

Economics 772: Advanced Labor Economics II

Spring 2010

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Class: Mon. & Wed. 9:00am-10:15am (TYD 2102)
Office Hours: Wed. 500pm~6:00pm, or by appointment

Description: This class is designed to help students equipped with theoretical and empirical tools that are newly developed and applicable to various empirical questions including labor topics. For topics, this course will review studies, not limited to, on matching between workers and firms, family formation, household decisions, immigrations and discrimination. All students are expected to attend each class and to actively participate in class discussions. For empirical tools, this course will review statistical models often used in the literature and computer algorithms to estimate the models. All students are expected to attend each class and to actively participate in class discussions. Each student must complete all reading assignments before they are discussed in class.

Textbook and Reading: There is no required textbook, but I may draw material from the following sources, all of which I recommend for students interested in doing research in labor economics as well as applied works:

1. W. Greene: Econometric Analysis
2. J. Wooldridge: Econometric Analysis of Cross Section and Panel Data
3. Handbook of Econometrics
4. Handbook of Labor economics
5. K. Judd: Numerical Methods in Economics

Prerequisites: Econ 771 and first-year econ Ph.D. level econometrics sequences (or equivalent courses) Feel free to contact me if you do not satisfy prerequisites but would like to take the course.

Announcements: Announcements will be made in class, on the course webpage and/or through email. In order to receive emails, it is your responsibility to ensure that the email address you have listed in Testudo is current and that your account will accept email from LeeS@econ.umd.edu at all times.

Course Website: <http://elms.umd.edu> You can use your directory ID and password to access copies of this syllabus, problem sets, other course materials, and my record of your grades.

Academic integrity: The University of Maryland, College Park has a nationally recognized Code of Academic Integrity, administered by the Student Honor Council. This Code sets standards for academic integrity at Maryland for all undergraduate and graduate students. As a student you are responsible for upholding these standards for this course. It is very important for you to be aware of the consequences of cheating, fabrication, facilitation, and plagiarism. For more information on the Code of Academic Integrity or the Student Honor Council, please visit <http://www.shc.umd.edu>.

Evaluation: The grade in this course will be based upon the grade received on in-class participation (10 percent), problem sets (30 percent), presentation of an assigned paper (30 percent) and research project (30 percent).

(1) In-class participation: A student's participation will be measured by attendance, answers to the instructor's questions, and questions (quality and frequency) that the student raises during the class. **Do not be shy about raising questions.**

(2) Problem sets: There will be two or three problem sets. They will include questions that require computer programming. You can use any computer language you want. However, those commonly used in economics (matlab, c++, fortran) will be helpful to resolve any problems/difficulties you may face when you do homework or your own research.

Students may work with others to solve problems on problem sets. However, each student must independently write up the answers. Your completed problem sets will be collected at the beginning of class on the date that they are due. Your problem sets may also be handed in (in person, via email, in my department mailbox, or via fax) prior to the beginning of class on the date that they are due, as long as you ensure that the problem set will be in my possession by the beginning of class. At the top of each problem set, you must write the names of the people with whom you worked on that problem set (obviously this must be consistent across the group). Ignoring these instructions will be considered a violation of the Honor Code.

(3) Presentation for an assigned paper: The instructor will select a paper based on a student's research interest. The paper should be presented as if a presenter was an author of the paper: The presenter should be able to answer such questions as: contribution to the literature, identification strategy, vulnerability of the identification strategy, computational methods, and possible extensions. The presentation is expected to be one hour.

(4) Research Project: During the semester, student is expected to work on his or her own research project that potentially turns to an academic paper. At the end of the course, each student should present a research proposal for 30 minutes and submit a write-up of the proposal (10 page max). The proposal should clearly address the following issues: (1) a research question, (2) the importance of the question, (3) how to address the question.

- If the project is empirical, items that should be addressed in (3) include what dataset will be used, accessibility of the dataset, identification, institutional background. If the dataset required to the project is public, then the proposal should include summary statistics and correlation structures (e.g., OLS results) that support a student's conjecture of the answer to the research question. If the dataset is accessible but cannot be obtained in time, then the proposal should describe what a student is doing to acquire the dataset.
- If the project is theoretical, a student should clearly illustrate what the new model can do but other existing model cannot do. In other words, an explanation like "I relax assumption XX used in the literature" is not enough. Rather, the instructor expects an explanation like assumption XX imposes the model to predict YY, which is not supported by the empirical data patterns.

