



0201E307

Labor Economics

Instructor: TBA

Time: December 16, 2024 - January 17, 2025

Office Hours: 2 hours (according to the teaching schedule)

Contact Hours: 60 (50 minutes each)

Credits: 4

E-mail: TBA

Course Description

The course introduces the students to the basic theories of labor markets. It will emphasize the interaction between theory and empirical. The first part of the course is devoted to studying the labor demand decisions taken by firms in competitive markets, the supply decisions taken by rational workers, and the equilibrium outcomes in such markets. The second part of the course analyzes imperfect labor markets, and the last part covers other important topics in labor economics: human capital, wage inequality and discrimination.

Prerequisites

0201E101 Microeconomics and 0201E102 Macroeconomics

Required Textbook(s)

Labor Economics, 5th Edition, George J. Borjas, McGraw-Hill Irwin Publishing, 2010 (ISBN: 978-0-07-351136-8).

Recommended Supplement Readings and Web Links (i.e., Optional, and not required):

Journal Articles, other supplemental readings, and useful internet web links for every chapter assigned in class.

Course Goals

Upon successful completion of this course, students will be able to:

- Have good mastery of knowledge about labor market and economics.
- Use the methods and tools of economic analysis as they are applied to the labor market.
- Apply these tools to current issues in the labor market today.

Course Schedule

Please note that the schedule is meant to give an overview of the major concepts in this course. Changes may occur in this calendar as needed to aid in the student's development.

Week 1

Day 1 - Chapter 1: Introduction to Labor Economics - labor Market and Introduction to Regression Analysis

Day 2 - Chapter 2: Labor Supply - Measuring the Labor Force and the Labor Supply

Day 3 - Chapter 2: Labor Supply - Policy Application about the Welfare Programs and Work Incentives, the Earned Income Tax Credit, and the Declined in Work Attachment among Older Workers; Theory at Work about Work and Leisure in Europe and the United States, and about Poor Relief and Fertility.

Day 4 - Chapter 6: Human Capital - Measuring the Value and Earnings of Education in the Labor Market; Application Policy about School Construction in Indonesia, and School Quality and Earnings; Theory at Work about Evaluating Government Training Program.

Day 5 - Review Session: To go over all the class material covered during the week and to prepare for the upcoming homework and/or exam; work on the term paper.

Week 2

Day 6 - Chapter 3: Labor Demand - Measuring the Value and Earnings of Education in the Labor Market; The Employment Decision in the Long Run and the Long-Run Demand Curve for Labor; The Elasticity of Substitution.

⇒The Topic/Title of your choice for the term paper about Labor Economics (It will be used to assess the students' understanding and knowledge about Labor Economics)

Day 7 - Chapter 3: Labor Demand - Application Policy about Affirmative Action and Production Costs, and about The Employment Effect on Minimum Wage; Theory at Work with California's Overtime Regulations and Labor Demand, with The Minimum Wage and Puerto Rican Migration, and with Work-Sharing in Germany.

Day 8 - Chapter 4: Labor Market Equilibrium - Reaching Competitive Equilibrium in a Single Labor Market and Across Labor Markets; Noncompetitive Labor Markets (Monopsony and Monopoly)

⇒Chapter Summary 1 (Covers Chapters 1, 2, 3 and 6, and it will be used by students to prepare for Homework 1 and Exam 1)

⇒Homework 1 (Covers Chapters 1, 2, 3 and 6 and it will be used to assess the students' understanding of the areas covered)

Day 9 - Chapter 4: Labor Market Equilibrium - Impact of Payroll Taxes versus Subsidies, Payroll Taxes versus Mandated Benefits, Hurricanes, and Immigration Policy Application on Labor Market; Theory at Work with The Intifadah and Palestinian Wages, and with the Great Black Migration.

⇒**The Abstract (i.e., Summary with expected outcome/result of the term paper) and Outline (i.e., Table of Contents) for the term paper about Labor Economics (It will be used to assess the students' understanding and knowledge about Labor Economics)**

Day 10 - Review Session: To go over all the class material covered during the week and to prepare for the upcoming homework and/or exam; work on the class paper.

