

**Economics 443  
Labor Economics  
Autumn 2022**

**Syllabus**

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Associate Professor

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**Class Meeting Time**

M W 3:30 – 5:20 PM

**Office Hours**

Email me to arrange a Zoom appointment.

**Course Description**

In this class we will use economic theory and current and historical labor market data to understand labor market outcomes such as labor supply, labor demand, earnings, occupational choice, human capital investment and unemployment. Implications of policies measures such as workplace regulation, unemployment compensation and the minimum wage will be discussed.

**Format**

This class is a hybrid in-person/remote class. The following classes will be in-person: September 28<sup>th</sup>, October 3<sup>rd</sup>, October 10<sup>th</sup> the midterm on October 26<sup>th</sup> and the final on December 16<sup>th</sup>. All other lectures will be remote and synchronous. Remote lectures will generally not be recorded

In person classes, the midterm and the final will be held in Denny 113.

**Prerequisites**

ECON 300 (Intermediate Microeconomics) or the equivalent.

**Required Text**

*Labor Economics*, Eighth Edition, by George Borjas. **You must use the 8<sup>th</sup> edition.** The ebook is available at <https://www.mheducation.com/>.

**Other Required Readings**

Articles and policy papers posted on Canvas.

## Software

We will use the software package Stata for computer exercises. You can buy the student version (Stata BE) at <https://www.stata.com/order/new/edu/profplus/student-pricing/>. Some students may be able to access Stata for free remotely from CSDE.

## Class materials

Class materials will be posted on Canvas.

## Grading

Your class score will be calculated as follows:

Homework (7 @ 3 points each)	21 %
Midterm	18%
Final Exam	29 %
Project	30 %

A score of 90% is generally the cutoff for an A-, 80% for a B-, etc. Grades are assigned according to the standard University of Washington grading system. See [http://www.washington.edu/students/genclat/front/Grading\\_Sys.html](http://www.washington.edu/students/genclat/front/Grading_Sys.html).

## Final Exam

An absence from a quiz or exam is excused only under extraordinary circumstances. Examples of excused absences include sickness, jury duty, death in the family, military service, exposure to COVID and religious observance. The UW policy for religious accommodations is below. A grade of zero will be assigned when an exam is missed for an unexcused reason. Exams will not be rescheduled to accommodate personal travel.

## Homework

You may consult class notes, handouts, and any material posted on the class Canvas page to complete the assignment. **You may not work with other students or consult any other material posted on the web to complete the graded homework assignments. You may not compare solutions.** This is cheating. I will be happy to work with you if you feel you are stuck.

Upload your homework on Canvas by 10 PM on the date due. Please include your name in the name (in English characters) and the homework number in the file name. It is your responsibility to ensure that the file has uploaded correctly.

Solutions to the homework problems will be posted after everyone has submitted the assignments. I will review problems as requested.

## Project

The group project involves researching a labor economics topic. A list of projects is in a separate document. I will assign groups based on students' preferences and backgrounds. I will assign topics based on each group's preferences.

There may be other smaller assignments at the group level throughout the quarter that you will attend through Zoom breakout rooms.

I will meet with each group remotely outside class hours at least twice each quarter.

### **Academic Conduct**

*Academic integrity is the cornerstone of the Department's rules for student conduct and evaluation of student learning. Students accused of academic misconduct will be referred directly to the Office of Community Standards and Student Conduct for disciplinary action pursuant to the Student Conduct Code and, if found guilty, will be subject to sanctions.*

Sanctions range from a disciplinary warning, to academic probation, to immediate dismissal from the Department and the University, depending on the seriousness of the misconduct. Dismissal can be, and has been, applied even for first offenses. Moreover, a grade of zero can be assigned by the instructor for the course.

### **Religious Accommodation**

Washington state law requires that UW develop a policy for accommodation of student absences or significant hardship due to reasons of faith or conscience, or for organized religious activities. The UW's policy, including more information about how to request an accommodation, is available at

<https://registrar.washington.edu/staffandfaculty/religious-accommodations-policy>

Accommodations must be requested within the first two weeks of this course using the Religious Accommodations Request form at <https://registrar.washington.edu/students/religious-accommodations-request/>).