Tentative Schedule and Course Topics

Any changes to this tentative schedule will be announced in class.

Weeks 1-3: Marriage and Introduction of Computation

- Introduction
- Marriage
- Computing: Laplace type estimator
- Gale-Shapley algorithm

Weeks 4-5: Household Decisions

- Fertility
- Female labor supply
- Savings

Weeks 6-7: Matching between Firms and Workers

- Search models
- Turnover
- Online labor markets
- Centralized clearing market

Weeks 8: Spring Break (March 15 – March 21)

Weeks 9-11 : Human Capital and Investment in Skills

- The Basic Theory of Human Capital Signaling
- The Theory of Training Investments
- Training in Imperfect Labor Markets

Weeks 12-13: Studies linking Macro and Micro

- Productivity
- Reallocation of firms and labor
- Insurance
- Informal sector
- Linkage between income inequality and consumption inequality

Weeks 14-15: Miscellaneous Topics and Research Projects

1. Introduction

W. Thompson: A Guide for the Young Economist

J. Cochrane: http://faculty.chicagogsb.edu/john.cochrane/research/Papers/phd_paper_writing.pdf

R. Hall: <http://www.stanford.edu/~rehall/Econ%20job%20market%20web3.html>

J. Cawley: http://www.aeaweb.org/joe/articles/2003/cawley_2003.pdf

D. Laibson: <http://www.economics.harvard.edu/files/LaibsonNotes.pdf>

D. Harmemesh: <http://www.eco.utexas.edu/faculty/Hamermesh/AdviceforEconomists.html>

2. Computation and Review of Empirical Methods

K. Judd: Chapters 1, 2, 4

J. Wooldridge: Chapters 5, 10, 15, 18

M. Miranda and P. Fackler “Applied Computational Economics and Finance”

G. Koop, D. Poirier and J. Tobias “Bayesian Econometric Methods”

Chernozhukov, Victor and Han Hong “MCMC approach to classical estimation," *Journal of Econometrics*, 115(2), pp293--346.

Angrist, Joshua and Alan B. Krueger. “Empirical Strategies in Labor Economics” in *Handbook of Labor Economics*, Vol. 3A, Ashenfelter and Card (eds.), 1999.

Heckman, James, Robert Lalonde, and Jeffrey Smith. "The Economics and Econometrics of Active Labor Market Programs," in *Handbook of Labor Economics*, V. 3A, Ashenfelter and Card (eds.), 1999.

Keane, Michael and Robert Moffitt, "A Structural Model of Multiple Welfare Program Participation and Labor Supply," *International Economic Review*, 39(3), August 1998, pp. 553-590.

Katz, Lawrence, Jeffrey Kling, and Jeffrey Liebman. "Moving to Opportunity in Boston: Early Results of a Randomized Mobility Experiment", NBER Working Paper #7973, October 2000.

3. Job Search and Matching

Pissarides, Christopher: Equilibrium Unemployment Theory - 2nd Edition

Mortensen, Dale T., and Pissarides, Christopher A., 1994. “Job Creation and Job Destruction and the Theory of Unemployment.” *Review of Economic Studies* 61(3): 397-415.

Shimer, Robert, Richard Rogerson and Randall Wright, "Search Theoretic Models of the Labor Market: A Survey," 2005, *Journal of Economic Literature*, 43(4): 959–988.

Shimer, Robert and Lones Smith, "Assortative Matching and Search," *Econometrica*, March 2000, 68 (2), 343–369

Roth, Alvin and Marilda Sotomayor "Two-Sided Matching: A Study in Game-Theoretic Modeling and Analysis", Cambridge University Press, 1990

Niederle, Muriel, and Alvin E. Roth, "Unraveling reduces mobility in a labor market: Gastroenterology with and without a centralized match," *Journal of Political Economy*, vol. 111, No. 6, December 2003, 1342 – 1352.

J.M. Abowd, F. Kramarz, and D.N. Margolis. "High Wage Workers and High Wage Firms." *Econometrica*, 67(2):251–333, 1999.

K. Burdett and D.T. Mortensen. "Wage Differentials, Employer Size, and Unemployment." *International Economic Review*, 39(2):257–273, 1998.

