

Labor Economics Reading List (Economics 750)

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If in doubt about what to read, read less, more carefully. But it is good to browse through many papers quickly early in the semester, to get an initial impression of where things fit in, and to get ideas for research papers.

1 Labor Supply

Ben-Porath, Yoram, “The Production of Human Capital and the Life Cycle of Earnings,” *The Journal of Political Economy*, Vol. 75, No. 4, Part 1. (Aug., 1967), pp. 352-365.

Browning, Martin, Angus Deaton and Margaret Irish: “A Profitable Approach to Labor Supply and Commodity Demands Over the Life-Cycle.” *Econometrica*, 53(3), May 1985, 503-543.

Heckman, James J., “Shadow Prices, Market Wages, and Labor Supply,” *Econometrica*, Vol. 42, No. 4. (Jul., 1974), pp. 679-694.

Heckman, James J., “Sample Selection Bias as a Specification Error,” *Econometrica*, Vol. 47, No. 1. (Jan., 1979), pp. 153-162.

[Imai and Keane \(2004\)](#)

[Pencavel \(1986\)](#)

[Blundell and Macurdy \(1999\)](#)

[Blundell, Pistaferri, and Saporta-Eksten \(2016\)](#)

[Low, Meghir, Pistaferri, and Voena \(2018\)](#)

1.1 Retirement

[Rust and Phelan \(1997\)](#)

[French \(2005\)](#)

[Hazan \(2009\)](#)

[De Nardi, French, and Jones \(2010\)](#)

[French and Jones \(2011\)](#)

[Laitner, Silverman, and Stolyarov \(2018\)](#)

[De Nardi, French, and Jones \(2016\)](#)

[Lockwood \(2018\)](#)

[De Nardi, French, Jones, and McGee \(2021\)](#)

[Fan, Seshadri, and Taber \(2022\)](#)

2 Labor Demand

Hicks, J.R.: The Theory of Wages. London: Macmillan, 1932.

[Notes on Hicks.](#)

Kennan, John, “The Elusive Effects of Minimum Wages,” *Journal of Economic Literature*, December 1995.

[Jardim, Long, Plotnick, van Inwegen, Vigdor, and Wething \(2017\)](#)

Sargent, Thomas J.: “Estimation of Dynamic Labor Demand Schedules Under Rational Expectations,” in Lucas, Robert E. Jr., and Thomas J. Sargent, eds.: Rational Expectations and Econometric Practice, Minneapolis: The University of Minnesota Press, 1981.

