

**EC480 – Analysis of Labor Markets
Spring 2018**

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Course Description

Welcome to EC480! This course has three goals. First, the course is designed to offer a broad overview of the topics that generally fall within the purview of Labor Economics. These topics include, but are not limited to: the reasons why people work, the reasons why firms hire employees, the wages and benefits workers are paid, the educational and occupational choices individuals make, the structure and effects of unions, the structure and effects of labor market regulations, and the structure and effects of many public programs. As these topics are frequently the subject of both political and academic discourse, we will also spend time covering relevant current events and recent economic literature.

Second, the course is structured to use Labor Economics to explore and expand important economic concepts covered in a standard Intermediate Microeconomics course (EC301 at MSU). It is my hope that by applying your existing knowledge to new situations, you will continue to develop your economic intuition and key microeconomic concepts will become clearer.

Third, as the course is designed to satisfy the College Tier II writing requirement, you will be provided with opportunities to develop your skills as an academic writer. Further, through the revision process, you will learn the basics of peer review and will strengthen your communication and collaboration skills.

Pre-requisites: EC301 or EC251

Course Time and Location MW 3:00pm – 4:20pm, 140 Natural Sciences Building

Office Hours Acton: Tu 3:30 – 4:30pm, 3 Old Botany (or by appointment)
Eckrote: M 10 – 11am, 3 Old Botany (or by appointment)

Course Materials

- *Labor Economics* by George Borjas, 7th Edition – The textbook will be the main source of material covered in lecture. I will directly reference the 7th edition, and I am unable to provide information about previous editions. You are welcome to get the textbook from any source you see fit.
- Although not required, you may find it helpful to refer back to your EC301 textbook.
- Occasionally, we will cover readings from academic journals in class. When we do, I will provide those readings through D2L.
- Throughout the semester, I will provide articles, videos, and podcasts from popular media sources to connect the course to current events. These links will be posted on D2L.

Course Grading

You will be evaluated in the class based on two exams and a paper assignment, based on the following contributions:

- Midterm exam = 35%
- Final exam = 55%
- Paper assignment = 10%

There will also be problem sets and quizzes given throughout the semester, which are designed to provide practice for the exams and boost your course grades. Details of how these are implemented are given below.

Although I will post detailed problem sets on D2L, I will not collect your answers to these problem sets. Instead, these problem sets are intended to help you prepare for the exams. Please check D2L frequently for updated problem sets.

I will also give several unannounced quizzes in class throughout the term. The quizzes are structured to be purely extra credit (the percentages for the exams and paper above sum to 100). The quizzes are included in the final course grade so that it could bump a student to the next higher grade (e.g., a 3.5 to a 4.0). Each quiz will contain several questions that will be taken almost verbatim from the problem sets. The quizzes are unannounced to encourage attendance and are based on the problem sets to encourage you to keep up with the study problems. Absolutely no make-up quizzes will be given in part because the quizzes are intended to reward class attendance.

Your final course grade is computed as follows. Each component that goes into your grade will be graded on a 100-point scale. A final course grade on a 100-point scale is calculated as follows:

$$\text{CourseGrade}^{100} = (0.35 \times \text{Mid-Term}^{100}) + (0.55 \times \text{Final}^{100}) + (0.10 \times \text{Paper}^{100}) + (0.05 \times \text{Quiz}^{100})$$

Then, CourseGrade^{100} is rounded to the nearest integer (e.g., a 89.4 rounds to 89, and an 89.5 rounds to 90) and compared to the following table to determine your course grade on a 4-point scale.

4-Point Course Grade	Minimum 100-Point Course Grade
4.0	90
3.5	85
3.0	80
2.5	75
2.0	70
1.5	65
1.0	60

You are encouraged to see me immediately if your performance on an exam or paper is not up to your standards. A timely office visit provides me with the most options to help you.

Paper Assignment

This course is designed to satisfy the College Tier II writing requirement (hence, the W in the course catalog). The specifics of the paper assignment will be distributed several weeks into the course. The paper assignment is distributed later in the course because it is strongly tied to later course content.

Other Course Policies

If you have a significant reason that you believe would justify rescheduling an exam, you must contact me as soon as possible. Valid reasons for rescheduling an exam include University-sponsored activities, family events, and/or emergencies. Significant reasons that can be anticipated (e.g., required participation in University-sponsored activities) must be conveyed to me at least two weeks before the exam. For reasons that cannot be anticipated, contact me immediately to make appropriate arrangements. Generally, if circumstances warrant, alternative exam times will only be provided before the regularly scheduled exam. However, the resolution of any conflicts will be handled on a case-by-case basis according to my discretion.

All university policies will be strictly adhered to, including:

- All instances of academic dishonesty will be penalized and reported to the college.
- Students with documented disabilities will be provided with appropriate accommodations.
- Religious observances will be facilitated.

For the latter two issues, you must notify me at the beginning of the semester so that appropriate arrangements can be made.

Class Schedule

The schedule below lists the TENTATIVE material that we will cover and all special events, including exam dates and paper due dates. **Exam dates and other due dates will not be changed—please plan accordingly.**

Week	Borjas Chapter / Topics	Assignments & Notes
1/8 – 1/12	1: Introduction	
1/15 – 1/19	2: Labor Supply	M (1/15): No class, MLK Day
1/22 – 1/26	2: Labor Supply	
1/29 – 2/2	3: Labor Demand	
2/5 – 2/9	3: Labor Demand	
2/12 – 2/16	4: Equilibrium	
2/19 – 2/23	4: Equilibrium	
2/26 – 3/2	Review & Midterm	W (2/28): Midterm Exam
3/5 – 3/9	SPRING BREAK	
3/12 – 3/16	5: Compensating Differentials	
3/19 – 3/23	6: Human Capital	M (3/19): Paper peer review
3/26 – 3/30	7: Wage Structure	M (3/26): Paper due
4/2 – 4/6	8: Labor Mobility	
4/9 – 4/13	9: Discrimination	
4/16 – 4/20	10: Unions	
4/23 – 4/27	Wrap-Up & Review	W (4/25): Paper re-write due
4/30 – 5/4	Final Exam	W (5/2): Final Exam, 5:45pm – 7:45pm