

LER 590EGW: Economics of Gender and the Workforce

Spring 2021

Course Meeting: Tuesdays 2 – 4:50 PM, Zoom
Credit: 4 hours

Professor: Russell Weinstein

E-mail: weinst@illinois.edu

Phone: 217-300-6410

Office Hours: Tuesdays 11 – 12 and Thursdays 2 – 3, Zoom

Course website: compass2g.illinois.edu

Course Description

Human resources professionals are often confronted with issues of equity between men and women related to hiring, compensation, and task assignment. This course is designed to help students evaluate explanations for differences in economic outcomes between men and women, using economics as a framework. The course will present evidence on male-female differences in workforce participation, earnings, and occupations. We will then study how these differences may be explained by various factors, including education, on-the-job training, family demands, and discrimination. Further, we will study how employer and government policies may affect labor market outcomes of men and women. Course activities and assignments will highlight how economic intuition has important practical implications for gender-related issues facing human resource professionals. This course fulfills the “Labor Markets and Employment” distribution requirement for the LER master’s program.

Course Texts

Blau, Francine D. and Anne E. Winkler, The Economics of Women, Men, and Work, 8th Ed., Oxford University Press, 2017.

Articles listed below can be obtained by searching in the University of Illinois Library Catalog (library.illinois.edu).

Topics and Readings

Week 1: Introduction [January 26]

Blau and Winkler Chapters 1 and 5

Week 2: Differences in Labor Force Participation [February 2]

Blau and Winkler Chapters 5 and 6

Week 3: Evidence on Differences in Labor Market Outcomes [February 9]

Blau and Winkler Chapter 7

Week 4: Differences in Educational Attainment [February 16]

Blau and Winkler Chapter 8

Week 5: Differences in On-the-Job Training, Family Responsibilities, and Psychological Attributes [February 23]

Blau and Winkler Chapter 9

Albanesi, Stefania and Claudia Olivetti (2009): "Home Production, Market Production, and the Gender Wage Gap: Incentives and Expectations," *Review of Economic Dynamics*, Vol. 12(1). [Read Sections 1, 3, and 4.]

Niederle, Muriel and Lise Vesterlund (2011): "Gender and Competition," *Annual Review of Economics*, Vol. 3. [Read pages 602-605, 618-623].

Week 6: Discrimination [March 2]

Blau and Winkler Chapter 11

Week 7: **Midterm** [March 9]

Week 8: Evaluating Explanations for Differences in Outcomes [March 16]

Blau and Winkler Chapter 10

Week 9: Anti-Discrimination and Affirmative Action Policies [March 23]

Blau and Winkler Chapter 12

Athey, Susan, Christopher Avery, and Peter Zemsky (2000): "Mentoring and Diversity," *American Economic Review*, Vol. 90(4). [Read Introduction and Conclusion].

Lehmann, Jee (2013): "Job Assignment and Promotion Under Statistical Discrimination: Evidence from the Early Careers of Lawyers," Working Paper. [Read Sections 1, 5, 6, and 9].

Holzer, Harry and David Neumark (1999): "Are Affirmative Action Hires Less Qualified? Evidence from Employer-Employee Data," *Journal of Labor Economics*, Vol. 17(3). [Read Introduction and Conclusion].

Week 10: Family-Friendly Policies and Discussion of Policy Design and Randomization [March 30]

Blau and Winkler Chapter 16

Olivetti, Claudia and Barbara Petrongolo “The Economic Consequences of Family Policies: Lessons from a Century of Legislation in High-Income Countries,” *Journal of Economic Perspectives*, Vol. 31(1) [Read entire paper].

Flory, Jeffrey A., Andreas Leibbrandt and John A. List (2015): “Do Competitive Work Places Deter Female Workers? A Large-Scale Natural Field Experiment on Gender Differences in Job-Entry Decisions,” *Review of Economic Studies*, Vol. 82(1). [Read Introduction and Discussion].

