

# Labor Economics (노동경제학)

Semester I, 2015

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## Introduction

Labor economics studies how labor market works. We study the decision-making processes, the behaviors, and their impacts of three "actors" in the labor market: workers, firms, and the government. Important topics addressed by labor economics and this course include the allocation of a worker's time to the labor market, the hiring and firing decisions of firms, the worker's decision to invest in human capital, determination of wages, the economic impact of unions, and unemployment. Knowledge of introductory microeconomic theories is required for this course.

## Overview

This course introduces modern labor economic theories and policy issues to the students. Over one semester we study theories, models, and related policy issues and debates of important labor market issues, such as labor supply and demand, labor market equilibrium, wage determination, human capital, labor mobility, labor market discrimination, labor unions, incentive pay, and unemployment.

## Objectives

1. Learn basic theories and models used by modern labor economists.
2. Learn important labor market policy issues and debates.
3. Cultivate the ability to apply the theories critically to the current policy issues.

## Textbook

Labor Economics (6th ed.), George J. Borjas, McGraw-Hill, ISBN 978-007-132620-9

## Assessment

Midterm 45%, Final 45%, Attendance 10%

## Weekly lesson plan

(1) Introduction – 0.5 lecture

(1-3) Theory of labor supply (Chapter 2) – 3.5 lectures

- (3-4) Theory of labor demand (Chapter 3) – 3 lectures
  - (5) Labor market equilibrium (Chapter 4) – 2 lectures
  - (6) Compensating wage differentials (Chapter 5) – 2 lectures
  - (7) Midterm exam
  - (8-9) Human capital (Chapter 6) – 3 lectures
  - (9-10) Wage structure (Chapter 7) – 3 lectures
  - (11) Labor mobility (Chapter 8) – 2 lectures
  - (12) Labor market discrimination (Chapter 9) – 2 lectures
  - (13) Labor unions (Chapter 10) – 2 lectures
  - (14) Incentive pay (Chapter 11) – 2 lectures
  - (15) Unemployment (Chapter 12) – 2 lectures
  - (16) Final exam
- \* This weekly schedule is subject to change.