

Economics 139, Labor Economics

Spring 2018

TTh 12:30-1:50 p.m.

Center Hall 119

Basic Information

Instructor: Kate Antonovics

Office: Department of Economics, Room 327

Email: kantonov@ucsd.edu

Office hours: Thursdays 2-3pm

Class webpage: tritoned.ucsd.edu

This course will introduce you to various theories about the labor market and we will evaluate how well those theories explain observed patterns in the data. After taking this course, you will know more about a) economic theory, b) the methods that economists use to test those theories and c) observed trends in wages, employment, education and other labor market phenomena. The class has a heavy public policy focus. Course prerequisites: Econ 2 or Econ 100B.

Required Learning Materials

- The **textbook** for the course is *Labor Economics*, 7th Edition, by George Borjas, (Irwin McGraw-Hill, ISBN: 9780078021886). The 5th or 6th edition is also fine.
- You can access an “inclusive access” ebook version of the textbook on TritonEd for \$45.75.
- If you want to use the ebook, your student account will automatically be charged after the add/drop deadline on 4/4/18.
- If you do **NOT** want to use the ebook, you must opt out online before the add/drop deadline on 4/4/18.



Required Learning Materials

- In addition to the reading in the textbook, there will be 2-3 required **supplemental readings**, which you can download from the Supplemental Readings folder on the class web page.
- An **i>Clicker**, which can be purchased at the Bookstore (and elsewhere). Note you must register your i>clicker on TritonEd by **Sunday, April 15th at 11pm** or you lose the option to use i>clickers in the course.



