion points covered in class.

B. Empirical Study: Conduct an empirical study of a topic of your choosing. Identify the research questions, hypotheses to be tested, and dataset. Present a brief theoretical model and a detailed econometric model. Estimate the model and present results.

The term paper assignment will consist of several stages. The due dates and the points associated with each stage are listed below. (total points of the paper assignment = 100).

Proposal (Due on February 25 – 2.5 points) – The proposal will be a one-page description of your paper. It should motivate your paper by specifying your topic and why it is important. You should also include a minimum of 5 papers that will be used as references. If you choose option B (empirical study), identify your topic, research questions and hypotheses to be tested.

Outline/Bibliography (Due on April 5 – 2.5 points) – A detailed annotated outline of your paper and a list of references obtained up until that point. If you choosing option B (empirical study), identify the dataset and your econometric model at this stage.

Final draft (Due on April 29 - 95 points) – The paper should be maximum 15 pages in length, double-spaced, using Times New Roman 12 pt. font and one-inch margins. The cover page, bibliography and any appendices are not included in the page limit.
**Brief Discussion Reports:** Throughout the semester, students will be asked to prepare brief discussion reports including a brief summary, critique and comments on journal articles that will be assigned. Each discussion report should be 2 pages in length and double-spaced.

Your discussion report should address the following questions:

1. What is the question or issues that this paper is seeking to address? That is, what questions or puzzles motivate the paper?
2. What theoretical model or framework is being used in the paper?
3. What econometric approach is used in the paper (if applicable)?
   3.1. What is the author trying to estimate and/or what hypotheses are being tested?
   3.2. How does the author(s) obtain identification of the effects of interest?
   3.3. What econometric methods are being used in estimation?
   3.4. Do the methods being used seem appropriate?
   3.5. Are the methods robust to the intrusion of various types of biases?
4. What conclusions, theoretical or empirical, does the author(s) reach?
   4.1. Do they make sense?
   4.2. Are they convincing and robust ones?
   4.3. Does the author(s) draw the correct inferences from their work?
5. If you were writing the paper, what would you do differently (if any)?
6. What extensions, alternative modeling or estimation do you think make sense?

**Practice Problem Sets [not to be graded]:** In addition to graded work, practice problem sets will be provided throughout the semester. These problem sets will not be graded but are intended to help you in learning the material and prepare for the exams. Answers to the problems will be made available in the class session following the receipt of the problem set.

**Academic Honesty**

All students are expected to comply with the codes of academic honesty and ethics. Violations of academic honesty include but are not limited to cheating and plagiarism. Please refer to JHU Ethics Board website at http://ethics.jhu.edu for more information.

**Disability Services**

The Johns Hopkins University is committed to providing reasonable and appropriate accommodations to students with disabilities. Students in Advanced Academic Programs (AAP) who are in need of accommodations should visit [http://advanced.jhu.edu/current-students/current-students-resources/disability-accommodations/](http://advanced.jhu.edu/current-students/current-students-resources/disability-accommodations/) for the appropriate steps and documentation needed. Requesting accommodations before the semester is preferable, but not required. The student should submit the Request for Accommodation Form prior to the beginning of each semester(s) he is registered to ensure that accommodations continue for that semester. Depending on the accommodation, there may be a time delay before accommodations can be implemented.
Course Outline

Below is a preliminary course outline. Changes or additions to the topics and readings may be announced during the semester.

Jan. 28  Introduction (ES-Chapter 2)
         Labor Supply I (ES-Chapter 6)

Feb. 4   Labor Supply II (ES-Chapter 6)

Feb. 11  Labor Supply III (ES-Chapter 7)

Feb. 18  Labor Demand I (ES-Chapter 3)

Feb. 25  Labor Demand II (ES-Chapter 4)
         Paper Proposal Due

Mar. 4   Compensating Differentials (ES-Chapter 8)

Mar. 11  Human Capital I (ES-Chapter 9)

Mar. 18  Spring Break

Mar. 25  Midterm Exam
         Human Capital II (ES-Chapter 9)

Apr. 1   Human Capital III (ES- Chapter 9)
         Paper Outline/Bibliography Due

Apr. 8   Labor Market Discrimination (ES-Chapter 12)

Apr. 15  Inequality in Earnings (ES-Chapter 15)

April 22 Pay and Productivity I (ES-Chapter 11)

April 29 Pay and Productivity II (ES-Chapter 11)
         Paper Due

May 6   Final Exam