

ECON 480 Labor Economics

University of North Carolina at Chapel Hill

Summer II 2020

Class Time: MTWRF 9:45-11:15am
Zoom Link: <https://unc.zoom.us/j/93443387360> (Meeting ID 934 4338 7360)
Credit: 3.0 credit hours
Prerequisites: A grade of C or better in ECON 400 and 410 is required.

Instructor: Megan McCoy
Email: memccoy@email.unc.edu
Office Hours: MWF 1:00-2:00pm, TR 3:30-4:30pm, or by appointment
Office Hours Link: <https://unc.zoom.us/j/91547477545> (Meeting ID 915 4747 7545)

Course Goals

At the successful completion of this course, students will be able to employ the economic perspective to assess labor market conditions and predict how a variety of domestic and international policies can impact labor markets. Students will be able to explain the decision making processes of employers and individuals when choosing to interact in a labor market. Students will be able to describe how policies implemented by governments and non-governmental organizations can affect the labor market. Students will be able to describe the structure of the labor market and analyze labor-related decisions by individuals, firms, and governments on the labor market. Students will be able to utilize econometric methods to study labor dynamics. Students will apply knowledge from Intermediate Microeconomics to analyze labor market decisions and outcomes.

Learning Objectives

- Understand how individuals make decisions regarding labor force participation, human capital accumulation, and mobility.
- Describe how employers make hiring decisions in the short run and long run, while taking into account other productive alternatives.
- Examine how potential employees and employers interact in a labor market to reach equilibrium.
- Identify and assess inequalities that exist in equilibrium in the labor market.
- Explain how governments can impact the decisions made by individuals and employers in (and out of) the labor market.
- Analyze the effects of labor market policies on all participants in an economy (i.e. employees, employers, governments, producers, and consumers), and argue the costs and benefits of those policies from various perspectives.

Course Materials

Text: G. J. Borjas, *Labor Economics*, 5th, 6th, 7th, or 8th edition, McGraw-Hill.

The textbook is meant to be a reference, and readings will help you better understand lecture content. Problems will not be assigned from the book, so you may use any of the older editions.

Homework assignments may require the reading of economic journal articles, which will be posted on Sakai.

Course Policies

Class Format

The course will be conducted all online, using resources such as Zoom, Poll Everywhere, Sakai, and Gradescope for lectures, course information, and assignments. Other resources a student may need to access for the course will be posted to Sakai.

Class time will be devoted to diving deep into the material and solving problems. Students will be expected to have completed the readings prior to class. Lecture time will be a chance for students to ask clarifying questions and gain a greater understanding of the material by applying their knowledge.

Class Expectations

To be successful in this class, students will need to devote approximately three to four (3-4) hours out of class for every class session we have. **Students will be provided with reading guides for the units to take notes on the readings to be conducted *before class*. In addition, students should spend time *after class* reviewing class notes, working on the chapter quizzes or assignments, and completing the readings for the next class.** If you have any questions regarding concepts or assignments, students are encouraged to attend office hours to gain clarification from me.

Materials for each day's class will be posted to Sakai prior to class so that students are able to print off and/or download the notes to annotate. Students should come to class prepared with their completed reading guide for the day, the slides for that class, and note taking materials. Given the online nature of the course, it is suggested that students *hand write* their notes so that their device's screen can be devoted to the Zoom lecture. (Studies have found that taking notes [by hand leads to higher retention](#) than typing on a computer and multitasking on electronic devices has been shown to [decrease grades](#), for both the multitasker and the people seated around them.)

In addition to attending every class, students should check their UNC emails and Sakai at least once a day for class updates and any relevant communications. In return, I will return all student emails by the time the next class starts.

In this class, we will discuss topics that can be emotionally and/or politically charged. Students should be kind and treat each other with respect in every communication method utilized, including but not limited to in-class and forum discussions, email communications, and informal interactions.

