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**Course Information**

Course: Economics 405 – *Labor Economics*  
Meetings: M-W-F 10:20 am – 11:20 am  
Location: Crounse 301  
Web Page: [www.web.centre.edu/rizzo/](http://www.web.centre.edu/rizzo/) (click on "Teaching" in main menu on top of page)

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**Instructor Information**

Instructor: Michael Rizzo

Office Hours: Any time, really. Formal hours MW 2:00pm-4:30pm  
And TUE 11:30am – 1:00pm; FRI 2:00pm – 3:00pm

Office Location: 417 Crounse (next to the lounge and across from the copy room)

Office Phone: 238-5239

E-mail: [rizzo@centre.edu](mailto:rizzo@centre.edu)

Home Phone: 236-5656 (I am more than happy to chat with you from home if you need me. Please try not to call after 9:30pm as we like to get to bed early. I urge you to leave a message if I do not answer, I am often out in my garage or doodling around the house somewhere.)

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**Course Description**

This course applies simple microeconomic modeling techniques to the characteristics and problems of the labor market. The course is intended to familiarize students with basic definitions and theoretical tools to enable them to understand, analyze and think critically about a number of public policy issues. While the course is heavily based on modern theory, there will be no rigorous mathematical analysis undertaken.

Topics covered will include employment demand, basic compensation determination, education and training, benefits and the structure of compensation, labor-force participation and its relation to household production, occupational choice, migration, labor-market discrimination, and may include other labor market applications such as unions, poverty and inequality and unemployment.

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**Course Materials and Resources**

The only required purchase for the course will be a textbook, *Modern Labor Economics: Theory and Public Policy*, by Ronald Ehrenberg and Robert Smith (9th edition). The text is available in the campus bookstore for \$136.50 new and \$102.50 used. I have seen new editions sell on half.com for about \$115 and on Amazon for about \$129.00.

There is a useful study guide for the course available for those students that wish to purchase one. The guide is called *Study Guide to Accompany Modern Labor Economics* (Addison Wesley 2005). The guide, by Stone and Wohl, can be ordered through the campus bookstore for a price of \$23.00. The guide summarizes many of the points made in each chapter, provides both multiple choice review questions and problem sets. The answers are all found in the back of the book.

There will be a number of times throughout the semester when reading academic papers highlighting examples of material covered in the text will be useful. Though not all of these readings will be required, it is recommended that you at least browse through them when I assign them. In most cases I have made the readings available directly from our web page; in some cases you might need to retrieve a print version from the library.

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### Class Policies

1. *Attendance – missed classes*

We are all adults and I will treat you as such. While attendance is not mandatory, I would obviously prefer it if you came to each session as I believe the material is easier to digest the more times you get to see it. I have been known to call students up to see how they are feeling when they do not show up for class. Further, the registrar asks that I submit an attendance sheet to him at the end of the semester. While attendance will not be directly factored into your grade for the course, I will be evaluating you on things that happen inside the classroom, which can obviously not be “made up” when a class is missed.

2. *Attendance – late for class*

Class time is limited and students entering class late provide a distraction for both fellow students and the instructor, particularly so early in the morning. Students arriving late for class will therefore suffer a penalty of 2 points off of the next examination for each day you show up late for class. It's not OK to show up late for a job and it will not be OK to show up late for a class either.

3. *Missed Classes for College Sponsored Events*

You will be excused from the regular term equivalent of THREE classes during the course of the term if I receive notification that you have an obligation to attend another college sponsored event (e.g. performance, athletic event, field trip, etc.). Though these missed classes will not count against your grade, I do expect you to get notes and any missed assignments from your classmates. If you let me know early enough in the semester when you will be away, I may be able to get assignments and other materials to you earlier.

4. *Rescheduling Assignments and in Class Exams*

If the timing of a certain assignment or exam is extraordinarily difficult for you to satisfy, please see me BEFORE the assignment is due so that we can work out a solution together. When I say BEFORE, I do not mean midnight on the evening before a test, but three or more days advance notice is sufficient.

5. *Late Work*

Unanticipated late work will not be accepted and will receive a grade of zero. This policy is in effect in order to be fair to those students that do complete their work on time. Of course, students with medical or other emergencies will not be penalized if a note from Health Services or Student Support Services has been provided to me.

