



Labor Economics

ECON 3100-003 * Spring 2015

W 6:00 – 9:00 pm * OSH 132

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Office hours: Thurs. 12:30 – 1:30pm or by appointment
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Course Description:

This course is intended to provide students an understanding of the modern theory of labor market and its usefulness for policy analysis. We begin with an overview of key concepts of the labor market. We then study the modern theory of labor market behavior and analyze several topics of special interests to students. Finally, while policy issues will be discussed throughout the semester, we apply the concepts and theory of modern labor markets to two issues of major policy importance in the last two or three decades: widening earnings inequality and the effects of international trade on labor markets.

There are no specific prerequisites for this class. However, some knowledge of microeconomics (at the principles level) and basic algebra will be very helpful.

Course Objectives:

At the completion of this course, students are expected to:

- (1) understand the concepts and theory that underline the workings of the labor market in modern economies.
- (2) be able to draw some policy implications associated with the concepts and theory of the labor market.

Course Material:

Required Textbook

Modern Labor Economics: Theory and Public Policy, Ehrenberg and Smith, 12th Edition. The textbook can be purchased from the university's bookstore. A copy is on reserve at the Marriot Library for limited use. An older edition may work as well with certain adjustments. Those with the 11th edition are strongly advice to read "New to This Edition" page xviii of the 12th edition from their classmates.

Other materials

Various blogs that focus on macroeconomic issues are available online. Some of these are The Federal Reserve Bank of New York's Liberty Street Economics blog <http://libertystreeteconomics.newyorkfed.org/labor-economics/> and The Economists Labor Market blog <http://www.economist.com/topics/labour-market>. As I find interesting articles and videos, I will post them or the link on Canvas.

Course Organization:

Grading

Weekly quizzes (20%)

2 Assignments (20%): 1 Individual Paper Summary and 1 Group Debate

1 in-class Midterm Exam (30%)

1 in-class Final Exam (30%).

Grades will follow an absolute scale according to the university's requirements: [in %] 93+ A, 90-92 A-, 86-89 B+, 82-85 B, 79-81 B-, 76-78 C+, 73-75 C, 70-72 C-, 67-69 D+, 64-66 D, 60-63 D-, <60 F.

Students who typically do well in the course are those who come to class every day on time and take good notes. Students who usually get lower grades are those who miss classes and/or come late and fail to take good notes. Even if you are able to borrow a classmate's notes, they are not a perfect substitute for you being in class and taking your own notes. Writing out problems and notes in class reinforces the concepts discussed and will help you do better on the quizzes, assignments and exams and most importantly enrich your understanding of Labor Economics.

Late assignments and make-up exam policy:

All quizzes and assignments will be posted on canvas unless otherwise stated. The system will be set up such that no answers can be submitted after the deadline. In other words no late assignments will be accepted.

In terms of make-up exams, you will have to give me at least 4 weeks' notice otherwise no make-up exam will be available. In case of family or personal medical emergency you will need to provide a note from a physician/hospital which will be checked by the department.

Americans with Disabilities Act (ADA) Statement:

The University of Utah seeks to provide equal access to its programs, services, and activities for people with disabilities. If you will need accommodations in the class, reasonable prior notice needs to be given to the Center for Disability Services, 162 Olpin Union Building, 581-5020 (V/TDD). CDS will work with you and the instructor to make arrangements for accommodations. All information in this course can be made available in alternative format with prior notification to the Center for Disability Services.

Tentative Course Schedule

Week	Topics	Readings
1	Introduction Overview of the Labor Market	Ch 1 Ch 2
2	The Demand for Labor	Ch 3
3	Labor Demand Elasticities Frictions in the Labor Market	Ch 4 Ch 5
4	Supply of Labor to the Economy: The Decision to Work	Ch 6
5	Labor Supply: Household Production, Family & Life Cycle Compensating Wage Differentials and Labor Markets	Ch 7 Ch 8
6	Unions and The Labor Market	Ch 13
7	Investment in Human Capital: Education & Training <i>Midterm Review</i>	Ch 9
8	<i>Midterm Exam</i>	
9	Worker Mobility: Migration, Immigration, & Turnover	Ch 10
10	<i>*Spring Break*</i>	No Class
11	Pay and Productivity: Wage Determination within The Firm	Ch 11
12	Gender, Race, Ethnicity in the Labor Market Inequality in Earnings	Ch 12 Ch 15
13	Unemployment	Ch 14
14	The Labor-Market Effects of Int. Trade and Production	Ch 16
15	<i>Wrap-up/Final Review</i>	
16	<i>Final Exam (April 29, 2015 from 6:00 – 8:00 pm, OSH 132)</i>	