

UNIVERSITY OF NORTH CAROLINA  
DEPARTMENT OF ECONOMICS

**ECON 380: LABOR ECONOMICS**

Fall 2018

MWF 1:25PM - 2:15PM

Gardner Hall 308

**Instructor:** Alina Malkova

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**Office:** PA 205

**Office Hours:** MWF 12:15PM - 1:15PM

**Course Website:** [sakai.unc.edu](http://sakai.unc.edu)

The Sakai web site will contain the official course gradebook, announcements, and other supplementary materials.

**Prerequisites:** ECON 101 and ECON 310/410

**Course Description:** This course applies concepts from microeconomic theory to the study of labor markets. We will apply the ideas you learned in ECON 101 and ECON 310/410 to various topics in labor economics as a means of understanding labor market behavior.

**Required Textbook:** George Borjas, Labor Economics, 7<sup>th</sup> Edition.

**Optional Textbook (no math):** Ronald G Ehrenberg, Robert S. Smith, Modern Labor Economics: Theory and Public Policy, 12<sup>th</sup> Edition.

### Grading and Course Components

- Homework: 25% (5% each)
- Essay: 15% (7.5% each)
- Exam 1: 15%
- Exam 2: 15%
- Final Exam: 30%

The grading scale is as follows:

A : 93 – 100	C+ : 77 – 79.99
A- : 90 – 92.99	C : 73 – 76.99
B+ : 87 – 89.99	C- : 70 – 72.99
B : 83 – 86.99	D+ : 65 – 69.99
B- : 80 – 82.99	D : 60 – 64.99
	F : < 60

**Homework:** There will be five problem sets assigned during the course of the semester. You are free to work in pairs on the homework. You should write clearly, as assignments that are hard to read will not be graded and your grade will be 0. Homework is due at midnight (11:59 PM) on the assigned date. You must submit an electronic copy of the PS on Gradescope as instructed during class. Due dates are firm and no late homework will be accepted without prior approval.

**Essay:** There will be two essays assigned during the course of the semester. Essays are due at midnight (11:59 PM) on the assigned date. You must submit an electronic copy of the memo on Gradescope as instructed during class. You will choose a topic from the available list (see attachment) and write an essay. Your writing should be clear, concise, and well-organized, and your arguments should be based on the economic concepts and theories we discuss in this course and supported by empirical facts.

**Essay's Format:**

- 3-4 pages
- Double spaced
- 12 point font
- 1 inch margins
- Name and PID in the header.
- References on separate page at the end (does not count towards length requirement), citing at least 3 sources, 2 or more of which should be from peer-reviewed economics journals in Chicago Author-Date style.

**Midterms:** There will be two in-class exams during the course in addition to the final exam. Each exam will cover material presented in class, readings scheduled outside of class, and homework assignments. The exam format will be provided a few days prior to a given exam. You should bring a **non-graphing** calculator with you to each exam.

**Exam Dates:**

Midterm 1	September 26
Midterm 2	November 5
Final Exam	December 10 at 12PM

**Final Exam:** The final exam is scheduled for 12PM on Monday, 12/10/2018 in Gardner 308. All students must take the final exam at this time unless they have received official permission from the University in writing, in which case you must notify me of an official excuse by the last day of lecture, 12/05/2018. The final exam is cumulative, and material from the three midterms will be given approximately equal weight.

**Course Policies**

**Attendance & Participation:** Regular attendance and participation is strongly recommended, but not required. You are responsible for any notes or class announcements that you may have missed. You should attempt to get these notes/announcements from one of your peers before seeing me. It is expected that you will respect your peers and the instructor with appropriate behavior while in class and that you will arrive to class on time. You should refrain from browsing the web, texting, etc. during class time.

**Missed Exams:** There are no make-up midterm examinations. If you must miss a midterm exam, you may be permitted to transfer the missed credit to the final examination. To qualify for a transfer of credit, you must contact me before the start of the missed midterm examination and provide me with an acceptable explanation. If the reason for your absence could not be foreseen, please make the request as soon as possible thereafter. All requests should be in writing and you may be asked to provide support with suitable documentation.

If you must miss the final exam for any excused reason, it is your responsibility to alert your instructor and Dean as soon as possible to schedule a make-up exam. Please see the [University policy](#) regarding final examinations.

**Academic Integrity:** All students are expected to adhere to the [UNC Honor Code](#).

## Course Outline\*

Date	Topic	Readings	Notes
08/22	Introduction to Labor Economics	Syllabus; 1.1-1.3	
08/24	The U.S. Labor Force; Unemployment	2.1-2.2, 12.1-12.2	
08/27	Neoclassical Model of Labor Supply: Preferences and Constraints	2.3-2.4	
08/29	Labor Supply: The Hours Decision	2.5	
08/31	Labor Supply: The Participation Decision and Elasticity	2.6-2.8	Homework 1 Due
09/03	Labor Day- No Class		
09/05	Application: Anti-Poverty Policy	2.10-2.11	
09/07	Labor Demand in the Short Run	3.1-3.2	
09/10	Labor Demand in the Long Run	3.3-3.4	
09/12	Application: Minimum Wage Empirical Studies	3.10, Sakai Readings	
09/14	Labor Market Equilibrium: Competitive Markets	4.1-4.2	
09/17	Application: Immigration Impacts	4.5	
09/19	Noncompetitive Labor Markets	4.8	
09/21	Application: Labor Markets and Development	Sakai Readings	Homework 2 Due
09/24	Catch up day		
09/26	<b>Midterm 1</b>		
09/28	Human Capital: Introduction	6.1	
10/01	Human Capital: The Schooling Model	6.2-6.3	
10/03	In-Class Activity		
10/05	Human Capital: Returns to Schooling I	6.4-6.5	Essay 1 Due
10/08	Human Capital: Returns to Schooling II	6.4-6.5	
10/10	Human Capital: Signaling Model	6.9	
10/12	Application: Human Capital and Development		Homework 3 Due
10/15	Income Inequality: Introduction	7.1-7.3	
10/17	Application: Why is Inequality Rising?	7.4	
10/19	Fall Break - No Class		
10/22	Wage Dispersion and Inter-generational Inequality	7.5-7.6	
10/24	In-Class Activity		
10/26	Wealth Inequality Experiment		Homework 4 Due
10/29	Labor Market Discrimination	9.1-9.3	
10/31	Taste-Based Discrimination	9.4-9.5	
11/02	Catch Up day		
11/05	<b>Midterm 2</b>		
11/07	Statistical Discrimination	9.6	
11/09	Measuring Discrimination	9.8	
11/12	Application: Discrimination	9.7, 9.9, 9.11, Sakai Readings	
11/14	Taste-Based Discrimination		
11/16	In-Class Activity		Essay 2 Due
11/19	Compensating Differentials	5.1-5.2, 5.5	
11/21-11/23	Thanksgiving Recess		
11/26	Application: Health Insurance	5.6	
11/28	Labor mobility	8.1 -8.4	
11/30	Immigrant Performance	8.5-8.7	
12/03	Human Capital Externalities	8.8-8.13	
12/05	Catch Up day		Homework 5 Due
12/10	<b>Final Exam, 12PM-3PM</b>		

\*Note: This outline is tentative and subject to change.