Week 3

Day 11 - Chapter 12: Unemployment - Definition, Measures and Types of Unemployment; The Steady-State Rate of Unemployment and Job Search

Day 12 - Chapter 12: Unemployment - Labor Market Policy Application about Unemployment Compensation, about the Phillips Curve, and about “ Why Does Europe have High Unemployment?”; Theory at Work about Jobs and Friends, about Cash Bonuses and Unemployment, and about the Benefits of UI (Unemployment Insurance).

Day 13 - Chapter 5: Compensating Wage Differentials -Market for Risky Jobs and its Amenities and the Hedonic Wage Function; Application Policy about Safety and Health Regulations; Theory at Work about the Health Insurance - Life on the Interstate and Workers' Compensation - and the Labor Market.

⇒**Chapter Summary 2 (Covers Chapters 4, 12 and 5, and it will be used by students to prepare for Homework 2 and Exam 1)**

⇒**Homework 2 (Covers Chapters 4, 12 and 5 and it will be used to assess the**

students' understanding of the areas covered)

Day 14 - Exam 1 - Covers Chapters 1, 2, 3, 4, 5, 6 and 12: Review session about Exam 1 followed by the first exam must be submitted online by the end of the day by 11:59 am Beijing Time.

Day 15 - Review Session: To go over all the class material covered during the week and to prepare for the upcoming homework and/or exam; work on the class paper.

Week 4

Day 16 - Chapter 11: Incentive Pay - Piece Rates and Time Rates, Work Incentives and Delayed Compensation, Efficiency Wages in the Labor Market; Policy Application about the Compensation of Executives; Theory at Work: Windshields by the Piece; Incentive Pay Gets You to LAX on Time; Playing Hard for the Money; Do Men Compete More Than Women? Did Henry Ford Pay Efficiency Wages?

Day 17 - Chapter 9: Labor Market Discrimination - Race and Gender in the Labor Market. Measuring the Discrimination Coefficient and the Types of Discrimination; Discrimination against Other Groups and the Economics of Specialization. Policy Application: Determinants of the Black-White Wage; Determinants of Female-Male Wage Ratio; Theory at Work: Beauty and the Beast; Customer Discrimination and the NBA; Statistical Discrimination on the Weakest Link; “Disparate Impact” and Black Employment in Police Departments; Shades of Black; 9/11 and the Earnings of Arabs and Muslims in the United States; Orchestrating Impartiality.

Day 18 - Chapter 8: Labor Mobility -Geographic, Internal, Family Migration; Job Turnover, Job Match, Specific Training and Job Turnover Immigration in the United States and the Immigrant Performance in U.S. Labor Market

⇒Chapter Summary 3 (Covers Chapters 11, 9 and 8, and it will be used by

students to prepare for Homework 3 and Exam 2)

⇒ Homework 3 (Covers Chapters 11, 9 and 8 and it will be used to assess the students' understanding of the areas covered)

Day 19 - Chapter 8: Labor Mobility - Immigration in the United States, the Decision to Immigrate and the Immigrant Performance in the U.S. Labor Market; Policy Application: Labor Flows in Puerto Rico and the Intergenerational Mobility of Immigrants; Theory at Work: Migration and EU Expansion; Power Couples; Visas Available (If You pass a Test or Pay Up!); Hey Dad, My Roommate is so Smart, I Got a 4.0 GPA; Health Insurance and Job-Lock.

Day 20 - Review Session: To go over all the class material covered during the week and to prepare for the upcoming homework and/or exam; work on the class paper.

Week 5

Day 21 - Chapter 10: Labor Unions - Unions: Background, Facts and Monopoly; Efficient Bargaining and Strikes; Wage Effects and Nonwage Effects of Unions; Policy Application: Unions and Resource Allocation, Public Sector Unions; Theory at Work: The Rise and Fall of PATCO; The Cost of Labor Disputes; Occupational Licensing; Lawyers and Arbitration.