Burstyn, L., T. Fujiwara, and A. Pallais: “Acting Wife: Marriage Market Incentives and Labor Market Investments,” *American Economic Review*, Forthcoming.

Week 11: Flexible and Alternative Work Arrangements [April 6]

Mas, Alexandre and Amanda Pallais (2016): “Valuing Alternative Work Arrangements,” Working Paper No. 22708, National Bureau of Economic Research. [Read Introduction and Conclusion].

Goldin, Claudia and Lawrence Katz (2016): “A Most Egalitarian Profession: Pharmacy and the Evolution of a Family-Friendly Profession,” *Journal of Labor Economics*, Vol. 34(3). [Read sections I, VI, VII, VIII].

Bloom, Nick, Tobias Kretschmer, and John Van Reenen (2011): “Are family-friendly workplace practices a valuable firm resource,” *Strategic Management Journal*, Vol. 32(4). [Read Introduction and Conclusion]

Week 12: No Class [April 13]

Week 13: Group Meetings [April 20]

Week 14: Group Presentations [April 27]

Week 15: Group Presentations [May 4]

i>clicker

A subscription to i>clicker Reef is required for in-class participation. See below for details on grading policies for i>clicker questions.

You may purchase a six month subscription on the i>clicker website: <https://www.iclicker.com/pricing>

How to register:

To receive credit for the responses you submit with i>clicker, you must have an i>clicker Reef account, and add this course, by the beginning of the second class, February 2 at 2 PM. Students who register after this time will not receive credit for their participation in the classes before they added this course on their clicker account.

To add this course, follow the instructions on this website:
<https://macmillan.force.com/iclicker/s/article/Add-Your-Instructor-s-Course-in-Reef>

Cheating Policy:

Voting through another student's account is cheating and a violation of the University Student Code (<http://studentcode.illinois.edu/>). If you are caught voting through another student's account, you will forfeit all clicker points and may face additional disciplinary action.

Activities and Grades

Grades are determined by the following rubric:

Weekly review questions: 10% (lowest dropped)
In-class i>clicker questions: 10% (lowest dropped)
In-class exercises: 10% (lowest dropped)
Midterm exam: 35%
Final project: 35%

Each component is discussed below.

Weekly review questions Short assignments posted every week on the course website (compass2g.illinois.edu) to make sure you understand the readings. Assignments are due at the start of class.

In-class i>clicker questions will be given in each lecture. Part of this grade will be based on your attendance in class. If you respond to each question during the lecture, you will be awarded five points. If you do not respond to all questions you will not be awarded any of these participation points. To account for other factors, I will also give five points if you miss responding to one question. This portion of your grade is based on being present in class for most of the class. The second part of your iclicker grade will be based on whether your responses are correct. I will award one point for each iclicker question answered correctly during the lecture.

In-class exercises will be given in each lecture. These will typically involve one longer exercise in the second half of the lecture, applying the material to a practical application (usually in teams). For these exercises, your team will generally submit responses and may make a presentation to the class. These are due on Compass by the start of the next class.

A *midterm exam* will take place on March 9 during class time on Compass. You are responsible for taking the exam on the day it is given.

Final Project to be handed in on Compass on April 27 at the beginning of class, and presented on April 27 or May 4. The project is described at the end of the syllabus. Hand in one report per group. You will be graded based on the written report (approximately 6 pages double spaced) and the in-class presentation.

Course Policies

Grading Policies

Late responses to the weekly review questions will not receive credit, but a missed assignment can be used as the dropped score. Similarly, if class is missed in one week, and as a result the in-class and i>clicker exercises are not completed, this can be used as the dropped score. If you

have a university-accepted reason (e.g. illness with a doctor's note), and you contact Professor Weinstein, you may make up an assignment within 7 days of the original due. If more than two classes are missed because of an illness, and there is an accompanying doctor's note, the student should contact Professor Weinstein and the Assistant Dean of Student Services. I will not grade more than two make-up in-class assignments, even with an accompanying doctor's note. A large part of the value of the in-class assignments comes from working with the group, and responding to other groups' projects. If students miss more than two of these, they may not receive any credit.

