

Economics 4616: Labor Economics

Fall 2012

T/TH 12:30-1:45 PM

Room: ECON 117

Class Website through Desire2Learn (D2L): <https://learn.colorado.edu/>

No Class: 11/20-11/22 (Fall Break and Thanksgiving)

Professor Francisca Antman

Office: Economics 102

Office Hours: T/TH 11:00-11:30AM, 2:00-3:00PM, and by appointment

Email: francisca.antman@colorado.edu (preferred method of contact)

Course Description

In this class we will study the labor market, focusing on supply and demand factors that determine labor allocation and remuneration. We will also explore topics at the heart of modern labor economics including human capital and household production decisions as well as the effects of unions, tax policy, and immigration on the labor market.

Prerequisites: Economics 3070 (Intermediate Microeconomic Theory).

Textbook: George Borjas, *Labor Economics*, McGraw Hill, 2010. This is the 5th edition, but the 4th edition is acceptable as well. Unless otherwise noted, you are expected to understand the material as presented in class, so you should use your lecture notes as a guide when reviewing the text. If you would like to use another edition, it is your responsibility to make sure you cover any differences between your edition and the material presented in class.

Grading

Midterm 1: 25%

Midterm 2: 25%

Final Exam (cumulative): 40%

Homework, In-class Exercises, Attendance & Participation: 10%

Class Policies

The text covers far more material than will be covered in class and I will present material in class that is not in the textbook, so it is in your interest to come to class. You will be responsible for material covered in lectures and on assignments unless otherwise mentioned in class or noted by email or on the course website. I will also assign articles from other sources that I would like you to read for class discussion. These assignments will generally be announced in class beforehand, so again, it is in your interest to come to class.

Throughout the semester, we will do exercises that will help prepare you for exams. These exercises will be posted on the course website along with questions that relate to some of the articles assigned for reading. Please do your best to prepare your own responses to these questions prior to class so that we may proceed to discuss your answers as a group. I will collect your responses to the discussion questions and exercises at random points throughout the course. While these assignments may not be formally graded, I will count your level of effort on these

exercises along with your attendance and potentially also your participation (e.g. answering questions posed to the class) throughout the course. You will be given the opportunity to make up for up to two lost participation points at the end of the semester. I may also present exam questions drawn from our class discussions.

There is no excuse for missing an exam unless there is a documented medical or family emergency. Note that you are required to submit documentation of any emergency. In all other cases, failure to take an exam will result in a zero for that exam. If a legitimate emergency arises, other exams will be re-weighted. No make-up exams will be given. If you foresee any legitimate conflict with the dates of the assignments or exams, please see me as soon as possible.

If you miss a class, you are responsible for obtaining notes on the material we covered from another classmate. I encourage you to come to my office hours to discuss the material you missed, but not before you have gone over the material yourself through notes and the textbook.

Campus policy regarding religious observances requires that faculty make every effort to reasonably and fairly deal with all students who, because of religious obligations, have conflicts with scheduled exams, assignments or required attendance. In this class, please review the exam schedule at the beginning of the semester and see me as soon as possible regarding any conflicts due to religious observances. See full details at www.colorado.edu/policies/fac_relig.html

Other Policies

If you qualify for accommodations because of a disability, please provide me with a letter from Disability Services in a timely manner (for exam accommodations provide your letter at least one week prior to the exam) so that your needs can be addressed. Disability Services determines accommodations based on documented disabilities. Contact Disability Services at 303-492-8671 or by e-mail at dsinfo@colorado.edu.

If you have a temporary medical condition or injury, see Temporary Medical Conditions: Injuries, Surgeries, and Illnesses guidelines under Quick Links at Disability Services website and discuss your needs with me.

Students and faculty each have responsibility for maintaining an appropriate learning environment. Those who fail to adhere to such behavioral standards may be subject to discipline. Professional courtesy and sensitivity are especially important with respect to individuals and topics dealing with differences of race, color, culture, religion, creed, politics, veteran's status, sexual orientation, gender, gender identity and gender expression, age, disability, and nationalities. Class rosters are provided to the instructor with the student's legal name. I will gladly honor your request to address you by an alternate name or gender pronoun. Please advise me of this preference early in the semester so that I may make appropriate changes to my records. See policies at <http://www.colorado.edu/policies/classbehavior.html> and at http://www.colorado.edu/studentaffairs/judicialaffairs/code.html#student_code

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All students of the University of Colorado at Boulder are responsible for knowing and adhering to the academic integrity policy of this institution. Violations of this policy may include: cheating, plagiarism, aid of academic dishonesty, fabrication, lying, bribery, and threatening behavior. All incidents of academic misconduct shall be reported to the Honor Code Council (honor@colorado.edu; 303-735-2273). Students who are found to be in violation of the academic integrity policy will be subject to both academic sanctions from the faculty member and non-academic sanctions (including but not limited to university probation, suspension, or expulsion). Other information on the Honor Code can be found at <http://www.colorado.edu/policies/honor.html> and at <http://www.colorado.edu/academics/honorcode/>

Economics 4616 Tentative Course Outline

Week	Dates	Material
1	8/28-8/30	Intro to Labor Economics (ch.1) Labor Supply (ch. 2) -- To work or not to work? How many hours?
2	9/4-9/6	Labor Supply (ch. 2) -- Income & substitution effects -- Estimating labor supply elasticity
3	9/11-9/13	Labor Supply (ch.2), continued -- Labor market statistics (Discuss articles 1*) --Effects of welfare programs on labor supply.
4	9/18-9/20	Topics in Labor Supply (ch 2 continued plus noted selections) -- Life-cycle and Retirement Age (in class notes, 3-3 in 4ed.). -- Household production. (9-12 in 5ed.) Fertility (2-14 in 5ed.) (Discuss articles 2*)
5	9/25-9/27	Labor Demand (ch. 3) -- Employment decision in short-run and long-run -- Substitution & scale effects
6	TUE 10/2 THU 10/4	Midterm 1 in class MT1 Review of Solutions in class
7	10/9-10/11	Labor Demand Applications (ch.3 continued) --Employment effects of minimum wage
8	10/16-10/18	Labor Market Equilibrium (ch. 4) --Efficiency. Equilibrium across markets. --Payroll taxes & subsidies. (Discuss articles 3*)
9	10/23-10/25	Labor Market Equilibrium (ch. 4 continued) -- Mandated benefits. (Discuss articles 4*) --Employment & wage effects of immigration. (Discuss articles 5*)
10	10/30-11/1	Labor Market Equilibrium (ch.4 continued) --Monopsony, Monopoly, and Deadweight Loss.
11	11/6-11/8 THU 11/8	Compensating Wage Differentials (ch.5) --Supply & Demand for Risky Jobs. Hedonic wage function. Midterm 2 in class
12	TUE 11/13 11/15	MT2 Review of Solutions in class Compensating Wage Differentials, continued (ch.5) --Job Amenities. Health benefits.
13	11/20-11/22	NO CLASS—FALL BREAK & THANKSGIVING
14	11/27-11/29	Human Capital (ch.6) --Present value calculations and the schooling decision. (Discuss articles 6*) --Signaling model
15	12/4-12/6	Labor Unions (ch.10) --Decision to join a union --Monopoly Unions, Efficiency Loss (Discuss articles 7*)
16	12/11-12/13	Review for Final Exam In-class exercises

WED DEC 19 Final Exam 1:30-4:00PM

*See course website for articles and discussion questions to prepare for class