⇒ The Final Report of the term paper about Labor Economics (It will be used to assess the students' understanding and knowledge about Labor Economics)

Day 22 - Chapter 7: The Wage Distribution - The Earnings Distribution and Measuring Inequality and Inequality across Generation; Basic Facts of the Wage Structure and the Earnings of Superstars; Policy Application: Why Did Wage Inequality Increase? Theory at Work with Computers, Pencils, and the Wage Structure, with Rock Superstars, and with Nature versus Nurture.

⇒ **Chapter Summary 4 (Covers Chapters 10 and 7, and it will be used by students to prepare for Homework 4 and Exam 2)**

⇒ **Homework 4 (Covers Chapters 10 and 7 and it will be used to assess the students' understanding of the areas covered)**

Day 23 - Review Session: To go over all the class material covered during the week and to prepare for Exam 2 and provide feedback about Homework 3, Homework 4; provide feedback about the Term Paper.

Day 24 - Exam 2 - Covers Chapters 7, 8, 9, 10 and 11: Review session about Exam 2 followed by the second exam must be submitted online by the end of the day by 11:59 am Beijing Time.

Day 25 - Questions and Answers

Grading Policy

Your grade will be based on quizzes, homework, exams, and participation.

Type	Details	Percentage
Exams	Two Exams	40%
Homework	Four Homework Assignments	20%
Paper	One Term Paper	30%
Participation	/	10%
Total	/	100%

Exams (40%, 20% each):

For the five-week course, there will be two equally weighted exams. The exams must be submitted online by the deadline. Each exam, worth 200 points, will consist of a mix multiple choice-questions, essay questions and/or problems and applications.

Moreover, **some of the questions from the homework assignments will be included in the exams.** Each exam will determine **20 percent** of your final grade. In addition, there is a **time limit of 180 minutes or 3 hours** to complete each exam. Consequently, students must complete and submit each exam **within 180 minutes**. Once students begin the exam, the clock begins to tick, and students will **not be able** to access the exam after the **expiration of 180 minutes**. Finally, the second exam will test students on the material covered after the first exam.

- ⇒ Exam 1 must be submitted online by Thursday of Week 3 **by 11:59 am Beijing Time** (Day 14 of the course).
- ⇒ Exam 2 must be submitted online by Thursday of Week 5 **by 11:59 am Beijing Time** (Day 24 of the course).

Each Exam is worth 20% of your class grade for a total of 40%.

Homework (20%):

For this five-week course, there will be four Homework Assignments. Each homework will consist of **50 points** for a total point of **200 points**.

More importantly, there is a **50% extra credit** built into the total score of the homework. As a result, the total score of the homework will be multiplied by 1.5 to get the final actual score of the homework. The final actual score of the homework will be **capped at 100%**. For instance, given *a maximum of 200 points available on the homework*, if someone earns a total score of **133 points** on the homework, her final actual score would be the full **200 points** ($133 \times 1.5 = 200 \text{ points or } 100\%$); if someone earns a total score of 120 points on the homework, her actual final score would be **180 points** ($120 \times 1.5 = 180 \text{ points or } 90\%$); if someone earns a total score of **107 points** on the homework, his actual final score would be **160 points** ($107 \times 1.5 = 160 \text{ points or } 80\%$); if someone earns a total score of **93.5 points** on the homework, his actual final score would be **140 points** ($93.5 \times 1.6 = 140 \text{ points or } 70\%$); finally, if someone else earns a total score of **150 points** on the homework, her actual final score would be the full **200 points** ($150 \times 1.5 = 225 \text{ points, but capped at } 200 \text{ points or } 100\%$).

- ⇒ Homework 1 must be submitted online by Wednesday of Week 2 **by 11:59 am Beijing Time** (Day 8 of the course).
- ⇒ Homework 2 must be submitted online by Wednesday of Week 3 **by 11:59 am Beijing Time** (Day 13 of the course).
- ⇒ Homework 3 must be submitted online by Wednesday of Week 4 **by 11:59 am Beijing Time** (Day 18 of the course).
- ⇒ Homework 4 must be submitted online by Tuesday of Week 5 **by 11:59 am Beijing Time** (Day 22 of the course).

