

**Economics 4616- Labor Economics**  
**Spring 2010**  
**Tues/Thurs 12:30-1:45, ECON 117**  
**<http://www.colorado.edu/Economics/econ4616>**

Professor Rey Hernández-Julián  
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**Office Hours**

Tues/Thurs 12:00-12:30 and 1:45-2:45, or by appointment.  
I will gladly make an appointment to meet you and will hold extended office hours before exams. I will not typically be available on Mondays and Wednesdays.

**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, 5<sup>th</sup> Edition, 2010.  
(older editions should be 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 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. Although there is no grade for attendance, attendance and class participation will be duly noted.

*Exams:* Two midterms and a non-cumulative final exam. The first midterm is scheduled for Thurs, Feb 18. The second midterm is scheduled for Thurs, Apr 1. The final is scheduled for Wed, May 5, 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 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.

*Classroom Behavior:* Ringing cell phones are not welcome in my class. 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, culture, religion, politics, sexual orientation, gender, gender variance, and nationalities. Class rosters are provided to me 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](http://www.colorado.edu/studentaffairs/judicialaffairs/code.html#student_code)

*Honor Code:* 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; 303-725-2273). 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/>.

*Religious Observances:* 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, I will accommodate any class requirement around your religious obligation. Please let me know of any scheduling conflict within the first 5 weeks of the term. See full details at [www.colorado.edu/policies/fac\\_relig.html](http://www.colorado.edu/policies/fac_relig.html)

*Discrimination and Harassment:* The University of Colorado at Boulder policy on Discrimination and Harassment, the University of Colorado policy on Sexual Harassment and the University of Colorado policy on Amorous Relationships apply to all students, staff and faculty. Any student, staff or faculty member who believes s/he has been the subject of discrimination or harassment based upon race, color, national origin, sex, age, disability, religion, sexual orientation, or veteran status should contact the Office of Discrimination and Harassment (ODH) at 303-492-2127 or the Office of Judicial Affairs at 303-492-5550. Information about the ODH, the above referenced policies and the campus resources available to assist individuals regarding discrimination or harassment can be obtained at <http://www.colorado.edu/odh>.

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### **Course Schedule**

Week 1 (Jan 12, 14):

Introduction to Labor Supply

Textbook: Chapters 1 and 2

Week 2 (Jan 19, 21):

Non-linear Budget Lines

Textbook: Chapter 2 continued

Week 3 (Jan 26, 28):

Household Production

Textbook: Chapter 3

Week 4 (Feb 2, 4):

Introduction to Labor Demand

Textbook: Chapter 4

Week 5 (Feb 9, 11):

Labor Demand, Cont

Textbook: Chapter 4, cont.

Week 6 (Feb 16):  
Taxes, Monopsony and Minimum Wages  
Textbook: Chapter 5  
**First Midterm: Thurs, Feb 18**

Week 7 (Feb 23, 25):  
Compensating Wage Differentials  
Textbook: Chapter 6

Week 8 (Mar 2, 4):  
Human Capital: Schooling  
Textbook: Chapter 7

Week 9 (Mar 9, 11):  
Human Capital: On-the-Job Training, Wage Profiles and Signaling  
Textbook: Chapter 7, cont.

Week 10 (Mar 16, 18):  
Labor Mobility  
Textbook: Chapter 9

**Week 11: Spring Break**

Week 12 (Mar 30, Apr 1):  
Midterm Week  
**Second Midterm Thurs, Apr 1**

Week 13 (Apr 6, 8):  
Discrimination  
Textbook: Chapter 10

Week 14 (Apr 13, 15):  
Labor Unions  
Textbook: Chapter 11

Week 15 (Apr 20, 22):  
Labor Contracts and Work-Incentives  
Textbook: Chapter 12

Week 16 (May 27, 29):  
Labor Contracts and Work-Incentives, Cont  
Textbook: Chapter 12

**Final Exam: Wed, May 5, 1:30-4:00**