Zvi Eckstein and Gerard J. van den Berg (2007), Empirical labor search: A survey , *Journal of Econometrics*

Postel-Vinay F. Cahuc, P. and JM Robin. "Wage Bargaining With On-The-Job Search: Theory and Evidence." *Econometrica*, 74(2):323–364, 2006.

G. Moscarini. "Job Matching and the Wage Distribution." *Econometrica*, 73(2):481–516, 2005.

R. Shimer. "The Assignment of Workers to Jobs in an Economy with Coordination Frictions." *Journal of Political Economy*, 113(5):996–1025, 2005.

Rafael Lopes de Melo "Sorting in the Labor Market: Theory and Measurement" <http://pantheon.yale.edu/~rlm48/HP/Rafael-JMP-Nov10.pdf>

Éva Nagypál "Learning-by-Doing Versus Learning About Match Quality: Can We Tell Them Apart?" *Review of Economic Studies*, 74 (2), pp. 537-566, 2007

B. J Christiansen, R. Lentz, D. Mortensen, G. Neumann, and A. Werwatz "On the Job Search and the Wage Distribution" *Journal of Labor Economics* 23:31-58, January 2005.

H. S. Farber. (1999) "Mobility and stability: the dynamics of job change in labor markets", in the *Handbook of Labor Economics*, Vol. 3B, O. Ashenfelter and D. Card, eds. Amsterdam: Elsevier.

B. Jovanovic (1979) "Job Matching and the Theory of Turnover" *Journal of Political Economy*, 87.5 (October), 972-990.

E. Lazear. (2003) "Firm-Specific Human Capital: A Skill-Weights Approach", NBER WP 9679.

R. Topel (1991) "Specific Capital, Mobility, and Wages: Wages Rise with Job Seniority," *Journal of Political Economy*, 99.1 (February), 145-167.

R. Topel and M. Ward. (1992) "Job Mobility and the Careers of Young Men," *Quarterly Journal of Economics*, 107.2 (May), 439-480.

C. Flinn (1986) "Wages and Mobility of Young Workers," *JPE* 94 (June), S88-S110.

B. Jovanovic (1979) "Firm-Specific Capital and Turnover" *Journal of Political Economy*, 87.6 (December), 1246-60.

D. Neal. (1998) "The Complexity of Job Mobility Among Young Men", *Journal of Labor Economics* 17 (April), 237-61.

B. Jovanovic and Y. Nyarko. (1996) "Stepping Stone Mobility" NBER WP No. 5651 (July).

J. Abowd and F. Kramarz. (1999) "The analysis of labor markets using matched employer-employee data", in the *Handbook of Labor Economics*, Vol. 3B.

B. McCall. (1990) "Occupational Matching: A Test of Sorts" *Journal of Political Economy*, 98.1 (February), 45-69.

J. Altonji and N. Williams (2004), "Do Wages Rise with Job Seniority: A Reassessment," *ILRR*, <http://www.econ.yale.edu/~jga22/website/research.htm>

L. Kletzer (1989), "Returns to Seniority After Permanent Job Loss," *American Economic Review*, pp. 536-543.

H. Farber. (2007) "Is the Company Man an Anachronism? Trends in Long-Term Employment in the U.S., 1973-2006", Princeton IRS WP 518; <http://www.irs.princeton.edu/pubs/pdfs/518.pdf>

H. Farber (2005), "What Do We Know About Job Loss in the United States? Evidence from the Displaced Workers Surveys, 1984-2004," <http://www.irs.princeton.edu/pubs/pdfs/498.pdf>.

R. Gibbons and L. Katz. (1991) "Layoffs and Lemons," *Journal of Labor Economics*, 9.4 (October), 351-380. (also NBER Working Paper No. 2968, May 1989)

D. Acemoglu and J. Pischke. (1998) "Why Do Firms Train? Theory and Evidence". *Quarterly Journal of Economics*, Vol. 113.1 (February), 79-119.

D. Autor. (2001) "Why Do Temporary Help Firms Provide Free General Skills Training?" *Quarterly Journal of Economics* 116 (November), 1409-48.

D. Acemoglu and J. S. Pischke. (1999) "Beyond Becker: Training in Imperfect Labor Markets", *Economic Journal*, 109.453 (February), 112-42.