3 Equilibrium Wage and Employment Determination

- [Abbott, Gallipoli, Meghir, and Violante \(2019\)](#)
[Acemoglu and Restrepo \(2020\)](#)
[Acemoglu and Autor \(2011\)](#)
[Ahlfeldt, Redding, Sturm, and Wolf \(2015\)](#)
[Arcidiacono \(2004\)](#)
[Autor and Dorn \(2013\)](#)
[Bonhomme, Holzheu, Lamadon, Manresa, Mogstad, and Setzler \(2023\)](#)
[Card \(1999\)](#)
[Card and Lemieux \(2001\)](#)
[Card, Heining, and Kline \(2013\)](#)
[Card, Cardoso, Heining, and Kline \(2018\)](#)
[Colas, Findeisen, and Sachs \(2021\)](#)
[Choo and Siow \(2006\)](#)
[Galichon and Salanié \(2021\)](#)
[Goldsmith-Pinkham, Sorkin, and Swift \(2020\)](#)
[Ekeland and Nesheim \(2004\)](#)
[Fu, Ishimaru, and Kennan \(2023\)](#)
[Gayle and Shephard \(2019\)](#)
[Heckman, Lochner, and Taber \(1998\)](#)
[Johnson and Keane \(2013\)](#)
Jovanovic, Boyan, "Job Matching and the Theory of Turnover," *The Journal of Political Economy*, Vol. 87, No. 5, Part 1. (Oct., 1979), pp. 972-990.
Jovanovic, Boyan, "Firm-specific Capital and Turnover," *The Journal of Political Economy*, Vol. 87, No. 6, (Dec., 1979), pp. 1246-1260.
Juhn, Chinhui, Kevin M. Murphy and Brooks Pierce, "Wage Inequality and the Rise in Returns to Skill," *Journal of Political Economy*, 101 (3), June 1993, 410-442.
[Katz and Murphy \(1992\)](#)
Keane, Michael P. and Kenneth I. Wolpin, "The Career Decisions of Young Men," *The Journal of Political Economy*, Vol. 105, No. 3, (Dec., 1997), pp. 473-522.
[Keane and Wolpin \(2001\)](#)
[Lamadon, Mogstad, and Setzler \(2022\)](#)
Neal, Derek and William R. Johnson, "The Role of Premarket Factors in Black-White Wage Differences," *Journal of Political Economy*, 104 (5), October 1996, 869-895.
Rosen, Sherwin, "Hedonic Prices and Implicit Markets", *Journal of Political Economy* 82 (1), January-February 1974, 34-55.
Rosen, Sherwin: "The Theory of Equalizing Differences," *Handbook of Labor Economics*. New York: North-Holland, 1986.
Roy, A. D. "Some Thoughts on the Distribution of Earnings," *Oxford Economic Papers* (New Series) 3, June 1951, 135-146.
[Taber and Vejlin \(2020\)](#)
Smith, Adam. *The Wealth of Nations*. New York: The Modern Library 1937 (originally published 1776). Chapter X, Of Wages and Profit in the Different Employments of Labour and Stock , pages 99-143.
Willis, Robert J. and Sherwin Rosen, "Education and Self Selection ," *JPE* 87, no. 5, pt. 2 (1979), S7-S36.

4 Unemployment

- [Hall \(2006\)](#)
[Mortensen and Pissarides \(1994\)](#)
[Shimer \(2005\)](#)

5 Migration

5.1 Internal Migration

Roback (1982)
Topel (1986)
Topel and Ward (1992)
Blanchard and Katz (1992)
Dahl (2002)
Gemici (2011)
Kennan and Walker (2011)
Baum-Snow and Pavan (2012)
Diamond (2016)
Kaplan and Schulhofer-Wohl (2017)
Redding and Rossi-Hansberg (2017)
Schmutz and Sidibe (2018)
Hoffmann, Piazzesi, and Schneider (2020)
Kennan (2020)
Kovach and Tserenjigmid (2022)
Jia, Molloy, Smith, and Wozniak (2022)
Allen and Arkolakis (2023)
Lagakos, Mobarak, and Waugh (2023)
Monte, Porcher, and Rossi-Hansberg (2023)

5.2 International Migration

Borjas, George J. (1999), “The Economic Analysis of Immigration,” in: Orley C. Ashenfelter and David Card, Editor(s), *Handbook of Labor Economics*, Elsevier, Volume 3, Part 2, pages 1697-1760.
Card, David (2003), “The Impact of the Mariel Boatlift on the Miami Labor Market,” *Industrial and Labor Relations Review*, Vol. 43, No. 2 (Jan., 1990), pp. 245-257
Clemens, Montenegro, and Pritchett (2008)
Clemens and Pritchett (2016)
Klein and Ventura (2007)
Klein and Ventura (2009)
Kennan (2013)
Borjas (2015)
Lessem (2017)
Allen, Dobbin, and Morten (2018)
Colas (2019)
Dustmann and Preston (2019)
Piyapromdee (2020)

6 Trade and Wages

Trefler (1993)
Helpman, Itskhoki, and Redding (2010)
Bernard, Redding, and Schott (2013)
Davis and Weinstein (2004)
Goldberg and Pavcnik (2007)
Dix-Carneiro (2014)
?
Allen and Arkolakis (2014)
Burststein, Hanson, Tian, and Vogel (2020)
Caliendo, Opromolla, Parro, and Sforza (forthcoming)

