

ECO 395K  
Labor Economics  
Unique # 34778  
Spring 2023  
Course Syllabus (1/5/2023 version; subject to change/update)

**Professor:** Gerald Oettinger

**Professor-led Live Meetings:** MW 2:00-3:15 PM, BRB 2.136

**Professor Office Hours:** MW 11:30 AM-12:30 PM, BRB 2.148

**Teaching Assistant(s):** David Jang

**TA Office Hours:** See course syllabus on class Canvas page

### **Course Description**

This course is a labor economics elective for the Option III M.A. program in economics. It has three main objectives. The first objective is to present some of the major theoretical models for understanding behavior and outcomes in the labor market. We will discuss the following topics: labor supply of individuals; labor demand by firms; wage determination in competitive labor markets and the wage structure; nonwage job attributes and compensating wage differentials; investment in human capital and wage differentials related to education and experience; and labor market discrimination and wage differentials by race and gender. I will give analytical homework problems to reinforce your grasp of the theoretical models.

The second course objective is to expose you to examples of empirical research in labor economics and to give you practice in making presentations. To this end, I will divide the class into several small teams and each team will give presentations on 1-2 research articles (assigned by me) over the course of the semester. I will provide a general rubric to help teams prepare their presentations. All students in the class (not just those on the team presenting) should read each article before the class meeting when the article is to be discussed so that they can contribute to the discussion. To encourage this behavior, for every paper presented by a student team, I will require a small number of (randomly chosen) students not on the presenting team to submit a question/comment on that paper. All articles to be presented will be announced in advance and will be posted on the class Canvas page.

The third course objective is to give you an (initial?) opportunity to undertake your own empirical analyses using real labor market data. In particular, some of the homework assignments will have a component requiring you to conduct empirical analyses using labor market data drawn from the public-use micro data samples of the American Community Survey (ACS). I will give instructions on the specific models that I want you to estimate and it will be your task to construct the analysis data set from the raw ACS data; estimate the models; and interpret the results.

### **Delivery of Course Material**

I plan to use the majority of the MW 2:00-3:15 live meetings to deliver course material through lectures, but a number of the live meeting dates will be devoted to student team presentations of empirical research papers that I have assigned.

Hopefully, the public health situation will allow for in-class meetings throughout the semester, but we will pivot to Zoom meetings (or something similar) if doing so becomes necessary.

## **Class Canvas Page**

All course materials (e.g., lecture slides, class recordings, assigned papers for presentations, problem sets) will be posted on the class Canvas page (<https://utexas.instructure.com>). Any changes to the tentative course schedule (presented below) also will be announced on Canvas.

## **Textbook**

The recommended (not required) textbook is *Labor Economics*, by George Borjas (McGraw-Hill Irwin, 8<sup>th</sup> edition, 2020). Recent earlier editions of the textbook are very similar and should be fine to use as well. The textbook is targeted towards the undergraduate market, and therefore is somewhat less mathematical than the level that at least some of the topics will be presented in lecture, but it provides a very good overview of the field. Lectures will not always follow the book closely, so you should view it as more a reference than a textbook.

## **Grading**

Course grades will be determined by performance on homework assignments, two exams, and class participation (presentations, comments on papers, etc.). The weight given to each component is as follows:

Homeworks: 40%

Exam 1: 25%

Exam 2: 25%

Class Participation: 10%

The precise format of the two exams (e.g., in-class vs. take-home, open-note vs. closed-note) remains to be determined. It is possible that the format will differ for the two exams. However, both exams are scheduled on regular class days, and no lecture will occur on either exam day. Regardless of the exam format, exams are expected to reflect only your own work. You may **not** discuss exams with classmates or anyone else during the exam-taking time window.

## Course Schedule

A **tentative** course schedule is shown below. The topics covered and times devoted to each topic are only forecasts and may change.

<b>Date</b>	<b>Topic</b>
Mon., 1/9	Syllabus and administrative details
Wed., 1/11	Labor supply
Mon., 1/16	<b>NO CLASS – MLK Day</b>
Wed., 1/18	Labor supply
Mon., 1/23	Labor supply
Wed., 1/25	Labor supply
Mon., 1/30	Labor supply
Wed., 2/1	Labor supply
Mon., 2/6	Labor supply
Wed., 2/8	Labor demand
Mon., 2/13	Labor demand
Wed., 2/15	Labor demand
Mon., 2/20	Labor demand
Wed., 2/22	Labor demand
<b>Mon., 2/27</b>	<b>Exam 1</b>
Wed., 3/1	Competitive labor market equilibrium
Mon., 3/6	Competitive labor market equilibrium
Wed., 3/8	Compensating differentials
<b>Mon., 3/13</b>	<b>NO CLASS – Spring Break</b>
<b>Wed., 3/15</b>	<b>NO CLASS – Spring Break</b>
Mon., 3/20	Compensating differentials
Wed., 3/22	Compensating differentials
Mon., 3/27	Human capital
Wed., 3/29	Human capital
Mon., 4/3	Human capital
Wed., 4/5	Human capital
Mon., 4/10	Labor market discrimination and gender/race differences in outcomes
Wed., 4/12	Labor market discrimination and gender/race differences in outcomes
Mon., 4/17	Labor market discrimination and gender/race differences in outcomes
Wed., 4/19	Labor market discrimination and gender/race differences in outcomes
<b>Mon., 4/24</b>	<b>Exam 2</b>

