

Economics 4616: Labor Economics

Fall 2018

T/Th 9:30 AM-10:45 AM

Room: ECON 117

Class Website through Desire2Learn (D2L)

No Class: Nov 20 - 22 (Fall Break)

Professor Francisca Antman

Office: Economics 222

Office Hours: F 9:20AM - 12:20PM and by appointment

Phone: (303) 492-8872

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 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, 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 course, 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 may 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 term. I may also present exam questions drawn from our class discussions.

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 exam(s) will be re-weighted.

If you miss a class, you are responsible for obtaining notes on the material we covered from another classmate. 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

Accommodation for Disabilities

If you qualify for accommodations because of a disability, please submit your accommodation letter from Disability Services to me 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 or injury, see [Temporary Medical Conditions](#) under the Students tab on the Disability Services website.

Classroom Behavior

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 race, color, national origin, sex, pregnancy, age, disability, creed, religion, sexual orientation, gender identity, gender expression, veteran status, political affiliation or political philosophy. 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. For more information, see the policies on [classroom behavior](#) and the [Student Code of Conduct](#).

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 who are found responsible for violating the academic integrity policy will be subject to nonacademic sanctions from the Honor Code as well as academic sanctions determined by me, up to and including failing the course. 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 a positive and welcoming learning, working, and living environment. CU Boulder will not tolerate acts of sexual misconduct (including sexual assault, exploitation, harassment, dating or domestic violence, and stalking), discrimination, and 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 instructors have a responsibility to inform OIEC when made aware of incidents of sexual misconduct, 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.

Economics 4616-001 Tentative Course Outline, Fall 2018

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.

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

SUN DEC 16 Final Exam (cumulative) 4:30-7:00PM

*See course website for discussion articles and questions to prepare for class. Specific dates for discussion will be announced in class.