Homework assignments are worth 20% of your class grade.

Paper (30%):

You must write a paper, also called a term paper, concerning any labor topic of your choice. Your topic must be approved by the instructor before you can start working on it. The paper must be well-written and clear. The paper should present an idea or an event and discuss the current understanding of the situation.

The written paper must include the following basic requirements:

Basic Requirements for the Grading Rubric (i.e., minus (-) 2 points per mistake)
1. Paper typed including title, outline and abstract
2. Thesis clearly stated in the introduction and/or referenced in the conclusion
3. Correct documentation style used in text
4. Citing evidence with a minimum of 10 sources
5. Information connects to the thesis/topic
6. Works Cited/Bibliography or References accurate and correctly formatted
7. Paper meets minimum length standard (at least <u>500 words</u> , excluding title and Works Cited/Bibliography or References)

8. Paper meets maximum length standard (at most 2000 words including title, abstract, references and appendix)
9. Includes an appendix for graphs, charts, tables, and pictures
10. Evidence of consistent and conscientious editing
11. Use of 12-point font (e.g., Times New Roman font), double spacing and page numbering (i.e., centered at the bottom of each page)
12. Demonstrates use of paraphrasing, direct, and indirect quotations in the paper

Content Requirements for the Grading Rubric (i.e., minus (-) 2 points per mistake)
1. Attention grabber effectiveness in abstract
2. Introduction engaging and clearly defines thesis and statement of the problem
3. Information connects to the thesis and thesis is challenging and focused
4. Research motivation and project linkage explained
5. Depth of research hypothesis beyond general knowledge
6. Depth, comprehension, and illustration of content
7. Content connecting to thesis is clarifying and exploring
8. Content connecting to thesis is explaining and developing
9. Soundness and rigor of the underlying theory
10. Consistency of the policy recommendations with the findings
11. Text organization flows sensibly and smoothly
12. Conclusion thoughtful, engaging, and clear
13. References/Bibliography consistent and including the current literature
14. Appendix well organized and all items cited in the paper

Term paper is worth 30% of your class grade.

- ⇒ Topic/Title of the term paper must be submitted online and by email for approval of the instructor by Monday of Week 2 **by 11:59 am Beijing Time** (Day 6 of the course).

- ⇒ Abstract (i.e., Summary with expected outcome/result of the term paper) and Outline (i.e., Table of Contents) of the term paper must be submitted online and by email for approval of the instructor by Thursday of Week 2 **by 11:59 am Beijing Time** (Day 9 of the course).
- ⇒ Final Report of the term paper must be submitted online by Monday of Week 5 **by 11:59 am Beijing Time** (Day 21 of the course).

Class Participation (up to 10% of total grade)

A student can earn points for active attendance, attentiveness in live orientation, involvement in class discussions, and attending the weekly review session.

This is an online class and there is **no formal class attendance**. Attendance will be measured by the student engagement and participation to the course material. Class Participation is an integral part of this course and of your education. Students must attend **online the weekly review session**.

Students are awarded **0.67% per chapter summary up to a maximum of 8% of your class grade (i.e., 0.67 point x 12 chapters or 8 points)**. The chapter summaries must be posted online on the Discussion Board by the deadline and will be available to all the students. The length of each summary must be **150 - 600 words**. Moreover, if the length of the chapter summary is at most **15 - 149 words**, students must highlight the PowerPoint of the chapter and submit it along with their chapter summary in order to earn **full credit**. You will be expected to interact with myself and fellow classmates through the **online Discussion Board** and during the **weekly review session**. You are welcome to ask me questions via email, but you will earn participation points only through **online Discussions postings**.

Late submission will adhere on the following late submission policy.

