

Spring 2018

National School of Development
Peking University

Instructor:

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Labor Economics: Theory and Empirical Analysis

9:00-12:00, Mondays

This is a graduate course in labor economics, which teaches core topics in the field of labor economics as well as empirical methods for applied microeconomic analysis. The purpose of this course is twofold. First, students should obtain a general understanding of the problems, methods and substantive literature in selected topics in labor economics. The course focuses on selected issues currently relevant for Chinese labor market policies. Second, the students should learn how to carry out empirical research in labor and development economics using micro-economic data. The empirical methods are widely applicable to all economic fields.

This course is appropriate for students in economics with preparations of microeconomic theory and econometrics. Students are expected to choose a topic in advance, prepare presentations, and lead or participate in the discussion of the topics. Regardless of topic assignment, each student is expected to read all assigned papers in advance and participate in the discussion of the materials. The main product of the course is a research paper. The research paper should use microeconomic data to address a well-defined and focused issue related to labor market and economic development in China. The length of paper should be between 20 and 30 pages (double spaced) including tables and graphs in English or 15 to 25 pages in Chinese. The term paper is due on 31 Jul. 2018. A brief research proposal for the research paper should be turned in by 9 Apr. 2018. And student presentations will be scheduled twice on 4 Jun. and 11 Jun. for reporting the progress of the research paper.

Grade will be based on three parts: (1) Presentations: 30%. (2) Class participation (attendance and class discussion): 10%. (3) Research paper: 60%.

Course materials: The class is based on papers instead of a textbook. A reading list will be provided. Working labor economists should have easy access to the following resources:

- George J. Borjas (2013): *Labor Economics*, Irvin, McGraw Hill, 6th edition.
- Ashenfelter, Orley and David Card (2010): *Handbook of Labor Economics*, Volumes 4A and 4B.
- Angrist, Joshua and Jorn-Steffen Pischke (2009): *Mostly Harmless Econometrics: An Empiricist's Companion*, Princeton University Press

- Ronald G. Ehrenberg and Robert S. Smith (2000): *Modern Labor Economics: Theory and Public Policy*, Addison, Welsley Longman, 7th edition

Course outline:

Week	Date	Topic
1	26 Feb.	Introduction
2	5 Mar.	Labor supply (Theory)
3	12 Mar.	Labor supply (Empirical Evidence)
4	19 Mar.	Labor demand, immigration and minimum wage
5	26 Mar.	Immigration
6	2 Apr.	Human capital, education and peer effect
7	9 Apr.	*Student presentation*
8	16 Apr.	Labor market discrimination, inequality
9	23 Apr	Labor market discrimination, inequality
10	30 Apr.	The economics of crime
11	7 May	The economics of crime
12	14 May	Field experiments in labor economics
13	21 May	Field experiments in labor economics
14	28 May	Optional Topics
15	4 Jun.	*Student presentation*
16	11 Jun.	*Student presentation*