Economics 380: LABOR PROBLEMS  
TTH 2:00 pm-3:15 pm at M-120  
Fall 2011

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Office Hours: MW from 4-5 pm or right after your class.

Course Description: The principal objective of this course is to provide an overview of the current state of knowledge in the field of labor economics with an emphasis on current theoretical and empirical debates within the discipline. The first part of the course focuses on understanding how individuals make labor supply decision and how firms decide how many workers to hire. This part of the course is, to a large extent, theoretical. However, we will apply these theoretical concepts to examine the employment effects of welfare programs, payroll taxes, and minimum wage legislation. Subsequently, we will move onto a second part of the course, less theoretical, focused on gaining a better understanding of the different factors explaining workers’ earnings, such as their acquired human capital, the presence of compensating wage differentials, and/or discrimination. The third and last part of the course is the least theoretical and it primarily addresses day to day issues, such as immigration and its employment effects. Upon completion of each one of the chapters, you are expected to be able to answer the problems in your assignments and in your midterm exams addressing the following: how individuals make labor supply decisions; how firms decide how many workers to hire; how welfare programs, payroll taxes, and minimum wage legislation affect employment; how human capital, compensating wage differentials, and/or discrimination determine workers’ earnings, and how individuals decide to migrate and the employment effects of immigration. Additionally, you are expected to make a clear poster presentation in class on any of the topics mentioned above as explained in this syllabus.

Prerequisites: Six units of economics to include Economics 102.

Class Web-Site: A class website will be available through the Blackboard CourseInfo server, at http://courses.sdsu.edu/. When you officially enroll in this class at SDSU, you are automatically enrolled in the class Blackboard website. To login, use the same information you use to access WebLine. Your username is your Student ID (no dashes) and your password is your University PIN. If you don't know your Student ID number or wish to change your University PIN, please contact SDSU e-services at http://www.sdsu.edu/e-services/. PIN changes will be recognized by Blackboard within 24 hours.

Announcements made in class will be posted on the website, as will any handouts. All assignments, answer keys, and your grades will also be posted on the course website. I will tell you when I post new material but you are responsible for checking the site regularly.
There is also a textbook website at www.mhhe.com/economics/borjas4e. It would be a good idea to familiarize yourself with this website since it has some useful tools, including online quizzes, short exercises with their corresponding answers, and a summary of each chapter’s key concepts.

**Grading:**

Grades for the course are based on class attendance, take-home assignments, a poster presentation and the best of three exam scores from three midterms and one final (the latter is optional) as follows:

- **Class Attendance (taken at either the start or end of class)** 5%
- **Four Take-Home Assignments (6.25% each)** 25%
- **Poster Presentation (Need to actively participate in the presentation for credit)** 10%
- **Three Midterms & Optional Remedial Final (20% each – I use your 3 highest scores)** 60%

To compute your class grade, carry out the following calculation:

\[
\text{Percentage Score} = [0.05 \times (\text{sum of attendance points up to 75% of the total possible for the semester} / 75\% \: \text{of all possible attendance points}) + 0.0625 \times \text{homework assignment no.1 in \% terms} + 0.0625 \times \text{homework assignment no.2 in \% terms} + 0.0625 \times \text{homework assignment no.3 in \% terms} + 0.0625 \times \text{homework assignment no.4 in \% terms} + 0.1 \times \text{poster grade in \% terms} + 0.2 \times \text{first highest exam score in \% terms} + 0.2 \times \text{second highest exam score in \% terms} + 0.2 \times \text{third highest exam score in \% terms}]
\]

A few things to remember when computing your grade:
- You only need 75% of all attendance points possible to get a perfect score in attendance.
- All individual scores must be entered in percentage terms (out of 100, i.e. 85 if you got 85% in your assignment or exam).
- Your overall percentage score in the class will be rounded to the nearest integer. That means that an 85.5 becomes an 86, whereas an 85.4 becomes an 85. A tentative grade scale is given as follows:

- A: 95%+
- A-: 90-94%
- 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: 59%- 

An optional, remedial, comprehensive final exam will be administered during Finals Week. You may use the score from your final exam to make up for one of your midterm exams,
whether you missed one of the exams or whether you want to drop one of the scores. I will only use substitute your lowest midterm exam score with your final exam score if your final exam score is higher.

