

ECN 475/575 - ECONOMICS OF LABOR MARKETS AND HUMAN RESOURCES

Instructor: Dr. W. David Allen

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Office Hours: 1.00 pm - 2.00 pm, Tuesday/Thursday (also by appointment). I plan to be available at these times; I suggest you telephone before making a special trip.

Textbook: Ehrenberg and Smith, *Modern Labor Economics*, 10th edition (2009)

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COURSE OUTLINE

- Chapter 1 Introduction
- Chapter 2 Overview of the Labor Market and Labor Economics
- Chapter 3 The Demand for Labor
- Chapter 5 Labor Market Frictions and Labor Demand
- Chapter 6 Labor Supply
- Chapter 8 Compensating Wage Differentials
- Chapter 11 Pay and Productivity
- Chapter 12 Demographic Economics: Gender, Race, and Ethnicity

Important Dates:

Thursday, 10 September: **Quiz 1** (20 points)

Thursday, 24 September: **Test 1** (101 points)

Tuesday, 20 October: **Quiz 2** (20 points)

Thursday, 5 November: **Test 2** (101 points)

Tuesday, 3 November: **Deadline for revision feedback for 1st draft of research project.**

Tuesday, 17 November: **Quiz 3** (20 points)

Tuesday, 1 December: **Final draft of research project due.**

Tuesday, 8 December: **Test 3 (final)** (120 points), 3.00 pm

Information:

HOMEWORK SETS

Expect 3-4 homework sets, worth 20 points each, during the semester. You will always have one full week to complete a homework set, and you will be given *two* opportunities to receive it. If you miss class when a homework set is assigned, you will receive a score of 0 on that homework set. There are no exceptions. Homework sets allow you practice in the application of quantitative methods (mainly algebra) to concepts in labor economics. The best preparation for homework sets? Regular attendance, so that you can receive the homework sets and see my examples of the types of analysis they require. **LATE HOMEWORK POLICY:** Remember, a homework set may be turned in for points only if it has been received in class on one of the two days it was made available. A homework set is considered *late* if it is turned in after the class meeting in which the homework is due, as specified in the homework set's instructions. Homework submitted *same-day* late (i.e., turned in after that class meeting but prior to the end of that day) will receive a deduction of 4 points. Homework submitted *one-day* late (i.e., submitted the day after the official due date) will receive a deduction of 8 points. I will not accept homework submitted later than this.

QUIZZES

Expect three 20-point quizzes, on the dates specified on the previous page. If you miss class on the day of an announced quiz, you will receive a score of 0 for that quiz. I will not schedule make-ups for quizzes. Quizzes allow you practice in thinking about the labor economic material we have been covering recently. They may contain multiple-choice or short-answer items. The best preparation for quizzes? Regular attendance, so that you will have full exposure to the concepts covered on the quizzes, and regular review of your class notes, so that you always have an understanding of concepts as the class progresses.

TESTS

Tests consist of multiple choice (Part 1) and essay/problem-solving items (Part 2). Part 2 items in particular emphasize your ability to reason and apply labor economic material rather than your ability to memorize or regurgitate your lecture notes. Quantitative items may appear in either section. The best preparation for tests? Regular attendance, full practice on homework sets, regular review of your class notes, and careful study of key review items, which I will provide prior to every test. Please note that I do not give out information about test scores or class grades over the telephone or any other media. If you suspect you will have to miss a test, you must contact me *in advance* to reschedule.

RESEARCH PROJECT

A writing/research project is required in this course. This assignment gives you the opportunity to apply elements of the labor economic material you learn in this course to the analysis of a specific topic relevant in labor economics. It also gives you exposure to scholarly research in labor economics that forms the foundation of the material we cover. Here are the instructions for completing the research project:

1. Select a topic.

In the teaching area of my website (cba.uah.edu/allend), you will see a link to a listing of Research Topics, one of which you will select for your project. Within that page, click on each topic to see its details (a few motivating questions). Once you have decided on the topic you want to pursue, you must *claim* that topic in one of two ways: verbally *in class* or *by email* (allend@uah.edu). To claim a topic by email, you must do so using your UAH-provided email address; I will not accept a topic claim from any other email address or by telephone. I allow one topic per student with no replications, and I will not accept a change of topic, so select carefully. (I recommend having a second choice ready when you make a claim.) Once a topic has been claimed, I will indicate this clearly on the web page.

2. Write and submit your first draft

Use the motivating questions that accompany each topic as a guide to your analysis. At least one set of these questions will call on you to apply some economic analysis to the topic using analytical tools we have learned in class. Your ability to do this will be the most important determinant of the quality of your research project. You will also need to incorporate some discussion of scholarly research on your topic, using proper citations and referencing. Each topic has more specific details in this regard within its motivating questions. If you submit your first draft on or before Tuesday, 3 November, I will assign no grade but will provide feedback that will help you revise and improve your paper. After revising your paper, submit your final draft on or before Tuesday, 1 December (last regular class day); I will assign a grade to the final draft. If you submit a first draft but never submit a revision, I will assign a grade to your unrevised first draft. If you do not submit *any* research project by 1 December, your research project grade will be 0.

3. Specifications & Technicalities

Type (word-process) everything you submit at *all* deadlines. The initial and final drafts of your paper should be 3 to 5 typed, single-spaced pages, not counting any title page, diagrams, or references. If your first draft seems too short or too long, I will provide feedback on how to improve this.

At the end of your paper, insert an alphabetical listing (by author) of each of the materials you cite in the paper under the heading REFERENCES. (For examples of reference form, study how the Selected Readings sections are arranged at the end of the chapters in your textbook.) For citing works within the text of your paper, use the "Chicago style," i.e., the author's name followed by the year of the work in parenthesis. Some examples of preferred and faulty form:

Right: Becker (1965) was the first to undertake careful economic analysis of marriage.
Right: Maddala (1983) presents an easily-executable algorithm for testing such models.
Right: According to Ashenfelter and Ham (1979), workers commonly receive compensating wage differentials for working in jobs with less reliable periods of employment.

Wrong: Marriage affords economies of scale, is reinforced by complementarity, and *blah blah blah* (Gary S. Becker, 1965, p. 118).

Wrong: To estimate such a model, one first sorts the data in descending order of the *blah blah blah*; second, run ordinary least squares *blah blah blah* (Maddala, *Econometrica*, 1983, p. 56).

Wrong: The literature provides evidence of compensating wage differentials in such work environments (Ashenfelter and Ham 1979, pp. 344-347).

I encourage you to begin working on your research project *early* in the semester, rather than waiting until the last minute to get things done. This will give you time to work on your revision and solve any problems as they come up. As you work, please, *please* consult with me if you have questions about any aspect of your project or the research process!

The research project is worth 60 points. In grading your research project (final draft only), I will evaluate three areas: the proficiency with which you address the motivating questions; the incorporation of my comments and suggestions on the first draft, and the quality of the writing. For each area, I will assign points up to a maximum of 20; the sum of these points will comprise the final score, which will have a letter-grade equivalent consistent with the scale discussed below.

Grading:

For determination of grades, I will use the following scale: I generally consider scores of 80-100 as very good work and deserving of an *A* or, at worst, an *A-minus*. The *B* mark will range from 65-79. The *C* mark will range from 50-64. The *D* mark will range from 35-49. (Use the percentage equivalents for determining accumulated or overall standing.)

Note: If you are a graduate student, you will receive materials which outline additional requirements for this course.