Economics 8676- Labor Economics 1  
Fall 2008  
M/W 9:00-10:15 ECON 5  
www.colorado.edu/Economics/courses/mckinnis/econ8686

Terra McKinnish  
Econ 115  
mckinnis@colorado.edu  
303-492-6770  
spot.colorado.edu/~mckinnis  
Office Hours: by appointment

Course Description  
This is a graduate survey course in labor economics. The first 6 weeks of class will be a mini-course in applied econometric tools. This material will be tested on the first midterm. The remaining 9 weeks of the semester will cover 3 key topic areas in labor economics: labor supply, human capital, and economics of the family. This material will be tested on the second midterm.

A primary goal of this course is to teach you to read and understand papers beyond the superficial “introduction and conclusion” summary. Over the course of the semester, we will discuss approximately 20 papers in class. Using the attached schedule, you are expected to bring a copy of the paper on the appropriate day, to have read the paper prior to class, and to be prepared to answer questions regarding the content of the paper if asked to do so.

There will be 6 problems sets. The predominant requirement of the problem sets will be to estimate and interpret econometric models with data, although theory exercises will occasionally be required as well.

The tentative schedule for the problem sets is:  
PS#1- Differences-in-Differences, Panel Data, due 9/12  
PS#2- Instrumental Variables, Due 9/26  
PS#3- Measurement Error, Due 10/8  
PS#4- Labor Supply Estimation, Sample Selection, Due 10/24  
PS#5- Ashenfelter and Krueger Twins Data, Due 11/14  
PS#6- Training Program Evaluation, Matching, Due 12/5

The final grades in the course will be determined by:  
Midterm Exam: 30%, Final Exam: 40%, Problem Sets: 30%
Reading List and Schedule

I. Applied Econometrics

8/25, 8/27- Introduction, Differences-in-Differences


9/3- Panel Data, Fixed-Effects


9/8, 9/10- Instrumental Variables


9/15- Measurement Error


9/17- Regression Discontinuity


9/22, 9/24- Tobit and Heckman Selection Models

9/29- Matching Methods


10/1 Midterm
II. Labor Supply

10/6, 10/8 – Intro to Static Model

10/13, 10/15- Estimation of Static Model


10/20, 10/22- Life-Cycle Model


[No Class 10/27 and 10/29]

III. Human Capital

11/3- Human Capital Model

11/5, 11/10- Estimating the Returns to Schooling and School Quality


### III. Economics of the Family

11/17, 11/19- Models of Household Production, Fertility and Household Bargaining

12/1-12/10- Empirical Studies in Economic Demography