**Class Attendance**

Class attendance will be taken at the start or end of class. If you arrive late, it is your responsibility to come up to me after class and note your late arrival in order to receive the attendance points. Class attendance points will not be recorded after the class date in question has passed.

**Assignments**

The assignments will consist of exercises and problems similar to the ones from your textbook, which we will solve in class at the end of each chapter. They will be posted at the end of class and due at the beginning of class period indicated on the homework. Once the answer key is posted online, no credit will be given to late assignments. There are no make-up (or early) homework assignments.

**Poster**

As part of one of your assignments, you will be working on a poster presentation with a group of students. I will make up groups at random and will assign a presentation day. Each group will choose a topic for the poster to be presented in class and graded competitively by your colleagues and me. Specific details of the grading system will be provided in class the day of your presentation, but you will be graded based on the content of the poster, the oral presentation of its content, and on how your poster looks. Each member of the group has to be present and participate in the presentation to get any credit—it’s up to you to choose how. As a sign of respect and, also, because each of you will help grade the other groups’ posters, you have to be present the day that other groups present. For the poster theme, you are welcome to choose a topic within the ones covered in class or any other topic from the other chapters in your textbook to then make an application of the theory to explain a real life event as Borjas does in your textbook in the Theory at Work boxes in each of the chapters. You will have to provide me with advance notice of the theory application you are working on by the date of your second midterm exam. Overall, the poster presentation is intended to be a fun group exercise and, in the process, to address various objectives: (1) To apply some of the theory you learn to explain a real life event – this will enhance your understanding of the material and make it more obvious why we are covering the topics we are covering in class, (2) To get to know some of your colleagues, (3) To practice working in a group environment, and (4) To familiarize yourself with presenting your work to others, talk in public and being evaluated by your own colleagues when doing so.

**Exams**

Each exam will cover the material discussed in class after the last test and up through the last day of class before the test. Tentative exam dates are listed at the end of your syllabus next to the chapters that each exam will likely cover. Nonetheless, definite exam dates will be announced at least a week in advance in class. The exams will be problem/exercise based, similar to your take-home assignments and to the exercises worked out in class. I also include questions
regarding the material in your book chapters, chapter summaries and Power Point slides posted on BB. Samples of previous tests are posted in the “Course Documents” folder in Blackboard. There will be no make-up (or early) exams. If you miss an exam, you can make up the grade by taking the mass remedial exam, which will be comprehensive of the material covered in the course.

*Any request for grade change, whether related to an exam or assignment, will have to be submitted to me in writing, clearly indicating the question and the rationale/argument behind your request.*

**Other Helpful Information:**

*Academic misconduct:* Academic dishonesty includes plagiarism and cheating. Your work must be your own, and you must give credit for ideas from other sources. *During an examination, looking at someone else’s paper or telling someone else the answer is considered cheating. Any evidence of cheating will be promptly reported to the Judicial Procedures Office. You should be aware that the consequences are serious in the United States. They include expulsion from the university and can result in ineligibility to apply to law, medical and other school programs throughout the country based on your academic record.*

*Classroom conduct:* Please turn off your cell phones before class begins. Arriving late, leaving early, and talking during class can be disruptive to the instructor and to other students and should be minimized. Any form of behavior deemed to be inappropriate to the instructor will not be tolerated. If necessary, the matter will be turned over to the Judicial Procedures Office for appropriate disciplinary action.

*Students with disabilities are responsible for making their needs known to the instructor and seeking assistance in a timely manner.*

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Look at the “Tentative Course Outline” on the next page!
**Tentative Course Outline:**