In this course, we will be assigning +/- letter grades. Generally, if you receive 93% of the total points for the course this will be an A.

Request for Special Accommodations

To obtain disability-related academic adjustments and/or auxiliary aids, students with disabilities must contact Professor Weinstein and the Disability Resources and Educational Services (DRES) as soon as possible. To contact DRES, you may visit 1207 S. Oak St., Champaign, call 333-4603, e-mail disability@illinois.edu or go to the DRES website.

Please note accommodations are not retroactive to the beginning of the semester but begin the day you contact Professor Weinstein with a current letter of accommodation from DRES.

Academic Integrity

We will follow Articles 1-401 through 1-406 of the *Student Code* (beginning at http://studentcode.illinois.edu/article1_part4_1-401.html). This rule defines infractions of academic integrity, which include but are not limited to cheating, fabrication, and plagiarism. You are responsible for following these guidelines. If you have any questions about whether something would be an infraction, consult with the instructor before proceeding.

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Final Project

The CEO of your company has recently announced one of his primary objectives is to increase the number of women in managerial positions. While nearly 50% of entry-level jobs for college-educated workers at your firm are filled by women, only 25% of mid-level managerial roles are filled by women. This has been true for the past 15 years. The human resources department is responsible for designing a firm-level policy to accomplish this objective, and must deliver a report to the CEO and board of directors discussing the policy. Your group will be assigned a policy to consider, and your task is to write the report (approximately 6 pages) and present the findings to the class with presentation slides. The report should take the following form:

Section 1: Detail the policy [you should add details to the basic policy you are assigned]

Section 2: Discuss economic intuition for why it may increase the number of women managers. **Provide two reasons.** This section should incorporate class material, for example discussing the effect on the value of market time vs. nonmarket time, investments in general or firm-specific human capital, discrimination, and other supply- or demand-side topics we have discussed.

Section 3: Discuss economic intuition for why it may not increase the number of women managers. **Provide two reasons.** See above about referencing class material.

Section 4: Discuss possible unintended consequences of the policy (quality of hires, effects on men, effects on worker productivity, costs to firm).

Section 5: Discuss any relevant research, and evaluate whether you think the findings are relevant to your firm. You might discuss whether the findings are based on a study from another country, or in another industry, from an earlier time period, or from an experiment, or a government policy rather than a firm policy.

Section 6: Discuss how you will evaluate whether the policy is effective. In particular, consider comparing an outcome before and after you implement the policy. One concern is that something else may have changed during the time you implemented the policy, for example a competitor also introduces the same policy or the country enters a recession. Using one of the strategies we have discussed in class, describe how you could separate the effect of the policy from the effect of these other changes. The best responses in this section will use a strategy other than “controlling for other variables”.

Section 7: Final conclusions on whether to implement the policy.

The presentation should be 15 minutes, followed by 5-10 minutes of questions from me and from the class.

Your presentation should include one clicker question for the class.

Each group will also be responsible for asking questions to one of the other groups during their presentation. There should be one question from each group member.

The report should be typed in Times New Roman, size 12, double spaced, and with 1.25 inch margins on each side. Reports over 6.25 pages will receive lower grades.

The paper is due on Compass on April 27 by 2 PM for all groups, regardless of when you are presenting.

Grading: This project is worth 35% of your final grade. You will receive three grades for the project (1) group report (29% of final course grade), (2) group presentation (5% of final course grade), (3) question to other group during presentation (1% of final course grade). In addition to handing in the final report, each group member will assign themselves a grade for the project as a whole and write a short paragraph explaining (1) why you believe you earned this grade (2) two main take-aways of the project. When assigning your project and presentation grade, I will use this as well as your individual presentation to adjust your individual grade from the group grade. I may adjust individual grades up to one full letter grade from the group's grade (if the group gets a B+, I may adjust individuals' grades anywhere from a C+ to an A+).