Clicker Discussion Questions

Individual
Vote



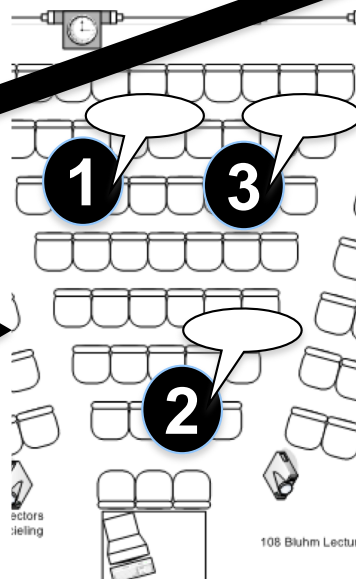
Small Group
Discussion



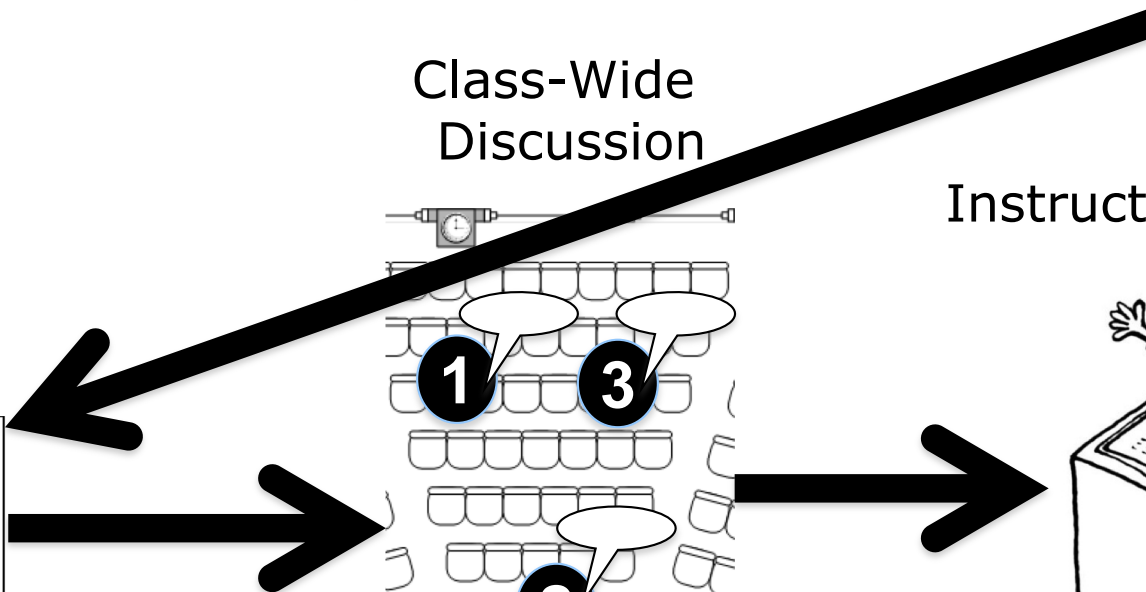
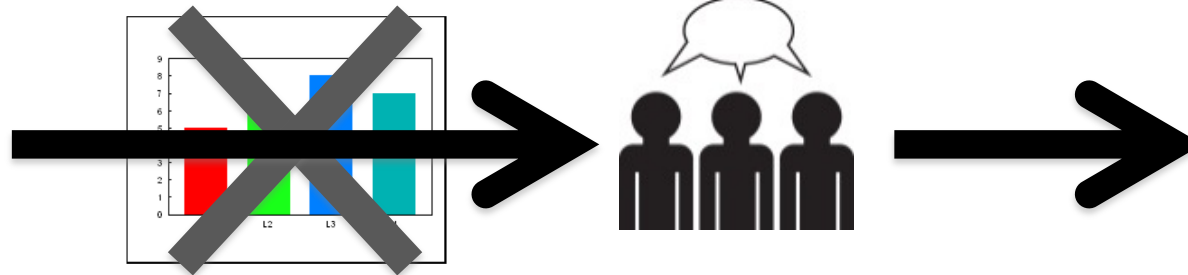
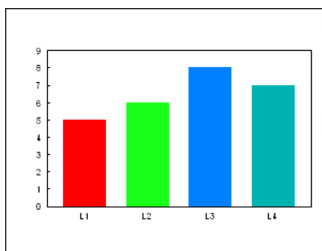
Group Vote



Class-Wide
Discussion



Instructor Wrap-up



Are clickers worth it?

- When I have used clickers in the past, about **90%** of students agreed or strongly agreed that other instructors should use this approach.
- “I felt like I contributed more to this class than any other class by being able to discuss my answers with my peers. In addition, I felt like I was learning from my peers as well when they discussed how they approached their answers.”
- “I feel like I am definitely more engaged. And since we discuss the questions among ourselves, it is more comfortable for us to ask each other questions and help each other learn. I strongly feel like I am part of the lectures and other students' learning process, rather than just a bystander, listening and maybe learning nothing.”

Graded Online Assessments

- At the end of every chapter, there will be a short online assignment on Tritoned. Typically these assignments will be due on Sundays at 11pm (there may not be an assignment due every week), and you will have about a week to complete each assignment.
- Every time you submit your answers, you will be able to see your score as well as the correct answer to each question. You can attempt the assignment *as many times as you want*, but each time you will get a slightly different version of the assignment. You have an unlimited number of tries to get a perfect score, and your grade on the assignment will be the highest out of all your attempts. **Late assignments are not accepted, no exceptions.**

Ungraded Problem Sets

- There will be (almost) weekly ungraded problem sets posted on the class web page. These contain short answer questions similar to those that have appeared on my exams in the past.
- Problem sets generally will be posted Sunday afternoons, and are “due” the following Sunday, but *you do not have to turn in your answers to the problem sets, and they will not be graded*. Thus, the “due date” is just meant to serve as a signal of how quickly you should be moving through the material. On the day your problem set is due, I will post the answer key.
- Your TAs will go over the answers during weekly review sessions.