<table>
<thead>
<tr>
<th>Week</th>
<th>Topic and Chapters Being Covered</th>
<th>Tentative Dates for Assignments, Poster Presentation &amp; Exams</th>
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</thead>
<tbody>
<tr>
<td>Week 1</td>
<td>Introduction and Labor Supply (Chapter 2)</td>
<td>Partial Derivative Assig. Posted, T, Aug. 30</td>
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<tr>
<td>Week 2</td>
<td>Chapter 2</td>
<td>Partial Derivative Assig. Due: T, Sep. 6</td>
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<tr>
<td>Week 3</td>
<td>Chapter 2 and Labor Demand (Chapter 3)</td>
<td>Assig. 1 Posted: TH, Sep. 8</td>
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<tr>
<td>Week 4</td>
<td>Chapter 3</td>
<td>Assig. 1 Due: TH, Sep. 15</td>
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<tr>
<td>Week 5</td>
<td>Chapter 3 and Labor Market Equilibrium (Chapter 4)</td>
<td>Assig. 2 Posted: T, Sep. 27</td>
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<tr>
<td>Week 6</td>
<td>Chapter 4 (on T) and 1&lt;sup&gt;st&lt;/sup&gt; Exam (on TH)</td>
<td>Assig. 2 Due: T, Oct. 4</td>
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<td>1&lt;sup&gt;st&lt;/sup&gt; EXAM: TH, OCTOBER 6</td>
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<td>Week 7</td>
<td>Compensating Wage Differentials (Chapter 5)</td>
<td>Assig. 3 Posted: TH, Oct. 20</td>
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<td>Week 8</td>
<td>Human Capital (Chapter 6)</td>
<td>Assig. 3 Due: TH, Oct. 27</td>
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<td>Week 9</td>
<td>Labor Market Discrimination (Chapter 9)</td>
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<td>Week 10</td>
<td>2&lt;sup&gt;nd&lt;/sup&gt; Exam (on T) and WS (Chapter 7 on TH)</td>
<td>2&lt;sup&gt;nd&lt;/sup&gt; EXAM: T, NOVEMBER 1</td>
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<td>Week 11</td>
<td>Labor Mobility (Chapter 8)</td>
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<td>Week 12</td>
<td>Labor Unions (Chapter 10)</td>
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<td>Week 13</td>
<td>Unemployment (Chapter 12) and Thanksgiving on TH</td>
<td>Assig. 4 Posted: T, Nov. 22</td>
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<tr>
<td>Week 14</td>
<td>Chapter 12 (on T) and 3&lt;sup&gt;rd&lt;/sup&gt; Exam (on TH)</td>
<td>Assig. 4 Due: T, Nov. 29</td>
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<td></td>
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<td>3&lt;sup&gt;rd&lt;/sup&gt; EXAM: TH, DECEMBER 1</td>
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<tr>
<td>Week 15</td>
<td>Poster Presentations</td>
<td>T and TH, DECEMBER 6 &amp; 8</td>
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<tr>
<td>Week 16</td>
<td>OPTIONAL/REMEDIAL COMPREHENSIVE FINAL EXAM</td>
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</tbody>
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**Poster Groups Announced**

Week 7

Week 8

Week 9

Week 10

**Poster Ideas Are Due**

Week 11

Week 12

Week 13

Week 14

Week 15

Week 16

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**Read the “hints on how to do well in the course” on the next page!**
Basic Hints on How to Do Well in this Course

#1) Do your share of work:

- Come to class on time,
- Work on the take-home assignments and on the exercises at the end of each chapter on a weekly basis,
- Study the materials posted on BB and your book chapters.

Exams are often literally taken straight from: (a) your book chapters, chapter summaries and PowerPoint slides posted on BB, and (b) slight variations to the exercises at the end of each chapter (covered in class) or in your take-home assignments. So make sure to work on and study those materials. See examples posted on BB for further information.

#2) Make sure you are comfortable with the math requirements needed. Because much of the course (about ½) focuses on labor supply and demand where individuals and firms are maximizing their utility and profit functions with regards to consumption, leisure, labor or capital, you need to be able to compute basic derivatives and partial derivatives. We will cover some basics the first day of class. However, since this is not a math class, I will not dedicate too much time to it. If you need more help, it is your responsibility to ask for it during the first two weeks of class.

#3) Do not procrastinate. Study weekly the material covered in class.

#4) Use the office hours if needed. I am here to help you learn. Do not leave getting the help you need to the week before your test.

#5) Maintain a good classroom conduct. Turn off cell phones, get to class on time, and avoid talking when I am. If you have a question, raise your hand and ask me. If you still do not understand after I answer your question, let me know after class and I will set some time aside to help you out further.

#6) Keep a positive attitude. Unfortunately, I have no control over the size of the class, the time at which the class meets, its length or the material that needs to be covered based on the course catalog or my accent –my native language is not English. If you do not wish to take this class for any or other reasons, please take another class you may enjoy more. I will understand.