Syllabus

Course title: Social Policy and Labor Markets

Instructor: Andrea Weber, email: WeberA@ceu.edu

Credits: 2 US credits (4 ECTS credits)

Term: Winter 2021-2022
  Monday and Wednesday 5:40 p.m. – 6:40 p.m., Room D108
  12 weeks from January 10 to March 30, 2022

Zoom:
https://ceu-edu.zoom.us/j/92597913762?pwd=RXhVc3FJKytPbVZVGNpTmpZTkZGdz09
Meeting ID: 925 9791 3762
Passcode: 235153

The course is a second year elective Economics course for the Bachelor of Arts program in Philosophy, Politics, and Economics. First-year Microeconomics is a pre-requisite for the course.

Office hours are by appointment only. Please send an email to schedule an appointment.

1. Course description:

   The course is an introduction to labor economics with a strong focus on the links to social policy. We will emphasize an applied microeconomic approach and discuss results from empirical analysis. Topics to be covered include: labor supply and demand, taxes and transfers, minimum wages, immigration, human capital, education production, training, unemployment and job search.

2. Learning outcomes

   Students will be familiar with the key concepts underlying the classical theory of labor supply and labor demand and its predictions of the impacts of public policies. They will learn to explain the model predictions of the impacts of public policies and analyze their trade-offs and practical implications. The course will also familiarize students with empirical research in the field and enable them to evaluate policy proposals critically. In particular, students will obtain broad perspectives of current discussions around social policies such as minimum wages, migration policy, training programs, or unemployment and disability benefits.

3. Course contents and reading

   The course will follow selected chapters in George Borjas (2019) Labor Economics, 8th edition, McGraw-Hill Higher Education. In addition, weekly reading will cover newspaper articles and summaries of academic papers.

   Reading assignments will follow the schedule below. But more detailed assignments will be announced in advance each week. Weekly assignments and material that is not available online will be posted on
moodle.

**Week 1:** Introduction: labor market facts and trends, measuring the labor force

Read: Borjas chapter 1, 2-1, 2-2.

Reading assignment for discussion in class


**Week 2:** Labor supply

Read: Borjas chapter 2-3, 2-4, 2-5, 2-6, 2-7.

**Week 3:** Labor supply policy applications

Read: Borjas chapter 2-10, 2-11.

**Week 4:** Labor demand and labor market equilibrium

Read: Borjas chapter 3-1, 3-2, 3-3, 3-4, 3-08, 4-1, 4-2.

**Week 5:** Policy applications: minimum wages, payroll taxes and subsidies

Read: Borjas chapter 3-10, 4-3.

**Week 6+7:** Labor mobility and migration

Read: Borjas chapter 4-5, 4-6, 4-7, 8-1, 8-2, 8-3, 8-4, 8-5.

**Week 8:** Education and human capital investment

Read: Borjas chapter 6-1, 6-2, 6-5, 6-6, 6-7

**Week 9:** Labor market training

Read: Borjas chapter 7-1, 7-2, 7-3, 7-4.

**Week 10:** Unemployment and job search

Read: Borjas chapter 12-2, 12-3, 12-4, 12-5
Week 11: Labor market discrimination

Read: Borjas chapter 9-1, 9-2, 9-3, 9-8, 9-11.

Week 12: Review and exam

4. Assignments

Reading assignments:
Students get weekly reading assignments for class discussion. These are typically 1-2 short newspaper articles (no more than 1-2 pages long) about the material we learn in class. Students have to be prepared to discuss the readings in small groups in class, to answer questions about the readings and to present the group answers and conclusions.
Alternatively, reading assignments may also include short book chapters that will be discussed in more detail by student groups in class.

Homework assignments:
There will be 4-5 short homework assignments which have to be submitted online on moodle by a given deadline (typically every second week on Wednesday starting on Jan 26). Homeworks will not be individually graded, but homeworks that are not turned in receive 0 points. Homework solutions will be discussed in small groups in class and group solutions will be presented.

Quizzes and polls:
At the beginning of each class on Monday we will have a short quizz or poll questions. The questions will review material from the previous week. Polls and quizzes are not individually graded, but non-participation receives 0 points.

5. Assessment

The final grade is based on
Reading assignment and class discussion: 15%;
Homework assignment and class discussions: 15%;
Quizzes and polls: 10%;
Class participation: 10%;
Final exam: 50%.

The final exam will be a 60 minutes written exam and take place in week 12 of the course. Grading will be based on the total score out of 100, in line with CEU’s standard grading guidelines.