### **Communicating**

I will send out announcements by email. If you need to reach me, please email me with "Econ443" in the subject line. Include your student number as well as your name in English characters on emails. Please don't send messages to me through Canvas.

I try to get back to students' emails promptly. Please follow up if you do not get a response within 24 hours.

### **The Schedule**

The schedule below is tentative. There will also be detours to address current events. I will update weekly with more specifics about reading assignments.

<u>Session</u>	<u>Date</u>	<u>Topic</u>	<u>Readings and Assignments</u>
1	9/28	Introduction to Labor Economics Measuring the Labor Force	*Borjas 1 (except for the appendix) *Borjas 2.0-2.2 *Stiglitz, "One Percent"
2	10/3	<u>Labor Supply I</u> Review of Theory of the Consumer Baseline Labor Supply Model	*Borjas 2.3-2.5 * <i>Baseline Labor Supply Model</i> , p 1-10 * <i>Accessing BLS data</i> Homework 1 (do not submit)
	10/5	<b>NO CLASS</b>	
3	10/10	<u>Labor Supply II</u> Baseline Labor Supply (Participation) Household Production Participation Profiles	*Borjas 2.6, 2.7 (participation) *Borjas 2.9 (HH Production) * <i>Baseline Labor Supply Model</i> , p 11-13  <b>Request Group Members</b>
4	10/12	<u>Labor Supply III</u> Labor Supply Applications I	*Borjas 2.9 (HH production) *Borjas 2.11, 2.12, 2.14 (applications) * <i>Labor Supply Applications</i>  <b>Homework 2</b> <b>Project Preferences</b>
5	10/17	<u>Labor Supply IV and Research</u> Stata Tutorial Labor Supply Applications II Regression Models in Stata (example with returns to schooling)	*Borjas 2.8 * <i>Labor Supply Applications</i> * <i>Questionnaire (take survey before class but don't submit)</i>
6	10/19	<u>Labor Supply V and Labor Demand I</u> Estimating Labor Supply Elasticities The Market Labor Supply Curve Wrap-up Labor Supply Intro to Labor Demand	*Borjas 2.8 (again) **"Most Likely to Succeed..."  <b>Homework 3</b>
7	10/24	<u>Labor Demand II</u>	*Borjas 3.0-3.2 * <i>Labor Demand</i>
8	10/26	<b>MIDTERM</b>	
9	10/31	<u>Labor Demand III and Equilibrium I</u>	*Borjas 3.3-3.7 * <i>Labor Demand</i>  <b>Project Plan and Assignments</b>
10	11/2	<u>Equilibrium</u> Minimum Wage, Monopsony	*Borjas 3.8, 3.10, 4.0, 4.1 *Lawrey, "Supersize"

			*Borjas 4.9, Appendix 6 *Borjas, (4.3, 4.4?)  <b>Homework 4</b>
11	11/7	<u>Human Capital I (Schooling)</u>	*Borjas, Chapter 6
12	11/9	<u>Human Capital II (Training)</u> Estimating Earnings Equations General and Specific Human Capital	*Borjas, 7.0-7.4  <b>Homework 5</b>
13	11/14	<u>Compensating Variations</u> <u>Race/Gender I</u>	*Borjas Chapter 5  <b>Status Report</b>
14	11/16	<u>Race/Gender II</u>	*Borjas, Chapter 9
15	11/21	<u>Race/Gender III</u>	<b>Homework 6</b>
16	11/23	<u>Unemployment</u>	*Borjas, Chapter 12
17	11/28	<u>Income Distribution</u>	*Borjas, 7.5-7.9
18	11/30	Presentations	
19	12/5	Presentations	<b>Homework 7</b>
20	12/7	Presentations	
	<b>12/15</b>	<b>FINAL EXAM</b>	<b>2:30-4:20</b>

\*Required

**Assignment Due or Exam**

*My document posted on Canvas*