

Economics 4616- Labor Economics

Fall 2015, Tues/Thurs 2:00-3:15, HLMS 211

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Course Materials

Posted on D2L

Office Hours

Tues 9:30-10:30 and Wed 9:30-11:30, 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. The best way to set up an appointment is by email.

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, 5th Edition, 2010.
(older editions will work 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? How do employers decide how many people to hire? Why do some people go to college and others do not? Why do some people move or immigrate 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, texting, laptop use for non-class activities).

Exams: Two midterms and a non-cumulative final exam. **The first midterm is scheduled for Thurs, Sept 24. The second midterm is scheduled for Tues, Nov 3. The final is scheduled for Thurs, Dec 17, 1:30-4:00.**

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 D2L. 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.

Academic Integrity: All students are responsible for knowing and adhering to the academic integrity policy of the University of Colorado at Boulder (www.colorado.edu/policies/honor.html and www.colorado.edu/academics/honorcode). All incidents of academic misconduct will be reported to the Honor Code Council.

Course Schedule

Week 1 (Aug 25, 27): Introduction to Labor Supply

Textbook: Chapter 2

Week 2 (Sept 1, 3): Non-linear Budget Lines

Textbook: Chapter 2 continued

Week 3 (Sept 8, 10): Introduction to Labor Demand

Textbook: Chapter 3

Week 4 (Sept 15, 17): Labor Demand, continued
Textbook: Chapter 3, cont

Week 5 (Sept 22, 24): **1st Midterm: Thurs Sept 24**

Week 6 (Sept 29, Oct 1): Labor Market Equilibrium
Textbook: Chapter 4

Week 7 (Oct 6, 8): Compensating Wage Differentials
Textbook: Chapter 5

Week 8 (Oct 13, 15): Human Capital: Schooling
Textbook: Chapter 6

Week 9 (Oct 20, 22): Human Capital: On-the-Job Training, Wage Profiles and Signaling
Textbook: Chapter 6, cont.

Week 10 (Oct 27, 29): Labor Mobility
Textbook: Chapter 8

Week 11 (Nov 3, 5): **2nd Midterm: Tues, Nov 3**

Week 12 (Nov 10, 12): Discrimination
Textbook: Chapter 9

Week 13 (Nov 17, 19): Labor Unions
Textbook: Chapter 10

Week 14: Thanksgiving Break

Week 15 (Dec 1, 3): Labor Contracts and Work-Incentives
Textbook: Chapter 11

Week 16 (Dec 8, 10): Labor Contracts and Work-Incentives, Cont
Textbook: Chapter 11, cont

Final Exam: Thurs, Dec 17 1:30-4:00