

UNIVERSITY OF NORTH CAROLINA
DEPARTMENT OF ECONOMICS

ECON 380: LABOR ECONOMICS

Spring 2016

MWF 11:15AM - 12:05PM

Gardner Hall 007

Instructor: Andrea Otero

Email: aoteroco@live.unc.edu

Office: EconAid (Gardner 009)

Office Hours: Monday & Wednesday, 12:15PM - 1:15PM

Course Website: 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, 7th Edition.

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

Grading and Course Components

- Homework: 25% (5% each)
- Policy Memo: 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 11:15 AM on the assigned date. Due dates are firm and no late homework will be accepted without prior approval.

Policy Memo: There will be two policy memos assigned during the course of the semester. Policy memos are due at midnight (12:00 AM) on the assigned date. You must submit an electronic copy of the memo on Sakai as instructed during class. You will choose a topic from the available list (see attachment) and write a memo to President Trump explaining why he should support or oppose such policy. 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.

Policy Memo 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.

Exams: 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 (if in doubt about yours, ask!).

Exam Dates:

Exam 1	February 23
Exam 2	April 9
Final Exam	May 8

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
1/12	Introduction to Labor Economics	Syllabus; 1.1-1.3	
1/15	Dr. Martin Luther King, Jr. Day - No Class		
1/17	The U.S. Labor Force	2.1-2.2	
1/19	Unemployment	12.1-12.2	
1/22	Neoclassical Model of Labor Supply: Preferences	2.3	
1/24	Neoclassical Model of Labor Supply: Constraints	2.4	Homework 1 Due
1/26	Labor Supply: The Hours Decision	2.5	
1/29	Labor Supply: The Participation Decision and Elasticity	2.6-2.8	
1/31	Application: Anti-Poverty Policy	2.10-2.11	
2/2	Labor Demand in the Short Run	3.1-3.2	
2/5	Labor Demand in the Long Run	3.3-3.4	
2/7	Application: Minimum Wage Empirical Studies	3.10, Sakai Readings	
2/12	Labor Market Equilibrium: Competitive Markets	4.1-4.2	
2/14	Application: Immigration Impacts	4.5	
2/16	Noncompetitive Labor Markets	4.8	
2/19	Application: Labor Markets and Development	Sakai Readings	Homework 2 Due
2/21	Catch up day		
2/23	Exam 1		
2/26	Human Capital: Introduction	6.1	
2/28	Human Capital: The Schooling Model	6.2-6.3	
3/2	Human Capital: Returns to Schooling	6.4-6.5	Policy Memo 1 Due
3/5	Human Capital: Signaling Model	6.9	
3/7	Application: Human Capital Empirical Studies	Sakai Readings	
3/9	Application: Human Capital and Development	Sakai Readings	
3/12 - 3/16	Spring Break - No Class		
3/19	Income Inequality: Introduction	7.1-7.3	Homework 3 Due
3/21	Application: Why is Inequality Rising?	7.4	
3/23	Wage Dispersion and Intergenerational Inequality	7.5-7.6	
3/26	Labor Market Discrimination	9.1-9.3	
3/28	Statistical Discrimination	9.6	
3/30	Holiday		
4/2	Measuring Discrimination	9.8	
4/4	Application: Discrimination	9.7, 9.9, 9.11, Sakai Readings	
4/6	Catch Up day		Homework 4 Due
4/9	Exam 2		
4/11	Guest Lecture	Sakai readings	
4/13	Labor Mobility	8.1-8.3	
4/16	Immigration in the U.S.	8.4-8.5	
4/18	The Decision to Migrate	8.6	
4/20	The Economic Benefits from Immigration	8.7	Policy Memo 2 Due
4/23	Compensating Differentials	5.1-5.2, 5.5	
4/25	Application: Health Insurance	5.6	
4/27	Final Exam Review		Homework 5 Due
5/8	Final Exam, 12PM-3PM		

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