

# LER 590EGW: Economics of Gender and the Workforce

Spring 2019

Course Meeting: Tuesdays 2 – 4:50 PM, Armory 331

Credit: 4 hours

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Course website: [compass2g.illinois.edu](http://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, 8<sup>th</sup> Ed., Oxford University Press, 2017.

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

## Topics and Readings

### Week 1: Introduction [January 15]

Blau and Winkler Chapters 1 and 5

### Week 2: Differences in Labor Force Participation [January 22]

Blau and Winkler Chapters 5 and 6

Week 3: Evidence on Differences in Labor Market Outcomes [January 29]

Blau and Winkler Chapter 7

Week 4: Differences in Educational Attainment [February 5]

Blau and Winkler Chapter 8

Week 5: Differences in On-the-Job Training, Family Responsibilities, and Psychological Attributes [February 12]

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 [February 19]

Blau and Winkler Chapter 11

Week 7: **Midterm** [February 26]

Week 8: Evaluating Explanations for Differences in Outcomes [March 5]

Blau and Winkler Chapter 10

Week 9: Anti-Discrimination and Affirmative Action Policies [March 12]

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].

**Spring Break: March 19**

Week 10: Family-Friendly Policies and Discussion of Policy Design and Randomization [March 26]

## 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 2]

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: Cross-Country Differences [April 9]

## Blau and Winkler Chapters 17

Olivetti, Claudia and Barbara Petrongolo (2016): “The Evolution of Gender Gaps in Industrialized Countries,” *Annual Review of Economics*, Vol. 8. [Read Sections 1, 2, and 5].

### Week 13: Group Meetings [April 16]

### Week 14: Group Presentations [April 23]

### Week 15: Group Presentations [April 30]

## Activities and Grades

Grades are determined by the following rubric:

Weekly review questions: 10% (lowest dropped)

In-class exercises: 20% (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 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. In-class exercises may also involve review or thought questions during the lecture.

A *midterm exam* will take place on February 26 during class. You are responsible for taking the exam on the day it is given.

*Final Project* to be handed in on April 23 at the beginning of class, and presented on April 23 or April 30. 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 exercise is 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), you may make up the assignments within 7 days of the due date.

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](mailto: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](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.

## 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 several alternative policies. 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. 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

Section 3: Discuss economic intuition for why it may not increase the number of women managers

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.

Section 6: Provide a detailed discussion of how you could roll out the policy to best evaluate whether it is effective.

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