This seminar will focus on three interrelated special topics in labor economics: 1) Dynamic Theories of Labor Supply, Employment, and Unemployment; 2) Labor Supply in a Household Framework; 3) Labor Market Activity and Income Distribution. The first topic will focus on recently developed theories of job turnover and matching. Long-term implicit contract models with particular emphasis on incentive compatibility and moral hazard problems will also be discussed. The second topic will begin with a historical overview of trends in female labor force participation, fertility, marriage, and divorce. Models of household behavior dealing with the interrelationships between these phenomena will be presented to explain the recent dramatic changes in these trends. The third topic draws on the analyses developed in the first two sections to explore various issues of income distribution. Earnings mobility and educational and occupational choice are areas where the distribution of income is largely influenced by individual labor market activity. Intergenerational mobility, investments in children and changes in family structure are areas where behavior within the family largely influences the distribution of incomes. In each area both the theoretical models and empirical tests of these models will be extensively explored.
I. Dynamic and Life-Cycle Theories of Labor Supply, Employment, and Unemployment

A. Implicit Contracts—motivation


1. Compensation Schemes


2. Turnover and Matching


3. Job Search


B. Life Cycle Labor Supply


C. Policy Issues (to be determined)

1. Unemployment Insurance (?)
2. Retirement and Social Security (?)
II. Labor Supply in a Household Setting

A. Historical Overview of Trends in Female Labor Force Participation, Marriage, Divorce, and Fertility.


B. Allocation of Time Within the Household


C. Fertility and Labor Supply


D. Changes in Household Structure and Labor Supply


III. Issues in Income Distribution


A. Earnings Mobility


B. Investment in Human Capital and Occupational Choice


C. Income Distribution and Family Structure


D. Intergenerational Mobility


E. Demographic Effects on the Distribution of Income

