



ECON 430 – Labor Economics – Fall 2023
Sabancı University, Faculty of Arts and Social Sciences

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Office Hours: by email appointment

Lectures: Mon : 3:40 pm - 4:30 pm
Tues : 10:40 am - 2:30 pm

Room: Mon: FASS 1096
Tues: FASS G049

Prerequisites: ECON 204 (Microeconomics)

Teaching Assistant: TBA

Course Overview

This course will examine a variety of topics in labor markets. First, we will develop theoretical models of labor supply, labor demand and the interaction of the two. These models will then be applied to understand issues such as wage determination, wage differentials, human capital investment, migration and discrimination, unemployment and labor policies, and unions.

Familiarity with topics covered at the intermediate microeconomics level is required. During the course students will learn about the data and the empirical methods that labor economists employ to quantify the relationships developed in theoretical models of the labor market. The course also aims to illustrate how economic reasoning can be used to address policy relevant questions.



Textbook
Borjas, G. , Labor Economics , McGraw Hill

Note that selected material will be covered from this text book, and lectures will include material not included in this text. Course content, requirements and policies are subject to change at the discretion of the instructor.

Other Required Readings

Additional readings will be assigned throughout the semester regarding the topics covered in class. There will be in class discussion of these assigned readings. Participation in discussions will be part of class performance for students.

Grading

Midterm: 45 %, Class Performance: 10 %, Final Exam: 45 %

The course grade is solely based on the grading scheme stated on the syllabus. There will be no exceptions to this (such as additional assignments, writing a term paper etc.).

Teaching format

- The course will be taught in-class
- Students are strongly encouraged to attend classes and participate in class discussions
- Problem sets will be handed to help with the course material but they will not be collected or graded.

Exam policy

- All exams will be in-person, on campus.
- The final exam will be held during the final exam period and the exact date is determined by the Student Resources.

Rules of Conduct

The definition for scholastic dishonesty is given in the rules and regulations of the Sabancı University. In the case of scholastic dishonesty, no credits will be given for that particular work. Cheating during written work will result in an F for the course. All incidents of scholastic dishonesty will be reported to FASS for disciplinary action.

Make-up exams are granted only in case of a valid and documented reason. If you are granted a make up the exam will take place after the final exams, it will be cumulative and typically harder than the other exams.

In case of an illness, the student is required to produce a formal doctor's note from a hospital. (A doctor's note taken from a doctor's private practice does not count as formal.) In case of private hospitals, the doctor's note has to be verified by the university health service. The doctor's notes should be submitted within two weeks following the midterm date.

Absence in exams without any valid documented reason will result in a zero from that exam.

You are responsible from all material covered during the class which will include material not covered by the text book. Therefore, students are strongly encouraged to attend the classes.

(Below outline is tentative and subject to revision.)

Course Outline

Topic 1 - Introduction, Review

Topic 2 - Labor Supply

Topic 3 – Labor Demand

Topic 5 - Labor Market Equilibrium

Topic 6 - Compensating Differentials

Exam I – Nov 14, 2023, Class time

Topic 7 - Human Capital

Topic 8 – Unemployment

Topic 9 - Labor Mobility

Selection of topics from:

Topic 10 - Labor Market Discrimination

Topic 11 - Labor Unions

Topic 12 - Incentive Pay

Topic 13 – The Wage Structure

Final exam – Final exam period