

**Syllabus**  
**University of Oklahoma**  
**Department of Economics**  
**ECON 6533-001: Labor Economics II**  
**Spring 2023**

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**Professor:** Dr. Chunbei Wang  
**Email:** chunbei.wang@ou.edu

**Course Meeting:** TR 1:30 pm – 2:45 pm at Cate Center One 237

**Office Hours:** On Zoom Tuesdays 12:20 pm – 1:20 pm, or by appointment.

Meeting ID: 925 0743 0909

Passcode: econwang

Join Zoom Meeting

<https://oklahoma.zoom.us/j/92507430909?pwd=T3J3MnpFS2ovVmdxUDE3Z0tONHJqUT09>

**Learning Management System:** canvas.ou.edu

**Course Description:**

This course is the second part of the two-course Ph.D. Labor Economics sequence. We will first cover the basics of labor supply, demand, and equilibrium to build a basic theoretical foundation for research in labor economics. Then several field topics will be introduced, including immigration, education, discrimination, and marijuana legalization. We will learn about classic research in these topics to gain knowledge on how the literature developed, as well as recent research to gain knowledge on where the literature is leading. This is a graduate seminar style course with a mixture of lectures and discussions. Students are expected to read assigned readings prior to class and be prepared to discuss.

**Course Goals:**

The two-part sequence aims at preparing you for original research in labor economics. Being the second of the sequence, this course has four main goals.

1. Gain background knowledge of important stylized facts about labor markets, mainly in the U.S.
2. Become familiar with a variety of empirical approaches commonly used in the field.
3. Gain critical understanding of the literature in the topics covered in this course.
4. Develop a research paper to contribute to the existing literature.

**Recommended Textbooks:**

- Cahuc, Pierre, Stephane Carcillo, and Andre Zylberberg, *Labor Economics*, 2<sup>nd</sup> edition, MIT Press. Online Resources: [www.labor-economics.org](http://www.labor-economics.org)
- Cunningham, Scott, *Causal Inference The Mixtape*, Yale University Press, 2021

### Supplemental Readings:

Supplemental readings of journal articles will be provided on Canvas.

### Requirements and Grading:

The course requirements include in-class participation, presentation and discussion, problem sets, a research proposal, and two exams.

The weights in the final grade are assigned as follows:

In-class Participation	10%	Problem Sets	30%
Presentation and Discussion	20%	Research Paper	40%

The grading will be point based and there will not be any adjustment to the final grade.

#### Letter Grade Criteria

A	90-100	B	80-89	C	70-79	D	60-69	F	<60
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The following is a detailed description of the requirements.

#### 1. *In-class participation (10%)*

You are expected to attend classes regularly and actively participate in discussions.

#### 2. *Presentation and Discussion (20%)*

Each of you will present two to three journal articles this semester depending on the class size. Each presentation should use slides and take about 20~30 minutes. The presentation should cover important details about the paper, your own opinion of its merits, shortcomings, and potential extensions. At the end of each presentation, time will be devoted for comments, questions, and class discussions.

For every presentation, everyone should come prepared with a discussion sheet (except the student who is presenting the paper that day, but that student should be ready to discuss the content of the discussion sheet). You will submit the sheet on Canvas at least one hour before class. The discussion sheet template is posted on Canvas. They don't need to be fancy or professionally written, but they should be well thought out, clear, and insightful. You should also try to make it a habit to think about these questions whenever you read a paper.

You will be graded on each presentation or discussion. The lowest 2 grades will be dropped.

#### 3. *Problem Sets (30%)*

Problem sets will be given regularly. Problem sets usually include some theoretical/empirical practice problems, as well as small Stata replication projects.

They are collected at the beginning of the class on the due date. Group discussion is encouraged when working on the homework but your answers should show **individual** understanding of the materials.

Problem sets should be submitted in class on the due date. Any LATE problem set will be marked down 10% if it is 1 day overdue, 20% if 2 days overdue, and so on, and will **ONLY** be accepted before solutions are given.

The lowest problem set grade will be dropped under the condition that all problem sets are completed and submitted. In other words, you will not be able to receive this benefit if you miss any homework assignment.

#### 4. *Research Paper (40%)*

The paper should be an original empirical research paper that includes the following:

- 1) An introduction section that motivates the idea, explaining what the idea is, why the audience should be interested, your identification strategy to answer the research question, and a summary of how it contributes to the existing literature.
- 2) A literature review section that provides a thorough literature review on the related literature to your idea, and details of how your idea contributes to the existing literature (i.e. the novelty of your idea).
- 3) A method section showing what research method you use to answer your research question, including details of the models such as all variables to be included and/or the specific empirical strategy, explain why this method is appropriate and what problems it could address.
- 4) A data section showing your data sources and how you construct the variables to carry out your estimation.
- 5) A result section discussing your main findings.
- 6) A robustness check section addressing any potential issues with your estimation.
- 7) A conclusion section that briefly summarizes your paper.
- 8) A reference section that lists all the references cited in your paper.

#### **Department Seminar**

Students should attend the OU Economics Seminar series (Fridays 3- 4:15pm). Please see the schedule here: <https://www.ou.edu/cas/economics/research-seminars/spring>.

#### **Course Policies**

##### **Extra Credit Policy:**

Extra credit opportunities, if provided, are available to all students to ensure fairness. *Individual* requests of extra credit opportunities will be denied.

##### **Changes in the syllabus**

The instructor reserves the right to make changes to the syllabus if desirable or necessary, and will inform you via email and in class.

