



Spring 2023
Yukiko Asai

PPHA 46610 - Workplace and Family Policy

Syllabus – Updated 11/14/2022

Class Meeting Time, Location

Time: Fridays, 1:30 pm - 4:20 pm

Location: TBA

Instructor Information

Instructor: Yukiko Asai (Harris School of Public Policy, University of Chicago)

Email: yasai (at) uchicago.edu

Office Hours: TBA (on Zoom)--Please take a moment to introduce yourself during office hours!

Course Description

Each class session, we will discuss at least one labor market/family policy. There will be about 40-50 minutes of lectures followed by discussions. Students are required to attend live lectures and actively participate in each discussion. There will be mid-term exam and final presentation.

The topics covered in the course will include: the demographic transition, human capital accumulation, gender wage and employment gaps, discrimination in the workplace, family leave and childcare policies, tax policies including subsidies like the Earned Income Tax Credit (EITC), and related welfare policies. We will draw on the theory of static and dynamic labor supply, theories of labor demand, and labor market equilibrium to guide its investigation, and use empirical tools to answer research questions. For each topic covered in this course, I will introduce an elementary treatment of the canonical theoretical model and give examples of its empirical application. In studying empirical applications, we will often draw on analysis from international experience.

Teaching Assistant Information

(.....) will work as your TA for this course. TA is here to help you with difficulty in problem sets and understanding grades. Questions regarding grades should be directed to TA. All regrade requests must be submitted in writing with a full explanation of why you think the work was incorrectly graded.

Course Website

Announcements, homework assignments, and other material of the course will be posted on Canvas. You should automatically be given access if you register for the course. Homework assignments and notifications are also available there.

Grading

Midterm: 35%

Final Paper and Presentation: 35%

Participation: 10%

Homework Assignments: 20%

Students who wish to take the course pass/fail rather than for a letter grade must use the Harris Pass/Fail request form (<https://harris.uchicago.edu/form/pass-fail>) and must meet the Harris deadline. To earn a passing grade, students taking the course pass/fail must: complete and submit all assignments; submit both midterm and final paper; and earn passing grades on each assignment and exam.

Midterm Exam (35%)

Midterm exam will be conducted in class. There will be NO make-up exam, so please make sure to take the exam on the following date.

Date: TBA

Final Paper and Presentation (35%)

Students are required to submit an individual research paper and present it in class. The topic of your presentation is up to you but it has to be related to labor market and family policy. Each presentation is evaluated by the instructor, TA, and your classmates.

Final Paper Due Date: TBA

Presentation Date: March 3rd, Friday (in class)

You can talk to me and ask me for feedback on your paper at any time before the due date. Please feel free to stop by office hours and ask questions!

Participation (10%)

I expect students to come to every lecture and prepare to discuss the topic in the lecture. Please take advantage of this opportunity to engage with the material, ask questions and express informed opinions.

Homework Assignments (20%)

Homework assignments will be posted on Canvas and collected on Canvas. Assignments must be uploaded on Canvas on the due date. Please submit your assignment as a PDF file. **Homework handed in after the due date will not be accepted and will be given NO credit.**

For all assignments, you may work in groups, but each person must write up his/her own answers. You will receive zero for any homework not handed in on time. In addition, you will receive NO credit for the course if you don't do any of the assignments.

Textbook

[Recommended] George Borjas, Labor Economics, McGraw Hill, 2020. This is the 8th edition, but other editions are likely to be acceptable as well. You are expected to understand the material as presented in class, so you should use your lecture notes as a guide when reviewing the text.

[Supplemental] Tito Boeri and Jan van Ours, The Economics of Imperfect Labor Markets, Princeton University Press, 2021.

Outline Schedule (Subject to change)

This is an **approximate** schedule of topics to be covered. We may move faster or slower than this schedule. Regardless of the realized pace of the class, the exam date will not change.

