ECON 470: Theory of Labor Economics

Summer 2010 (June 2 – July 7)
MW 6:00-9:20, Tydings 0117

Instructor: Abby Alpert
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Office: 3145 Tydings
Office Hours: MW 4:15-5:15, or by appointment


In addition, there are three required supplemental readings. These are denoted with a star in the course outline below and will be available on the course website. The other non-textbook readings listed are optional and recommended for interested students.

Prerequisite: The prerequisite for this course is ECON 306. I will assume that all students have a good understanding of intermediate microeconomics.

Course Website: If you are registered for this course, you can use your directory ID and password to access www.elms.umd.edu. The syllabus, problem sets, and supplementary readings will be posted on this website.

Announcements: Announcements will be made in class, on the course webpage and/or through email. In order to receive the class emails, please make sure that the email address you have listed in Testudo is current.

Evaluation:
1. In-Class Problems (10%): During class time, short problems will be given to check the students’ understanding of recently discussed material. Approximately 5-8 in-class problems will be given over the course of the summer session. Students will be notified that there will be an in-class problem at the beginning of class. No makeup problems will be offered unless a legitimate reason for absence (as defined by University policy) is brought to my attention in advance of the lecture. The problems will be graded for completion, not correctness. Students can work with one another on the problems, but each student must turn in his or her own answers.

2. Problem Sets (30%): There will be 4 problem sets. The approximate dates when they will be assigned are listed below. Completing and reviewing the problem sets is crucial for preparing for exams. Students must complete all sections of the problem set and show their work to receive credit for the assignment. Problem sets are due at the beginning of class on the due date. No late problem sets will be accepted.
I will choose one problem from the problem set to grade. 30% of the grade for the problem set will come from the graded problem. The other 70% will be based on satisfactory completion of the rest of the problem set.

Students are allowed to work with others to solve the problems on problem sets. However, each student must independently write up the answers and list the names of the students with whom they worked. *Students are not allowed to copy part or all of another student’s problem set.* No credit will be given in these instances.

3. **Midterm Exam (25%)**: There will be one 90 minute midterm exam on **June 21**.

4. **Final Exam (35%)**: The final exam will be 90 minutes in length and take place on the last day of class **July 7 at 6:00 in Tydings 0117**. The exam will cover all material discussed throughout the course.

Make-up exams will be granted only to those students whose excuse complies with University policy. If you believe you need a make-up, please inform me as far in advance as possible and provide the appropriate documentation. If you miss an exam and cannot document a valid excuse, your grade will be recorded as a zero.

Students with disabilities who require special accommodations should get in touch with me as soon as possible and no later than 48 hours before the exam.

**Academic Integrity:** The University of Maryland, College Park has a nationally recognized Code of Academic Integrity, administered by the Student Honor Council. This Code sets standards for academic integrity at Maryland for all undergraduate and graduate students. As a student you are responsible for upholding these standards for this course. It is very important for you to be aware of the consequences of cheating, fabrication, facilitation, and plagiarism. For more information on the Code of Academic Integrity or the Student Honor Council, please visit [http://www.shc.umd.edu](http://www.shc.umd.edu)
Course Outline:
Note: the dates for the subjects covered and problem sets are approximate. The dates for the exams will not change.

June 2: Introduction, Facts about the Labor Market
   E&S Ch 1, Ch 2
   Regression Analysis
   E&S Ch1 (Appendix 1A)

Part I: Foundations of Labor Economics

June 7: Natural Experiments


June 7, 9: Labor Supply
   E&S Ch 6


Problem Set #1 Assigned

June 14, 16: Labor Demand
   E&S Ch 3, Ch 4, Ch 5 (pp. 128-143)


Problem Set #2 Assigned

June 21: *** Midterm Exam ***

Part II: Topics in Labor Economics

June 23: Compensating Differentials
  E&S Ch 8

  Human Capital, Measuring Returns to Schooling, Signaling Model
  E&S Ch 9

Problem Set #3 Assigned

June 28: Discrimination
  E&S Ch 12


Problem Set #4 Assigned

June 30: Immigration
  E&S Ch 10


July 6: *** Extra Office Hours *** (Time TBD)

July 7: *** Final Exam ***