4. Labor Market Intermediaries

Kuhn, Peter and Mikal Skuterud "Internet Job Search and Unemployment Durations" *American Economic Review* 94(1) (March 2004): 218-232
<http://www.econ.ucsb.edu/~pjkuhn/Research%20Papers/netsearch.pdf>

Autor, David "The Economics of Labor Market Intermediation: An Analytic Framework" NBER Working Paper No. 14348, September 2008.

Autor, David “Why Do Temporary Help Firms Provide Free General Skills Training?”
November 2003, *Quarterly Journal of Economics*, 116 (4)

Autor, David (2008), Studies of Labor Market Intermediation,
http://www.nber.org/books_in_progress/labmktinter/

[you can find the following papers at the above link]

Jobs Online *Version of November 16, 2007, replacing the version of May 12, 2007* Alice O. Nakamura, University of Alberta Kathryn L. Shaw, Stanford University and NBER Richard B. Freeman, Harvard University and NBER Emi Nakamura, Columbia Business School and NBER Amanda Pyman, Kent Business School

The Internet and Job Search *Version of January 2008, replacing the version of May 2007* Betsey Stevenson, University of Pennsylvania and NBER

Effect of Employer Access to Criminal History Data on the Labor Market Outcomes of Ex-Offenders and Non-Offenders *Version of August 29, 2008, replacing the version of February 10, 2008* Keith Finlay, Tulane University

Do On-Line Labor Market Intermediaries Matter? The Impact of *AlmaLaurea* on the University-to-Work Transition *Version of August 27, 2008, replacing the version of November 14, 2007* Manuel F. Bagues, Universidad Carlos III Mauro Sylos Labini, IMT Lucca and Universidad de Alicante

Private Deception and the Rise of Public Employment Offices in the United States, 1890 to 1930 *Version of September 2008, replacing the version of February 2008* Woong Lee, University of California, Irvine

Mortgage Broker Regulations That Matter: Analyzing Earnings, Employment, and Outcomes for Consumers *Version of January 12, 2008, replacing the version of December 5, 2007* Morris M. Kleiner, University of Minnesota and NBER Richard M. Todd, Federal Reserve Bank of Minneapolis

The Effects of a Centralized Clearinghouse on Job Placement, Wages, and Hiring Practices *Version of July 18, 2008, replacing the version of October 13, 2007* Muriel Niederle, Stanford University and NBER Alvin E. Roth, Harvard University and NBER

Helping Workers Online and Offline: Innovations in Union and Worker Organization Using the Internet *Version of September 1, 2008, replacing the version of February 15, 2008* Richard B. Freeman, Harvard University and NBER M. Marit Rehavi, University of California, Berkeley

Temporary Help Services Employment in Portugal, 1995-2000 *Version of February 2008, replacing the version of May 2007* René Boheim, Johannes Kepler University Linz Ana Rute Cardoso, IZA Bonn

Does Temporary Help Work Provide a Stepping Stone to Regular Employment? *Version of December 2007, replacing the version of May 5, 2007* Michael Kvasnicka, RWI Essen

Temporary Help Agencies and the Advancement Prospects of Low Earners *Version of February 2008, replacing the version of September 2007* Fredrik Andersson, U.S. Census Bureau Harry J. Holzer, Georgetown University Julia Lane, University of Chicago - NORC

The Role of Temporary Help Employment in Low-Wage Worker Advancement *Version of October 2007, replacing the version of May 2007* Appendix tables Carolyn J. Heinrich, University of Wisconsin-Madison Peter R. Mueser, University of Missouri-Columbia Kenneth R. Troske, University of Kentucky

5. Topics on Labor Supply

Eikstein, Zvi : “Dynamic Labor Supply”
http://economics.uwo.ca/workshop/applied/lifshitz_dec2.pdf

Fernandez, Raquel, Alessandra Fogli and Claudia Olivetti, “Mothers and Sons: Preference Formation and Female Labor Force Dynamics” *Quarterly Journal of Economics*, 2004

Antecol, H. (2000), “An Examination of Cross-Country Differences in the Gender Gap in Labor Force Participation Rates,” *Labour Economics* 7, 409-426.

Bisin, A., and T. Verdier (2000), “Beyond the Melting Pot: Cultural Transmission, Marriage, and the Evolution of Ethnic and Religious Traits,” *Quarterly Journal of Economics* 115(3), 955-988.

