

University of Oregon
Department of Economics
Labor Economics (Econ 450)

Dr. Larry Singell

Fall 2005

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Office Hours: Within reason, you are welcome to stop in and ask questions at any time: If currently engaged, I may ask you to return at some other time. However, scheduled office hours are Monday 9:00-10:00 AM and Wednesday 4:00-5:00 PM in which you will be assured that I do not have other engagements.

Lecture: Tuesday and Thursday 10:00-11:20 PM.

Class web page: www.uoregon.edu/~lsingell/. The web site will be an important source of information regarding the course, including a copy of the syllabus, exam answers, data for the empirical projects, grade distributions, and quiz questions.

Course Objective: The class will be conducted in a lecture format. The lectures will present a neo-classical approach to labor demand, labor supply, human capital, and other traditional labor economics issues. The aim of the course is to develop a firm understanding of the economic approach to human behavior as it applies to labor markets.

Exams and Grading Policy: There will be two quizzes, two empirical projects, and a final for the course. The quizzes will be given on Tuesday, October 18th and November 15th and will be composed of short-answer, problem solving, and essay type questions. Each quiz will be worth 17 percent of your grade. The empirical projects require you to work in a group comprised of two or three students and to use data provided on my class web site to conduct a policy-relevant, empirical analysis of an important labor issue. Each project is worth 17 percent of your grade and is due on Thursday, October 27th and Tuesday, November 22rd. The final exam will be comprised of comprehensive essay and problem solving questions and will account for the remaining 32 percent of your grade; the final will be given on Tuesday, December 6th from 1:00-3:00 PM. The quizzes, projects, and final **cannot** be rescheduled for any reason; do not enroll in this course unless you can fulfill your class obligations at their scheduled times. If any one of the examinations is missed, a typewritten petition fully explaining and documenting why the exam is to be missed must be submitted prior to the writing of the exam in question. If the petition is approved, then the weight of the missed exam will be added to the original weight of the final exam. If this procedure is not followed, zero points will be awarded for the missed exam. An excused absence is one supported by official documentation bearing proof of university business, *serious* injury or illness, or a death in the family. Those students taking the course pass/no pass must earn a "C-" in the course in order to receive a pass. Persons who require additional assistance during exams should contract me in advance.

Econ 550 Students: Masters' students cannot work with their fellow students on the empirical projects, but must complete the work independently. Moreover, in addition to the 3-4 page summaries of the empirical work, the empirical projects must include a tightly written, 3-4 page, double-spaced review of the literature related to the selected project.

Grade Appeals: Any requests for re-grading on an exam must be submitted in writing within *one week* of when the exam is returned. A re-grading request should include an argument for why you feel your answer was correct. I reserve the right to re-grade the entire exam when a request to re-grade a specific question is made.

Academic Integrity: You may have a pen or pencil, eraser, a ruler or straightedge, and a non-programmable, hand-held calculator at your desk while taking an exam. Any other forms of assistance or sources of information are prohibited unless specifically authorized. Any violations of academic integrity involving an exam will result in a failing grade for the course. In addition, an incident report will be filed with the University's Hearing Board. The submission of all exams will require the presentation of a valid UO ID card without exception. It is also a violation of Oregon state law to create and offer to sell part or all of an assignment to another person (ORS 165.114) or to falsify the authorship of a work product (ORS 165.037).

Required Text: Borjas, George J., *Labor Economics*, 3rd Ed., McGraw-Hill, 2005

Outline of Lectures:	Chapters
I. Basic Math and Regression Review	1 and Appendix
II. Labor Supply and Human Capital Part I Applications: (1) Are welfare recipients lazy? (2) Human-capital investment: Is the grass always greener...? (3) Ability bias: Do Ph.D.'s make good plumbers?	2, 3, 7.1-7.8
III. Labor Demand and Human Capital Part II Applications: (1) Marshall's 4-rules: Why the UAW is MIA. (2) Employer discrimination in black and white. (3) Signaling: Looking for a sign. (4) On-the-job training: The real workout. (5) The age-wage profile: for whom the bell tolls.	4, 7.9-7.13
IV. Market Structure Applications: (1) The minimum wage: Is the cure worse than the disease? (2) Monopsony and the minimum wage: Power-lifting. (3) Old Friends: The Effect of Baby-Boomer Retirements	5, 4.9-4.10, 8
V. Discrimination Applications: (1) Customer discrimination: All pigs are equal but some pigs are more equal than others. (2) Statistical discrimination: The sins of the mother. (3) Does Affirmative Action Work?	10
VI. Labor Markets in the Developing World Applications: (1) Nike Vietnam: A Sweatshop or a Sweet Job. (2) Sex, AIDs, and population growth.	
V. Compensating Wage Differentials Applications: (1) Married to my job: Matchmaker, matchmaker make me a match. (2) Live and let die: How much am I willing to pay to survive another day at work. (3) Overeducation and undereducation: A mismatch made in heaven.	6