# Faculty of Liberal Arts & Professional Studies

# Labour Economics: Theory (Writing)

Ap/Econ 3249, section A, Fall 2020



Image Source: CES IFO

## **Key information**

Instructor: Karen Bernhardt-Walther Contact: bkaren@yorku.ca

Meet: Wednesdays 1-2:30pm, Zoom Office hours: Monday 1-2:30pm, Zoom

Web: eclass.yorku.ca and by appointment

#### Motivation

The purpose of economics as a field is to help us understand and navigate the world of (economic) human behavior. The language economists use to do that, is that of mathematics and models. Labour economics studies all that affects workers before, during, and after their working lives, for example, childcare, education, pay and incentives, fertility, discrimination, their non-work time, and pension reforms. So in the theory of Labour Economics, we model and study the multitude of decisions individuals face at various different points in their lives.

The subject has been heavily influenced by micro-economic techniques applied to traditional labour market issues, such as the behaviour of trade unions and the labour demand decisions of firms. In recent decades these techniques have also been used to shed light on areas not traditionally thought to have an explicit economic dimension such as discrimination, migration, the allocation of time within a household, fertility and divorce.<sup>2</sup>

Studying labor economics in Econ 3249 has three benefits: (1) It further develops your proficiency in using economic analysis and applying it to real-world observations. (2) It develops your expertise in Labor economics, introduces you to key models, theoretical and empirical results. (3) It helps you in developing professional writing and communication skills.

## **Objectives**

At the end of this course successful students will

- Understand a range of stylized facts and the main recent trends in unemployment, wages, and wage inequality in Canada and other developed countries, both in the long term and over the business cycle.
- Be familiar with some recent theoretical models that have been developed by economists to analyze these stylized facts and labor market outcomes.
- Have developed a critical understanding of current policy-relevant labour market issues.
- Be able to communicate economic arguments and insights professionally and concisely.

<sup>&</sup>lt;sup>1</sup> IZA Institute of Labor Economics

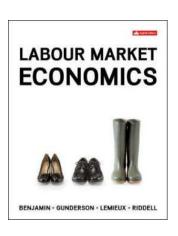
<sup>&</sup>lt;sup>2</sup> Dr Stephen Drinkwater, http://whystudyeconomics.ac.uk/

#### **Audience**

The class will be relevant to students who are interested in better understanding labor market issues and related public policy questions, students who are interested in applying microeconomic models to real-world observations, and/or students who strive to improve their professional writing and communication skills.

#### **Textbook**

Our textbook is "Labour Market Economics", 8th Edition, (ISBN: 9781259030833), by Dwayne Benjamin, Morley Gunderson, Thomas Lemieux, and Craig Riddell. (2017) <u>This textbook is mandatory</u>. Lectures, assignments, discussions, etc. will all assume that you have access to this book. You can purchase this book (8<sup>th</sup> edition highly recommended) in hard-copy from a range of usually retailers, including the <u>YorkU bookstore</u>. You can also purchase or rent e-book access, e.g., through the publisher <u>McGrawHill</u>. Depending on your location and local conditions, you may also be able to access the book through a <u>library near you</u>. In most cases, it will take a few days for you to receive the book.



#### **Technical Requirements**

To successfully participate in this course, you will need:

- a laptop or desktop in good working order. You will not be able to complete course assessments with just a tablet or smartphone.
- a webcam with microphone for our Zoom meetings.
- a camera with which to take pictures of your work to upload to our Moodle website.
- a reliable internet connection.
- Zoom. Available to all York students <a href="https://yorku.zoom.us/">https://yorku.zoom.us/</a>
- MS Word. Available to all York students at <a href="https://uit.yorku.ca/student-services/software/">https://uit.yorku.ca/student-services/software/</a>.

Please note: Zoom is hosted on servers in the U.S. This includes recordings done through Zoom. If you have privacy concerns about your data, provide only your first name when you join a session. Please review the technology requirements and FAQs for Moodle.

