

Economics 4616: Labor Economics

Spring 2021

MWF 11:30 AM-12:20 PM

Remote Synchronous via Zoom

Class Website through Canvas: <https://canvas.colorado.edu/>

No Class: January 18, February 17, as per University Schedule

No Assignments/Exams during Spring Pause: March 22-26, as per University Schedule

Professor Francisca Antman

Office Hours: MWF 12:20PM - 12:50PM via Zoom and by appointment

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

Course Description

In this class, students will study the labor market, focusing on supply and demand factors that determine labor allocation and remuneration. Students 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), minimum grade C-.

Textbook: George Borjas, *Labor Economics*, McGraw Hill, 2010. This is the 5th edition, but other editions are likely to be 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, & Participation: 10%

Class Policies

The text covers far more material than will be covered in this class and I will present material in class and through the class website that is not in the textbook. You will be responsible for material covered in lectures, posted on the class website, and on assignments unless otherwise mentioned in class or noted by email or on the website. I will also assign articles from other sources that I would like you to read for class discussion.

Throughout the course, we will do exercises in class 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.

Online homework assignments will be due every Friday starting in week 2, except for during Spring Pause and exam weeks (see dates below), unless otherwise noted. These assignments

should be submitted online via Canvas before the start of class time and will be graded based on effort.

Participation during class meetings (e.g. answering questions posed to the class) will be a component of the course grade. To ensure that all students have an opportunity to earn participation credit, I will call on students during class. Students will have the opportunity to make up for two missing participation points at the end of the semester.

Please review the dates of assignments and exams carefully at the beginning of the semester. If you foresee any legitimate conflict with these dates, please see me as soon as possible so that we may plan accordingly. Otherwise, there is no excuse for missing an exam unless there is a medical or family emergency. In all other cases, failure to take an exam will result in a zero for that exam. If a legitimate emergency arises on the day of an exam, the remaining exams will be re-weighted.

If you miss a class, you are responsible for obtaining notes on the material we covered. You are welcome to visit my office hours to discuss the material you missed, but not before you have gone over the material yourself through notes and the textbook.

Additional Policies

Classroom Behavior

Both students and faculty are responsible for maintaining an appropriate learning environment in all instructional settings, whether in person, remote or online. 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 race, color, national origin, sex, pregnancy, age, disability, creed, religion, sexual orientation, gender identity, gender expression, veteran status, political affiliation or political philosophy. For more information, see the policies on [classroom behavior](#) and the [Student Code of Conduct](#).

Requirements for COVID-19

As a matter of public health and safety due to the pandemic, all members of the CU Boulder community and all visitors to campus must follow university, department and building requirements, and public health orders in place to reduce the risk of spreading infectious disease. Required safety measures at CU Boulder relevant to the classroom setting include:

- maintain 6-foot distancing when possible,
- wear a face covering in public indoor spaces and outdoors while on campus consistent with state and county health orders,
- clean local work area,
- practice hand hygiene,
- follow public health orders, and
- if sick and you live off campus, do not come onto campus (unless instructed by a CU Healthcare professional), or if you live on-campus, please alert [CU Boulder Medical Services](#).

Students who fail to adhere to these requirements will be asked to leave class, and students who do not leave class when asked or who refuse to comply with these requirements will be referred to [Student Conduct and Conflict Resolution](#). For more information, see the policies on [COVID-19 Health and Safety](#) and [classroom behavior](#) and the [Student Code of Conduct](#). If you require accommodation because a disability prevents you from fulfilling these safety measures, please see the “Accommodation for Disabilities” statement on this syllabus.

All students who are new to campus must complete the [COVID-19 Student Health and Expectations Course](#). Before coming to campus each day, all students are required to complete the [Buff Pass](#).

Students who have tested positive for COVID-19, have symptoms of COVID-19, or have had close contact with someone who has tested positive for or had symptoms of COVID-19 must stay home. In this class, if you are sick or quarantined, and are not able to participate in class as a result, please email me.

Accommodation for Disabilities

If you qualify for accommodations because of a disability, please submit your accommodation letter from Disability Services to your faculty member in a timely manner so that your needs can be addressed. Disability Services determines accommodations based on documented disabilities in the academic environment. Information on requesting accommodations is located on the [Disability Services website](#). Contact Disability Services at 303-492-8671 or dsinfo@colorado.edu for further assistance. If you have a temporary medical condition, see [Temporary Medical Conditions](#) on the Disability Services website.