Course Grades

| Item | Option 1 | Option 2 |
|--|----------|----------|
| In-Class Clicker Participation <ul style="list-style-type: none">• You get either 100% or 0% for each class.• You get 100% if you click at least 75% of the time.• 4 lowest classes automatically dropped | 5% | 0% |
| Online Assessments <ul style="list-style-type: none">• Approximately 8 individual items• 2 lowest scores automatically dropped | 5% | 5% |
| Midterm: Thursday, May 3 rd in class* | 35% | 35% |
| Final Exam: Monday, June 11 th , 11:30-2:30pm* | 55% | 60% |

* The dates of the midterms and final exam are **NOT NEGOTIOABLE**

COURSE GRADE = $\max \{ \text{OPTION 1}, \text{OPTION 2} \}$
(I choose for you)

Administrative Matters

- If you have a documented disability, please come to talk to me as soon as possible so that we can make suitable accommodations for you. If you believe that you have a disability and desire accommodation, please register with the Office for Students with Disabilities.
- Academic dishonesty will not be tolerated. Students are expected to do their own work, as outlined in the UCSD Policy on Integrity of Scholarship. Students found guilty of academic dishonesty will earn a failing grade for the course.
- If you need to miss the midterm for a verifiable medical/legal/sports reason, your final exam will replace your grade on the midterm. In other words, your final exam will count for 90 (or 95) percent of your grade in the class. Failure to notify me promptly that you must miss the midterm will result in a zero grade for the midterm. *Unexcused absences will also result in a zero.*

Administrative Matters

- If you arrive late to an exam, I will allow you to take the exam in the time that remains *as long as no one has turned in his/ her exam and left the room*. Once a classmate has turned in his/her exam, you will earn a zero on the test if you arrive late.
- UCSD now has automated waitlists. If you have any questions regarding adding the class, please refer to Triton Link or contact the undergraduate advisors in Sequoyah Hall 245. The Economics Department does not allow you to add a class after the second week of the quarter.
- Midterms and exams that you do pick up will be kept 45 days following the end of the course and then thrown away (at which point your scores cannot be disputed).

Examples of academic misconduct in this class

- Using someone else's clicker or asking someone else use your clicker.
- Completing an online assessments for someone else.
- Copying from another student during an exam.
- Using a cell phone, calculator, cheat sheet, or other prohibited materials during an exam.
- Lying about having taken an exam.

Please note: I will submit all suspected cases on academic misconduct to the Office of Academic Integrity, and I reserve the right to give a failing grade to any student found guilty of academic misconduct.

Schedule

- This is a *rough* guide, and may change.
- It is up to you to keep up with the reading.
- You are responsible for all of the material in the chapters listed below, but exams will emphasize the material covered in class.
- You also will occasionally be asked to read supplemental materials posted on the class web page.

Continued on next page . . .

| Topic | Reading (7 th Edition) |
|---------------------------------|-----------------------------------|
| Labor Supply | Chapter 2 |
| Labor Demand | Chapter 3 |
| Labor Market Equilibrium | Chapter 4 |
| Compensating Wage Differentials | Chapter 5 |
| Human Capital | Chapter 6 |
| The Wage Structure | Chapter 7 |
| Labor Mobility | Chapter 8 |
| Unemployment | Chapter 12 |

How will lectures work?

- Power point style lectures with occasional clicker questions.
- You can get a rough outline of the Power Point slides ahead of time from the class web page.
- The material on the slides will be supplemented during lecture and anything I write on the slides during lecture is not be available outside of lecture.
- Lectures are also video podcast.

Why is the labor market different from other input markets?

- Firms do not own workers and workers have utility functions.
 - Firms have to make workers happy enough to entice them to work for the firm, and workers care about their wages and their working conditions.
 - The quality and quantity of labor is decided by workers. That is, decisions about where to work and what skills to acquire rest with the worker.
- The amount workers earn determines their standard of living, and we care about economic well-being, income inequality etc.

Policy Issues in Labor Economics

- Income inequality
- Unemployment
- Immigration
- Government expenditures on education
- Poverty
- Taxes

Hopefully, by the end of this class, you will have a better set of tools to help you think about the policy debates surrounding issues like these.