Students who are not responding in class or asking a question should have their microphones muted. If a student has a question, they are encouraged to either use the hand raise feature in Zoom or to type the question in the chat, either privately to the instructor or to the class. The Zoom chat is to be used for class purposes only; as talking during class is distracting while in person, having side conversations in the Zoom chat is equally (if not more) distracting. Students who cause distractions during class time will be removed from the class for the day and lose their Daily Concept Check credit for that class.

Cell phones and other devices not being used for the Zoom lecture and/or note taking should be silenced and put away during the class. Students are expected to not have tabs/browsers open that do not relate to the lecture.

Attendance

Students are expected to attend every lecture, and **attendance will be graded through Daily Concept Checks**. Students will be allowed to miss two (2) classes before experiencing a grade penalty (see Daily Concept Checks for details).

To encourage attendance and attention, **recordings of the lectures will not be available**. It is the student's responsibility to obtain any material missed due to an absence. Students who miss a class are expected to refer to the course calendar, Sakai, and fellow classmates to determine missed material before reaching out to the instructor.

Grading

Students will be awarded grades through a variety of assessments, including daily concept checks, homework assignments, group policy analyses and policy discussion, quizzes and a final exam. The grading scheme is as follows:

| | |
|------|----------------------|
| 10 % | Daily Concept Checks |
| 25 % | Homework Assignments |
| 20 % | Quizzes |
| 25 % | Policy Analysis |
| 20 % | Final Exam |

Daily Concept Checks (10%)

To track attendance and ensure students are understanding concepts necessary for each lecture, each lecture will have a daily concept check. The concept checks will take less than five minutes of class time and will be administered at any point during the lecture. Concept checks will be in a variety of formats, including but not limited to polls in Poll Everywhere, chat responses in Zoom, and surveys in Google Forms. Concept checks will be graded on the following scale: 0 (not present); 1 (present but inaccurate or incomplete response); 2 (present with accurate and complete response). **There will *not* be make up concept checks; a student who does not participate in the concept check will receive a zero.** Two (2) of the lowest scores will be dropped.

Homework Assignments (25%)

Various homework assignments will be assigned throughout the semester to assess the student's knowledge of the material and progress through the course. Homework assignments include but are not limited to responses from required readings and mathematical/graphical problem sets. Instructions for each assignment will be posted on Sakai and the due dates can be found in the course calendar. The lowest homework grade will be dropped.

Quizzes (20%)

There will be quizzes on Sakai at the end of each chapter. Quizzes include multiple choice questions of varying difficulty to build familiarity with the material and to prepare you for the final exam. Quizzes are open-book, open-notes, and untimed. It is to your benefit to work individually on quizzes.

The quiz will be posted at 12:00pm (noon) on the day we complete a chapter and will be due at 9:30am the morning of the second class after the quiz is posted. (For example, a quiz posted Monday at noon will be due before the start of Wednesday's class) They should take you 15-20 minutes, and you will have two (2) attempts. The lowest quiz grade will be dropped.

Policy Analysis (25%)

Twice during the semester there will be group policy analyses that will comprise of a policy response and online discussion. The policy response and online discussion will allow students to understand the effects of a policy from different participants in the economy. Students will work in groups to study a given policy and compose a response from a certain perspective. (For example, the policy could be raising the minimum wage and the perspectives could be from low-income workers, business owners, customers, and the government.) After turning in their policy response, students will have an online discussion of the policy using Sakai Forums.

Group Policy Response (10%)

In groups, students will provide a response from the proposed policy given a particular perspective. Given the proposed policy, each group will outline the argument for or against (as appropriate for their perspective), addressing as many aspects of the policy that impact the perspective as possible. The policy response will also anticipate the counter-arguments of others and how the perspective would respond to them. The group policy response will inform the individual online discussion posts. Specific rubrics for the group policy response will be posted to Sakai, and the due dates are given in the course calendar.

Individual Online Discussion (15%)

For each policy response, students will participate in an online forum discussion of the policy. Online discussion is designed to facilitate the exchange of differing viewpoints and encourage a deeper understanding of the material. At minimum, students are required to have three (3) substantive posts per policy. Students will either pose questions or reply to questions *from the perspective of their policy response*. Due dates for the discussion posts are given in the course calendar. Students are encouraged to post more than the minimum – to encourage this, students who are active on the online discussion board will be awarded a bonus point per grading period. Online discussion will be graded on completion and effort. Each required post that demonstrates effort will receive two (2) points. Posts that lack obvious effort will receive one (1) point.

