

# Labor Market Economics

Econ 390  
Spring 2011  
T/Th 9:30

March 31, 2011

## Contact Information

- **Office:** W-5-031
- **Office Hours:** Tues. 12:00-1:00 and W 1:00-2:00 or by appointment
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I check my email obsessively, so I will generally respond quickly. I go to bed early and get up early. If you email me after 7pm you will most likely not hear from me until the morning. Don't bother calling my office phone, you will reach me faster by email.

**Course Description** This course is an introduction to the field of labor economics. Topics include the demand and supply of labor; wage determination and the structure of labor markets; income distribution, discrimination and inequality; unemployment and contingent work; labor as a macroeconomic variable, and public policies affecting the labor market. By the end of the course, students should have a firm grasp of the fundamental building blocks of economic analysis of the labor market. We will spend a considerable amount of time working with the tools most commonly used by economists, as well as the main short-comings of these tools.

**Textbook** There are two books for this course is

Carr, Michael. 2010. *JIT PRENTICE HALL UMASS BOSTON HARBOR*, Pearson Custom Publishing.

and

*Real World Labor*. 2010. Boston: Dollars & Sense.

The first book is actually a collection of chapters from

Eherenberg, Ronald G. and Robert S. Smith. 2009. *Modern Labor Economics: Theory and Public Policy, 10th edition*. Boston: Pearson Addison Wesley.

They are both available in the bookstore.

**Email Communication** If you send me an email, I will respond to whatever email address you sent me the email from. However, if I need to send an email to the entire class, I will use your UMB email account. Emails to the entire class tend to contain VERY important information like class cancellations, changes in the course schedule, and the like. It is critically important that you regularly check your UMB email account. If your UMB email address is not your primary address, you should set up your UMB account to forward to your primary email address. You can find instructions to do this [here](#).

**Lecture Slides** I will provide you with all of the slides that I use in lecture. You will notice that the slides are very helpful if you come to class, and for guiding you through the readings, but will not be very helpful if you do not come to class. I am trying something new this semester. Instead of using Blackboard, I'm going to use Xythos. I will send an email to your UMB email account with a link for you to follow. The link will take you to the Xythos login page. Here, you enter your UMB email and password. You will be given the opportunity to download a .zip file with all the lecture slides for the semester. Over the course of the semester, if I need to distribute anything else to you (e.g. an extra reading, revised lecture slides, etc...) I will post it to Xythos, and send everyone an email to their UMB email account.

**Grading** The grading for the course is as follows

Quizzes	10%
Homework	50%
Exams	25%
Final Exam	15%

**Quizzes** I will not take attendance for this class. However, there will be five unannounced reading quizzes over the course of the semester. You will be able to drop your lowest quiz grade. The quiz will cover the material you were supposed to have read for that day, not material we have already covered in class.

**Homeworks** There will be two types of homework assignments for this class.

1. There will be 7 problem sets with questions taken from the book. The due dates for the assignments are given in the "Time Line." I will not accept late assignments, period. But, I will drop your lowest assignment grade. The assigned questions are as follows:
  - HW #1: R1.6, P1.2, P1.6, P1.8, R2.2, P2.2, P2.4, P2.6
  - HW #2: R3.2, P3.1, P3.2, P3.4, P3.5, P3.6
  - HW #3: R4.2, R4.6, P4.2, P4.6
  - HW #4: R5.4, R5.6, P5.4, writing assignment
  - HW #5: R6.2, R6.6, P6.2, P6.4
  - HW #6: P7.2, P7.4, P7.6, writing assignment
  - HW #7: writing assignment

The first letter refers to Review Questions (R) or Problems (P). The first number refers to the chapter number, and the second number to the question number. Thus, R5.4 is taken from the Review Questions at the end of chapter 5, question number 4. You may work with other students in the course. If you do so, you must each turn in your own assignment, and you must state on the assignment who you worked with.

2. The second type of assignment are short reading responses. They will involve articles from *Dollars and Sense* in conjunction with the textbook. Largely, you will be asked to discuss the differences between the textbook and *Dollars and Sense*. This will make more sense when you see the questions. These questions will be explicitly graded for both presentation and content.

**Exams** There will be two in-class exams. They are intended to test the nuts and bolts of the concepts in the class. They will be largely problems, with a few short-answer essay questions. They will look a lot like the homework assignments.

**Final Exam** The final exam will be a cumulative take home exam. The final is intended to gauge your overall understanding of the material in the course. It will consist exclusively of short-answer essay questions. There will be two types of questions. The first type will ask you to compare and contrast issues from different sections of the course. The second type of question will present you

with a scenario which you will have to explain using concepts from the course. You will be able to work with other students on the exam. **You must tell me who you worked with so that I can keep track of similar work.** You must properly cite any material you use that was not assigned in the class.

**Final Grade** There is no predetermined grading scale for this course. Letter grades will be assigned based on the distribution of grades at the end of the semester. The curve applied at the end of the semester will not decrease your letter grade based on a standard grading scale, but it could increase it. I will not be able to give a clear idea of what the curve looks like until the last third of the semester. The following table provides what I believe to be a standard grading scale, you can be assured that your letter grade will be at least as high as what is listed in this table.

A	>93%
A-	90%-93%
B+	87%-89%
B	84%-86%
B-	80%-83%
C+	77%-79%
C	74%-76%
C-	70%-73%
D+	67%-69%
D	64%-66%
D-	60%-63%
F	<60%

**Reasonable Accommodation** If you have a disability and feel you will need accommodations in order to complete course requirements, please contact the Ross Center for Disability Services (Campus Center 2-2010, 617-287-7430). I am happy to work with you on this. You must notify me of any accommodation in advance.

**Academic Honesty** University policies on academic honesty will be enforced in this class. Most importantly, what this means is that turning in the work of others as your own is not okay. If using the ideas or language of a published source of material including newspapers, magazines, blogs, websites, and the like you must cite the source of this material. Copying from your classmates is never acceptable, and will automatically result in a grade of zero for that assignment. Note, however, that working together with classmates is strongly encouraged, as long as the assignment you turn in is in your own words, or the work is explicitly assigned to a group. If you are unclear on the standards for academic honesty, consult the [Code of Student Conduct](#).

**Time Line** The time line for the course is below.

Date	Topic	Reading	Events
1/25	Intro.		
1/27	Review Micro.		
2/01	Demand for labor	ES	
2/03	Demand for labor	ES	
2/08	Elasticities	ES	
2/10	Demand for labor	DS: 2.2, 2.4, 2.5	HW 1
2/15	Frictions	ES	
2/17	Frictions	ES	
2/22	Frictions	ES	HW 2
2/24	Labor Supply	ES	

3/01	Labor Supply	ES	
3/03	Labor Supply	ES	
3/08	Review Exam 1		HW 3
3/10	Exam 1		
3/15	No Class		
3/17	No Class		
3/22	Human Capital	ES	
3/24	Human Capital	ES	
3/29	Human Capital	ES	
3/31	Pay and Productivity	ES	HW 4
4/05	Pay and Productivity	ES	
4/07	Pay and Productivity	ES	
4/12	Gender/Race	ES	HW 5
4/14	Gender/Race	ES	
4/19	Gender/Race	ES	
4/21	Gender/Race	DS: 5.2, 5.4, 5.5	
4/26	Review Exam 2		HW 6
4/28	Exam 2		
5/03	Unions	DS: 7.2, 7.3, 7.4, 7.5	
5/05	Unions		
5/10	Review for final		HW 7