COURSE OBJECTIVES

The sociological study of labor markets centers on two fundamental observations. First, labor markets are a fundamentally social institution where social relationships, customs and rules determine the structure of market exchange over and above purely economic considerations. In addition, if we want to understand social stratification in advanced economies we need to understand how labor markets operate due to their central role in the allocation of economic rewards and positions. To address these issues, we will engage with key strands of sociological and economic labor market theory in the seminar, ranging from neoclassical economics, human capital theory and models from information economics to more sociological approaches that emphasize the importance of social relationships or the structure of organizations and institutions. We will then apply this theoretical background to discuss recent empirical work on e.g. rising wage inequality, gender inequality and discrimination in the labor market, the structure of careers within organizations or the impact of immigration.

CORE READINGS

There are many excellent textbooks on the sociology and economics of labor markets available. The following list of books and articles form something like the backbone to many of the topics we discuss in the seminar. I strongly suggest that you work through the relevant chapters and parts in most of them during the seminar and/or use these as a backdrop for preparing presentations and class discussion. Naturally, the full session-by-session reading list below provides additional, and typically more advanced, readings on the specific topic discussed in any particular session. In case you decide to buy a textbook, I recommend the Grusky and/or Kaufman/Hotchkiss ones.


We have an electronic reserve for the key readings of the class. The reserve is accessible through our class website on the Learn@UW platform (cf. below).

**COURSE REQUIREMENTS AND GRADING**

Your grade will depend on your participation in class, two class presentations and the quality of your term paper. Your term paper will determine 60% of your grade, the presentations 30% (i.e. 15% each), and active class participation 10%. I will award “S” (pass) grades if you have fully participated in class and have contributed to two presentations, but decide against writing a term paper for this class.

Starting with the signaling model in week 4, twelve class sessions will be run by student teams. Each student will participate in two of these presentations during the semester. The teams are responsible for preparing the session, which includes providing an introductory presentation about the readings, preparing discussion questions, and running the discussion. Presenters should decide on the specific readings for the class, i.e. typically which exemplary empirical studies are to be integrated into the session and read by the class. Please submit your presentation or handout to me via e-mail or the Learn@UW dropbox by 5pm on the day before class so that I may upload the materials onto the website ahead of the session. Students not running a specific session are expected to do the assigned readings and to prepare discussion questions on them. To sign up for the presentations or to suggest alternative topics, please send me your top five preferences (in rank order) by e-mail or via the Learn@UW dropbox by Tuesday, January 26, 2pm.

Your term paper for this class has to be completed by Wednesday, May 12, the day of the final exam for this class. The paper should reflect your original and individual work on a topic of your choice from within the range of subjects covered in this class. The typical length of a term paper is around 15-20 pages. There are different formats for term papers, yet the most common are

1. An original research paper on a topic of interest to you. This might serve as the basis for an MA thesis, a journal submission, or a chapter of your dissertation. Research papers can be either empirical or theoretical.
2. A detailed proposal for a research project, including an extensive and critical review of the existing literature on the topic. This might serve as the basis for a grant proposal to support your dissertation research or future work.
3. A thorough analysis of the literature in a specific area (including both the readings from the syllabus and additional readings) in which you lay out the key issues, the primary arguments and perspectives, and critically assess the various contributions to the literature. This might serve as excellent preparation for the prelim exam in social stratification.
I would like this class to be as supportive of your own work as possible, so I will be open to any of the above or even alternative suggestions that make sense given your specific interests and stage in the graduate program. If you intend to do a term paper, I encourage you to discuss your ideas, topic and choice of format with me – via e-mail or during office hours – before the spring break at the very latest. This especially applies if you are thinking about doing empirical research for the term paper.

**COURSE MATERIALS AND RESOURCES**

We have a course website on the Learn@UW platform (https://learnuw.wisc.edu/) that will provide a platform to share announcements and pdf copies of class materials. You will be able to submit your handouts and term paper via the site’s dropbox function, and the site will link to the electronic course reserve for the class. In addition, we also have an e-mail classlist at soc923-1-s10@lists.wisc.edu which I will use occasionally to distribute short-term announcements or reminders. The classlist may of course also be used to launch class discussion or to distribute information or materials related to this course (e.g. class handouts or information about events of interest). In case you need the individual e-mail address of a classmate, please check the classlist register on our Learn@UW website.

**COURSE SCHEDULE**

1/20 1: Course overview and organization
1/27 2: Neoclassical economics: supply, demand and market equilibrium
2/3 3: Human capital theory
2/10 4: Information economics: signaling, screening and discrimination
2/17 5: Job search, employer search and labor market dynamics
2/24 6: Employment relationships and labor market structure
3/3 7: The principal-agent problem, incentive contracts and efficiency wages
3/10 8: Organizational labor markets (I): teams and worker interdependence
3/17 9: Organizational labor markets (II): ILMs, job ladders and vacancy chains
3/24 10: Job histories and careers
3/31 SPRING BREAK
4/7 11: Institutions (I): the role of unions in the labor market
4/14 12: Institutions (II): welfare states and labor market policy
4/21 13: Gender inequality in the labor market
4/28 14: Structural change and its consequences
5/5 15: Migration and the labor market
5/12 TERM PAPER DUE
DETAILED READING LIST

(Starred readings are recommended readings, typically fundamental theoretical or empirical papers. Presenters are free to pick readings for the session. As presenter, you should communicate your choices to the class ahead of the session via our e-mail classlist.)

1/20 1: Course overview and organization

1/27 2: Neoclassical economics: supply, demand and market equilibrium

2/3 3: Human capital theory


### 4: Information economics: signaling, screening and discrimination


5: Job search, employer search and labor market dynamics


6: Employment relationships and labor market structure


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7: The principal-agent problem, incentive contracts and efficiency wages


8: Organizational labor markets (I): networks, teams and worker interdependence

9: Organizational labor markets (II): ILMs, job ladders and vacancy chains
10: Job histories and careers


**SPRING BREAK**


**4/14**

**12: Institutions (II): welfare states and labor market policy**


**4/21**

**13: Gender inequality in the labor market**


4/28

14: Structural change and its consequences


15: Migration and the labor market


Q&A, course review and evaluation