Economics 6009: Labour Economics
University of Hong Kong
School of Economics and Finance
Spring 2016/2017

General Information
Instructor: Sangyoon Park
Email: sangyoon@hku.hk
Office: K. K. Leung Room 832
Office Hours: TBA

Course Description
This course studies topics in labour economics, surveying both theoretical and empirical work in the field. The topics will be focused around the core areas of labor supply, labor demand, and human capital. The theoretical models will include labor supply models, signalizing, skill premia, and self-selection. The empirical part will study topics on migration, human capital, and inequality.

Course Materials
Textbooks: There are two optional textbooks for this course. The first is *Labor Economics* by Cahuc and Zylberberg. You should think of it as a standalone reference. The second textbook is *Mostly Harmless Econometrics* by Angrist and Pischke. I highly recommend it for all students in this class.

In addition, there will be a reading list comprising of peer-reviewed papers in the literature. Students will be expected to have read the assigned papers prior to lectures.

Course Objectives
1. To prepare graduate students with knowledge on labor economics
2. To provide understanding of the concept and theory of labor demand and labor supply
3. To develop and to be able to apply analytical skills on labor economics topics
4. To provide empirical skills required for analyzing issues on human capital and labor markets

Learning Outcomes
1. Establish critical understanding of the labor economics literature
2. Comprehend major empirical methodologies in labor economics
3. Integrate academic research with real-world issues and applications
4. Effectively communicate research findings
Alignment of Program and Course Outcomes

<table>
<thead>
<tr>
<th>Program Learning Outcomes (PLO)</th>
<th>Course Learning Outcomes (CLO)</th>
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<tbody>
<tr>
<td>1. Understanding of fundamental theories and new development in economics</td>
<td>1, 2, 3</td>
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<tr>
<td>2. Mastering of skills in analyzing economic data</td>
<td>1, 2, 3, 4</td>
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<tr>
<td>3. Demonstration of ability to apply economic knowledge and analytical skills to address policy and business problems</td>
<td>1, 2, 3, 4</td>
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<tr>
<td>4. Awareness of ethical concerns in economic issues</td>
<td>1, 2, 3, 4</td>
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<tr>
<td>5. Mastering of communication skills</td>
<td>3, 4</td>
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Teaching and Learning Activities (TLA)

1. Lecture: Instructor gives lectures on major concepts and issues

2. Consultation: Instructor holds weekly consultation hours to answer students’ questions.

3. Participation and Presentation: Students are expected to present papers and engage in discussion during lecture meetings.

Assessment Tasks/Evaluation Plan

Alignment of Learning Outcomes, Teaching and Learning Activities, and Assessment Tasks:

| Course Learning Outcomes CLO1 - CLO4 | Teaching and Learning Activities TLA1 - TLA3 | Assessment Tasks Presentation, Referee Reports, Final Exam |

Assessment will be determined by the following formula:

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<thead>
<tr>
<th>Component</th>
<th>Percent of Final Grade</th>
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<tbody>
<tr>
<td>Participation</td>
<td>10%</td>
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<tr>
<td>Presentation</td>
<td>10%</td>
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<tr>
<td>Referee Reports</td>
<td>20%</td>
</tr>
<tr>
<td>Final Exam</td>
<td>60%</td>
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Standards of Assessment

<table>
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<tr>
<th>Grade</th>
<th>Assessment Rubric</th>
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<tr>
<td>A+, A, A−</td>
<td>Demonstrate evidence of original thought, analytical and critical abilities as well as a thorough grasp of the topic from background reading and analysis</td>
</tr>
<tr>
<td>B+, B, B−</td>
<td>Demonstrate evidence of critical and analytical thinking but not necessarily original thinking; show adequate grasp of the topic from background reading and analysis</td>
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<tr>
<td>C+, C, C−</td>
<td>Demonstrate evidence of a reasonable grasp of their subject but most of their information is derivative, with rather little evidence of critical thinking</td>
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<tr>
<td>D+, D</td>
<td>Demonstrate evidence of being able to assemble only the bare minimum of information, poorly digested and not very well organized in presentation</td>
</tr>
<tr>
<td>F</td>
<td>Demonstrate evidence of poor knowledge and understanding of the subject, a lack of coherence and organization, and answers are largely irrelevant</td>
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Academic Conduct
The University regulations on academic dishonesty will be strictly enforced. Also, please check the University Statement on plagiarism at [http://www.hku.hk/plagiarism](http://www.hku.hk/plagiarism).

Schedule (tentative and subject to change)
Topic 1. Background - Week 1

- Neoclassical labor supply models
- Dynamic labor supply models
- Household labor supply models

Topic 2. Labor Supply - Week 2-4

- Theory of Skill Premia
- Skill-Biased Technological Change
- Trade and Labor Demand

Topic 3. Labor Demand - Week 5-7

- Investment in Human Capital
- Returns to Education
- Education and Signaling

Topic 4. Human Capital - Week 8-10

- Minimum Wages
- Referrals
- Economics of Discrimination
- Peer Effects
- Unions

Topic 5. Additional Topics - Week 11, 12