

ECON 4616 - Labor Economics

Fall 2019
MWF 9:00AM-9:50PM ECON 117

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Office Hours: Thursday 10:00AM - 12:00PM, Friday 10:00AM-11:00AM

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1 Course Overview

The first objective of this course is to expose students to basic economic theory governing the determination of the level of wages and employment in the labor market. Thus, the course will begin with the classic models of labor supply and labor demand, and will then address more recent developments regarding job search frictions, discrimination, human capital development, performance incentives, non-wage benefits, and automation.

The second objective of this course is to develop students' ability to test the theories presented in class using labor market data. Thus, considerable attention will be focused on how to formulate an economic model, isolate its testable predictions, and select and transform data so that such predictions can be evaluated.

2 Prerequisites

The prerequisite for this course is Economics 3070 (Intermediate Microeconomic Theory)

3 Assignments and Grading

Weekly problem sets will be distributed that are designed to reinforce and expand upon the topics covered in class. These problem sets will not be graded, and solutions will be provided separately at the time they are distributed. However, in-class quizzes based on these problem sets will occur each week (usually Monday) starting the second week of class. Scores on these in-class quizzes will comprise 10% of each student's grade. Quizzes may not be made up, but each student's lowest score over the course of the semester will be dropped.

There will be three in-class midterm examinations (tentative dates: September 23rd, October 18th, and November 13th). Each midterm will comprise 16.66% (1/6) of each student's grade, so that the midterms collectively will account for 50% of the grade. The final exam will comprise 25% of the student's grade. The final exam will be comprehensive, but will focus primarily on untested content from the final third of the semester. Calculator use is prohibited on quizzes and exams. The final 15% of each student's grade will be based on classroom attendance (5%), scores on in-class clicker questions (5%), and oral classroom participation (5%). The final exam will take place Wednesday, December 18th from 1:30PM to 4:00PM.

Each student's weighted average score will be calculated, and a final letter grade will be computed based on a curve that ensures that the distribution of grades will be similar to that observed in 4000-level courses in economics.

4 Textbook

The primary textbook for the course is *Modern Labor Economics*, 11th edition, by Ronald Ehrenberg and Robert Smith. While the content and sequence of lectures will generally follow the textbook, not all lecture material will be covered in the textbook, and not all textbook material will be covered in class. All problem sets and exams will be based only on the content covered in lecture. Thus, purchase of the textbook is not explicitly required. However, because the course closely follows the book, buying the textbook is *extremely strongly* encouraged. Later or earlier editions will likely suffice, though they may not be perfectly aligned with the material in the 11th edition.

5 Course Website

Students should enroll in this course's Canvas webpage. This syllabus will be posted there, along with problem sets, announcements, and grades.

6 Course Schedule

A tentative schedule of lecture topics, textbook reading assignments, and exam dates is provided below. The chapters listed refer to Ehrenberg and Smith's *Modern Labor Economics*, 11th edition. Note that there will be no class on Labor Day (September 2nd) and during Thanksgiving Break (November 25th/27th/29th). The dates of these classes are replaced with \NC" for \no class" on the course schedule below.

| Week | Topics | Book Chapters |
|--------------|--|---------------|
| Aug 26/28/30 | Introducing the Economic Model& Perfect Competition | Ch. 1 & 2 |
| Sep NC/4/6 | Perfect Competition & Intro. to Labor Demand | Ch. 2 & 3 |
| Sep 9/11/13 | Labor Demand with Competitive Markets | Ch. 3 & 4 |
| Sep 16/18/20 | Workers vs. Hours/Worker | Ch. 5 |
| Sep 23/25/27 | 1st Midterm Exam & Automation | Not in book |
| S/O 30/2/4 | Worker Utility Max. | Ch. 6 |
| Oct 7/9/11 | Labor Supply | Ch. 7 |
| Oct 14/16/18 | Welfare Policy & 2nd Midterm Exam | Ch. 7 |
| Oct 21/23/25 | Occupational Sorting | Ch. 8 |
| O/N 28/30/1 | Human Capital | Ch. 9 |
| Nov 4/6/8 | Signalling | Ch. 9 |
| Nov 11/13/15 | Contracts & Performance Incentives & 3rd Midterm Exam | Ch. 11 |
| Nov 18/20/22 | Unemployment | Ch. 14 |
| Nov NC/NC/NC | Thanksgiving Break | |
| Dec 2/4/6 | Unemployment & Discrimination | Ch. 12 & 14 |
| Dec 9/11/NC | Discrimination & Review | Ch. 12 |
| Dec 18th | Final Exam | |

7 Clickers

Students are required to have a clicker for this class and extra batteries for each class. Clicker information will be used to help determine your attendance and participation grade. You are responsible for purchasing and registering the your clicker by August 26th. Information on how to register clickers is available at <http://www.colorado.edu/oit/tutorial/cuclickers-iclicker-remote-registration>. Make sure you use your identity key log in name so your clicker number can be matched to the grade roster. If you have any problems with your clickers call IT at 5HELP. Remember that using someone else's clicker for them violates the honor code, so do not do it and do not ask someone to use your clicker if you are going to be absent from class.

8 Administrative Drops

Students who do not attend at least two of the first three classes may be administratively dropped from the course in favor of students on the wait list.

9 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 or injury, see Temporary Medical Conditions under the Students tab on the Disability Services website.

10 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. If you expect to miss an exam in order to observe a religious holiday, you must communicate this request to the professor prior to Friday, August 30th.

11 Makeup Exams

If you communicate to me prior to the day of the exam that you will need to miss an exam due to a religious holiday or due to illness (and provide verification of a visit from the medical center), a makeup exam may be scheduled with the professor. If the makeup is taken after the originally scheduled exam, then the makeup exam will be somewhat more difficult than the original exam due to the additional time you will have to study.

12 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.

13 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, cheat-

ing, 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 from the faculty member. Additional information regarding the Honor Code academic integrity policy can