Final Exam (20%)

The final exam is scheduled for **Monday, July 27 8:00-11:00am**. **All students are expected to take the final exam at this time**. If a student does not take the final exam and provides the instructor with documentation of a [University Approved Absence](#), we can schedule a time for the student to complete a make up of the final. If a student does not take the final exam and does not provide documentation of a University Approved Absence, their grade for the course will be an AB.

The exam will be administered remotely. All students are expected to follow the guidelines of the UNC Honor Code. The exam will be open-book and open-notes. You may not search for answers on the internet. You may not consult with anyone on the exam.

Regrade Requests

Students are able to request regrades for Homework Assignments or Group Policy Analyses only. Regrades on the Group Policy Analyses can be requested for the group response and/or individual forum posts; if it is for the group response, only one member should submit the regrade request.

If a student feels they have received an incorrect grade from one of these types of assignments, **they can request a regrade *within 48 hours of the posted grade***. A regrade request must be completed through [this form](#). **By requesting a regrade, the student recognizes that they are subjecting the assignment to be *regraded in its entirety*, potentially leading to a reduction in the grade. All regrades are final.**

Late Work

Given the fast pace of summer sessions, deadlines are not flexible and extensions will not be granted. ***Late work will not be accepted for any reason.***

Grading Schema

The letter grade you will earn for the course will be based on the following grading scale. No extra credit is given to adjust the grades at the end of the semester. ***The instructor will not respond to requests to round a final grade.***

A student must receive at least 60% to receive a Pass if they choose to Pass/Fail the course.

| | | | | | |
|----|---------------|----|--------------|----|-----------------|
| A | 93 % or above | B- | 80 - 82.99 % | D+ | 67 - 69.99 % |
| A- | 90 - 92.99 % | C+ | 77 - 79.99 % | D | 60 - 66.99 % |
| B+ | 87 - 89.99 % | C | 73 - 76.99 % | F | 59.99% or below |
| B | 83 - 86.99 % | C- | 70 - 72.99 % | | |

Academic Integrity

You are expected to behave in accordance to the University of North Carolina Honor Code (honor.unc.edu). I will not tolerate behaviors that violate the honor code, or general academic integrity, such as plagiarism, forgery, unauthorized collaboration, and the use of unauthorized materials. I take academic integrity very seriously, and will not hesitate to report any instance where I feel academic integrity has been compromised, either intentionally or unintentionally. As a rule of thumb, do not try to take credit for work where you did not put in the effort. Not only does this exploit the hard work of others, it does not help you learn in any way.

Additional Resources

EconAid Center

The EconAid Center is available ([link](#)) and is open (summer hours). There will often be peer tutors and TAs, ULAs, and professors from other courses; however, this center also offers

students a great space to work on their economics coursework individually or in groups. There will usually be someone who is quite knowledgeable hanging around, so feel free to ask questions and make friends. I hope you will make use of this invaluable resource!

Accessibility Resources and Service Office

UNC-Chapel Hill facilitates the implementation of reasonable accommodations, including resources and services, for students with disabilities, chronic medical conditions, a temporary disability or pregnancy complications resulting in difficulties with accessing learning opportunities. All accommodations are coordinated through the Accessibility Resources and Service Office. Please contact ARS as early in the semester as possible. Website: ars.unc.edu; Telephone: (919) 963-8300; Email: ars@unc.edu

The Learning Center

The UNC Learning Center offers individual consultations, peer tutoring, academic coaching, test prep programming, study skills workshops, and peer study groups. If you think you might benefit from their services, please visit them in SASB North or visit their website to set up an appointment: learningcenter.unc.edu

