

Economics 8676-001
Labor Economics I
Spring 2025

Instructor Contact Info:

Professor Chloe N. East (she/her)

Department of Economics

Office Location: 206B in Economics Building

chloe.east@colorado.edu Please allow 1 workday to receive a reply to an email.

Office hours: Thursday 1:30-2:30pm, or by appointment. Please respect these hours and *do not* come to my office outside of these hours without an appointment.

Course Meets:

TTh 3:30-4:45pm

ECON 5

Course Overview and Objectives:

This class provides a foundation in the theory and empirical research in Labor Economics related government policy and labor markets. We will study several major government policy areas with a focus on U.S. policy, and within each topic we will learn the economic theory that motivates the relevant empirical questions and discuss an empirical paper that attempts to answer these questions. Each paper is chosen to familiarize the class with a different quasi-experimental empirical methodology used in applied microeconomics research. We will see examples of older papers using these methods and newer papers that advance these methods forward. This will provide a toolkit to be used for conducting independent research.

Course grades:

1. **Class Participation** (10%). All students in the course will be expected to read the papers before class and to actively participate in these discussions. To do this successfully you may need to read the paper more than once. I also suggest you discuss the papers with your peers before the class as well. I will lead the discussion, but all students are expected to actively contribute to the discussion with original comments and questions. This is not a competition with your classmates, we are all working together to understand and evaluate the papers.
2. **Paper Summaries** (10%). To aid in the understanding of the papers to be discussed in class, all students must post a one paragraph summary of the paper to be discussed *by 3pm* of the day we will discuss the paper in class. The first summary is due by 3pm of 1/13 and other due dates will be announced throughout the semester. Your grade on this will be determined in part from turning in a summary for each paper (completion), and in part from a thorough review of a random selection of your summaries. These summaries are to be posted on Canvas under the "Discussions" tab for each paper and should include the following:
 - a. One sentence summarizing the economic question the paper is trying to answer.
 - b. One sentence explaining why this is an important question from the perspective of advancing economics knowledge.
 - c. One sentence explaining the contribution of this paper to the literature.
 - d. One sentence describing the empirical methodology used.
 - e. One sentence describing the data and why the data is well suited to answer the question.
 - f. One sentence summarizing the key findings of the paper.
 - g. One sentence discussion if there is an alternative interpretation of the results.
 - h. One sentence on how you could extend this paper or swap out an element to make a new paper.
3. **Problem Set** (15%). There will be one problem set during the course related to an article(s) on the reading list. You may collaborate with your peers to complete the problem set, however, each student must write up their own answers and submit their own work. The problem set will be distributed the first week of class and will be due via email on 2/12.
4. **Referee Report** (15%). You will be required to write a brief summary of the paper's methods and conclusions, followed by an analysis of the paper's strengths and weaknesses. You will receive specific instructions when I have selected the paper. I will provide example referee reports prior to the due date of 3/12.
5. **Exam** (20%). There will be one midterm exam which will test your ability to think on your feet about what data and methods would be well-suited to answering various potential research questions as well as what potential

issues arise in a specific research setting. I will not be testing you on whether you have memorized the details of the papers we have read, but rather, whether you have internalized the broader lessons from these papers and the class on how to conduct and critique research.

6. **Attendance of Talks Outside of Class (5%).** To further your exposure to research and your development of the ability to conduct and critique research, you **MUST** attend the Applied Micro Brownbags, Dr. East's IBS talk in the evening on 2/19, and the Economics Seminars on 4/17 and 4/24. You must attend all three of the latter events. You must attend at least 2 brownbag meetings this semester. I will take attendance at all events. If you have a conflict with any of these events you must let me know right away so we can work out an alternative arrangement.
7. **Research Proposal (25%).** Each student is required to write a research proposal on a topic related to labor economics. The topic can be related to the ones we discussed during the course, or it could cover another labor-related topic that we did not discuss. However, the topic must be original and *not* one you have used already in another class. The proposal is limited to be one page single spaced. The proposal is due by midnight on the day of our final exam, TBA. Your proposal can be 5 pages single spaced at maximum. The proposal should include:
 - a. Literature review of at least 5 papers related to your chosen topic, as well as any relevant papers that we discussed in class. The papers should be empirical in nature and should have appeared in well-known academic journals.
 - b. A clear and well-defined research question and a discussion of how your question contributes to existing literature.
 - c. An outline and discussion of the empirical strategy you would use and the data you would use. This includes, but is not limited to the following:
 - i. Naming the method you will use (e.g. diff-in-diff, RD, IV, etc)
 - ii. Writing out your main estimating equation and defining all terms
 - iii. Describing your data and why it is well-suited
 - iv. Describing your main analysis sample (e.g. what years will you include, what level will the data be at)
 - d. Each student will present preliminary ideas for their proposal in class and these presentations will count towards one fifth of the total proposal grade. The criteria for the presentation is to come to class with a clearly defined economic question related to labor economics, a justification for why this is an important question, and one or two ideas about the empirical strategy and data you would use. The purpose of these presentations is to get feedback from me and your peers on how you may go about answering the question, and for your peers to learn more about your interests and work. Students can modify the ideas after the presentation before the final submission.
 - e. I have also set aside time during class for optional one-on-one meetings with me to discuss your preliminary ideas before the presentation. I will pass around a sign-up sheet for these before class that week.