Preferred Student Names and Pronouns

CU Boulder recognizes that students' legal information doesn't always align with how they identify. Students may update their preferred names and pronouns via the student portal; those preferred names and pronouns are listed on instructors' class rosters. In the absence of such updates, the name that appears on the class roster is the student's legal name.

Honor Code

All students enrolled in a University of Colorado Boulder course are responsible for knowing and adhering to the Honor Code. Violations of the policy may include: plagiarism, cheating, fabrication, lying, bribery, threat, unauthorized access to academic materials, clicker fraud, submitting the same or similar work in more than one course without permission from all course instructors involved, and aiding academic dishonesty. All incidents of academic misconduct will be reported to the Honor Code (honor@colorado.edu); 303-492-5550). Students found responsible for violating the academic integrity policy will be subject to nonacademic sanctions from the Honor Code as well as academic sanctions from the faculty member. Additional information regarding the Honor Code academic integrity policy can be found at the [Honor Code Office website](#).

Sexual Misconduct, Discrimination, Harassment and/or Related Retaliation

The University of Colorado Boulder (CU Boulder) is committed to fostering an inclusive and welcoming learning, working, and living environment. CU Boulder will not tolerate acts of sexual

misconduct (harassment, exploitation, and assault), intimate partner violence (dating or domestic violence), stalking, or protected-class discrimination or harassment by members of our community. Individuals who believe they have been subject to misconduct or retaliatory actions for reporting a concern should contact the Office of Institutional Equity and Compliance (OIEC) at 303-492-2127 or cureport@colorado.edu. Information about the OIEC, university policies, [anonymous reporting](#), and the campus resources can be found on the [OIEC website](#).

Please know that faculty and graduate instructors have a responsibility to inform OIEC when made aware of incidents of sexual misconduct, dating and domestic violence, stalking, discrimination, harassment and/or related retaliation, to ensure that individuals impacted receive information about options for reporting and support resources.

Religious Holidays

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

See the [campus policy regarding religious observances](#) for full details.

Spring Pause March 22-26

The week of March 22-26 will be used in this class as a “spring pause” to provide us all with a safe and supportive way to promote health, wellness and learning without leaving campus. During this week, we won’t have any exams or assignments due. We will still have class with interactive class activities so please plan to attend all class meetings during that week.

Economics 4616-001 Tentative Course Outline, Spring 2021

Note that the dates listed below are a rough guide to the timeline of the course. We may move through the material somewhat faster or slower than presented below. You should come to class to stay updated on the progress of the course.

- I. Introduction and Course Overview (ch. 1) (Week 1: Jan 15)
- II. Labor Supply (ch. 2) Week 2 -3 (Jan 20-29)
 - A. To work or not to work? How many hours?
 - B. Income and substitution effects
 - C. Estimating labor supply elasticity
- III. Topics in Labor Supply (ch. 2 continued, plus noted selections) Weeks 4-5 (Feb 1-12)
 - A. Effects of welfare programs on labor supply
 - B. Life-cycle and retirement age (3-3 in 4th ed.)
 - C. Household Production (9-12 in 5th ed.)
 - D. Fertility (2-14 in 5th ed.)
- IV. Labor Demand (ch. 3) Week 6 (Feb 15-19)
 - A. Employment decision in short-run and long-run

Week 7: Exam week

Midterm 1 in class on Wed. Feb 24 (Online via Canvas and Zoom)

- V. Labor Demand (ch.3), continued. Week 8 (Mar 1-5)
 - A. Substitution & scale effects
 - B. Employment Effects of minimum wage
- VI. Labor Market Equilibrium (ch.4) Weeks 9-10 (Mar 8-19)
 - A. Efficiency. Equilibrium across markets.
 - B. Payroll taxes & subsidies.
 - C. Mandated benefits.
 - D. Employment & wage effects of immigration.
 - E. Monopoly, monopsony, & deadweight loss.
- VII. Compensating Wage Differentials (ch.5) Week 11 (Mar 22-26)
 - A. Supply & Demand for Risky Jobs. Hedonic wage function.
 - B. Job Amenities. Health benefits.

Week 12: Exam Week

Midterm 2 in class on Wed. March 31 (Online via Canvas and Zoom)

- VIII. Human Capital (ch. 6) Weeks 13-14 (Apr 5-16)
 - A. Present value calculations and the schooling decision.
 - B. Signaling model

IX. Labor Unions (ch.10) Week 15 (Apr 19-23)

A. Decision to join a union.

B. Monopoly unions, efficiency loss.

Week 16 (Apr 26-28): Course Review

Final Exam (cumulative) Tuesday, May 4. 1:30-4PM (Online via Canvas and Zoom)