Aim: To develop a working knowledge of economic models of discrimination, household decisions, and time allocation; to understand the facts regarding wages, labor supply, and household formation and their differences between men and women and between majority and minority groups; to understand the federal laws addressing discrimination; and to build a facility for applying models and data in policy, business and economic settings.

Required Text:

Texts on Reserve at Parks Library:


Other Books


Reid, Margaret. 1934. Economics of Household Production. John Wiley and Sons.

Class Web Page: http://www.econ.iastate.edu/classes/econ321/orazem
Course Outline

Note: Required readings denoted by an asterisk (*) Background readings are denoted by (#) if you need a refresher

I. Introduction to labor markets and discrimination
*BFW, Chapters 1 and 7 (pages 193-194)
#For review, see HO chapter 16

II. Working men and women in historical and international context and the economics of home production
*BFW, Chapters 2 and 12

#ES, Chapter 7
#HO, Appendix to Chapter 10 (pages 355-364)


Goldin Chapters 2, 5

III. Theory and evidence of marriage and family formation
#BFW Chapters 3, 9:273-293


Goldin, Chapter 6

Lang, Chapter 6
IV. Intergenerational transmission of wealth and poverty


Lang, Chapters 11 and 12

V. Female labor supply at home and abroad

*BFW Chapters 4, 11
#ES Chapter 6


Labor supply data


VI. Models of discrimination

*BFW, Chapter 7 (pages 202-234)
#ES, Chapter 12
Lang, Chapter 10

Taste discrimination


Employer

Employee

Customer

Audit studies debate

Statistical discrimination

Occupational crowding
*BFW, Chapter 5

Internal labor markets

Preston, Chapters 2, 5, and 8

VII. Empirical evidence
a. Differences in Occupations, Education and Earnings
* BFW, Chapters 5 and 8

Goldin Chapter 3


b. The human capital model
* BFW, Chapter 6
Preston, Chapter 7

c. Earnings functions and measuring discrimination
* BFW, Chapter 6
Goldin, Chapter 4

VIII. Case evidence on discrimination
a. Women


b. Blacks


c. Immigrants

d. Hispanics

e. Homosexuals


f. Premarket differences

   Willingness to compete


   Personality


   Height


   Looks


IX. Government antidiscrimination policy: aims and impacts

*BFW Chapter 7 (pages 234-255)


Goldin, Chapter 6
Useful web pages:
The Bureau of Labor Statistics Home Page (http://www.bls.gov/home.htm) contains results from the numerous surveys conducted by the Department of Labor regarding employment, earnings, benefits, unions, unemployment, demographics and many other labor market issues.


The NCS Wage Query System (http://data.bls.gov/labjava/outside.jsp?survey=nc) presents mean hourly wage data for all workers in an occupation for over 85 specific geographical areas. The system also produces modeled hourly wage estimates for many area, occupation, and work level combinations for which BLS has no officially published data.

BLS Occupational Wages (http://www.bls.gov/bls/blswage.htm) contains the summary data that generated the modeled estimates in the NCS Wage Query System.

Exams: There will be two midterms and a comprehensive final, all composed primarily of short essay questions. If, due to unavoidable conflicts or illness, you are unable to attend on the day of an exam, you must notify me beforehand to arrange a make-up. Failure to contact me or to leave me a message before the exam is handed out will result in an F on the exam. Tentative Midterm dates are February 18 and April 15. The cumulative final is scheduled on May 4, 2:15-4:15.

Problems Sets: There will be several required problem sets. These problems sets must be handed in by the start of class on the due date. You may hand in a problem set early, but late problem sets will receive no credit. If you will not be able to hand the assignment in on time, you must notify me in advance. Illegible or sloppy work will not be accepted.

Team Activities: You will be randomly placed on a team.

   Presentation: Your team will be expected to present one of the journal articles marked by ☐. You will have ten minutes to present. The team must meet with me to go over the paper in the week before your presentation. You m must use PowerPoint. The presentation must clearly lay out the hypotheses, the data, the research method, and the results.

   Group Problem Sets: Some of the problem sets will be done with your group or with subsets of your group.

Review Questions: In addition to the problem sets, you will receive several sets of review topics to aid in studying for exams. These will not be handed in and will not be graded.

Absences: Students are responsible for all material discussed in class. I will not release my notes to absent students. If a student foresees an extended period of absence, he/she should notify me in advance so that some accommodation can be made. Absent students can keep up with assignments by logging in to the Econ 321 web page at www.econ.iastate.edu/classes/econ321.

Graduate Students: The course is offered for nonmajor graduate credit. For graduate students, all requirements are as stated above, except that graduate students are required to write a short paper of about 10 pages. The paper should analyze a business or public policy question using one or more of the models covered in class. The paper should clearly discuss the nature of the problem and how the model relates to the policy question. The paper should not be merely a review of the literature, but rather should represent the student's own conclusions derived from his/her analysis. Paper outlines are due on February 25, although earlier submissions are welcome. Each student should have previously discussed his/her topic with me to insure that the topic is satisfactory. The paper is due on April 29, although earlier submissions are welcome.
**Point Breakdown:**
- Undergraduate:
  - Midterms: 50 percent
  - Homework and Class participation: 25 percent
  - Final: 25 percent
  - Paper: 10 percent
- Graduate:
  - Midterms: 40 percent
  - Homework and Class participation: 20 percent
  - Final: 30 percent

**Disability Policy**
Please address any special needs or special accommodations with me at the beginning of the semester or as soon as you become aware of your needs. Those seeking accommodations based on disabilities should obtain a Student Academic Accommodation Request (SAAR) form from the Disability Resources (DR) office (515-294-7220). DR is located on the main floor of the Student Services Building, Room 1076.