Burda, Michael, Daniel Hamermesh, and Philippe Weil (2007), “Total Work, Gender and Social Norms,” NBER wp 13000.

Costa, Dora (2000), “From Mill Town to Board Room: The Rise of Women’s Paid Labor,” *The Journal of Economic Perspectives* 14(4), 101-122.

Fernandez, Raquel (2007b), “Women, Work, and Culture,” *Journal of the European Economic Association*, forthcoming.

Fernandez, Raquel and Elizabeth Potamites (2007) “Learning, Social Networks, and Changes in Female Labor Force Participation,” work in progress, NYU.

Foster, Andrew and Mark Rosenzweig (1995), “Learning by Doing and Learning from Others: Human Capital and Technical Change in Agriculture,” *Journal of Political Economy* 103, 1176-1209.

Galor, Oded and David Weil (1996), “The Gender Gap, Fertility, and Growth,” *American Economic Review* 86(3), 374-87.

G. Borjas (1999) "The Economic Analysis of Immigration," in O. Ashenfelter and D. Card, eds., *Handbook of Labor Economics*, vol. 3A, pp. 1697-1750.

J. Altonji and D. Card (1991) "The Effects of Immigration on the Labor Market Outcomes of Less-Skilled Natives," in J. Abowd and R. Freeman, eds., *Immigration, Trade, and the Labor Market*, U. of Chicago Press and NBER.

G. Borjas, R. Freeman, and L. Katz (1997) "How Much Do Immigration and Trade Affect Labor

Market Outcomes?" *Brookings Papers on Economic Activity*, no. 1, 1-90.

G. Borjas (2003), "The Labor Demand Curve *Is* Downward Sloping: Reexamining the Impact of Immigration on the Labor Market," *Quarterly Journal of Economics* 118 (November), 1335-74.

G. Ottaviano and G. Peri (2008), "Immigration and National Wages: Clarifying the Theory and the Empirics," NBER WP No. 14188, June.

G. Borjas (2001), "Does Immigration Grease the Wheels of the Labor Market?" *Brookings Papers on Economic Activity*, no. 1, 69-133.

D. Card (2001), "Immigrant Inflows, Native Outflows, and the Local Labor Market Impacts of Higher Immigration," *Journal of Labor Economics* 19 (January), 22-64.

D. Card (1990) "The Impact of the Mariel Boatlift on the Miami Labor Market," *ILRR*, Jan.A.
Aydemir and G. Borjas (2006), "Attenuation Bias in Measuring the Wage Impact of Immigration," July; <http://www.nber.org/~confer/2006/si2006/ls/aydemir.pdf>

D. Card (2007), "How Immigration Affects U.S. Cities," CReAM Discussion Paper 11/07, June.

D. Card (2005) "Is the New Immigration Really So Bad?" *Economic Journal* 115 (November), pp. F300-F323.

G. Peri and C. Sparber (2007), "Task Specialization, Comparative Advantage and the Effects of Immigration on Wages," UC Davis, August;
http://www.econ.ucdavis.edu/faculty/gperi/Papers/peri_sparber_august_07.pdf.

G. Hanson (2006), "Illegal Migration from Mexico to the United States," NBER WP No. 12141.

P. Cortes (2008), "The Effect of Low-Skilled Immigration on U.S. Prices: Evidence from CPI Data," *Journal of Political Economy* 116 (June), 381-422.

Lori Beaman Social Networks and the Dynamics of Labor Market Outcomes: Evidence from Refugees Resettled in the U.S.
http://faculty.wcas.northwestern.edu/~lab823/beaman_ethnicnetworks.pdf

Bayer, P., S. Ross, and G. Topa (2005). Place of work and place of residence: Informal hiring networks and labor market outcomes. NBER Working Paper 11019.

Bertrand, M., E. F. P. Luttmer, and S. Mullainathan (2000). Network effects and welfare cultures. *Quarterly Journal of Economics* 115, 1019–1055.

Calvo-Armengol, A. and M. O. Jackson (2004). The effects of social networks on employment and inequality. *American Economic Review* 94, 426–454.

Calvo-Armengol, A. and M. O. Jackson (2007). Networks in labor markets: Wage and employment dynamics and inequality. *Journal of Economic Theory* 132, 27–46.

Glaeser, E., B. Sacerdote, and J. Scheinkman (1996). Crime and social interactions. *Quarterly Journal of Economics* 111, 507–548.