#### **Course Format**

Our 3249 class will have both synchronous components and asynchronous components:

<u>Synchronous components</u>: Lecture on Wednesdays 1-2:30pm via Zoom. Recordings of the lectures are made available on Moodle.

<u>Asynchronous components</u>: Readings, discussion contributions, writing, and problem solving. You complete these activities on your own schedule and at your own pace within each week.

Our course-week starts on Mondays: Major assignments and announcements will be posted on Mondays. You are expected to complete your assignments before Monday the following week, unless otherwise stated. You should expect to spend 8-10 hours on Econ 3249 each week to complete all assignments and stay on track.

#### **Course Structure**

After a brief introduction (week 1), the course will be structured into three modules:

- (1) The Market for Labor (week 2-5) Determinants, characteristics and empirical evidence on labor market supply; Determinants, characteristics and empirical evidence on demand for labor; Determinants, characteristics and empirical evidence on labor market equilibria and the impact of public policy on labor market outcomes.
- (2) Unemployment and Job Search (week 6-8)

  Empirical short- and long-term unemployment patterns; job and worker flows; job search;

  Equilibrium search and matching model; current unemployment patterns and public policy in the Covid-19 pandemic
- (3) You will choose a topic from a list I provide (week 9-12)

  Topics choices will include: Education and labor market outcomes; wage inequality in Canada and other developed countries; technological change and labor market outcomes; Employee ownership and labor market participation. Other topics may be offered.

Each module will have several phases during which we focus in turn on

- (a) Relevant terminology
- (b) Empirical evidence
- (c) Theoretical models
- (d) Practice

We will also develop a professional and reliable writing process.

## **Course Components**

You can earn 100 points or marks in this course. In each module, you can earn 30 points:

10 for participation and 20 for submitting a writing assignment that demonstrates your mastery of the material. Moreover, for the last module you will prepare study materials for classmates that focused on another topic (10 marks). To summarize, your final grade will be based on the following components:

	Participation	Writing Assignment	Study Materials for classmates	Total per module
Module 1	10	20		30
Module 2	10	20		30
Module 3	10	20	10	40
Total per	30	60	10	100
category	30	00	10	100

#### **Participation**

- Each week you are asked to contribute to a group discussion forum, e.g.,
  - By explaining some terminology,
  - o By sharing your interpretation of an empirical insight,
  - By discussing an application of a theoretical model.
- At the end of each module, your contributions to your group discussions will be evaluated. You will earn 2 points for satisfying each of the five criteria:
  - o participation-activity in the first week of the module completed.
  - o participation-activity in the second week of the module completed.
  - o participation-activity in the third week of the module completed.
  - o demonstrates effort and engagement with each assignment.
  - o engages in discussions with other students through thoughtful comments and responses.
- Please make sure to read the activity instructions carefully and fulfill all aspects of the activity.

## **Writing Assignments**

- At the end of each module, submit a writing assignment that demonstrates your
  - o comprehension of relevant terminology
  - ability to apply concepts and models to real-world setting,
  - capability to situation questions and observations within broad trends and empirical stylized facts
- Submission deadlines are as follows

	Writing Assignment: receive if submitted by			
Module	grade and comments	grade, no comments	Pass/Fail, no comments	
1	Oct 18 <sup>th</sup>	Oct 25 <sup>th</sup>	Nov 1 <sup>st</sup>	
2	Nov 15 <sup>th</sup>	Nov 22 <sup>nd</sup>	Nov 29 <sup>th</sup>	
3	Dec 9 <sup>th</sup>	Dec 16 <sup>th</sup>	Dec 21 <sup>st</sup>	

- Writing assignments are made available on Moodle for each module.
- Allow enough time to complete research for your paper (20% of time), write a
  draft (20% of time), revise, edit, and polish (60% of time) your paper.