Medical and Counseling Services

If you are having any mental, physical, or other personal problems that are interfering with your ability to focus on your coursework, please contact the UNC Campus Health Services (CHS) or Counseling and Psychological Services (CAPS) right away. CAPS is strongly committed to addressing the mental health needs of a diverse student body through timely access to consultation and connection to clinically appropriate services, whether for short or long-term needs. CAPS is located on the third floor of the CHS building and open for walk-in evaluation. CHS website: campushealth.unc.edu; Telephone: (919) 966-2281; CAPS website: caps.unc.edu

Course Calendar

On the next page is the schedule for the semester. The readings are chapters from the 8th Edition of the textbook; it is the student's responsibility to find the corresponding chapters in older editions. It is suggested that the listed readings are complete at the start of the class.

The instructor reserved the right to make any changes to the calendar as necessary; any changes will be communicated to the students as soon as possible.

Note: All times on the syllabus and for the due dates are in Eastern Standard Time (EST).

S20 ECON 480 Calendar

| Week | Monday | Tuesday | Wednesday | Thursday | Friday |
|--------------------|---|---|---|--|--|
| 1 | Syllabus, Review, Chapter 1 | Labor Supply: Decision to Work | Labor Supply: LS Curve | Labor Supply: Policies | Labor Demand: Production & Demand |
| Suggested Readings | 1 | 2.1-2.6, 2.9 | 2.13, 2.7-2.8 | 2.12, 2.14 | 3.1-3.4 |
| Assignments DUE | Read syllabus and Chapter 1 | 5:00 pm Reading Response: Juhn and Potter 2006 | Before Class: Syllabus & Ch 1 Quiz | 5:00 pm Reading Response: Meyer 2002 | |
| 2 | Labor Demand: Elasticity of Substitution | Introduction to Equilibrium; Minimum Wage | Equilibrium: Single Labor Market and Across Labor Markets | Equilibrium: Taxes, Subsidies, and Mandated Benefits | NO CLASS - Happy 4th of July! |
| Suggested Readings | 3.5-3.7 | 3.8, 3.10 | 4.1-4.2 | 4.3-4.4 | |
| Assignments DUE | Before Class: Ch 2 Quiz | 5:00 pm Problem Set 1 | | Before Class: Ch 3 Quiz; 5:00 pm Policy Response 1 | |
| 3 | Compensating Wage Differentials: Risky Jobs | Compensating Wage Differentials: Job Amenities | Human Capital: Education | Human Capital: Training | Mobility: Immigration in Equilibrium |
| Suggested Readings | 5.1-5.4 | 5.5-5.6 | 6.1-6.5, 6.7 | 7.1-7.4 | 4.5-4.7 |
| Assignments DUE | | Before Class: Ch 4 Quiz; 5:00 pm Problem Set 2 | 5:00 pm Discussion 1 | Before Class: Ch 5 Quiz | 5:00 pm Reading Response: Borjas 2001 |
| 4 | Mobility: Migration as Human Capital | Discrimination: Inequality | Discrimination: Types of Discrimination | Discrimination: Wage Gap by Race | Discrimination: Gender Wage Gap |
| Suggested Readings | 8.1-8.5 | 7.5-7.9 | 9.2-9.6 | 9.1, 9.9-9.10 | 9.11 |
| Assignments DUE | Before Class: Ch 6-7 Quiz; 5:00 pm Reading Response: Topel and Ward 1992 | 5:00 pm Problem Set 3 | Before Class: Ch 8 Quiz; 5:00 pm Policy Response 2 | 5:00 pm Reading Response: Bertrand and Mullainathan 2004 | 5:00 pm Reading Response: Blau and Kahn 2017 |
| 5 | Unemployment: Types and Policy | Unemployment: Causes | Interesting Topics/Papers Day | Review | NO CLASS - Reading Day |
| Suggested Readings | 8.6, 12.1-12.3, 12.5 | 12.4, 12.6-12.7 | To Be Determined | | |
| Assignments DUE | 5:00 pm Discussion 2 | Before Class: Ch 9 Quiz; 5:00 pm Problem Set 4 | | Before Class: Ch 12 Quiz | |
| 6 | FINAL: 8:00 am -11:00 am | | | | |