

ECO 361 – 01
Labor Economics
Department of Economics and International Business
Sam Houston State University
Summer 2008

Instructor: Dr. J. Ulyses Balderas
Lecture: MTWThF 12:00 – 1:50 pm in SHB 134
Office: SHB 241B
Phone: 936-294-4759
e-mail: eco_jub@shsu.edu
Office hours: MW 11:00 am – 12:00 pm; and by appointment

Course Description:

This course is about how labor markets work. In particular, it focuses on the behavior of, and relationship between employers and employees. How do they respond to general incentives of wages, prices, profits, and nonpecuniary aspects of the employment relationship such as working conditions. The course is divided into two parts. The first part will cover the basic ideas of labor supply, labor demand, and their interaction. The second part will focus on some specific topics in labor economics including compensating wage differentials, human capital, labor mobility, and labor market discrimination, among others.

We will be discussing questions such as: How individuals choose whether or not to work, and if so, how much? How do families decide who works outside the home and who takes care of the children? How do employers decide how many people to hire and how much to pay them? Why do some people go to college and others do not? Why do some people get paid more than others? How government policies affect the labor market?

Specifically, after completing this course, the student will have learned the following:

1. Understand basic labor economics theory and modeling techniques.
2. Apply their understanding of theoretical models to “real world” issues.
3. Understand important labor policy issues using the tools of economics.
4. Evaluate arguments on important issues related to labor economics.

Prerequisites:

The prerequisite for this class is Principles of Microeconomics (ECO 233). Do not take this class without the prerequisite!

Textbook:

There is one required textbook: *Modern Labor Economics. Theory and Public Policy.* By Ronald G. Ehrenberg and Robert S. Smith, Pearson Addison-Wesley, 2006.

Grading:

There will be three exams (including the final), three quizzes and three assignments.

Exam 1 (Wed July 16)	20%
Exam 2 (Mon July 25)	20%
Exam 3 (Thu Aug 7)	20%
Quiz 1 (Fri July 11)	10%
Quiz 2 (Tue July 22)	10%
Quiz 3 (Mon Aug 4)	10%
Homework / Class participation	10%

Students taking this class for graduate/honors credit: To provide students with more flexibility in tailoring the MBA and the MS in Finance to their needs, a maximum of two undergraduate courses may be used as electives. To receive graduate/honors credit for this course an MBA student must get approval from the graduate coordinator and the course professor **prior** to enrolling in this course. Additionally, a paper is required to elevate the course to graduate/honors level standards. This **paper** is expected to be eight (8) to ten (10) double-spaced, typed pages (including references, tables and graphics) on a labor economics topic that is approved by the course instructor. The paper is due the last day of classes.

Evaluation of students taking this course for graduate credit:

Exam 1 (Wed July 16)	15%
Exam 2 (Mon July 25)	15%
Exam 3 (Thu Aug 7)	15%
Quiz 1 (Mon July 14)	10%
Quiz 2 (Tue July 22)	10%
Quiz 3 (Mon Aug 4)	10%
Homework / Class participation	5%
Paper	20%

Grades will be assigned in the following manner:

Percentage	<i>Letter grade</i>
Above 90%	A
80 – 89 %	B
70 – 79 %	C
60 – 69 %	D
Less than 60 %	F

Homework

Three homeworks will be assigned during the term (one for each exam). The due date for each homework will be the class before the exam (no online submissions are allowed). The answer key will be posted on blackboard the due date of the homework.

Exams

The exams usually include two sections: a multiple choice section and a numerical/graphical analysis section.

To miss an exam or quiz, you must have a note from some acceptable authority figure explaining your absence. Without an acceptable excuse, missed midterms or quizzes will be given 0 (zero). If you have an acceptable excuse, I will give extra weight and additional material from the missed exam to the final examination. You cannot miss the final examination. If you miss the final, you fail the course.

Tips on taking the exams:

- If you are given numbers in a problem, then you should give numbers in the answer.
- SHOW WORK! It will help you get partial credit.
- Label graphs clearly, especially the axes.
- Never answer a short answer question simply with a “yes” or “no.”
- Use pencil/rulers and write legibly.

Academic Dishonesty: All students are expected to engage in all academic pursuits in a manner that is above reproach. Students are expected to maintain honesty and integrity in the academic experiences both in and out of the classroom. Any student found guilty of dishonesty in any phase of academic work will be subject to disciplinary action. The University and its official representatives may initiate disciplinary proceedings against a student accused of any form of academic dishonesty including but not limited to, cheating on an examination or other academic work which is to be submitted, plagiarism, collusion and the abuse of resource materials. For a complete listing of the university policy, see: http://www.shsu.edu/~vaf_www/aps/documents/810213.pdf

Student absences on religious holy days: section 51.911(b) of the Texas Education Code requires that an institution of higher education excuse a student from attending classes or other required activities, including examinations, for the observance of a religious holy day, including travel for that purpose. Section 51.911 (a) (2) defines a religious holy day as: “a holy day observed by a religion whose places of worship are exempt from property taxation under Section 11.20...” A student whose absence is excused under this subsection may not be penalized for that absence and shall be allowed to take an examination or complete an assignment from which the student is excused within a reasonable time after the absence. University policy 861001 provides the procedures to be followed by the student and instructor. A student desiring to absent himself/herself from a scheduled class in order to observe (a) religious holy day(s) shall present to each instructor involved a written statement concerning the religious holy

day(s). The instructor will complete a form notifying the student of a reasonable timeframe in which the missed assignments and/or examinations are to be completed. For a complete listing of the university policy, see: http://www.shsu.edu/~vaf_www/aps/documents/861001.pdf

Students with disabilities policy: It is the policy of Sam Houston State University that individuals otherwise qualified shall not be excluded, solely by reason of their disability, from participation in any academic program of the university. Further, they shall not be denied the benefits of these programs nor shall they be subjected to discrimination. Students with disabilities that might affect their academic performance are expected to visit with the Office of Services for Students with Disabilities located in the Counseling Center. They should then make arrangements with their individual instructors so that appropriate strategies can be considered and helpful procedures can be developed to ensure that participation and achievement opportunities are not impaired.

SHSU adheres to all applicable federal, state, and local laws, regulations, and guidelines with respect to providing reasonable accommodations for students with disabilities. If you have a disability that may affect adversely your work in this class, then I encourage you to register with the SHSU Counseling Center and to talk with me about how I can best help you. All disclosures of disabilities will be kept strictly confidential. NOTE: No accommodation can be made until you register with the Counseling Center. For a complete listing of the university policy, see: http://www.shsu.edu/~vaf_www/aps/811006.pdf

Other policies

I have a NO BORROWING NOTES policy. If you miss a class, do not ask me to give you my notes. You are responsible for getting the notes from a classmate.

Tentative Course Schedule

Topic	Chapter
Introduction / Statistical Testing of Labor Market Hypothesis	1 / Appendix 1A
Overview of the Labor Market	2
The Demand for Labor	3
Labor Demand Elasticities	4
EXAM 1	1,2,3,4
Supply of labor to the economy: the decision to work.	6
Labor supply: household production, the family, and the life cycle	7
Compensating Wage Differentials and Labor Markets	8
EXAM 2	6,7,8
Investment in Human Capital: Education and Training	9
Worker Mobility: Migration, Immigration, and Turnover	10
Gender, Race, and Ethnicity in the Labor Market	12
Unions and the Labor Market	13
FINAL EXAM	9, 10, 12, 13

I have read and I understand the rules, policies and outline of the class:

Print Name (legibly):

Signature:

Date: