

**Economics 151B**  
**ECONOMICS OF HUMAN RESOURCES**

**COURSE DESCRIPTION**

This course will cover the following topics:

1. Education and Earnings
2. Labor Market Discrimination
3. Earnings Inequality
4. Labor Mobility

The Economics of the Labor Market. Students will be introduced to questions in labor economics actively debated in the media and in the economics profession. They will receive an understanding of the basic economic models relevant to each topic as well as the background on each issue. Students should, by the end of the course, have the skills to find unbiased answers to public policy questions regarding these four topics in Human Resource Economics.

**COURSE PREREQUISITES**

Prerequisites for this course include Intermediate Microeconomics (Economics 100A).

**COURSE COMMUNICATION**

For all questions on course content or logistics, please use the chat room in canvas.

**READINGS**

*Required text:* George J. Borjas, *Labor Economics* (any edition after the 2nd), Irwin McGraw-Hill.

*Additional Readings:* *Articles can be found on canvas or by following the links on the syllabus.*

**TECHNOLOGY POLICY**

No laptops allowed in lecture, no cell phones allowed out in lecture, tablets laid flat are OK. See the following articles regarding technology and student success to understand my motives...

Advantages of taking notes by hand and not on a laptop

<https://www.scientificamerican.com/article/a-learning-secret-don-t-take-notes-with-a-laptop/>

Advantages of putting away your cell phone:

<http://cep.lse.ac.uk/pubs/download/dp1350.pdf>

## GRADING

### *Distribution of Points:*

Your final grade in the course will be determined by one of the following distributions, whichever yields you the higher score:

50%	Final Exam (Comprehensive)	40%	Final Exam (Comprehensive)
40%	Midterms (2 @ 20% each)	50%	Midterms (2 @ 25 % each)
10%	Paper	10%	Paper

### *Exam and Re-grade Policy:*

There will be no make-up exams. If you miss a midterm exam due to an excused illness, your final exam ranking will determine the score used for your missed midterm.

If an administrative error has been made in calculating your exam grade (such as an arithmetic error in adding up your score) no re-grade request need be submitted. Merely bring the error to my attention so that I can correct it. If you desire a midterm re-grade, please adhere to the following procedure:

- Submit, *in person*, a *written* request for the re-grade *within one week* of receiving your graded exam.
- In your written request, enumerate questions deserving special attention in my second reading of your exam and why such questions deserve special attention.
- Attach the original version of your exam to this written statement.

**Please note that your *entire exam* will be reviewed. That is, if some of your answers are revealed lacking (in content, in clarity, etc.) upon my second reading, you may end up losing points. Re-graded midterms will be returned, at the latest, two weeks after the initial return of the examinations.**

## Code of Conduct

In order to protect the integrity of your UC Davis degree. I expect students to adhere strictly to the code of academic conduct found at the end of this syllabus. All violations will be referred to Judicial Affairs and any student found violating this code of conduct will receive a failing grade in the course.

## Homework Assignments

There will be six homework assignments assigned during the quarter. Before discussion section you should complete the assignment. You will then be prepared to talk about the assignments in discussion section. The answer keys will be posted just for checking your answers. Do not refer to the answer key while doing your homework the first time. You will not prepare yourself for the exams. The homework will not be graded but will give you a good indication of the types of questions that could be asked on the exams.

## Paper

The paper should be two pages, times new roman, double spaced, 12 point font with one inch margins. Citations should be inside the document (source, date). Attach article to the assignment in pdf form. The paper should include a one-page summary of an article found in either The New York Times, Wall Street Journal, The Economist Magazine, Washington Post, Huffington Post or Vox in the last 6 months. This article must discuss or relate to either Education and Earnings, Labor Market Discrimination or Earnings Inequality. After your one-page summary, spend a page discussing how the models that we have discussed would be relevant to the news article. Do you believe the author has a good idea of the models related to this topic? Do you believe that the author could do more to tell the article's story using economic theory? Explain. Note: Do not copy/paste any wording from the internet. Use your own words.

## Additional Note

If you have a physical disability, any difficulty with the English language, or other special needs that are relevant to your success in this class please see me early in the quarter. I will help you get access to resources that may help you deal with any special problems you might have in the course.

## COURSE OUTLINE

**Tentative! Check on Canvas for updates and direct links to papers.**

<b>Topic 1: Education and Earnings</b>	<p><u>Readings:</u> Borjas, Chapter 6 (or Chapter 7 in Borjas editions 2-4)</p> <p><u>Further Reading:</u></p> <ul style="list-style-type: none"><li>• Jaeger, David A. and Marianne E. Page (1996). "Degrees Matter: New Evidence on Sheepskin Effects in the Returns to Education." <i>Review of Economics and Statistics</i>. [Download at <a href="http://www.jstor.org">http://www.jstor.org</a>.]</li><li>• Ashenfelter, Orley and Alan Krueger (1994). "Estimates of the Economic Return to Schooling for a New Sample of Twins." <i>American Economic Review</i> 84(5): 1157-1173. [Download at <a href="http://www.jstor.org">http://www.jstor.org</a>.]</li><li>• Barrow, Lisa and Cecilia Elena Rouse (2005). "Do Returns to Schooling Differ by Race and Ethnicity?" <i>American Economic Review</i> 95(2): 83-87. [Download at <a href="http://www.jstor.org/stable/4132795">http://www.jstor.org/stable/4132795</a>]</li><li>• Heckman, James et. al (2016). "Returns to Education: The Causal Effects of Education on Earnings, Health and Smoking." NBER Working Paper #22291.</li></ul>
<b>Midterm 1</b>	

<p><b><u>Topic 2:</u></b> <b><u>Labor Market Discrimination</u></b></p>	<p><u>Readings:</u> Borjas, Chapter 9 (or Chapter 10 in Borjas editions 2-4) Further Reading:</p> <ul style="list-style-type: none"> <li>• Card, David and Alan Krueger (1996). “School Resources and Student Outcomes: An Overview of the Literature and New Evidence from North and South Carolina,” <i>Journal of Economic Perspectives</i> 10(4): 31-50. [Download at <a href="http://www.jstor.org">http://www.jstor.org</a>.]</li> <li>• Heckman, James and John Donohue (1991). “Continuous Versus Episodic Change: The Impact of Civil Rights Policy on the Economic Status of Blacks.” <i>Journal of Economic Literature</i> 29: 1603-1643. [Download at <a href="http://www.jstor.org">http://www.jstor.org</a>.]</li> <li>• Lundberg, Shelly and Richard Startz (1983). “Private Discrimination and Social Intervention in Labor Markets,” <i>American Economic Review</i> 73(3): 340-347. [Download at <a href="http://www.jstor.org">http://www.jstor.org</a>.]</li> <li>• Bertrand, Marianne and Sendhil Mullainathan (2003). “Are Emily and Greg More Employable than Lakisha and Jamal? A Field Experiment on Labor Market Discrimination,” NBER Working Paper 9873. [Download at <a href="http://www.nber.org">http://www.nber.org</a>.]</li> </ul>
<p><b>Midterm 2</b></p>	

<p><b><u>Topic 3:</u></b> <b><u>Earnings Inequality</u></b></p>	<p><u>Readings:</u> Borjas, Chapter 7 (or Chapter 8 in Borjas editions 2-4)</p> <ul style="list-style-type: none"> <li>• Autor, David H., Katz, Lawrence F., and Kearney, Melissa. “Trends in U.S. Wage Inequality: Revising the Revisionists.” <i>Review of Economics and Statistics</i> May 2008, Vol. 90, No. 2: 300–323. [Download at <a href="http://www.mitpressjournals.org/doi/abs/10.1162/rest.90.2.300">http://www.mitpressjournals.org/doi/abs/10.1162/rest.90.2.300</a>]</li> <li>• Johnson, George E. “Changes in Earnings Inequality: the Role of Demand Shifts.” <i>Journal of Economic Perspectives</i> 11(2): 41-54. [Download at <a href="http://www.jstor.org">http://www.jstor.org</a>.]</li> <li>• DiNardo, John and Jorn-Steffen Pishke (1997). “Returns to Computer Use Revisited: Have Pencils Changed the Wage Structure Too?” <i>Quarterly Journal of Economics</i> 112(1): 291-303. [Download both at <a href="http://www.jstor.org">http://www.jstor.org</a>.]</li> <li>• Fortin, Nicole and Thomas Lemieux (1997). “Institutional Changes and Rising Wage Inequality: Is There a Linkage?” <i>Journal of Economic Perspectives</i> 11(2): 75-96. [Download at <a href="http://www.jstor.org">http://www.jstor.org</a>.]</li> <li>• Oreopoulos, Philip, Page, Marianne, and Stevens, Ann Huff. “The Intergenerational Effects of Worker Displacement” <a href="http://www.journals.uchicago.edu/doi/pdf/10.1086/588493">Journal of Labor Economics</a>. Volume 26, Issue 3, Page 455–000, Jul 2008 [Download at <a href="http://www.journals.uchicago.edu/doi/pdf/10.1086/588493">http://www.journals.uchicago.edu/doi/pdf/10.1086/588493</a>]</li> </ul>
<p><b><u>Topic 4:</u></b> <b><u>Labor Mobility</u></b></p>	<p><u>Readings:</u> Borjas, Chapter 8 (or Chapter 9 in Borjas editions 2-4) Further Reading:</p> <ul style="list-style-type: none"> <li>• Card, David (1990). “The Impact of the Mariel Boatlift on the Miami Labor Market?” <i>Industrial and Labor Relations Review</i> 43(2): 245-257. [Download at <a href="http://www.jstor.org">http://www.jstor.org</a>.]</li> <li>• Basso, Gaetano and Giovanni Peri (2015). “The Association between</li> </ul>

	<p>Immigration and Labor Market Outcomes in the United States.” IZA DP No. 9436.</p> <ul style="list-style-type: none"> <li>• Peri, Giovanni (2016). “Immigrants, Productivity and Labor Markets.” <i>Journal of Economic Perspectives</i> 30(4): 3-30.</li> <li>• Peri, Giovanni and Vasil Yassenov (2017). “The Labor Market Effects of a Refugee Wave: Synthetic Control Method Meets the Mariel Boatlift.” June.</li> <li>• Borjas, George (2016). “The Wage Impact of the Marielitos: Additional Evidence.” NBER Working Paper #21850.</li> </ul>
Paper Due Electronically	
Finish Up and Review: In Class	
<b>FINAL EXAM (Comprehensive)</b>	

### The University of California, Davis CODE OF ACADEMIC CONDUCT Honesty, Fairness, Integrity

This Code of Academic Conduct exists to support high standards of behavior and to ensure fair evaluation of student learning. Students who violate the Code of Academic Conduct are subject to disciplinary sanctions that include censure, probation, suspension, deferred separation or dismissal from the University of California. Unless specifically authorized by the instructor in writing, misconduct includes, but is not limited to the following:

- ► Academic misconduct on exams or other coursework
  - Copying or attempting to copy from another student, allowing another student to copy, or collaborating with another student on an exam.
  - Displaying or using any unauthorized material such as notes, cheat-sheets, or electronic devices
  - Looking at another student’s exam
  - Not following an instructor’s directions regarding an exam.
  - Talking, texting or communicating during an exam
  - Altering assignments or exams for re-grading purposes
  - Bringing pre-written answers to an exam
  - Having another person take an exam for you, or taking an exam for another student
  - Theft of academic work
  - Unexcused exit and re-entry during an exam period
- ► Plagiarism
  - Taking credit for any work created by another person. Work includes, but is not limited to books, articles, experimental methodology or results, compositions, images, lectures, computer programs, internet postings
  - Copying any work belonging to another person without indicating that the information is copied and properly citing the source of the work
  - Using another person’s presentation of ideas without putting such work in your own words or form and giving proper citation
  - Creating false citations that do not correspond to the information you have used
  - Plagiarizing one’s own work
- ► Unauthorized collaboration