## **Study Materials**

- For module 3 you work with a group p of peers on a topic of choice (from a list). At the end, you are asked to prepare summary materials that gives students not in your group an overview over your topic. Materials to be submitted include
  - A three- to five-page summary with a bibliography
  - o A video discussion of a key empirical and/or theoretical insight
  - o A worked-out practice problem
  - o A collection of practice questions to be adopted in Moodle.
- Assessment will be based on your contribution to the group effort, the correctness of the content, and the professionalism of the presentation.

30 points 10 per module

Participation is important in this course:

It supports your learning progress and makes you part of our learning community.

60 points 20 per module

Strong writing skills are a pillar of professional success: Whether you want a job, a raise, or funding for your start-up: The person who can formulate and communicate the best argument almost always wins.

10 points
In module 3

#### **Course Policies**

### **Email Etiquette**

Email is usually not an effective way to discuss economics; instead in-person communications are more appropriate. Please talk to me before/ after class, come to office hours, or make an appointment. Please reserve email communication for brief administrative questions. I will strive to reply to email within 24 hours, except on weekends. Please do not send attachments



unless requested, please do include Eco422 in the subject line, and please be as specific as possible. Emails between instructors and students constitute professional communication; please treat them as such.

#### Late Submission Penalties

Written assignments can be submitted late. Due to the current Covid-19 pandemic, there is substantial lea-way build into the submission deadlines. You can submit work up to a week late without penalties, but you will only receive a score, no written comments. You can submit work up to two weeks late and receive a pass /fail grading. No submission will be accepted more than two weeks past the deadline.

## Lecture Recordings

Most class time will be spent on discussions and other interactive activities. I will often use my graphic tablet to write on top of slides and move around slides depending on how the discussion evolves. I will post slides and lecture recordings *after* each class on Moodle. Please note that readings and class attendance are complements in this course, not substitutes.

### Missed Participation

No make-up credit will be given for any reason for missed participation.

#### Rounding Policy

To arrive at your final mark, I will round your final score to the nearest integer, e.g., an overall score of 69.4 is a final mark of 69. No exceptions.

## Appealing a Grade

Students can appeal grades for their writing assignments by submitting an electronically fillable Remark Request form available through the Moodle website. You must submit any appeals within two weeks of the grade having been posted Moodle. The decision on an appeal will follow the same protocol (comment/no comment) under which the writing assignment was originally submitted. Following an appeal, the writing assignment score can increase, decrease, or stay constant.

#### Academic Integrity.

#### Why

Upholding high standards of Academic Integrity is essential for successful academic discourse, and to the pursuit of learning and scholarship. Respecting and enforcing these standards at our University also ensures that the degree you earn from York University is a strong signal your learning and academic achievement.

#### How

You uphold high standards of Academic Integrity by:

- doing and submitting only your own work
- not permitting others to use your answers
- giving credit to others for their ideas and works
- quoting your sources, correctly paraphrasing and summarizing

## More information

If you have questions or concerns about what constitutes appropriate academic behaviour, please consult with me or seek additional resources.

## Enforcement

York University takes its responsibility to uphold high academic standards very seriously. The <u>Senate Policy on Academic Conduct</u> outlines the behaviours that constitute academic dishonesty and the processes for addressing academic offences. Sanctions in cases of cheating can include temporary and permanent records on your transcript, suspension from the course, up to suspension from the University.

#### It's not up to the instructor

If I observe behaviour that might involve academic dishonesty, I am required to report it. It is not up to me to judge whether the behavior was unintended, a minor infraction, a first-time infraction, etc. I am professionally bound to report any suspicious behavior.

#### Turn-It-In

To promote academic integrity in this course, students who opt into a writing assignment for module 2 and/or module 3 will be required to submit their written assignments to Turnitin (via the course Moodle) for a review of textual similarity and the detection of possible plagiarism. In so doing, students will allow their material to be included as source documents in the Turnitin.com reference database, where they will be used only for the purpose of detecting plagiarism. The terms that apply to the University's use of the Turnitin service are described on the Turnitin.com website.