7 Wage Bargaining and Labor Contracts

- Rosen, Sherwin, "The Economics of Superstars," *American Economic Review*, Vol. 71, No. 5. (Dec., 1981), pp. 845-858.
- Lazear, Edward and Sherwin Rosen (1981), "Rank-Order Tournaments as Optimum Labor Contracts," *Journal of Political Economy*, Vol. 89, No. 5, pp. 841-864.
- Harris, Milton and Bengt Holmstrom, "A Theory of Wage Dynamics," *Review of Economic Studies*, Vol. 49, No. 3. (Jul., 1982), pp. 315-333.
- Prendergast, Canice, "The Provision of Incentives in Firms," *Journal of Economic Literature*, March 1999, 37, 7-63.
- Stole, Lars and J. Zwiebel, "Organizational Design and Technology Choice under Intrafirm Bargaining," *American Economic Review*, 86(1), March 1996, 195-222.
- Stole, Lars and J. Zwiebel, "Intrafirm Bargaining and Non-Binding Employment Contracts," *Review of Economic Studies*, 63, 1996, 375-410.
- Kennan, John and Robert Wilson, "Bargaining with Private Information," *Journal of Economic Literature*, March 1993.
- [Shapiro and Stiglitz \(1984\)](#)
- [Thomas and Worrall \(1988\)](#)

References

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- ACEMOGLU, D., AND P. RESTREPO (2020): "Robots and Jobs: Evidence from US Labor Markets," *Journal of Political Economy*, 128(6), 2188–2244, <https://www.journals.uchicago.edu/doi/pdf/10.1086/705716>.
- AHLFELDT, G. M., S. J. REDDING, D. M. STURM, AND N. WOLF (2015): "The economics of density: Evidence from the Berlin Wall," *Econometrica*, 83(6), 2127–2189.
- ALLEN, T., AND C. ARKOLAKIS (2014): "Trade and the Topography of the Spatial Economy *," *The Quarterly Journal of Economics*, 129(3), 1085–1140.
- (2023): "Economic Activity across Space: A Supply and Demand Approach," *The Journal of Economic Perspectives*, 37(2), pp. 3–28.
- ALLEN, T., C. D. C. DOBBIN, AND M. MORTEN (2018): "Border Walls," Working Paper 25267, National Bureau of Economic Research, www.nber.org/papers/w25267.
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- AUTOR, D. H., AND D. DORN (2013): "The growth of low-skill service jobs and the polarization of the US labor market," *The American Economic Review*, 103(5), 1553–1597.
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- BERNARD, A. B., S. J. REDDING, AND P. K. SCHOTT (2013): "Testing for Factor Price Equality with Unobserved Differences in Factor Quality or Productivity," *American Economic Journal: Microeconomics*, 5(2), 135–163.
- BLANCHARD, O. J., AND L. F. KATZ (1992): "Regional Evolutions," *Brookings Papers on Economic Activity*, 1, 1–37.

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- BONHOMME, S., K. HOLZHEU, T. LAMADON, E. MANRESA, M. MOGSTAD, AND B. SETZLER (2023): “How Much Should we Trust Estimates of Firm Effects and Worker Sorting?,” *Journal of Labor Economics*, 41(2).
- BORJAS, G. J. (2015): “Immigration and Globalization: A Review Essay,” *Journal of Economic Literature*, 53(4), 961–74.
- BURSTEIN, A., G. HANSON, L. TIAN, AND J. VOGEL (2020): “Tradability and the Labor-Market Impact of Immigration: Theory and Evidence From the United States,” *Econometrica*, 88(3), 1071–1112, <https://onlinelibrary.wiley.com/doi/full/10.3982/ECTA16196>.
- CALIENDO, L., L. D. OPROMOLLA, F. PARRO, AND A. SFORZA (forthcoming): “Goods and Factor Market Integration: A Quantitative Assessment of the EU Enlargement,” *Journal of Political Economy*, <https://www.journals.uchicago.edu/toc/jpe/0/ja>.
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- CARD, D., J. HEINING, AND P. KLINE (2013): “Workplace heterogeneity and the rise of West German wage inequality,” *The Quarterly journal of economics*, 128(3), 967–1015.
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