Ground Rules for Class Discussion of Papers:

I will direct the discussion with pointed questions and call on students by name to answer these questions. I will use a random number generator (with replacement) to call on students for these questions to give all students the chance to participate. Once the student has had the chance to fully answer the question, I will then open up the discussion to others who want to make comments or ask questions regarding the same topic.

Please follow these guidelines in all class discussions:

- Listen actively and attentively and do not interrupt.
- Ask for clarification if you are confused.
- Challenge one another but do so respectfully. Do not challenge the person, instead challenge the idea.
- Do not offer opinions without supporting evidence. The goal of the class is to learn how to conduct positive analysis.
- Avoid put-downs (even humorous ones).
- Take responsibility for the quality of the discussion.
- Build on one another's comments; we are all working towards understanding these papers.
- Always have the papers in front of you.
- Do not monopolize the discussion.

Your participation grade will be based on:

1. The quality of your answers to the pointed questions when called upon.
2. The quality of your contribution to the discussion more broadly.
3. Your respect for the guidelines listed above.

Make-up exams are only administered in extreme circumstances, so please do not miss exam days. Excuses for missed exams must be pre-approved except when this is not possible in an emergency situation. Personal travel (vacation) is not considered an excused absence, so be careful not to make travel plans that might overlap with exams. If you are sick, you should email me about it before the exam.

Grading Scale:

Assignments will be scored numerically. After grading is complete, identical adjustments may be made to everyone's grade if the median score is lower than expected. I will be very clear if I plan to do this, and I will tell you if I will do so before the end of the semester.

Re-grading Policy:

You must submit written requests for re-grades within *three working days* of the day they were returned. I reserve the right to re-grade the whole work, meaning that you may lose points (since mistakes can happen in both directions).

Use of LLMs/Artificial Intelligence (AI):

Many assignments for this class will be in person and therefore you will not be able to use AI. You may use AI tools on specific assignments in this course, and I will discuss this as appropriate in class. If you use AI tools on permitted assignments in this class, document your usage with the [Chicago Manual of Style](#).

Honor Code

All students enrolled in a University of Colorado Boulder course are responsible for knowing and adhering to the [Honor Code](#). Violations of the Honor Code may include but are not limited to: plagiarism (including use of paper writing services or technology [such as essay bots], cheating, fabrication, lying, bribery, threat, unauthorized access to academic materials, clicker fraud, submitting the same or similar work in more than one course without permission from all course instructors involved, and aiding academic dishonesty. Understanding the course's syllabus is a vital part of adhering to the Honor Code.

All incidents of academic misconduct will be reported to Student Conduct & Conflict Resolution:

StudentConduct@colorado.edu. Students found responsible for violating the Honor Code will be assigned resolution outcomes from Student Conduct & Conflict Resolution and will be subject to academic sanctions from the faculty member. Visit [Honor Code](#) for more information on the academic integrity policy.

Accommodation for Disabilities, Temporary Medical Conditions, and Medical Isolation

If you qualify for accommodations because of a disability, please submit your accommodation letter from Disability Services to your faculty member in a timely manner so that your needs can be addressed. Disability Services determines accommodations based on documented disabilities in the academic environment. Information on requesting accommodations is located on the [Disability Services website](#). Contact Disability Services at 303-492-8671 or DSinfo@colorado.edu for further assistance. If you have a temporary medical condition, see [Temporary Medical Conditions](#) on the Disability Services website.

