Human Resources and Labor Economics
Module 3, 2020–21

Course Information

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Classes:

Lectures: Tuesday and Friday, 10:30am–12:20pm
Venue: TBA

Course website:

Materials will be distributed via WeChat

1. Course Description

1.1 Context

Course overview:

This is an elective course designed for graduate students in economics. It will provide students with an introduction to the theory and empirical practices of labor economics. The topics covered include the fundamental theories of labor demand and supply, the role of education and human capital, labor mobility and immigration, labor-market discrimination, the earnings distribution and measures of inequality, and labor-market policies.

Prerequisites:

Students are expected to have previously completed advanced undergraduate or masters-level courses in microeconomics and macroeconomics, and undergraduate econometrics.

1.2   Textbooks and Reading Materials

Textbook:

There is no required textbook for this course, however, the two primary references are:
- Borjas, G. J. "Labor Economics". McGraw Hill Higher Education.
- Cahuc, P., Carcillo, S., & Zylberberg, A. "Labor Economics", 2nd Edition. The MIT Press.

The former provides a comprehensive introduction to the main topics in labor economics, while the latter provides a relatively rigorous and technical treatment of these topics.

2. Learning Outcomes

2.1 Intended learning outcomes

Learning Goals	Objectives	Assessment
1. Our graduates will be effective communicators.	1.2. Students are able to professionally present their ideas and also logically explain and defend their argument.	Assignments
5. Our graduates will be skilled in problem-solving and critical thinking.	5.1. Our students will have a good understanding of fundamental theories in their fields.	Assignments, exams
	5.3. Our students will demonstrate competency in critical thinking.	Assignments, exams

2.2 Course-specific objectives

This course aims to provide students with an introduction to the theory and practice of labor economics. Students will learn how to use economic models to study labor-market issues, particularly with a focus on policy analysis. Additionally, some common microeconometric techniques will be introduced throughout the course.

2.3 Assessment/grading details

The grade for each student will be determined using the following types of assessment (with associated weights):
   i) Assignments (30%)
   ii) Midterm exam (30%)
   iii) Final exam (40%)

i) Assignments

There will be 2 assignments, each equally weighted, and they may be completed in groups. You are able to choose your teammates, subject to some maximum group size announced in class.

The assignments entail critically analyzing newspaper articles discussing labor-market issues (e.g., the expected effect of a new policy, measuring the effect of an existing policy, making inference about labor-market phenomena using statistics).

ii) Midterm exam

There will be a midterm exam in class during week 5 (either Tuesday April 6 or Friday April 9) from 10:30am to 12:20pm. The exam is comprised of both multiple-choice and short-answer questions. Questions from past exams will be provided in class as practice. The format of the exam will be described in class.

iii) Final exam

There will be a 2-hour long final exam. The exam is not cumulative (i.e., only topics covered after the midterm will be examined), and it will be comprised of multiple-choice, short-answer, and possibly extended-response questions. The format of the exam will be described in class.

2.4 Academic honesty and plagiarism

It is important for a student's effort and credit to be recognized through class assessment. Credits earned for a student work due to efforts done by others are clearly unfair. Deliberate dishonesty is considered academic misconducts, which include plagiarism; cheating on assignments or examinations; engaging in unauthorized collaboration on academic work; taking, acquiring, or using test materials without faculty permission; submitting false or incomplete records of academic achievement; acting alone or in cooperation with another to falsify records or to obtain dishonestly grades, honors, awards, or professional endorsement;

or altering, forging, or misusing a University academic record; or fabricating or falsifying of data, research procedures, or data analysis.

All assessments are subject to academic misconduct check. Misconduct check may include reproducing the assessment, providing a copy to another member of faculty, and/or communicate a copy of this assignment to the PHBS Discipline Committee. A suspected plagiarized document/assignment submitted to a plagiarism checking service may be kept in its database for future reference purpose.

Where violation is suspected, penalties will be implemented. The penalties for academic misconduct may include: deduction of honour points, a mark of zero on the assessment, a fail grade for the whole course, and reference of the matter to the Peking University Registrar.

For more information of plagiarism, please refer to *PHBS Student Handbook*.

3. Topics, Teaching and Assessment Schedule

The planned timeline for topics and assessment is:

Week	Date	Topics	Assessment
1	Mar.9, Mar.12	Introduction/admin, review of fundamentals	-
2	Mar.16, Mar.19	Labor supply, compensating wage differentials	-
3	Mar.23, Mar.26	Labor demand, labor mobility	Assignment 1 due
4	Mar.30, Apr.2	Earnings distribution and inequality	-
5	Apr.6, Apr.9	Midterm review	Midterm exam
6	Apr.13, Apr.16	Labor-market discrimination	-
7	Apr.20, Apr.23	Labor-market discrimination	-
8	Apr.27, Apr.28*	Education and human capital	Assignment 2 due
9	May.4, May.7	Education and human capital, final exam review	Final exam

*Deviations from the above schedule will be announced in class; *note the date change for Labor day*

The first half of the course begins with an overview of the standard microeconomic framework used in labor economics, and then we proceed to study the theory of compensating wage differentials, labor mobility in a multi-sector model, and wage distributions and inequality.

In the second half, we devote considerable time to studying discrimination in labor markets, particular defining what constitutes discrimination and discussing challenges for inference, and the role of human capital (particularly education) and measuring its effect on earnings.

4. Miscellaneous

NA