

Introduction

Kristiina Huttunen

Matti Sarvimäki

Tuomo Virkola

Labor Economics II

- Target group: students who got excited about Labor I
 - more topics, focus on recent cutting-edge papers

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- Part I: Economics of Education
 - implemented as a reading group (next slides)
 - instructors: Kristiina Huttunen and Matti Sarvimäki
- Part II: Economics of Immigration and Discrimination
 - old-school lectures + exam
 - instructor: Tuomo Virkola

- Each lecture will start with three student presentations.
 - 15–20 min presentation summarizing one paper (next slides)
 - you may work individually or in groups of 2–3 studentsand end with in-class discussion about those papers
 - 30–45 minutes of each lecture reserved for discussion
 - familiarize yourself sufficiently with all three papers **before** each lecture so that you can discuss them
- We will try to assign you a topic that fits your interests
 - reply to the survey at forms.gle/QPrnYae4aYxSYs3J6 by 8pm **today**

- Your final grade is determined by:
 - part I: presentation (30%) and in-class activity (20%)
 - part II: exam (50%)
- Evaluation criteria (part I):
 - organization and exposition
 - consistency of reasoning
 - conceptual clarity
- If you miss a class, you can substitute in-class discussion with a max. 1,500 words written assignment discussing the questions listed on slide 7

- The presentation should take 15-20 minutes
 - roughly 10 sparsely populated slides (in PDF format)
 - plan for 15 minutes of speaking time, allowing for clarifying questions during the talk
- The presentation should cover:
 - ① motivation, take-aways and contribution
 - ② treatment and/or theoretical framework
 - ③ data and empirical strategy
 - ④ main results
 - ⑤ conclusions
- I will present an example today

Presentation: Challenges

- Audience is not experts in the topic. You have to explain:
 - why the question is important
 - how the paper contributes to our knowledge
- You don't have enough time
 - don't try to discuss the whole paper!
 - *your* job is to figure out what is important and what is not
- Many presentations about complex papers
 - make sure you are clear in every point
 - think about how to engage the audience

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 - make sure you are clear in every point
 - think about how to engage the audience
- Preparation
 - make use of the example slides
 - ▶ you may also want to take a look at Shapiro's [How to Give an Applied Micro Talk: Unauthoritative Notes](#) (but: this advice is for a different kind of talk)
 - practice, with a classmate if possible

- The aim is to practice how to learn from research papers
 - critical evaluation of individual papers
 - meaningful comparison of the results across papers
- As auxiliary questions, we will always discuss the following:
 - What is the treatment (including the definition of the counterfactual)?
 - What are the identifying assumptions (if relevant)? Are they plausible?
 - For whom the treatment effect is identified?
 - How do the three papers complement and/or contradict each other?
- Familiarize yourself sufficiently with the paper **before** the class so that you are prepared to discuss these topics

① Pecuniary returns to education

- Bhuller et al. (2017). Life-cycle earnings, education premiums, and internal rates of return. *Journal of Labor Economics*, 35(4).
- Zimmerman (2014). The returns to college admission for academically marginal students. *Journal of Labor Economics*, 32(4).
- Silliman and Virtanen (2022). Labor Market Returns to Vocational Secondary Education. *AEJ: Applied Economics* 14(1).

② Non-pecuniary returns

- Oreopoulos and Salvanes (2011). Priceless: The nonpecuniary benefits of schooling. *Journal of Economic Perspectives*, 25(1).
- Currie and Moretti (2003). Mother's education and the intergenerational transmission of human capital: Evidence from college openings. *QJE*, 118(4).
- Huttunen et al. (2023). Lost boys: Access to secondary education and crime. *Journal of Public Economics*, 218.

③ Signaling vs. human capital

- Tyler et al. (2000). Estimating the Labor Market Signaling Value of the GED. *Quarterly Journal of Economics*, 115(2).
- Arteaga (2018). The effect of human capital on earnings: Evidence from a reform at Colombia's top university. *Journal of Public Economics*, 157.
- Zimmerman (2019). Elite colleges and upward mobility to top jobs and top incomes. *American Economic Review*, 109(1).

④ Preschool and daycare

- Deming (2009). Early childhood intervention and life-cycle skill development: Evidence from Head Start. *AEJ: Applied Economics*, 1(3).
- Fort et al. (2020). Cognitive and noncognitive costs of day care at age 0-2 for children in advantaged families. *JPE*, 128(1).
- Gray-Lobe et al. (2023). The long-term effects of universal preschool in Boston. *Quarterly Journal of Economics*, 138(1).