If you have a temporary illness, injury or required medical isolation for which you require adjustment, please reach out to me as soon as possible and we will discuss an alternative arrangement. You must reach out to me within 3 business days of the temporary health situation for us to ensure a timely alternative arrangement.

Accommodation for Religious Obligations

Campus policy requires faculty to provide reasonable accommodations for students who, because of religious obligations, have conflicts with scheduled exams, assignments, or required attendance. Please communicate the need for a religious accommodation within the first two weeks of the semester and we will work out an alternative arrangement. See the [campus policy regarding religious observances](#) for full details.

Preferred Student Names and Pronouns

CU Boulder recognizes that students' legal information does not always align with how they identify. If you wish to have your preferred name (rather than your legal name) and/or your preferred pronouns appear on your instructors' class rosters and in Canvas, visit the [Registrar's website](#) for instructions on how to change your personal information in university systems.

Classroom Behavior

Students and faculty are responsible for maintaining an appropriate learning environment in all instructional settings, whether in person, remote, or online. Failure to adhere to such behavioral standards may be subject to discipline. Professional courtesy and sensitivity are especially important with respect to individuals and topics dealing with race, color, national origin, sex, pregnancy, age, disability, creed, religion, sexual orientation, gender identity, gender expression, veteran status, marital status, political affiliation, or political philosophy.

Additional classroom behavior information

- [Student Classroom and Course-Related Behavior Policy.](#)
- [Student Code of Conduct.](#)
- [Office of Institutional Equity and Compliance.](#)
- [Student Code of Conduct.](#)
- [Office of Institutional Equity and Compliance.](#)

Sexual Misconduct, Discrimination, Harassment and/or Related Retaliation

CU Boulder is committed to fostering an inclusive and welcoming learning, working, and living environment. University policy prohibits [protected-class](#) discrimination and harassment, sexual misconduct (harassment, exploitation, and assault), intimate partner abuse (dating or domestic violence), stalking, and related retaliation by or against members of our community on- and off-campus. The Office of Institutional Equity and Compliance (OIEC) addresses these concerns, and individuals who have been subjected to misconduct can contact OIEC at 303-492-2127 or email OIEC@colorado.edu. Information about university policies, [reporting options](#), and [OIEC support resources](#) including confidential services can be found on the [OIEC website](#).

Please know that faculty and graduate instructors are required to inform OIEC when they are made aware of incidents related to these concerns regardless of when or where something occurred. This is to ensure the person impacted receives outreach from OIEC about resolution options and support resources. To learn more about reporting and support a variety of concerns, visit the [Don't Ignore It page](#).

Mental Health and Wellness

The University of Colorado Boulder is committed to the well-being of all students. If you are struggling with personal stressors, mental health or substance use concerns that are impacting academic or daily life, please contact [Counseling and Psychiatric Services \(CAPS\)](#), located in C4C, or call (303) 492-2277, 24/7.

Additional Resources

The Office of Victim Assistance can be reached at 303-492-8855. Its webpage is <http://www.colorado.edu/ova/>.

The webpage <https://www.colorado.edu/undocumentedstudentresources/> contains information regarding campus counseling resources available for students and employees with DACA Status. I am committed to supporting all students regardless of their or their families documentation status. Please reach out to me with questions or concerns about this.

The website <https://www.colorado.edu/redfolder/> provides guidance with regard to assisting students in distress.

