COURSE DESCRIPTION
This course is about how labor markets work. In particular, it focuses on the behavior of, and relationship between employers and employees. How do they respond to general incentives of wages, prices, and working conditions, are some of the questions we will address. Our approach to studying labor economics will be both theoretical and empirical. That is, not only will we discuss models of how labor markets function, we will also discuss the evidence on how well the real world matches the predictions of such models.

The course is divided into two parts. The first part will cover the basic ideas of labor supply, labor demand, and their interaction. The second part will focus on some specific topics in labor economics including taxes and transfers, human capital, education and training, immigration, discrimination, minimum wages, unemployment insurance, unions, bargaining and strikes, and unemployment.

PREREQUISITES
The prerequisite for this class is Intermediate Microeconomics (ECON 3070).

TEXTBOOK

GRADING
The following criteria will be used to assign your grades,

3 exams 66% (22% each)
Term paper 22%
Assignments / Class participation 12%

The first two exams will be administered during regular class hours. The third exam will be administered during the final exam time and is not comprehensive (see attached tentative schedule for exam dates).
HOMEWORK
Three homeworks will be assigned during the semester (one for each exam). There will be three different grades for the homework, outstanding (+), good (0), and incomplete (-). The 12% will be assigned accordingly. The answer key will be posted on the web the due date of the homework (dates will be announced later).

RESEARCH PAPER
Each student will select a topic based on the Census report found at http://www.census.gov/population/www/pop-profile/profile2000.html. The paper written on this topic will contain a complete analysis of the impact the chosen demographic change or statistic would be expected to have on the U.S. labor market. The analysis must be well-grounded in and make use of the theoretical models presented in class. The paper is limited to 10 double-spaced, typed pages, including references, tables, and graphics. The paper is due TUESDAY, December 10th, and will not be accepted late. The paper should contain the following sections:

I. Historical Perspective
This section should contain a concise documentation of how the demographic statistic of choice has changed over (at least) the past 10 years. It is one thing to note that, for example, median income is unchanged from one year to the next, but how does compare to income growth each year over the past ten years. Is this a great deviation from the historical trend of income growth? In addition, while it is of interest to note that, "the number of divorced persons has quadrupled since 1970", what this statistic does not tell is what is happening annually to the rate of divorce.

II. Theoretical Impact of Change on the Labor Market
This section should contain a complete labor market analysis (using graphs, tables, and most important logic), of the impact of the change described in the previous section. How will the change impact the supply of labor? How will the change impact the demand for labor? Will the impact change the wage levels, wage inequality, poverty, discrimination, demand for college education, etc? If so, how? This section should be devoid any normative analysis.

III. Policy Options
This section should explore potential policy options in response to the expected labor market impact of the demographic change. This is the section where positive analysis of the previous section is used to explore normative policy options. For example, does the impact of demographic change call for policies designed to reverse that trend? If so, how can a policy be formulated to provide the correct incentives to reverse that trend?

1 Taken from the class "Economics of Work and Pay" (EC 4960), taught by Dr. Julie Hothckiss, GSU.
EXAMS/HOMEWORKS POLICY
There will be no make-up exams and no homeworks accepted after the deadline. To miss an exam, you must have a note from some acceptable authority figure explaining your absence. Without an acceptable excuse, missed midterms will be given 0 (zero). If you have an acceptable excuse, I will give extra weight and additional material from the missed exam to the final examination. You cannot miss the final examination. If you miss the final, you will automatically receive an F.

If you have a conflict between religious observance dates and course examinations or assignments, you must notify me two weeks in advance so that your needs may be addressed.

HONOR CODE
I believe strongly in the Honor Code. It is expected that you understand it and will abide by it. Any violation to this code including the following infractions is potentially punishable by receiving an F in the class.

- Copying the work of another student during an examination.
- Permitting another student to copy one's work during an examination.
- Possessing unauthorized notes, crib sheets, additional sources of information, or other material during an examination.
- Writing an answer to an exam question outside of class and submitting that answer as part of an in-class exam.
- Taking an examination for another student.
- Having an examination taken by a second party.
- Altering or falsifying examination results after they have been evaluated by the instructor and returned to the student.

For more information about the CU Honor Code, go to http://www.colorado.edu/academics/honorcode/

SOME TIPS
You should read the assigned material before coming to class. It is not expected that you will understand everything you read the first time. However, reading before class and having a good sense of the material will make the lectures a lot easier to understand. After attending lecture, you should go over your notes and reread any material that is confusing. Take class notes thoroughly. Course material not in the textbook will be presented in class so attending lecture is both helpful in getting a good grade and maximizing your learning experience.

CLASSROOM BEHAVIOR POLICY
It is especially important that an atmosphere which facilitates the maximum opportunity for learning be present at all times. It is expected that all students present on a given day be attentive, polite and not a source of distraction to the instructor or any other student. Arriving late or departing early disrupts the class. Please refrain from both.
For more information about the Classroom Behavior Policy, go to
http://www.colorado.edu/policies/classbehavior.html

STUDENTS WITH SPECIAL NEEDS
The Economics Department will make reasonable accommodations for persons with
documented disabilities. Students must notify me no later that the end of the first week of
term, and provide documentation of the disability obtained from the Disabilities Services
office located in Willard Hall, Room 322.

TENTATIVE COURSE SCHEDULE

<table>
<thead>
<tr>
<th>Date</th>
<th>Topic</th>
<th>Chapter</th>
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</thead>
<tbody>
<tr>
<td>August 27, 29, Sep 3</td>
<td>Introduction to Regression Analysis</td>
<td>1 &amp; Appendix Ch.1</td>
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<tr>
<td>Sep 5, 10, 12</td>
<td>Labor Supply</td>
<td>2</td>
</tr>
<tr>
<td>Sep 17, 19, 24</td>
<td>Topics in Labor Supply</td>
<td>3</td>
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<tr>
<td>Sep 26, Oct 1</td>
<td>Labor Demand</td>
<td>4</td>
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<tr>
<td>Oct 3</td>
<td>EXAM 1</td>
<td>1-3</td>
</tr>
<tr>
<td>Oct 8</td>
<td>Labor Demand</td>
<td>4</td>
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<tr>
<td>Oct 10</td>
<td>NO CLASS (Fall Break)</td>
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<tr>
<td>Oct 15, 17, 22</td>
<td>Labor Market Equilibrium</td>
<td>6</td>
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<tr>
<td>Oct 24, 29, 31</td>
<td>Compensating Wage Differentials</td>
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<tr>
<td>Nov 5, 7, 12</td>
<td>Human Capital</td>
<td>4-6</td>
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<tr>
<td>Nov 14</td>
<td>EXAM 2</td>
<td>4-6</td>
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<td>Nov 19, 21, 26</td>
<td>Labor Mobility</td>
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<tr>
<td>Nov 28</td>
<td>NO CLASS (Thanksgiving break)</td>
<td>10</td>
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<tr>
<td>Dec 3, 5, 10</td>
<td>Labor Market Discrimination</td>
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<td>Dec 12</td>
<td>Labor Unions</td>
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<tr>
<td>Dec 17</td>
<td>EXAM 3 (FINAL EXAM)</td>
<td>7, 9, 10, 11</td>
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<td>10:30 - 1:00 pm</td>
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