

Economics 4616- Labor Economics
Fall 2005, MWF 9:00-9:50, ECON 119
<http://www.Colorado.EDU/Economics/econ4616>

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Econ 115
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Office Hours

M/W 10-11, and 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. This prerequisite is firm.

Textbook

George Borjas *Labor Economics* McGraw-Hill, 3rd Edition, 2005.
(2nd 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.

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 9 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 Fri, Sept 30. The second midterm is scheduled for Wed., Nov 2. The final is scheduled for Fri, Dec 9 at 4:30 pm.

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 (Aug 22-26): Introduction to Labor Supply
Textbook: Chapters 1 and 2

Week 2 (Aug 29-Sept 2): Non-linear Budget Lines
Textbook: Chapter 2 continued

Week 3 (Sept 7-Sept 9): Household Production
Textbook: Chapter 3

Week 4 (Sept 12-16): Introduction to Labor Demand
Textbook: Chapter 4

Week 5 (Sept 19-23): Labor Demand, Cont
Textbook: Chapter 4, cont.

Week 6 (Sept 26-Sept 30): Minimum Wages and Taxes
Textbook: Chapter 5

First Midterm: Fri, Sept 30

Week 7 (Oct 3-7): Compensating Wage Differentials
Textbook: Chapter 6

Week 8 (Oct 10-12): Human Capital: Schooling
Textbook: Chapter 7

Week 9 (Oct 17-21): Human Capital: On-the-Job Training, Wage Profiles and Signaling
Textbook: Chapter 7, cont.

Week 10 (Oct 24-28): Labor Mobility
Textbook: Chapter 9

Week 11 (Oct 31- Nov 4): Midterm Week
Second Midterm Wed Nov 2

Week 12 (Nov 7-11): Discrimination
Textbook: Chapter 10

Week 13 (Nov 14-18): Labor Unions
Textbook: Chapter 11

Week 14 (Nov 21-23): Labor Unions, Cont
Textbook: Chapter 11

Week 15 (Nov 28- Dec 2): Labor Contracts and Work-Incentives
Textbook: Chapter 12

Week 16 (Dec 5- Dec 7): Labor Contracts and Work-Incentives, Cont
Textbook: Chapter 12

Final Exam: Friday, Dec 9, 4:30-7:00 pm