

Econ 480: Labor Economics

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Office Hours: (Tuesday 2:30pm or by appointment) **Class Hours:** (12:20 pm to 01:35pm)

Office: 408 Gardner

Class Room : Gardner 0307

Course Description

This course is a 3-credit course. ECON 480 provides an overview of labor market theory and related issues. Students will gain an understanding of how the interplay between employers and employees influences various outcomes such as wages, employment, unemployment, and the wage variations among different workers.

Required Materials

- Course notes available on Canvas.
- Labor Economics by George Borjas
- Additional references : Modern Labor Economics: Theory and Public Policy 14th edition by Ronald G. Ehrenberg and Robert S. Smith

Prerequisites/Corequisites

Prerequisites: Econ. 101 and Econ. 400, and Econ 410 are the required prerequisites for this course.

Course Objectives

Throughout this class, students will acquire the skills to apply economic analysis tools to the labor market. Our initial focus will be on constructing a basic theoretical model of labor supply and demand, exploring how the labor market attains its equilibrium. To achieve this goal, students are expected to have enough knowledge for utility maximization, profit maximization and equilibrium concepts.

In the latter part of the course, we will use this model to comprehend specific aspects defining the labor market. Students will delve into topics such as human capital development, education, wage disparities, the hedonic wage theory, labor market discrimination, unemployment and labor market search.

From this course, students are expected to learn fully :

1. Think and understand the real world based on economic models.
2. Recognize and use one or more approach/es to developing and validating knowledge of the unfamiliar world
3. Evaluate ways that temporal, spatial, scientific, and philosophical categories structure knowledge.
4. Interrogate assumptions that underlie our own perceptions of the world.
5. Employ strategies to mitigate or adjust for preconceptions and biases and apply critical insights to understand patterns of experience and belief.

Course Structure

Class Structure

1. **Lecture** : Lecture will be provided in person.
2. **Poll everywhere** : During our classes, we will use Poll Everywhere for online polling, and you can access it either through the polleverywhere.com website or the Poll Everywhere mobile app. To log in, you will need to use your official UNC-CH email address and then select the Single Sign-On link. Once you've done that, enter your Onyen and Password to log in.

It is critical to ensure that the email address in your Poll Everywhere profile matches the one listed in the UNC Directory. If the email addresses don't match, your poll scores won't sync to Sakai, which could cause problems. For example, if your email is onyen@unc.edu in the UNC directory but onyen@email.unc.edu in Poll Everywhere, it will not sync correctly. So, if your email addresses don't match, please update your email address in Poll Everywhere to the one listed in the UNC Directory.

3. **Problem sets** : There will be 5 or 6 sets¹ of problems to be completed throughout the term, with submissions made via Gradescope. While you are required to submit your own problem sets, collaboration with other students is permitted. However, direct copying of answers, either from your peers or online sources, is strictly prohibited. Specific deadlines for submission will be available on Canvas and within the problem set PDFs. Late submissions will not be accepted after the due date, and there will be no opportunities for makeup assignments.
4. **Midterms and Final** : We will have 2 Midterms (02.14, 03.27) and 1 Final (05.06). Both Midterm and Final exam will be held during the class.

¹It can vary by schedule

All exams will be closed note and closed book. You may have a non-programmable 4-function calculator. Any violations of academic integrity will result in a failing grade. All cell phones must be turned off during exams.

Grading Policy

The typical UNC grading scale will be used.

93% and above	A
Between 90% and 93%	A-
Between 87% and 90%	B+
Between 83% and 87%	B
Between 80% and 83%	B-
Between 77% and 80%	C+
Between 73% and 77%	C
Between 70% and 73%	C-
Between 67% and 70%	D+
Between 60% and 67%	D
Below 60%	F

The above grade scale will be used as a baseline for course grades. I reserve the right to apply a beneficial curve at my discretion. The grade will count the assessments using the following proportions:

- In-class Polls quizzes : 5%
- Problem sets (5) : 20%²
- Midterms (2) : 40%
- Final : 35%

²I will drop your 1 lowest homework grades.

Course Policies

During Class

I understand that the electronic recording of notes will be important for class and so computers will be allowed in class. Please refrain from using computers for anything but activities related to the class. Eating and drinking are allowed in class but please refrain from it affecting the course.

Attendance Policy

University Policy: As stated in the University's Class Attendance Policy, no right or privilege exists that permits a student to be absent from any class meetings, except for these University Approved Absences:

1. Authorized University activities
2. Disability/religious observance/pregnancy, as required by law and approved by Accessibility Resources and Service and/or the Equal Opportunity and Compliance Office (EOC)
3. Significant health condition and/or personal/family emergency as approved by the Office of the Dean of Students, Gender Violence Service Coordinators, and/or the Equal Opportunity and Compliance Office (EOC).

Class Policy

Instructors may work with students to meet attendance needs that do not fall within University approved absences. For situations when an absence is not University approved (e.g., a job interview or club activity), instructors determine their own approach to missed classes and make-up assessment and assignments.

Grade Appeal Process

If you feel you have been awarded an incorrect grade, please discuss with me. If we cannot resolve the issue, you may talk to our departmental director of undergraduate studies or appeal the grade through a formal university process based on arithmetic/clerical error, arbitrariness, discrimination, harassment, or personal malice. To learn more, go to the Academic Advising Program website.