Week	Topic	Textbook Chapter and Readings	Problem sets and Exams
1/6(Fri) Part1	Introduction <ul style="list-style-type: none">• Overview of Current Labor Market and Demographic Transition• Introduction to Regression Analysis Discussion	Chapter 1	
1/6(Fri) Part2 1/13(Fri) Part1&2	Labor Supply <ul style="list-style-type: none">• Measuring the labor force• The hours of work decision• Income effect and substitution effect• Universal Basic Income (UBI)• To work or not to work• Estimates of the labor supply elasticity• Labor supply of women• Policy application: welfare programs and work incentives	Chapter 2 <ul style="list-style-type: none">• Bailey (2006)"More Power to the Pill: The Impact of Contraceptive Freedom on Women's Life Cycle Labor Supply"• Nada Eissa and Jeffrey B. Liebman, 1996 "Labor Supply Response to the Earned Income Tax Credit" The Quarterly Journal of Economics• Fehr and Goette, 2007 "Do Workers Work More if Wages Are High? Evidence from a Randomized Field Experiment" American Economic Review	

	<ul style="list-style-type: none"> • Policy application: The Earned Income Tax Credit • Randomized Experiment Discussion 		
1/20(Fri) Part1	<p>Payroll tax</p> <ul style="list-style-type: none"> • Payroll tax and inequality • Policy application: payroll tax • Targeted payroll tax cut <p>Discussion</p>	<p>Chapter 4</p> <ul style="list-style-type: none"> • Piketty and Saez (2007) How Progressive is the U.S. Federal Tax System? A Historical and International Perspective • Saez et al. (2019) Payroll Taxes, Firm Behavior, and Rent Sharing: Evidence from a Young Workers' Tax Cut in Sweden 	
1/20(Fri) Part2	<p>Monopsony</p> <ul style="list-style-type: none"> • Noncompetitive labor markets: monopsony <p>Discussion</p>	<p>Chapter 4</p> <ul style="list-style-type: none"> • "Why Aren't Americans Getting Raises? Blame the Monopsony" (Wall Street Journal, November 2016) 	Problem Set #1 Due
1/27(Fri) Part1	<p>Employment Subsidies and Training Programs</p> <ul style="list-style-type: none"> • Employment subsidy • Training program • Job search assistance 	<p>Chapter 4</p> <ul style="list-style-type: none"> • Kroft et al. (2013) "Duration Dependence and Labor Market Conditions: Evidence from a Field Experiment" • Card and Hyslop (2005) "Estimating the Effects of a Time-limited Earnings. Subsidy for Welfare-leavers: Randomized experiment" • Schochet et al. (2008) "Does Job Corps Work? Impact Findings from the National Job Corps Study" • Card et al. (2018) "What Works? A Meta Analysis of Recent Active Labor Market Program Evaluations" 	
1/27(Fri) Part2	<p>Education</p> <ul style="list-style-type: none"> • Present value • The schooling model • Education and earnings • Estimating the rate of return to schooling • Early childhood education • Policy application: school quality and earnings • Postschool human capital investments • Policy application: evaluating government training programs • Human Capital Externalities 	<p>Chapter 6</p> <ul style="list-style-type: none"> • Eric Maurin and Sandra McNally (2008) "Vive la Révolution! Long-Term Educational Returns of 1968 to the Angry Students" • Ashenfelter, Orley and Krueger, Alan (1994) "Estimates of the Economic Return to Schooling from a New Sample of Twins." • Zimmerman (2014) "The Returns to College Admission for Academically Marginal Students" • Sacerdote (2001) "Peer effects with random assignment: results for Dartmouth roommates" 	

