

ECN 427

Labor Economics

Spring 2022

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Office:	Cameron 220 E		
Office hours:	TTh 2-3pm (Zoom at our class link)	or by appointment	

Prerequisites

ECN 222

Course Description

An analysis of the demand for and the supply of labor at the individual and the aggregate level; labor unions and collective bargaining.

Purpose

This course is designed to introduce us to some useful methods of economic analysis as they pertain to the study of labor markets. Theoretical tools will be introduced, and their applications in empirical studies of labor markets will be discussed. Some fundamental and relevant econometric methodologies will also be discussed. There will also be an emphasis on reading and understanding real economic research on labor markets.

A supplemental purpose of the course is to cover some basic tenets on the role of data in economic inquiry (*information literacy* (IL)). A large portion of the course is research-based, and will provide us ample opportunities to discuss and apply the following IL *frames*:

AUTHORITY IS CONSTRUCTED/CONTEXTUAL: we will look for opportunities to balance the claims made by economic research papers with their evidence and findings, and observe instances in which there is a mismatch between the positive implications of a paper and its normative assertions

INFORMATION HAS VALUE: we will apply proper citation practices in lectures and in presentations, and understand the papers we cover as part of a larger, richer tapestry of confirmatory and countervailing evidence

RESEARCH AS INQUIRY: we will trace the process of economic research, from theoretical models to empirical estimation and inference on theoretical results

SCHOLARSHIP AS CONVERSATION: we will evaluate the contributions of labor economists with a critical eye to discern the specific contributions made by every research paper to the relevant economic literature.

These points are taken from [2], which is a fantastic source for learning about the IL Framework.

Course structure

If all goes well, this will be a hybrid lecture/seminar style course. The first few weeks will consist entirely of lectures covering the core components (Chapters 1–4) of our textbook. From then on, every week will consist of one lecture day (M) and one lecture/seminar hybrid day (W). During the hybrid day, some students will sign up to present on economic research relevant to that week's topic. A group discussion on the presented paper will follow. For at least the first few weeks, I will make the lectures available via Zoom (see Meeting Times and Locations for the link).

Meeting Times and Locations

Unless we are directed otherwise, our course meeting times are as follows:

12:30pm-1:45pm in CH132

Additionally, at least for the first few weeks of class, I will make our classes available via Zoom at the following ID: 934 921 1526 ([link](#)).

Office Hours

Tuesdays and Thursdays, 2–3pm
or by appointment

Textbook

Borjas, *Labor Economics*, 8e, [[1](#)]

Grading

Grades for this course will be based on performance on weekly problem sets (30%), presentations on some economic papers (40%), and class participation (30%). I understand that grading based on class participation and presentations can appear opaque and subjective, so I will try to inform you if I feel that you are not on track in these categories.

Final grades will be assessed according to the following grading scheme:

A	93 and above
A-	90-92
B+	87-89
B	83-86
B-	80-82
C+	77-79
C	73-76
C-	70-72
D+	67-69
D	63-66
D-	60-62
F	< 60

Problem sets

We will have weekly problem sets covering the course material. The problem sets will contain a mix of multiple choice, numerical response, and short answer questions, which focus on the theoretical predictions of canonical labor market models, and empirical evidence for and against them. The problem sets will be weighted equally.

INSTRUCTOR'S NOTE: group work for problem sets is encouraged. However, every participant should work to develop his or her own understanding of the material—this will aid in preparation for our presentations and discussions. A good way to do this is to discuss problems collectively, and then answer them individually.

Presentations

A significant portion of this course will be to present actual economic research on the labor market issues we will be discussing in class. Each student will be asked to present three times during this class. One of these three presentations will be on the solutions to a problem set. The other two presentations will be on labor economics papers that tie into our course material.

1. PROBLEM SET PRESENTER: Presenting the solutions to a selected problem set (~10-15 minutes)
 - 10 pts Clearly and correctly explains the solutions to the problem set, giving intuition for theoretical results and implications
 - 5 pts Ties solutions to relevant course material—in particular, links theoretical results to surveyed economic literature, to highlight that economic research is a process of *inquiry* proceeding from theory to empirical evidence
2. PAPER PRESENTER: presenting an economic research paper relevant to that week's material (~20 minutes)
 - 5 pts Explains the motivations of the research paper and related literature. Properly cites this literature, explains how it is relevant, and how the research paper adds to this literature, portraying scholarship as an *iterative* and *conversational* process evolving over time
 - 5 pts Explains the methodology (data, model, econometric strategies) of the paper, demonstrating the technical aspect of research inquiry. Explains how the econometric techniques used by the paper are well suited to the data, to illustrate the *value* of economic information and the adjoining statistical methodologies used to treat it
 - 5 pts Explains the results and conclusions of the paper, illuminating again how they augment existing results in the literature, and how they relate to pertinent theoretical evidence (in particular, do the empirics validate or contradict predictions that would be made from the theoretical standpoint alone?)
 - 5 pts Ties the paper to material covered in class. Critically evaluates the paper in light of class discussion, balancing the claims of the paper against theory and related peer-reviewed evidence. This latter component should be made mindful of the fact that the authority of the authors is a *contextual* construction, and does not extend to all of their normative conclusions.

