

**EMPIRICAL PROJECT ON STATE LABOR MARKETS**  
**DUE THURSDAY 12/3/2009**

**BASIC DESCRIPTION OF THE PROJECT**

States in the U.S. differ widely in the factors that influence labor markets. Many of these differences, which have important implications for public policies, are evident by looking at available data on a variety of topics we have discussed (or will discuss in the near future) in this class, such as:

Demographics (population, age distribution, racial composition)  
Labor force participation  
Employment and unemployment  
Average wages and income  
Dominant industries and occupations  
Minimum wages  
Immigration  
Educational attainment  
Distribution of income  
Union membership

Each student will be assigned a U.S. state and asked to write a report on the characteristics of that state's population and labor market. The report will be supported by data on the topics listed above and other important attributes of the state. In addition, all students will be asked to compare and contrast their assigned state to California and the U.S. as a whole. A sample report for the state of California will be supplied for comparison and as a guide, but there is considerable autonomy in how you present and discuss the information that characterizes your assigned state.

**POSSIBLE SOURCES OF DATA**

You will be collecting data on the topics listed above for one state and, for many variables, the entire U.S. to enable comparisons. You should utilize as much data over time as is available. For example, it is not sufficient to tell me that the current unemployment rate in ND is 4.2 percent; I am interested in an Excel graph of the monthly ND unemployment rate from January 1976 – September 2009, which is all the data available. Where feasible, U.S. and/or California data should be plotted on the same graph for easy comparison with your assigned state.

Suggestions for finding data:

1. Revisit the handout you received from Economics Librarian, Bill Kristie. I have also posted a copy of this handout on our course website.
2. Wide variety of state-specific data sources: [www.statemaster.com](http://www.statemaster.com)  
(Note that this secondary data site typically provides just one year of data, but lists the primary data source at the bottom of the table to enable you to seek more information.)
3. State labor market statistics from the Bureau of Labor Statistics (BLS):  
<http://www.bls.gov/lau/>  
(Click on the dinosaur icons under each state on the right for historical data.)

4. U.S. Census Bureau: <http://quickfacts.census.gov/qfd/>  
(Primarily useful for demographic information.)
5. Statistical Abstract of the United States: <http://www.census.gov/compendia/statab/>  
(Browse topics on the left.)
6. California-specific data with information about other states and the U.S. as well:  
<http://ca.rand.org>
7. Gini coefficients (a measure of income inequality) by state:  
<http://www.census.gov/hhes/www/income/histinc/state/state4.html>
8. Don't forget Google! When I Googled "California labor market data" I found an amazing website (<http://www.labormarketinfo.edd.ca.gov/>) with great data. Your assigned state may have something similar available.

**IMPORTANT:** Please keep track of sources for all data you collect. This source information must be indicated below each graph you include in your report.

### **TIMING**

I have scheduled furlough days (when class will be canceled) for Thursday 11/12 and Thursday 11/19. Following recommendations to faculty, this assignment serves as a replacement for material that would have been covered during those classes. Additionally, Thursday 11/26 is Thanksgiving. This project is due one week later on Thursday 12/3.

I anticipate that the sample report on the California labor market will be posted on the course website by Thursday 11/12. You should begin exploring the websites above, collecting data on your assigned state, and working with that data in Excel immediately rather than wait until the sample report is available.

### **ADVICE**

1. This project is worth 20 percent of your overall grade. You should take it seriously. It is not something that you can throw together in two days.
2. Work together. You're all working on different states, but otherwise tackling the same assignment. I would recommend meeting with a friend or small group (perhaps in a computer lab) on our two furlough days, so that you can tackle this together.
3. Ask for help... from me and from each other. I will not be sympathetic on December 1<sup>st</sup> when you tell me that you can't locate data or don't know how to use Excel.
4. If you have not used Excel to work with data and generate time series (line) graphs, it is even more important that you work with someone with more experience and ask for help when you need it. This project is designed to introduce you to some simple tools that are useful for conducting economic analysis (as in Econ 140, 141, and 145, but also in many, many jobs). My experience with Econ 145 students is that you are exposed to very few tasks involving data. You would be wise to view this project as an investment in a skill set that will be very valuable to you for years to come.