## **University Policies**

### **Academic Integrity:**

The overall goal of this course is your learning. In order to demonstrate that you have reached this goal, the work you turn in needs to be your own. This includes putting written work into your own words and citing your sources, as appropriate to avoid plagiarism. If you work in a group, seek assistance from a tutor, use a resource on campus, and/or use online resources (including AI software), the work you turn in must be your own, demonstrating your own understanding of the material that you have gained through the learning process.

If you have questions about academic integrity or plagiarism, please ask: my aim is to foster an environment where you can learn and grow, while also maintaining academic honesty and a clear representation of your learning and ideas. Penalties for serious offenses include a zero on the assignment and egregious offenses can even result in expulsion from the university, so it is important to understand expectations. Visit the OU Integrity Office for more information on what constitutes plagiarism.

### **Religious Observance:**

It is the policy of the University to excuse the absences of students that result from religious observances and to reschedule examinations and additional required classwork that may fall on religious holidays, without penalty.

### **Reasonable Accommodation Policy:**

Students requiring academic accommodation should contact the Disability Resource Center for assistance at (405) 325-3852 or TDD: (405) 325-4173. For more information please see the Disability Resource Center website <http://www.ou.edu/drc/home.html>

Any student in this course who has a disability that may prevent him or her from fully demonstrating his or her abilities should contact me personally as soon as possible so we can discuss accommodations necessary to ensure full participation and facilitate your educational opportunities.

### **Title IX Resources and Reporting Requirement:**

For any concerns regarding gender-based discrimination, sexual harassment, sexual assault, dating/domestic violence, or stalking, the University offers a variety of resources. To learn more or to report an incident, please contact the Sexual Misconduct Office at 405/325-2215 (8 to 5, M-F) or [smo@ou.edu](mailto:smo@ou.edu). Incidents can also be reported confidentially to OU Advocates at 405/615-0013 (phones are answered 24 hours a day, 7 days a week).

### **Adjustments for Pregnancy/Childbirth Related Issues:**

If you need modifications or adjustments to your course requirements because of pregnancy-related or childbirth-related issues, please contact me as soon as possible. Please see [www.ou.edu/content/eoo/faqs/pregnancy-faqs.html](http://www.ou.edu/content/eoo/faqs/pregnancy-faqs.html) for commonly asked questions.

## **Course Outline:**

### **Week 1**

#### **January 17: Introduction**

#### **January 19: Overview of Research Methods**

- Randomized Experiments
- OLS Regression with Control Variables
- Matching

### **Week 2**

#### **January 24: Overview of Research Methods**

- Difference-in-Differences
- Fixed Effects
- Instrument Variables
- Regression Discontinuity

#### **January 26: Present Your Research Proposal and Research Plan**

- Three more presentations on your research on Feb 21, Apr 4 or Apr 6, and May 2 or May 4.

### **Week 3**

#### **January 31: Labor Supply**

- Static Labor Supply

#### **February 2: Labor Supply**

- Intertemporal Labor Supply

### **Week 4**

#### **February 7: Labor Supply (Presentation 1)**

- Empirical Estimate of Labor Supply Elasticity
- Taxicab Series Estimation of Labor Supply

#### **February 9: Labor Supply (Presentation 2)**

- Men's Labor Supply
- Women's Labor Supply
- Family Labor Supply

### **Week 5**

#### **February 14: Labor Demand**

- Firms' Choice of Labor

#### **February 16: Labor Demand (Presentation 3)**

- Empirical Estimation of Labor Demand
- Labor & Capital Substitute/Complement

**Week 6**

**February 21: Present Your Research Progress**

**February 23: Labor Market Equilibrium**

- Equilibrium

**Week 7**

**February 28: Labor Market Equilibrium (Presentation 4)**

- Minimum Wage

**March 2: Immigration**

- Wage Assimilation and Immigration Selection
- Economic Benefit/Cost of Immigration

**Week 8**

**March 7: Immigration**

- Effect of Immigration on Natives
  - DD Estimation
  - IV Estimation

**March 9: Immigration (Presentation 5)**

- Effect of Immigration on Natives
  - DD Estimation
  - IV Estimation
  - National Skill Cell Estimation

**Week 9**

**March 14: Spring Break**

**March 16: Spring Break**

**Week 10**

**March 21: Immigration**

- Effect of Immigration Policies on Immigrants
  - Amnesty
  - E-verify
  - DACA
  - State-level Policies

**March 23: Immigration (Presentation 6)**

- Measure of Illegal Immigrants
- Identify Illegal Immigrants in Survey Data

**Week 11**

**March 28: Education**

- Human Capital Model
- Signaling Model

**March 30: Education**

- Causal Effect of Education – IV Estimation
  - Various IVs
  - IV Issues

**Week 12**

**April 4: Present Your Research Progress**

**April 6: Present Your Research Progress**

**Week 13**

**April 11: Education (Presentation 7)**

- Causal Effect of Education – IV Estimation
  - Heterogeneity

**April 13: Education (Presentation 8)**

- Causal Effect of Education
  - Twins Data Estimation
  - RD Estimation
  - Roles of Education and Ability

**Week 14**

**April 18: Discrimination**

- Taste Discrimination
- Statistical Discrimination

**April 20: Discrimination (Presentation 9)**

- Empirical Estimation of Discrimination – Decomposition
- Empirical Estimation of Discrimination – Field Experiments
- Empirical Tests Differentiating Statistical and Taste Discrimination

**Week 15**

**April 25: Discrimination (Presentation 10)**

- Empirical Results
  - Race and Gender
  - Affirmation Action
  - Beauty and other features

**April 27: Marijuana Legalization**

- Marijuana and Alcohol Complementarity/Substitutability
- Legalization Effect – various outcomes

**Week 16**

**May 2: Presentation of Research Paper**

**May 4: Presentation of Research Paper**

**Research Paper due: May 10 by midnight**