To help you, example slides that fulfill these requirements will be posted to our Canvas page.

An additional requirement for a particular week's presenter(s) is that the schedule an appointment with me the week before their scheduled presentation, to go over their planned presentation and ask any necessary clarifying questions.

Sign-ups for the presentation slots will be available at the beginning of the semester, and I will discuss the expectations for these presentations at greater length in class. Our course textbook lists relevant papers at the end of each chapter, which all will be acceptable for presenting (although other interesting choices are welcome).

Class participation

It is important that every student read the assigned readings and papers in advance. After student presentations, we will have a class discussion on the paper(s) presented. We will critically evaluate the paper along the IL framework, examining its role within the broader context of labor economics research. Importantly, this *conversational* aspect of our class seeks to extend the scholarship process from the literature into our classroom, as we ask how we would approach the same research questions confronted by the presented papers.

The class participation requirement can be fulfilled as follows:

1. Students demonstrate an understanding of the motivation and findings of presented papers through comments and questions during the discussions (50%)
2. Students demonstrate an understanding of how the presented paper relates with the class lecture material and related literature through comments and questions during the discussion (50%)

A basic requirement is that you show up to class, but the items above also necessitate that you be an active participant in our discussions. Keeping up with the course material and reading the selected papers in advance will be essential. I will do my best to ensure that students are keeping pace with the participation requirement—potentially, by asking questions to students during the discussions.

Late work and make up policy

Make-ups for all assignments will only be granted in the case of an approved University emergency (approval should be expressed as a note from e.g. the Dean or an appropriate medical authority). Late work will only be accepted in similar contingencies. Pre-excused absences should be communicated with the instructor, and appropriate arrangements will be made for those circumstances.

Attendance policy

See the class participation section.

Course Outline

Here is an approximate outline for this course, which is subject to change:

Week 1	Wednesday	Introduction and syllabus (Chapter 1)
Week 2 (1/17)	Monday	No class (MLK Day)
	Wednesday	Introduction and econometrics overview
Week 3 (1/24)	Friday	<i>Problem set 1</i>
	Monday	Labor supply: measurements, foundations (§2.1-2.6)
	Wednesday	Labor supply: the labor supply curve (§2.7-2.11)
Week 4 (1/31)	Friday	<i>Problem set 2</i>
	Monday	Labor supply: applications (§2.12-2.14, selected papers)
	Wednesday	Labor demand: short run/long run (§3.1-3.3)
Week 5 (2/7)	Friday	<i>Problem set 3</i>
	Monday	Labor demand: further issues (§3.4-3.9)
	Wednesday	Labor demand: applications (§3.10, selected papers)
Week 6 (2/14)	Friday	<i>Problem set 4</i>
	Monday	Labor market equilibrium (§4.1-4.3)
	Wednesday	Labor market equilibrium: immigration (§4.4-4.6)
	Friday	<i>Problem set 5</i>

Week 7 (2/21)	Monday	Labor market equilibrium: applications (§4.7-4.9)
	Wednesday	Review of Chapters 1-4, <i>presentation slot 1</i>
	Friday	<i>Problem set 6</i>
Week 8 (2/28)	Monday	Compensating wage differentials (Chapter 5)
	Wednesday	Compensating wage differentials, <i>presentation slot 2</i> (Chapter 5)
	Friday	<i>Problem set 7</i>
Week 9 (3/7)	Monday	No class (Spring break)
	Wednesday	No class (Spring break)
Week 10 (3/14)	Monday	Education (Chapter 6)
	Wednesday	Education, <i>presentation slot 3</i> (Chapter 6)
	Friday	<i>Problem set 8</i>
Week 11 (3/21)	Monday	The wage distribution (Chapter 7)
	Wednesday	The wage distribution, <i>presentation slot 4</i> (Chapter 7)
	Friday	<i>Problem set 9</i>
Week 12 (3/28)	Monday	Labor mobility (Chapter 8)
	Wednesday	No class (Business week)
	Friday	<i>Problem set 10</i>
Week 13 (4/4)	Monday	Labor mobility, <i>presentation slot 5</i> (Chapter 8)
	Wednesday	Labor market discrimination, <i>presentation slot 6</i> (Chapter 9)
	Friday	<i>Problem set 11</i>
Week 14 (4/11)	Monday	Labor unions (Chapter 10)
	Wednesday	Labor unions, <i>presentation slot 7</i> (Chapter 10)
	Friday	<i>Problem set 12</i>
Week 15 (4/18)	Monday	Incentive pay (Chapter 11)
	Wednesday	Incentive pay, <i>presentation slot 8</i> (Chapter 11)
	Friday	<i>Problem set 13</i>
Week 16 (4/25)	Monday	Unemployment (Chapter 12)
	Wednesday	Unemployment, <i>presentation slot 9</i> (Chapter 12)
	Friday	<i>Problem set 14</i>
Week 17 (5/2)	Monday	Unemployment, <i>presentation slot 10</i> (Chapter 12)
	Wednesday	Review, <i>presentation slot 11</i>