## **Accommodations for Students with Disabilities**

The university is committed to creating an accessible and inclusive learning environment consistent with university policy and federal and state law. Please let me know if you experience any barriers to learning so I can work with you to ensure you have equal opportunity to participate fully in this course. If you are a student with a disability, or think you may have a disability, and need accommodations please contact Disability and Access (D&A). Please refer to D&A's website for contact and more information: <http://diversity.utexas.edu/disability/>. If you are already registered with D&A, please deliver your Accommodation Letter to me as early as possible in the semester so we can discuss your approved accommodations and needs in this course.

## **Statement on Academic Dishonesty**

All of your participation and submitted work in this class is expected to be in accordance with the [UT Honor Code](#). Students who violate University rules on academic dishonesty are subject to disciplinary penalties, including the possibility of failure in the course and/or dismissal from the University. Since such dishonesty harms the individual, all students, and the integrity of the University, policies on academic dishonesty will be strictly enforced. For further information, please visit the Student Conduct and Academic Integrity website at: <http://deanofstudents.utexas.edu/conduct>

## **Sharing of Course Materials is Prohibited**

No materials used in this class, including, but not limited to, lecture hand-outs, videos, assessments (quizzes, exams, papers, projects, homework assignments), in-class materials, review sheets, and additional problem sets, may be shared online or with anyone outside of the class unless you have my explicit, written permission. Unauthorized sharing of materials promotes cheating. It is a violation of the University's Student Honor Code and an act of academic dishonesty. I am well aware of the sites used for sharing materials, and any materials found online that are associated with you, or any suspected unauthorized sharing of materials, will be reported to Student Conduct and Academic Integrity in the Office of the Dean of Students. These reports can result in sanctions, including failure in the course.

## **Class Recordings**

Class recordings are reserved only for students in this class for educational purposes and are protected under FERPA. The recordings should not be shared outside the class in any form. Violation of this restriction by a student could lead to Student Misconduct proceedings.

## **University Resources for Students:**

### **Counseling and Mental Health Center (CMHC)**

All of us benefit from support during times of struggle. Know you are not alone. If you or anyone you know is experiencing symptoms of stress, anxiety, depression, academic concerns, loneliness, difficulty sleeping, or any other concern impacting your wellbeing –you are strongly encouraged to connect with CMHC. The Counseling and Mental Health Center provides a wide variety of mental health services to all UT students including crisis services, counseling services with immediate support and well-being resources. Additionally, CARE Counselors are located within the academic schools and colleges. These counselors get to know the concerns that are unique to their college's students. For more information on CMHC, visit <https://cmhc.utexas.edu> or call 512-471-3515.

### **University Health Services (UHS)**

Your physical health and wellness are a priority. University Health Services is an on-campus high-quality medical facility providing care to all UT students. Services offered by UHS include general medicine, urgent care, a 24/7 nurse advice line, gynecology, sports medicine, physical therapy, lab and radiology services, COVID-19 testing and vaccinations and much more. For additional information, visit <https://healthyhorns.utexas.edu> or call 512-471-4955.

### **Student Emergency Services (SES)**

Student Emergency Services in the Office of the Dean of Students helps students and their families during difficult or emergency situations. Assistance includes outreach, advocacy, intervention, support, and referrals to relevant campus and community resources. If you need to be absent from class due to a family emergency, medical or mental health concern, or academic difficulty due to crisis or an emergency situation, you can work with Student Emergency Services. SES will document your situation and notify your professors. Additional information is available at <https://deanofstudents.utexas.edu/emergency/> or by calling 512-471-5017.

## **Important Safety Information:**

### **Behavioral Concerns**

If you have concerns about the safety or behavior of fellow students, TAs or professors, contact BCCAL (the Behavior Concerns and COVID-19 Advice Line) at <https://safety.utexas.edu/behavior-concerns-advice-line> or by calling 512-232-5050. Confidentiality will be maintained as much as possible, however the university may be required to release some information to appropriate parties.

### **Classroom Safety and COVID-19**

- For any illness, students should stay home if they are sick or contagious, not only to stop the spread, but also to promote their personal wellness.
- The university will continue to provide rapid antigen self-test kits at [distribution sites](#) throughout campus. Students can receive up to four tests at a time.
- The university will provide [symptomatic COVID-19 testing](#) on campus for all students, faculty and staff.

- UHS maintains up-to-date resources on COVID, which can be found here:

[COVID-19 Information and Resources](#)

[COVID-19 Exposure Action Chart](#)