

**Economics 331
Labor Economics
Spring 2005**

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Textbook: Labor Economics, George J. Borjas, 3rd edition

Office: TBD

Attendance: It is expected that students will attend course lectures. While I will not take roll, excessive absences may negatively affect your grade.

Modifications to original syllabus: There will be no debates, presentations, or papers. Homework may be assigned on occasion and will be used to reinforce class material.

Course Outline (dates are approximate)

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| March 14 | Review of Market Adjustments to Shifts in Labor Supply and Demand <ul style="list-style-type: none">a. Unemployment Typesb. Impact of a increase in minimum wage |
| March 16 | Labor/Leisure Choice Model Review <ul style="list-style-type: none">a. Income and Substitution Effects |
| March 18 | Policy Implications of Labor/leisure Models <ul style="list-style-type: none">a. Welfare programsb. Work Incentive Programsc. Income Taxesd. Retirement Incomee. Spouse Income |
| March 21 | Labor Demand |
| March 23 | Continue with March 21 Lecture/Labor Demand |
| March 25 | Easter Break |
| March 28 | Firms Labor Demand Curve (Con't) <ul style="list-style-type: none">a. Technology Change on long run labor demandb. Policy impacts – Gov't regulation |

March 30	Exam II – Material from March 14-March 23
April 1	Firms Labor Demand (con't) <ul style="list-style-type: none"> a. Derivation of the Market Demand Curve b. Criticisms of the Theory of Labor Demand
April 4	Elasticity of Labor Demand and Labor Supply
April 6	Labor Market Equilibrium – Labor demand and Supply <ul style="list-style-type: none"> a. Perfect Competition b. Monopsony
April 8	Policy Implications <ul style="list-style-type: none"> a. Subsidies b. Payroll taxes c. Immigration d. Discrimination
April 11	Continue with April 8 lecture
April 13	The Theory of Human Capital
April 15	Theory of Human Capital (cont) <ul style="list-style-type: none"> a. Returns to Education b. Earnings differential
April 18	In class Assignment
April 20	In class Exam III –Material from March 28-April 15
April 22	Policy Implications <ul style="list-style-type: none"> a. Decision to invest b. On the Job Training c. Who should pay for training? <ul style="list-style-type: none"> a. Fedex b. Mayo Clinic c. Department of Defense
April 25	Compensating/Occupational Wage Differentials
April 27	Con't with April 25 Lecture

April 29 Policy Implications
 a. Fringe Benefits
 b. Occupational Licensing
 c. Value of a life
 d. Government Regulation

May 2 Final Exam

Grading:

Exam I	15%
Exam II	25%
Exam III	30%
Final	30% Comprehensive