Assignment Dates*

Date	Topic	Required Reading for Class	Due Dates
Thurs 1/8	Introductions, Labor Supply Models		
Tues 1/13	Labor Supply Decisions, Taxes and Transfers, Difference-in-Differences	N. Eissa and J. Liebman, "Labor Supply Response to the Earned Income Tax Credit", QJE 111 (1996).	
Thurs 1/15	Labor Supply Decisions, Taxes and Transfers, Difference-in-Differences, Program Rollout	Kleven, Henrik. "The EITC and the extensive margin: A reappraisal." <i>Journal of Public Economics</i> 236 (2024): 105135.	
Tues 1/20	Labor Supply Decisions, Taxes and Transfers, Judge IV	Aizer, Anna, Hilary Hoynes, and Adriana Lleras-Muney. "Children and the US social safety net: Balancing disincentives for adults and benefits for children." <i>Journal of Economic Perspectives</i> 36.2 (2022): 149-174.	
Thurs 1/22	Human Capital Development, Diff in Diff, Program Rollout	Hoynes, Hilary, Diane Whitmore Schanzenbach, and Douglas Almond. "Long-run impacts of childhood access to the safety net." <i>American Economic Review</i> 106.4 (2016): 903-934.	
Tues 1/27	Human Capital Development, Simulated IV and IV Methods	Currie, Janet, and Jonathan Gruber. "Saving babies: the efficacy and cost of recent changes in the Medicaid eligibility of pregnant women." <i>Journal of political Economy</i> 104.6 (1996): 1263-1296.	Problem Set Distributed
Thurs 1/29	Human Capital Development, Simulated IV and IV Methods	East, Chloe N., et al. <i>Multi-generational impacts of childhood access to the safety net: Early life exposure to Medicaid and the next generation's health</i> . American Economic Review, January 2023	
Tues 2/3	Review code from Medicaid paper, Catch Up		
Thurs 2/5	Issues with TWFE Models	Goodman-Bacon, Andrew. "Difference-in-differences with variation in treatment timing." <i>Journal of Econometrics</i> 225.2 (2021): 254-277.	
Tues 2/10	Immigration and Economic Mobility	Abramitzky, Ran, et al. "Intergenerational mobility of immigrants in the United States over two centuries." <i>American Economic Review</i> 111.2 (2021): 580-608.	
Thurs 2/12	Class Cancelled – Dr. East Presenting at UC Davis and Berkeley		Problem Set Due by 6pm via email
Tues 2/17	Immigration and the Labor Market	East, Chloe N., et al. "The labor market effects of immigration	

		enforcement." <i>Journal of Labor Economics</i> 41.4 (2023): 957-996.	
Thurs 2/19	Attend Dr. East's Public Lecture on Immigration and the Labor Market instead of formal class		IBS Building 6pm-7:30pm
Tues 2/24	Reflections on Public Facing Work, Labor Economics for Public Policy		
Thurs 2/26	Reading Day, No Class		
Tues 3/3	Immigration and the Labor Market	Amanda Grittner and Matthew Johnson Complaint-driven Regulation and Working Conditions: Evidence from Immigration Enforcement, Working Paper	
Thurs 3/5	Review Problem Set Answers and/or Catch-Up Day		
Tues 3/10	Class Cancelled – Dr. East presenting at Columbia		
Thurs 3/12	Class Cancelled – Dr. East research trip		Referee Report Due by 6pm via email
Mon 3/16 - Fri 3/20	Spring Break—No Class		
Tues 3/24	Labor Market Competition and Policy	TBA	
Thurs 3/26	Labor Market Competition and Policy	TBA	
Tues 3/31	Labor Market Competition and Policy	TBA	
Thurs 4/2	Labor Market Competition and Policy	TBA	
Tues 4/7	Midterm Exam		
Thurs 4/9	Class Cancelled – Dr. East presenting at UTEP		
Tues 4/14	One on One Meetings to Discuss Project		
Thurs 4/16	One on One Meetings to Discuss Project		Attend Econ Dept Seminar Friday 4/17
Tues 4/21	Students Project Presentations		
Thurs 4/23	Students Project Presentations		Attend Econ Dept Seminar Friday 4/24
Final Exam Date, TBA			Final Project Due by Midnight

*This schedule is tentative and subject to change. Any change in due dates or exam dates will be announced in class and via email.

Reading List and Class Schedule:

Required Readings listed in **Bold**, other readings provide further information/examples about a particular topic or method. These are not required but may be helpful to brainstorming for the research proposal.

Topic 1: Taxes, Transfers, and Labor Supply; Difference-in-Difference (2 Classes, 3/17 and 3/19):

N. Eissa and J. Liebman, "Labor Supply Response to the Earned Income Tax Credit", QJE 111 (1996).

Kleven, Henrik *The EITC and the Extensive Margin: A Reappraisal*. Working Paper, 2021

Chetty, Raj, John N. Friedman, and Emmanuel Saez. 2013. "Using Differences in Knowledge across Neighborhoods to Uncover the Impacts of the EITC on Earnings." *American Economic Review*, 103(7): 2683-2721.

Hoynes, Hilary, Doug Miller, and David Simon. 2015. "Income, the Earned Income Tax Credit, and Infant Health." *American Economic Journal: Economic Policy*, 7(1): 172-211.

(another example of difference-in-difference applied to the EITC, but looking at health outcomes rather than labor supply)

Hoynes, Hilary Williamson, and Diane Whitmore Schanzenbach. "Work incentives and the food stamp program." *Journal of Public Economics* 96.1 (2012): 151-162.