Gould, E., V. Lavy, and M. Paserman (2004). Immigrating to opportunity: Estimating the effect of school quality using a natural experiment on Ethiopians in Israel. *Quarterly Journal of Economics* 119,489–525.

Ioannides, Y. M. and L. D. Loury (2004). Job information networks, neighborhood effects, and inequality. *Journal of Economic Literature* 42, 1056–1093.

Munshi, K. (2003). Networks in the modern economy: Mexican migrants in the US labor market. *Quarterly Journal of Economics* 118, 549–599.

Sacerdote, B. (2001). Peer effects with random assignment: results for dartmouth roommates. *Quarterly Journal of Economics* 116, 681–704.

Topa, G. (2001). Social interactions, local spillovers and unemployment. *Review of Economics Studies* 68, 261–295.

6. Topics on Labor Demand

Hamermesh, Daniel and Jeff Biddle "Beauty and the Labor Market," *American Economic Review*, 1994

Mobius, Marcus and Tanya Rosenblat: Why Beauty Matters with Tanya Rosenblat, May 2006, *American Economic Review*, 96(1), 222-235

Silverman, Daniel, Nicola Persico and Andrew Postlewaite "The Effect of Adolescent Experience on Labor Market Outcomes: The Case of Height", *Journal of Political Economy*, 112(5) (2004), 1019-1053.

J. Altonji and C. Pierret (2001), "Employer Learning and Statistical Discrimination," *Quarterly Journal of Economics* 116 (February), 313-50.

Altonji, Joseph and Rebecca Blank. "Race and Gender in the Labor Market," in *Handbook of Labor Economics*, Vol. 3C, Ashenfelter and Card (eds.), 1999.

Borjas, George and Stephen Bronars. "Consumer Discrimination and Self-Employment," *Journal of Political Economy*, June 1989.

Borjas, George. "Ethnicity, Neighborhoods and Human-Capital Externalities", *American Economic Review*, LXXXV (1995), 365-90.

Goldin, Claudia (1990), *Understanding the Gender Gap: An Economic History of American Women*, New York: Oxford University Press.

A.M. Spence. (1973) "Job Market Signaling," *Quarterly Journal of Economics*, 87 (Aug), 355-74.

J. Tyler, R. Murnane, and J. Willett. (2000) Estimating the Impact of the GED on the Earnings of Young Dropouts Using a Series of Natural Experiments, *Quarterly Journal of Economics*, 115 (May), 431-69.

K. Bedard. (2001) "Human Capital Versus Signaling Models: University Access and High School Dropouts," *Journal of Political Economy*, 109 (August), 749-775.

H.S. Farber and R. Gibbons. (1996) "Learning and Wage Dynamics," *Quarterly Journal of Economics*, 111.4 (November), 1007-47.

F. Lange. (2007) "The Speed of Employer Learning," *Journal of Labor Economics*, 25 (Jan.).

J. Stiglitz. (1975) "The Theory of Screening, Education, and the Distribution of Income," *American Economic Review*, 65 (June), 283-300.

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K. Lang and D. Kropp. (1986) Human Capital vs. Sorting: The Effects of Compulsory Schooling Laws, *Quarterly Journal of Economics*, 101 (August), 609-24.

J. Riley. (1979) "Testing the Educational Screening Hypothesis," *Journal of Political Economy*, 87 (October), S227-S252.

P. Arcidiacono, P. Bayer, and A. Hizmo. (2008) "Beyond Signaling and Human Capital: Education and the Revelation of Ability," NBER WP No. 13951, April.

D. Autor and D. Scarborough. (2008) "Does Job Testing Harm Minority Workers? Evidence from Retail Establishments," *Quarterly Journal of Economics* 123 (February), 219-77.

D. Cutler, Edward Glaeser and Jacob Vigdor "Is the Melting Pot Still Hot? Explaining the Resurgence of Immigrant Segregation," forthcoming, *Review of Economics and Statistics*, 2008 .

Roland Fryer, "Belief Flipping in a Dynamic Model of Statistical Discrimination." *Journal of Public Economics*, June 2007.

Roland Fryer and F. Echenique "A Measure of Segregation Based on Social Interactions." *Quarterly Journal of Economics*, May 2007.

Roland Fryer and Steve Levitt "The Causes and Consequences of Distinctively Black Names". *The Quarterly Journal of Economics*, August 2004.