Make-up policy for exam

All due dates are fixed and no extension will be given for both exam and assignments. No make-up midterm will be given. If you miss an exam due to University Approved Absence (<https://odos.unc.edu/student-support/class-absences/requestuniversity-approved-absences>), then I will reweight your exams by shifting the rest of the midterm weight to the final exam.

Syllabus Policy

In accordance with University Policy, I reserve the right to make changes to the syllabus, including project due dates and test dates. These changes will be announced as early as possible.

Policies on Incomplete Grades and Late Assignments

Late assignments will be only accepted for no penalty if a valid excuse is communicated to the instructor before the deadline.

University Approved Absence Office (UAAO)

The UAAO website provides information and FAQs for students and faculty related to University Approved Absences.

Note: Instructors have the authority to make academic adjustments without official notice from the UAAO. In other words, it is not required for instructors to receive a University Approved Absence notification in order to work with a student. In fact, instructors are encouraged to work directly with students when possible.

Honor Code

All students are expected to follow the guidelines of the UNC Honor Code. In particular, students are expected to refrain from “lying, cheating, or stealing” in the academic context. If you are unsure about which actions violate the Honor Code, please see me or consult studentconduct.unc.edu.

Acceptable Use Policy

By attending the University of North Carolina at Chapel Hill, you agree to abide by the University of North Carolina at Chapel Hill policies related to the acceptable use of IT systems and services. The Acceptable Use Policy (AUP) sets the expectation that you will use the University’s technology resources responsibly, consistent with the University’s mission. In the context of a class, it’s quite likely you will participate in online activities that could include personal information about you or your peers, and the AUP addresses your obligations to protect the privacy of class participants. In addition, the AUP addresses matters of others’ intellectual property, including copyright. These are only a couple of typical examples, so you should consult the full Information Technology Acceptable Use Policy, which covers topics related to using digital resources, such as privacy, confidentiality, and intellectual property. Additionally, consult the Safe Computing at UNC website for information about data security policies, updates, and tips on keeping your identity, information, and devices safe.

Accessibility Resources and Service

The University of North Carolina at Chapel Hill facilitates the implementation of reasonable accommodations, including resources and services, for students with a disability and/or a chronic health diagnosis resulting in barriers to fully accessing University courses, programs and activities. Accommodations are determined by the Office of Accessibility Resources and Service (ARS) through their Student and Applicant Accommodations Policy, which documents qualifying disabilities in accordance with applicable state and federal laws. See the ARS website (<https://ars.unc.edu>) for contact information or email ars@unc.edu.

Counseling and Psychological Services

UNC-Chapel Hill is strongly committed to addressing the mental health needs of a diverse student body. The Heels Care Network website is a place to access the many mental health resources at Carolina. CAPS is the primary mental health provider for students, offering timely access to consultation and connection to clinically appropriate services. Go to their website <https://caps.unc.edu/> or visit their facilities on the third floor of the Campus Health building for an initial evaluation to learn more. Students can also call CAPS 24/7 at 919-966-3658 for immediate assistance.

Policy on Non-Discrimination

The University is committed to providing an inclusive and welcoming environment for all members of our community and to ensuring that educational and employment decisions are based on individuals’ abilities and qualifications. Consistent with this principle and applicable laws, [the University’s Policy Statement on Non-Discrimination](#) offers access to its educational programs and activities as well as employment terms and conditions without respect to race, color, gender, national origin, age, religion, genetic information, disability, veteran’s status, sexual orientation, gender identity or gender expression. Such a policy ensures that only relevant factors are considered, and that equitable and consistent standards of conduct and performance are applied.

Diversity Statement

I value the perspectives of individuals from all backgrounds reflecting the diversity of our students. I broadly define diversity to include race, gender identity, national origin, ethnicity, religion, social class, age, sexual orientation, political background, and physical and learning ability. I strive to make this classroom an inclusive space for all students. Please let me know if there is anything I can do to improve. I appreciate any suggestions.

Course Schedule

The schedule is tentative and subject to change.

Table 1: Course schedule

Week	Topics	Textbook
1 (01.10 ~ 01.16)	Syllabus, Course introduction	Chapt. 1
2 (01.17 ~ 01.23)	Labor market Fundamental, Labor supply	Chapt. 2
3 (01.24 ~ 01.30)	Labor demand	Chapt. 3
4 (01.31 ~ 02.06)	Labor market equilibrium	Chapt. 4
5 (02.07 ~ 02.13)	Labor market equilibrium, and Midterm review	
6 (02.14 ~ 02.20)	Household and life cycle	additional materials
7 (02.21 ~ 02.27)	Human capital	Chapt. 6
8 (02.28 ~ 03.05)	Compensating Wage Differentials	Chapt. 5
9 (03.06 ~ 03.12)	Wage Distribution	Chapt. 7
10 (03.13 ~ 03.19)	Wage distribution	Chapt. 7
11 (03.20 ~ 03.26)	Labor Mobility	Chapt. 8
12 (03.27 ~ 04.02)	Midterm Review	
13 (04.03 ~ 04.09)	Labor market discrimination	Chapt. 9
14 (04.10 ~ 04.16)	Incentive Pay	Chapt. 11
15 (04.17 ~ 04.23)	Incentive Pay, Unemployment	Chapt. 12
16 (04.24 ~ 04.30)	Unemployment, Final Review	