Best Practices Statements

Statement on academic integrity

All members of UNCW's community are expected to follow the academic Honor Code. Please read the UNCW Honor Code carefully (as covered in the UNCW Student Handbook and available [here](#)). Academic dishonesty in any form will not be tolerated in this class.

Statement regarding plagiarism

Please be especially familiar with UNCW's position on plagiarism as outlined in the UNCW Student Handbook. Plagiarism is a form of academic dishonesty in which you take someone else's ideas and represent them as your own.

Need for reasonable accommodation disclosure

The University of North Carolina Wilmington is committed to complying with all federal, state, and local requirements of nondiscrimination. UNCW supports the right of enrolled students to a full and equal ed-

educational opportunity and is committed to reasonable accommodations for individuals with documented disabilities or who are impacted by Title IX concerns.

Students with disabilities for whom accommodations may be necessary must be registered with, and provide official notification through, UNCW's Disability Resource Center (www.uncw.edu/disability). Once established, responsibility for disability-related accommodations and access is shared by DRC, faculty, and the student. Disability Resource Center: DePaolo Hall, Suite 1033; 910.962.7555; DRC@uncw.edu

Non-discrimination statement

Individuals who wish to report any form of gender-based discrimination or sexual misconduct/harassment—and those requesting related accommodations—should contact UNCW's Title IX Office ([here](#)). Students may also report incidents of misconduct to their faculty; however, be aware that faculty are required by law to notify the Title IX office. If students wish to seek confidential resources without reporting an incident, three departments at UNCW are exempt from mandatory reporting requirements: CARE: Interpersonal Violence Prevention & Response, University Counseling Center, and Abrons Student Health Center. Office of Title IX & Clery Compliance: DePaolo Hall, Suite 1033A; 910.962.3557; titleix@uncw.edu.

Statement regarding violence and harassment

UNCW practices a zero tolerance policy for any kind of violent or harassing behavior. If you are experiencing an emergency of this type contact the police at 911 or UNCW CARE at 962- 2273. Resources for individuals concerned with a violent or harassing situation can be located at [this link](#).

Opportunities for additional tutoring

The University Learning Center's (ULC) mission is to help students become successful, independent learners. Tutoring at the ULC is NOT remediation: the ULC offers a different type of learning opportunity for those students who want to increase the quality of their education. ULC services are free to all UNCW students and include the following:

Learning Services (University Learning Center) <http://uncw.edu/ulc/learning/>

Math Services <http://www.uncw.edu/ulc/math/index.html>

Supplemental Instruction <http://www.uncw.edu/ulc/si/index.html>

Writing Services <http://www.uncw.edu/ulc/writing/index.html>

Covid policy

As of August 2nd 2021, the university has required the use of face coverings indoors. You will not be permitted to join an in-person class without a face covering. Failure to comply will result in referral to the Dean of Students. Any student who has a medical concern with wearing a face covering should contact the Disability Resource Center at (910) 962-7555. If you are not already vaccinated, please consult with your healthcare provider and consider getting vaccinated. Vaccines are available through the UNCW Student Health Center. Effective August 23, any student on campus who has not provided proof of vaccination will be required to participate in weekly surveillance testing.

Please do not come to class when you are not feeling well or are experiencing any COVID-19 symptoms. If you have been exposed to COVID-19 or are concerned about exposure, please contact the Student Health Center at (910) 962-3280 for specific information about testing, contact tracing and quarantine/isolation requirements, which differ for vaccinated and non-vaccinated individuals, according to CDC guidance. Remember, keeping healthy is essential to keeping campus open! Thank you for your help and compliance.

Syllabus amendment policy

The instructor might find a need to change portions of this syllabus. If this is the case, students will be immediately notified of the amendment(s).

References

- [1] George J. Bojas. *Labor Economics*. McGraw-Hill Education, eighth edition, 2020.
- [2] ACRL Board of Directors. Framework for information literacy for higher education, 2015.

Last updated: May 4, 2022