

# Economics 4616- Labor Economics

## Spring 2011, Tues/Thurs 12:30-1:45, ECON 117

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Econ 115  
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### Course Website

Course materials will be posted on CULearn

### Office Hours

Tues 2-3 and Wed 10-12, 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. 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. Do not take this class without the prerequisite!

### Textbook

George Borjas *Labor Economics* McGraw-Hill, 5<sup>th</sup> 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? 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. 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 Tues, Feb 15. The second midterm is scheduled for Thurs, Mar 17—Please note that this is the Thurs before Spring Break. The final is scheduled for Tues, May 3, 4:30-7:00.**

## 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, texting 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 11, 13): Introduction to Labor Supply

Textbook: Chapters 1 and 2

Week 2 (Jan 18, 20): Non-linear Budget Lines

Textbook: Chapter 2 continued

Week 3 (Jan 25, 27): Household Production  
Textbook: Chapter 3

Week 4 (Feb 1, 3): Introduction to Labor Demand  
Textbook: Chapter 4

Week 5 (Feb 8, 10): Labor Demand, Cont  
Textbook: Chapter 4, cont.

Week 6 (Feb 15, 17): Taxes, Monopsony and Minimum Wages  
Textbook: Chapter 5

**1st Midterm: Tues, Feb 15**

Week 7 (Feb 22, 24): Compensating Wage Differentials  
Textbook: Chapter 6

Week 8 (Mar 1, 3): Human Capital: Schooling  
Textbook: Chapter 7

Week 9 (Mar 8, 10): Human Capital: On-the-Job Training, Wage Profiles and Signaling  
Textbook: Chapter 7, cont.

Week 10 (Mar 15): Labor Mobility  
Textbook: Chapter 9  
**2<sup>nd</sup> Midterm: Thurs, March 17**

Week 11: Spring Break

Week 12 (Mar 29): Immigration  
*No Class on Thurs, Mar 31*

Week 13 (Apr 5, 7): Discrimination  
Textbook: Chapter 10

Week 14 (Apr 12, 14): Labor Unions  
Textbook: Chapter 11

Week 15 (Apr 19, 21): Labor Contracts and Work-Incentives  
Textbook: Chapter 12

Week 16 (Apr 26, 28): Labor Contracts and Work-Incentives, Cont  
Textbook: Chapter 12

**Final Exam: Tues, May 3, 4:30-7:00**