	Discussion		
2/3(Fri) Part1	<p>Labor Market Discrimination</p> <ul style="list-style-type: none"> • Race and gender in the labor market • Taste-based discrimination • Statistical discrimination • Occupational crowding • Experimental evidence on discrimination <p>Discussion</p>	<p>Chapter 9</p> <ul style="list-style-type: none"> • Bertrand and Mullainathan (2004) "Are Emily and Greg More Employable than Lakisha and Jamal? A Field Experiment on Labor Market Discrimination." 	<p>Problem Set #2 Due</p>
2/3(Fri) Part2	<p>Labor Market and Pre-market Discrimination</p> <ul style="list-style-type: none"> • Experimental evidence on discrimination • Measuring discrimination • Oaxaca decomposition • Pre-market discrimination • Upward mobility <p>Discussion</p>	<p>Chapter 9</p> <ul style="list-style-type: none"> • Golding and Rouse (2000) "Orchestrating Impartiality: The Impact of "Blind" Auditions on Female Musicians" • Giuliano et al. 2009 "Manager Race and the Race of New Hires" • Chetty et al. 2016 "The Effects of Exposure to Better Neighborhoods on Children: New Evidence from the Moving to Opportunity Experiment" 	
2/10(Fri)	Mid-term Exam		Mid-term Exam
2/17(Fri) Part1	<p>Gender Wage Gap</p> <ul style="list-style-type: none"> • Policy application: determinants of the female-male wage ratio • Motherhood penalty <p>Discussion</p>	<p>Chapter 9</p> <ul style="list-style-type: none"> • Goldin (2014) "A Grand Gender Convergence: Its Last Chapter." • Kleven et al. (2019) "Children and Gender Inequality: Evidence from Denmark" • Bertrand, Goldin and Katz (2010) "Dynamics of the Gender Gap for Young Professionals in the Financial and Corporate Sectors." • Goldin and Katz (2016) "A Most Egalitarian Profession: Pharmacy and the Evolution of a Family-Friendly Occupation" • Cook et al. 2019 "The Gender Earnings Gap in the Gig Economy: Evidence from over a Million Rideshare Drivers" • Niederle and Vesterlund (2007) "Do Women Shy Away From Competition? Do Men Compete Too Much?" 	
2/17(Fri) Part2	<p>Family Policy: Childcare</p> <ul style="list-style-type: none"> • Subsidized Childcare • Theoretical Framework • Costs of Childcare 	<ul style="list-style-type: none"> • Nollenberger and Rodríguez-Planas (2015) "Full-time universal childcare in a context of low maternal employment: Quasi-experimental evidence from Spain" 	

	<ul style="list-style-type: none"> • Universal programs • Targeted programs <p>Discussion</p>	<ul style="list-style-type: none"> • Azmat and Gonzalez(2010)"Targeting fertility and female participation through the income tax" • Havnes and Mogstad (2011)"No Child Left Behind: Subsidized Child Care and Children's Long-Run Outcomes" • Baker, Gruber and Milligan(2008) "Universal Child Care, Maternal Labor Supply, and Family Well-Being" 	
2/24(Fri) Part1	<p>Family Policy: Maternity and Parental leave</p> <ul style="list-style-type: none"> • Maternity leave • Parental leave • Paternity leave • Costs and benefits <p>Discussion</p>	<ul style="list-style-type: none"> • Michael Baker and Kevin Milligan (2008) "How Does Job-Protected Maternity Leave Affect Mothers' Employment?" • Rafael Lalive and Josef Zweimüller (2009) "How Does Parental Leave Affect Fertility and Return to Work? Evidence from Two Natural Experiments" 	
2/24(Fri) Part2	<p>Impact of Covid-19 on labor supply of women, childcare and child development</p> <p>Discussion</p>	TBA	Problem Set #3 Due
2/24(Fri) Part2	<p>Regulation of Working Hours</p> <ul style="list-style-type: none"> • Standard working hours • Part-time work • Short-time work • Overtime premium • Theoretical framework • Women and Part-time work 	<ul style="list-style-type: none"> • Hamermesh and Trejo(2000) "The Demand for Hours of Labor: Direct Evidence from California" • Crépon and Kramarz (2002) Employed 40 Hours or Not Employed 39: Lessons from the 1982 Mandatory Reduction of the Workweek • Estevão, Sá and Petrongolo (2008) The 35-Hour Workweek in France: Straightjacket or Welfare Improvement? • Trejo (2003)"Does the Statutory Overtime Premium Discourage Long Workweeks?" • Manning and Petrongolo (2005) "The part-time pay penalty" 	
3/3(Fri)	Final presentation	Individual presentations in class	Final presentation

Class Policies

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ADA student accommodations: Any student who believes they may need assistance should inform the Office of Student Disability Services by the end of the first week of class. Once you have received an accommodation letter, it should be presented to the course instructor immediately. <https://disabilities.uchicago.edu/>

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