6. *Please be Respectful of your Fellow Classmates*

Please turn off all cell phones, beepers, etc. during class. If a phone or beeper as much as vibrates during class, I will enjoy speaking with the person that calls you to let them know you are in the middle of class. If the problem persists, I will enjoy the use of that device until the next time class meets - which will include me answering all calls on your behalf during that time!

While I want our classroom discussions to be lively, I do expect that we remain civil toward

each other. Shouting an argument does not make it any more defensible (or moral or right, etc.) than if it was not shouted. I also expect that you not cut off your fellow classmates while they are speaking. In addition, please present yourself neatly in class and be prepared to share any snacks or meals with your classmates. Of course, feel free to bring water with you.

7. *Students with Special Needs*

If you need special accommodation for classes and / or assignments, please see me BEFORE the assignment is due or class meets so we can work out something that will make you comfortable. You must also see Mary Gulley or Ann Young in order to receive the proper documentation. I am unable to help you out without this documentation finding its way to me first. New policy at Centre requires that you meet with me so that I can sign the laminated form that you will receive from the Assistant Dean.

8. *Feedback*

I urge each of you to provide me with feedback throughout the term. You may simply e-mail me or see me if you want to discuss things or you may anonymously post comments to the "lecture evaluation" forum that is linked on the course home page.

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## Course Requirements

### A. Examinations

→ There will be one 60-minute midterm examination during the semester. The midterm is scheduled during class on Friday, October 14<sup>th</sup>.

→ A make-up exam may be given if a student notifies me at least 1 week prior to the examination date of a conflict (or due to medical necessity – see above). In the event that a student misses the exam without being excused, she/he will receive a grade of U for that exam.

→ There will be one 180-minute final examination given during the scheduled exam time. The exam will be on Tuesday, December 13<sup>th</sup> from 8:30am-11:30am. The final exam will be given in our classroom, Crouse 301.

### B. Homework

→ There will be three or four problem sets distributed throughout the semester. These problem sets are given to make sure students have practice answering questions and review the material we learned in class. These are great tools to be used in helping you prepare for the examinations. The problem sets will be collected. While you will not receive a grade on any individual problem set, I will use their overall timeliness and quality to help determine your course grade.

### C. Media Assignment

→ Each student will be required to present me with a total of 8 pieces of media by the end of the semester that address topics that are covered in this course. For the first 4 pieces, all that is required is that you submit the pieces to me. For the subsequent 4 pieces, I would like for you to add up to 1,000 words of commentary highlighting the economic concepts being addressed and discussing the accuracy of the economics, the types of arguments being made (positive vs. normative; consequential versus motivational) and your overall impression of the piece. The goal of the assignment is for you to produce something that will appear on my web page for broader public consumption – or that you would be willing to submit as an editorial in a paper. I define media very broadly – it can be a newspaper clipping, a magazine article, a book, a response to an op-ed or an

editorial, a discussion or post from a blog, something you saw on TV or in a movie, something on the radio, something you heard in a song, saw in a video game, something you encountered in another class or event at Centre, or encountered in a fantasy sports league, ... you get the picture. For some guidance on what this might look like, have a look at the center column of my webpage.

### *D. Semester Project*

→ See attached sheet for complete description. The projects will be due on the last day of classes – Friday, December 9<sup>th</sup>.

### *E. Course Contributions and Classroom Productivity (my discretion)*

This is not simply a verbal class participation requirement. A small portion of your final course grade will be a function of how well you are making use of your time outside of class. Due to the very short time span in which a large amount of the material is covered, it will be nearly impossible for you to appreciate the complexities of economics without doing all of the assigned readings and exploring in detail the many questions I will be asking. This is particularly the case given that I have assigned a fairly light amount of reading for this course. Your hard work and seriousness of purpose will benefit all of your classmates as it will vastly expand the number of things we can discuss and learn in class, but also enhance the depth of the debates that will take place. To the extent that you are able to raise the level of the conversations we have in class by your preparation and your asking of serious questions in class, you will be rewarded in your grades. To the extent that you demonstrate a lack of respect for your classmates and the instructor by either not preparing fully for class, by not being fully attentive in class or by not putting your full effort in completing the assignments, your course grade will be negatively affected.

### *F. Post-Centre Preparation*

Since this is a course about labor markets, and you will be in the immediate future on the supply side, and hopefully one day on the demand side too, I would like to provide you with some more incentive to prepare for your post-Centre life. By the end of the semester I would like for you to have completed the following:

- i. Have prepared a resume;
- ii. Have prepared one (or more) generic cover letters that you can easily augment when the time comes to apply for jobs;
- iii. Have arranged to meet with me at LEAST two times to talk about your post-Centre plans whether they include graduate school, work, time off, etc. We can use this time to review what you have prepared for (i) and (ii);
- iv. Have arranged a meeting with career services; and
- v. Have presented me with a clearly articulated career plan and strategy for implementation.

