

**Economics 4616- Labor Economics**  
**Spring 2004, Tues/Thurs 2-3:15, ECON 119**  
**<http://www.Colorado.EDU/Economics/econ4616>**

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Econ 115  
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### **Office Hours**

Tues/Thurs 1-2, and by appointment

### **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, 2<sup>nd</sup> Edition, 2000.

### **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.

*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 19. The second midterm is scheduled for Tues, Apr 6. The final is scheduled for Tues, May 4, 1:30 to 4:00.

## **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 12-16): Introduction to Labor Supply

Textbook: Chapters 1 and 2

Week 2 (Jan 19-23): Non-linear Budget Lines

Textbook: Chapter 2 continued

Week 3 (Jan 26-30): Household Production

Textbook: Chapter 3

Week 4 (Feb 2-6): Introduction to Labor Demand

Textbook: Chapter 4

Week 5 (Feb 9-13): Labor Demand, Cont

Textbook: Chapter 4, cont.

Week 6 (Feb 16-20): Minimum Wages and Midterm

Tues Feb 17: Minimum Wage, Chapter 5

**Thurs Feb 19: First Midterm**

Week 7 (Feb 23-27): Compensating Wage Differentials

Textbook: Chapter 6

Week 8 (Mar 1-5): Human Capital: Schooling

Textbook: Chapter 7

Week 9 (Mar 8-12): On-the-Job Training and Wage Profiles

Textbook: Chapter 7, cont.

Week 10 (Mar 15-19): Labor Mobility

Textbook: Chapter 9

Week 11 (Mar 22-26): Spring Break

Week 12 (March 29-Apr 2): Review for Midterm

Tues, Mar 30: Class Cancelled

Thurs, Apr 1: Review for Midterm

Week 13 (Apr 5-9): Midterm/ start Discrimination

**Tues, Apr 6: 2<sup>nd</sup> Midterm**

Thurs, Apr 8: Intro to Discrimination, Chapter 10

Week 14 (Apr 12-16): Labor Market Discrimination

Textbook: Chapter 10, cont

Week 15 (Apr 19-23): Labor Unions

Textbook: Chapter 11

Week 16 (Apr 26- 30): Worker Pay, Incentives and Effort

Textbook: Chapter 12

Final Exam: Tues, May 4, 1:30-4