

**Course Syllabus: Spring 2008**

Office Hours: 3:30 – 5:00 p.m., M,W and by appointment, Brooks 504

Class Hours: 2:30 – 3:20 p.m., M,W,F, Student Learning Center 245

Assessments: (2) Tests – 50%: February 15 and April 4  
Final Exam – 50%: May 2, 3:30 – 6:30 p.m.

Textbook: Borjas, Labor Economics, 4<sup>th</sup> edition (2008)

Course Policies: The policies of this course governing attendance, academic honesty, and examinations are given at [www.terry.uga.edu/~rswjr/4600](http://www.terry.uga.edu/~rswjr/4600)

Scope of the Course: In this course, you will apply microeconomic theory to the study of individual behavior and government policies affecting the operation of the labor market. Examples of topics you will analyze with this approach are welfare reform, immigration, the value of a life, incentive compensation, and unemployment. In addition to reading the textbook assignments listed below and occasional class handouts, you are urged to keep informed about current labor-market developments by reading a major daily newspaper such as the New York Times or the Wall Street Journal.

**I. INTRODUCTION**

Borjas, Ch. 1

Jan. 11: The Economic Approach to Human Behavior

**II. THE SUPPLY OF LABOR**

A. Static

Borjas, Ch. 2

Jan. 18: Religious Background and Labor Supply

**Jan. 21: No Class – MLK Day**

B. Dynamic

Borjas, Ch. 3 (pp. 70 – 87)

Jan. 25: The Intertemporal Labor Supply of Stadium Vendors

C. Household Production

Borjas, Ch. 3 (pp. 88 – 94)

### **III. THE DEMAND FOR LABOR**

Borjas, Ch. 4; Ch. 5 (pp. 163 – 196)

Feb. 1: Affirmative Action

Feb. 8: The Minimum Wage and Poverty

**Feb. 15 Test #1**

### **IV. LABOR MARKET EQUILIBRIUM**

A. Static

Borjas, Ch. 6

Feb. 22: Corporal Punishment in 19<sup>th</sup> Century Factories

Feb. 29: The Value of Saving a Life

B. Dynamic

Borjas, Ch. 1 (pp. 5 – 7); Ch. 9 (pp. 351 – 360)

### **V. HUMAN CAPITAL INVESTMENT**

Borjas, Ch. 7; Ch. 8

Mar. 7: The 1968 French Student Riots and the Return to Higher Education

**Mar. 10 - 14: No Class – Spring Break**

### **VI. DISCRIMINATION**

Borjas, Ch. 10

Mar. 21: Customer Discrimination in the NBA

## **VII. UNIONS**

Borjas, Ch.11

Mar. 28: Dynamics of the Union-Nonunion Wage Differential

**Apr. 4: Test #2**

## **VIII. THE STRUCTURE OF COMPENSATION**

Borjas, Ch. 12 (pp. 453 – 472)

Apr. 11: Incentive Pay in the Auto Glass Installation Industry

Apr. 18: The Compensation Structure of Gangs

## **IX. UNEMPLOYMENT**

Borjas, Ch. 13 (omit sec. 13-8)

Apr. 25: Equilibrium Unemployment

**May 2: Final Exam, 3:30 – 6:30 p.m.**