

**Economics 4616- Labor Economics**  
**Spring 2006, Tues/Thurs 9:30-10:45, HLMS 141**  
**<http://www.Colorado.EDU/Economics/econ4616>**

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Econ 115  
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### **Office Hours**

Tues/Thurs 11-12 and Wed 10:30-11:30, or by appointment

It is very easy to schedule appointments outside of office hours with me—I am almost always in my office during normal business hours. Just send email or talk to me before or after class.

### **Course Prerequisite**

This class requires previous completion of Economics 3070, Intermediate Microeconomics, or the equivalent. Do not take this class without the prerequisite!

### **Textbook**

George Borjas *Labor Economics* McGraw-Hill, 3<sup>rd</sup> Edition, 2005.  
(2<sup>nd</sup> edition is fine).

### **Course Description**

This course provides an introduction to the economic analysis of labor markets. We will be discussing questions such as: How do individuals choose whether or not to work, and if so, how much? What about households: how do families decide who works outside the home and who does the dishes? How do employers decide how many people to hire? Why do some people go to college and others do not? Why do some people get paid more than others? Do women get paid less than men? How do you set wages so that employees will work harder? How do different government policies affect the labor market?

### **Course Structure**

*In-Class Exercises:* In-class group exercises will be given frequently. These exercises will be used to promote discussion of the issues we cover and, most importantly, give students practice with the material in preparation for exams. These exercises are not graded, but students will be called on to provide answers to the class.

*Attendance:* Attendance is absolutely crucial to success in this class. Substantial student practice will take place through in-class exercises. In order to re-enforce the importance of attendance, it will be factored into final grades. **Attendance will be taken regularly and any student missing more than 20% (3 weeks of class, or 6 class meetings) of the course's scheduled classes will receive a failing grade.** To be clear, these absences are intended to cover both valid (illness, car breaking down) and invalid reasons for missing class. Excused absences will therefore not be granted. I reserve the right to record an absence for students who spend substantial class time on non-class activities (e.g. reading the paper).

*Exams:* Two midterms and a non-cumulative final exam. The first midterm is scheduled for Thurs, Feb 23. The second midterm is scheduled for Thurs, Apr 6. The final is scheduled for Sat, May 6 at 7:30 am.

## **Grades**

Grades will be based on:

1/3 first midterm

1/3 second midterm

1/3 final exam

Actual letter grades will be based on a combination of each student's performance relative to others in the class and the performance I would expect from an intelligent and hardworking student.

## **Some Additional Notes/Policies**

*Material from a Missed Class:* If you miss class, you are responsible for obtaining the material you missed. Group exercises will be posted on the course web page. You should arrange to obtain notes from a classmate (in advance, if possible), not from the professor. I encourage you to come to my office hours to discuss the material you missed, but you must first obtain the notes and relevant handouts, go over the information for yourself, and prepare specific questions.

*Missed Exams:* Make-up exams will not be given. Exam absences will only be excused for compelling circumstances (generally family emergencies or documented illness), in which case the other exams will be re-weighted. Students anticipating conflict with an exam date due to religious observance or over-scheduling (3 or more exams on the same day) must bring these to my attention within the first 3 weeks of class.

*Special Accommodations:* Students with documented disabilities who may need academic accommodations should speak with me during first three weeks of the class. Also contact the Disability Services Office, Willard 322 (phone 303-492-8671), so that such accommodations may be arranged.

*Extra Credit Assignments:* Are not given.

*Class Disruptions:* Ringing cell phones and pets are not welcome in my class.

*Class Start and End Times:* I generally make sure that this class starts and ends on time. If you find that you are frequently late to class or find that I am frequently running over, first check to make sure your watch is set correctly: <http://www.timeanddate.com/worldclock/city.html?n=75>

## **Course Schedule**

Week 1 (Jan 16-20): Introduction to Labor Supply

Textbook: Chapters 1 and 2

Week 2 (Jan 23-27): Non-linear Budget Lines

Textbook: Chapter 2 continued

Week 3 (Jan 30- Feb 3): Household Production

Textbook: Chapter 3

Week 4 (Feb 6-10): Introduction to Labor Demand

Textbook: Chapter 4

Week 5 (Feb 13-17): Labor Demand, Cont

Textbook: Chapter 4, cont.

Week 6 (Feb 20-24): Taxes, Monopsony and Minimum Wages

Textbook: Chapter 5

**First Midterm: Thurs, Feb 23**

Week 7 (Feb 27- Mar 3): Compensating Wage Differentials

Textbook: Chapter 6

Week 8 (Mar 6-10): Human Capital: Schooling

Textbook: Chapter 7

Week 9 (Mar 13-17): Human Capital: On-the-Job Training, Wage Profiles and Signaling

Textbook: Chapter 7, cont.

Week 10 (Mar 20-24): Labor Mobility

Textbook: Chapter 9

Week 11: Spring Break

Week 12 (Apr 3- Apr 7): Midterm Week

**Second Midterm Thurs, Apr 6**

Week 13 (Apr 10-14): Discrimination

Textbook: Chapter 10

Week 14 (Apr 17-21): Labor Unions

Textbook: Chapter 11

Week 15 (Apr 24- 28): Labor Contracts and Work-Incentives

Textbook: Chapter 12

Week 16 (May 1-5): Labor Contracts and Work-Incentives, Cont

Textbook: Chapter 12

**Final Exam: Sat, May 6 7:30-10:00 AM**