If you successfully do these things, I will allow you to change the weighting of the course assignments by up to 10 percentage points BEFORE the final exam is offered. For example, if initially the final is worth 40% and the semester project is worth 35% and other materials worth 25%, I will allow you to make the final 30%, the project 40% and the other materials 30%.

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## Grading Policy

To summarize from above, your course grade will be comprised of:

|      |                  |     |
|------|------------------|-----|
| I.   | Final exam       | 40% |
| II.  | Midterm exam     | 20% |
| III. | Media project    | 20% |
| IV.  | Semester project | 20% |

Grades will be based on your demonstration and mastery of knowledge and skills of labor economics.

Though the total of the above scores is 100% there will be ample opportunities to either improve upon or damage your grades. I will point these out as we move through the semester. For those of you who find yourselves struggling, I urge you to see me sooner rather than later. If you take the effort, I will go to great lengths to make sure you do well and also enjoy the class. I am unable to help you if you do not take the initiative to make things better.

You are NOT in competition with your fellow classmates for grades. I have no limits on the number of A's I will award. At the same time, I do not have a target number of scores to award either. You will receive the grade that you **earn**. Students that demonstrate a continued effort throughout the course will have many opportunities to improve upon a poor grade.

The grades will not be curved unless unusual circumstances require me to do so. Your total score for the course will be converted into a percentage (properly rounded). Then, I will use the following grade scale to determine your letter grade:

|            |    |
|------------|----|
| 94% - 100% | A  |
| 90% - 93%  | A- |
| 88% - 89%  | B+ |
| 83% - 87%  | B  |
| 80% - 82%  | B- |
| 78% - 79%  | C+ |
| 73% - 77%  | C  |
| 70% - 72%  | C- |
| 60% - 69%  | D  |
| below 60%  | U  |

## Regrading Policy

In cases where clear grading mistakes have been made (e.g. points are added up incorrectly) please notify me immediately and I will correct them.

In cases where there is a dispute over a grade, I ask that students not just "barge into my office" with a complaint. I will listen to all disputes as long as the student submits a written (or e-mailed) description to me as to why she/he feels the grade is incorrect before you come to see me. If it is clear that I have made a mistake, I will make the change. In cases where complaints are non-specific and your submission does not address the economics of the question asked, points will not be awarded.

## Some other thoughts on grades:

For those of you that are nostalgic about higher education, I pulled the following grading guidelines from a professor at an elite liberal arts college in the early 20<sup>th</sup> century:

Students shall receive a letter grade of:

**A** when students have excellent command of the subject matter and demonstrate an ability to apply

their knowledge beyond the specificity of the course materials. Their knowledge of the subject matter includes some of the finer points of economics and may include information not specifically addressed in any one lecture. These students would be able to break down this material and explain it to people with no prior knowledge of the subject;

**B** when students have a very good command of the main ideas of the subject matter. These students would be able to give out the course material in a manner similar to which it was given to them;

**C** when they similar to a B student accept that command of the main ideas is rudimentary and fragmented;

**D** when students have very little knowledge of the subject matter, but demonstrate at the very least that they recognize some of the material that has been presented to them;

**U** when students have clearly made no effort to learn. Their performance is indicative of such and their work shows no interest in the subject matter and does not demonstrate that the material is even familiar to them.

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Please read pages 22-24 of the *2005-2006 Student Handbook*. These are the sections on Academic Honesty and Dishonesty.

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**Course Topics & Tentative Schedule (click on "Course Readings" from class website)**

We have 14 weeks of class and 39 allotted class meetings. In order to keep the pace of the course flexible and the content adaptable, I will include an outline of the topics I'd like to cover, and the tentative date for when these will (if at all) be covered. Additional topics may be added depending on the path the course takes itself.

Your course readings will be assigned several classes prior to when they are due, at the beginning of the class session. I will announce the readings in class and post a reading list (continually updated) with links where possible on the course web site.

This schedule is meant only as a rough outline. Depending on the speed with which we cover the material from the beginning of the text, some or all of the material from Chapters 11, 13-15 may have to be skipped. I will let you know EXACTLY what material you will need to be responsible for on each exam.