- Working together on graded coursework without permission of the instructor
- Working with another student beyond the limits set by the instructor
- Providing or obtaining unauthorized assistance on graded coursework
- ► Misuse of an instructor's course materials or the materials of others:
  - Posting or sharing any course materials of an instructor without the explicit written permission of that instructor
  - Purchasing or copying assignments or solutions, to complete any portion of graded work, without the instructor's permission
  - Unauthorized use of another student's work
- ► Lying or fraud:
  - Giving false excuses to obtain exceptions for deadlines, to postpone an exam, or for other reasons
  - Forging signatures or submitting documents containing false information
  - Making false statements regarding attendance at class sessions, requests for late drops, incomplete grades, or other reasons
- ► Intimidation or disruption:
  - Pressuring an instructor or teaching assistant to regrade work, change a final grade, or obtain an exception such as changing the date of an exam, extending a deadline, or granting an incomplete grade
  - Refusing to leave an office when directed to do so
  - Physically or verbally intimidating or threatening an instructor, teaching assistant or staff person, including yelling at them, invading personal space, or engaging in any form of harassment
  - Repeatedly contacting or following an instructor, teaching assistant, or staff person when directed not to do so
  - Misusing a classroom electronic forum by posting material unrelated to the course
  - Interfering with an instructor's or teaching assistant's ability to teach a class, or interfering with other students' participation in a class

by interrupting, physically causing a disruption, or excessive talking

### **Upholding the UC Davis Code of Academic Conduct**

Students, faculty, and University administration all have a role in maintaining an honest and secure learning environment at UC Davis.

- ► The success of our Code of Academic Conduct depends largely on the degree that it is willingly supported by students. Students:
  - Are responsible to know what constitutes cheating. Ignorance is not an excuse.
  - Are required to do their own work unless otherwise allowed by the instructor.
  - Are encouraged to help prevent cheating by reminding others about this Code and hold each other accountable by

reporting any form of suspected cheating to the University.

- Shall respect the copyright privileges of works produced by faculty, the University, and other copyright holders.

- Shall not threaten, intimidate or pressure instructors or teaching assistants, or interfere with grading any coursework.
- Shall not disrupt classes or interfere with the teaching or learning environment.
- ► Faculty members and instructors are responsible for teaching courses and evaluating student work, and are governed by University of California and UC Davis policies and regulations. Regulation 550 of the Davis Division of the Academic Senate addresses academic misconduct. Faculty and instructors:
  - Will provide students with a course outline containing information about the content of the course, amount and kind of work expected, examination and grading procedures and notice of the Code of Academic Conduct.
  - Should monitor examinations to help prevent academic misconduct.
  - Shall report all suspected cases of cheating and other misconduct to the Office of Student Support and Judicial Affairs

(<http://ossja.ucdavis.edu/>).

- ► The University has delegated authority and responsibility to the Office of Student Support and Judicial Affairs (OSSJA) for the adjudication and resolution of academic misconduct cases. OSSJA maintains records of academic misconduct. The University:
  - Shall educate faculty and students about the Code of Academic Conduct.
  - Shall provide physical settings such as classrooms and labs for examinations that minimize opportunities for academic

misconduct.

- Shall assist and train faculty and teaching assistants about how to prevent and address academic misconduct.
- ► Submitting Reports and Judicial Procedures
  - The Code of Academic Conduct governs academic conduct at UC Davis.
  - Faculty have sole authority, as granted by the Academic Senate, to evaluate a student's academic performance and

assign grades. If academic misconduct is admitted or is determined by adjudication to have occurred, instructors may assign a grade penalty no greater than "F" for the course in question. If a report is pending at the end of an academic term, instructors should assign a temporary grade of "Y" for the course until the report is resolved.

- A faculty/student panel, convened by OSSJA, shall conduct formal hearings to adjudicate contested cases of academic misconduct, unless the right to a formal hearing has been withdrawn. The right to a formal hearing may be withdrawn because of a prior finding of misconduct.
- Instructors and teaching assistants may direct a student to leave a class immediately if the student's behavior is disruptive.
- Instructors, teaching assistants and staff persons should contact police (752-1230 or 911) if they feel physically threatened.