Cameron, A. Colin, and Douglas L. Miller. "A practitioner's guide to cluster-robust inference." *Journal of Human Resources* 50.2 (2015): 317-372.

(Great practical guide to how to estimate standard errors.)

Topic 2: Human Capital Development; Program Rollout Designs, Instrumental Variables and Simulated Instruments (1.5 Classes, 4/2 and 4/7)

HILARYS SNAP PAPER

Currie, Janet, and Jonathan Gruber. "Saving babies: the efficacy and cost of recent changes in the Medicaid eligibility of pregnant women." *Journal of political Economy* 104.6 (1996): 1263-1296.

East, Chloe N., et al. *Multi-generational impacts of childhood access to the safety net: Early life exposure to Medicaid and the next generation's health*. American Economic Review, January 2023

Goodman-Bacon, Andrew. "Difference-in-differences with variation in treatment timing." *Journal of Econometrics* 225.2 (2021): 254-277.

Focus primarily on the intuition of the problem he raises here than on the econometric theory. We will talk in class about solutions to this problem.

Callaway, Brantly, and Pedro HC Sant'Anna. "Difference-in-differences with multiple time periods." *Journal of Econometrics* 225.2 (2021): 200-230.

Gruber, Jonathan. *The consumption smoothing benefits of unemployment insurance*. No. w4750. National Bureau of Economic Research, 1994.

Brown, David W., Amanda E. Kowalski, and Ithai Z. Lurie. *Medicaid as an Investment in Children: What is the Long-Term Impact on Tax Receipts?*. No. w20835. National Bureau of Economic Research, 2015. (updated version)

Goldsmith-Pinkham, Paul, Isaac Sorkin, and Henry Swift. *Bartik instruments: What, when, why, and how*. No. w24408. National Bureau of Economic Research, 2018

Topic 3: Immigration, Rollout Designs and TWFE continued, any good RD papers?

Lee, David S., and Thomas Lemieux. "Regression discontinuity designs in economics." *Journal of economic literature* 48.2 (2010): 281-355.

Barreca, Alan I., et al. "Saving babies? Revisiting the effect of very low birth weight classification." *The Quarterly Journal of Economics* 126.4 (2011): 2117-2123.

(Nice example of when assumptions behind regression discontinuity models are violated.)

Topic 4: Is the Labor Market in US Competitive and How Do Policies Impact this?

DiNardo and Lee (2004). "Economic Impacts of New Unionization on Private Sector Employers: 1984–2001" RD Paper

<https://academic.oup.com/qje/article/136/3/1325/6219103>

Biasi, Barbara, and Heather Sarsons. 2021. "Flexible Wages, Bargaining, and the Gender Gap." *Quarterly Journal of Economics* 37, no. 1: 215–266. <https://doi.org/10.1093/qje/qjab026>.

Cengiz, Doruk, Arindrajit Dube, Attila Lindner, and Ben Zipperer. 2019. "[The Effect of Minimum Wages on Low-Wage Jobs](#)." *The Quarterly Journal of Economics* 134, no. 3: 1405–1454. <https://doi.org/10.1093/qje/qjz014>.

<https://www.jstor.org/stable/pdf/resrep69389.pdf?acceptTC=true&coverpage=false&addFooter=false>

<https://bsky.app/profile/arindube.bsky.social/post/3m7od6dcnbc2j>

<https://www.nber.org/papers/w29464>

Topic 5: Income Inequality

Topic 2: In-Kind Transfers, Program Rollout; Regression Discontinuity Methods (1.5 Classes, 3/31 and 4/2)

Ludwig, Jens, and Douglas L. Miller. "Does Head Start improve children's life chances? Evidence from a regression discontinuity design." *The Quarterly journal of economics*. 122.1 (2007): 159-208.

Hoynes, Hilary W., and Diane Whitmore Schanzenbach. "Consumption responses to in-kind transfers: Evidence from the introduction of the food stamp program." *American Economic Journal: Applied Economics* 1.4 (2009): 109-139.
(a good example of another program rollout paper, although not using a regression discontinuity method)

Research Proposal Discussion and One-on-one Meetings (2 Classes, 4/23 and 4/28)

Student Proposal Idea Presentations (2 Classes, 4/30 and 5/5)

No Formal Class and Instead Optional Virtual Office Hours to Discuss Project Proposals (5/7)