You will be allowed to make up work for full credit only under extreme circumstances (such as a documented, serious health-related emergency). **This make-up policy will follow this Late Submission Policy.**

Moreover, you will earn **0.4 point** for attending each weekly review session for a total of **up to 2 points of your class grade** (i.e., 0.4 point x 5 weekly review sessions or 2 points).

More importantly, you will earn **0.125% extra credit for class participation up to 2% extra credit** by posting feedback about the chapter summaries from other fellow students and/or by posting any question/response/feedback about the course materials on the Discussion Board online. In addition, multiple posts within the **same discussion thread/topic** are potentially welcome, but will collectively count as only one post for **0.125% bonus point**. The **2% extra credit** for class participation will be added to the class grade.

- ⇒ Chapter Summary 1 must be submitted online the Wednesday of Week 2 **by 11:59 am Beijing Time** (Day 8 of the course).
- ⇒ Chapter Summary 2 must be submitted online the Wednesday of Week 3 **by 11:59 am Beijing Time** (Day 13 of the course).
- ⇒ Chapter Summary 3 must be submitted online the Wednesday of Week 4 **by 11:59 am Beijing Time** (Day 18 of the course).
- ⇒ Chapter Summary 4 must be submitted online by Tuesday of Week 5 **by 11:59 am Beijing Time** (Day 22 of the course).

The class participation is worth 10% of the class grade plus up to 2% extra credit for feedback about online postings from other students.

Attendance/Makeup Policy

The College recognizes the correlation between attendance and both student retention and achievement. This is an **online class**. More importantly, **students are expected to participate in all class activities of all courses for which they are registered.**

Class participation is mandatory. Poor participation, and disruptive conduct will adversely affect your grade.

You will be allowed to make up work for full credit only under extreme circumstances (such as a documented, serious health-related emergency). **This make-up policy will adhere to the following Late Submission Policy.** Students must fill up and submit the late petition form and send it by **email to both** the Teaching Assistant (TA) and the instructor **at least 24 hours prior** to the deadline of any assignments. Failure to complain with this policy will result in a **25% penalty assessed on the grade** of the missed assignment.

More importantly, **all the missed assignments**, with **an assessment of a 25% penalty**, must be completed by **Thursday of Week 3** (i.e., for materials included in Exam 1) or **Thursday of Week 5** (i.e., for materials included in Exam 2) by 11:59 am Beijing Time.

Cheating will not be tolerated. This includes but is not limited to giving or receiving aid on a homework, project or exam and plagiarizing the work of others (including your classmates). All the work you turn in must be in **your own words**.

Classroom Rules

Please respect the education of your fellow students. No cheating or plagiarism will be accepted. Be honest with yourself and with your fellow students. Any case of plagiarism about identical postings based on the chronological order of posting of chapter summaries by any students will automatically **forfeit the entire 10% for participation** and **forfeit the extra credit class participation up to 2% bonus points** with the risk of being **suspended or expelled from the program**.

Live Sessions

Students are not required to turn on their cameras or microphones. They are not required to ask or answer any questions. Moreover, students are required to attend the orientation live session and the weekly review sessions. Failure to attend these sessions will result of the **loss of ½ point per absence** deducted from the **10% for participation**.

Grading System

The instructor will use the grading system as applied by JNU:

Definition	Letter Grade	Score
Excellent	A	90~100
Good	B	80~89
Satisfactory	C	70~79
Poor	D	60~69
Failed	E	Below 60

Academic Integrity

As members of the Jinan University academic community, students are expected to be honest in all of their academic coursework and activities. Academic dishonesty includes (but is not limited to) cheating on assignments or examinations; plagiarizing, i.e., misrepresenting as one's own work any work done by another; submitting the same paper, or a substantially similar paper, to meet the requirements of more than one course without the approval and consent of the instructors concerned; or sabotaging other students' work within these general definitions. Instructors, however, determine what constitutes academic misconduct in the courses they teach. Students found guilty of academic misconduct in any portion of the academic work face penalties that range from the lowering of their course grade to awarding a grade of E for the entire course.