Roland Fryer and Steve Levitt, Understanding The Black-White Test Score Gap in the First Two Years of School. *The Review of Economics and Statistics*, May 2004.

7. Marriage and Household Behavior

[Lecture notes]

Y. Weiss: http://www.tau.ac.il/~weiss/fam_econ/

P. A. Chiappori: http://www.tau.ac.il/~weiss/fam_econ/lectnotesetud.pdf

[Papers]

Becker, Gary, "A Theory of Marriage: Part I.," *Journal of Political Economy*, 1973, 81, 813–849.

Becker Gary, "A Theory of Marriage: Part II.," *Journal of Political Economy*, 1974, 82 (2), 511–526.

Lee, Soohyung "Preferences and Choice Constraints in Marital Sorting: Evidence From Korea" 2008, Working Paper, University of Maryland

Lafortune, Jeanne "Making Yourself Attractive: Pre-Marital Investments and the Returns to Education in the Marriage Market", 2008, Working Paper, University of Maryland

Abramitzky, Ran, Adeline Delavande, and Lu'is Vasconcelos, "Marriage and War." 2007, Working Paper, Stanford University.

Roland Fryer Guess Who's Been Coming to Dinner? Trends in Interracial Marriage over the 20th Century. *Journal of Economic Perspectives*, Spring 2007.

Angrist, Joshua, "How Do Sex Ratios Affect Marriage And Labor Markets? Evidence From America's Second Generation," *The Quarterly Journal of Economics*, August 2002, 117 (3), 997–1038.

Choo, Eugene and Aloysius Siow, "Who Marries Whom and Why," *The Journal of Political Economy*, February 2006, 114 (1), 175–202.

Fisman, Raymond, Sheena S. Iyengar, Emir Kamenica, and Itamar Simonson, "Gender Differences in Mate Selections: Evidence from a Speed Dating Experiment," *The Quarterly Journal of Economics*, May 2006, pp. 673–679.

Hitsch, Gunter J., Ali Horta,csu, and Dan Ariely, "What Makes You Click? - Mate Preferences and Matching Outcomes in Online Dating," April 2006. University of Chicago

Doepke, Matthias and Michele Tertilt (2007), "Women's Liberation: What Was in It for Men?," *Quarterly Journal of Economics*, forthcoming

Rosenzweig, Mark R. and Kenneth I. Wolpin, "Life-Cycle Labor Supply and Fertility: Casual Inferences from Household Models." *Journal of Political Economy*, Vol. 88, No. 2 (1980): 328 - 348.

Moffitt, Robert (1998), "The Effect of Welfare on Marriage and Fertility," in *Welfare, the Family, and Reproductive Behavior: Research Perspectives*, Robert A. Moffitt, Editor, Committee on Population, National Research Council, 50-97.

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Women's Career and Marriage Decisions," *Journal of Political Economy* 110(4), 730-770.

Blundell, R., P. A. Chiappori, T. Magnac, and C. Meghir: "Collective Labor Supply: Heterogeneity and Nonparticipation," Institute for Fiscal Studies Working Paper (2001).

Brien, Michael J., Lee A. Lillard, and Steve Stern: "Cohabitation, Marriage, and Divorce in a Model of Match Quality," Manuscript, Department of Economics, *International Economics Review*, May 2006, 47 (2): 451-494.

Chiappori, Pierre-Andre': "Rational Household Labor Supply," *Econometrica*, Vol. 56, No. 1. (Jan., 1988), pp. 63-90.

Chiappori, Pierre-Andre': "Collective Labor Supply and Welfare," *Journal of Political Economy*, Vol. 100, No. 3, (1992), pp. 437-467.

Chiappori, Pierre-Andre', Bernard Fortin and Guy Lacroix: "Household Labor Supply, Sharing Rule and the Marriage Market," *Journal of Political Economy*, Vol. 100, No. 3, (2002), pp. 437-467

Jones, Larry E., Rodolfo E. Manuelli, and Ellen R. McGrattan: "Why are Married Women Working so Much?" Staff Report 317, Federal Reserve Bank of Minneapolis.

Mazzocco, Maurizio: "Savings, Risk Sharing and Preferences for Risk," *American Economic Review*, Vol. 94, No. 4, (Sep. 2004a), pp. 1169-1182.

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