

# **ECON 4234 Labour Economics and Human Resources**

Spring 2022

Hong Kong University of Science & Technology

Course website: <https://canvas.ust.hk>

## **Course Syllabus**

<u>Class meetings</u>	Tue & Thu	3:00 – 4:20 pm	LSK 1007 / Zoom 979-7185-7065
<u>Tutorials</u>	Fri	6:00 – 6:50 pm	

### Instructor

Professor Sujata VISARIA

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Department of Economics

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LSK 6083 / Zoom 443-411-2019

Office hours: Mon 2:30 – 4:00 pm

(Please request password.)

### Teaching Assistants

Fatemeh ENTEZARI

Department of Economics

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Zoom 774-509-2117; Passcode: 915323

Office hours: Wed 3:00 – 4:30 pm

## **Course description**

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Labour is a factor of production. But it is a special factor of production, because it is provided by human beings. Humans voluntarily make labour supply decisions. Also, labour market outcomes translate directly into human wellbeing.

Labour economics is a study of how labour markets function and the determinants of outcomes such as the extent of employment and the wage level. Topics we will cover include education & training, labour supply and welfare programmes, migration, minimum wages and discrimination. All topics will be motivated by real-world examples and policy questions, so that you can see how this field of economics can enhance our understanding of how the world works.

## **Course Intended Learning outcomes (CILOs)**

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Students who complete this course successfully will be able to:

1. define key concepts related to labour markets
2. explain the optimisation process behind labour supply and demand, analyse labour market equilibria and welfare programmes
3. understand and analyse the effects of migration on labour markets, both in the short and long term
4. understand and analyse the effects of minimum wages on labour market outcomes

5. discuss different theories about the role of human capital in labour markets
6. analyse the phenomenon of labour market discrimination, design ways to measure it and analyse its labour market consequences
7. communicate own thoughts and analysis about economic phenomena and economic logic in written and oral formats

## **Prerequisites**

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You must have taken at least ECON 3133 or ECON 3014 or equivalent courses successfully to enrol in this course.

I will assume that you know core concepts in calculus and microeconomics. Please review these if you feel uncertain.

## **Learning environment**

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### **Meetings/Lessons**

We will meet online via Zoom meeting ID 979-7185-7065. Only HKUST authenticated users will be eligible to join. Please click through “Zoom meeting” on our Canvas website.

Your active participation is essential to make our classes a success. Barring temporary technical problems, I encourage and expect you to join with both audio and video.<sup>1</sup> Group chat will be on for the first few minutes of every meeting, and may be turned on again from time to time if needed. However for most of the meeting, the chat function will be turned off. This helps to avoid parallel conversations that may distract other students.

I would like our meetings to be interactive. You are always welcome to ask questions or make comments related to the material we are discussing. Please “raise your hand” in the Zoom meeting, and I will call on you. I may also pose a question and ask for volunteers to answer, or ask a specific question to a specific student. We will also use Zoom polls as a way to check understanding. It is important that you are actively participating throughout!

We will not hold regular tutorials, but you can use the time slot to work with your team members on team exercises. If we need to reschedule a regular class meeting we may use the tutorial slot.

If in the future the university changes to “mixed-mode” our meeting arrangements may change. I will keep you informed through the course website.

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<sup>1</sup>If you have privacy concerns, please contact me and we can discuss them.

## Learning resources

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- The slides for our class discussions will be posted on the [course website](#) on Canvas. Please note that these slides are not a substitute for attending class.
- The Zoom meeting will also be recorded and a link provided through Canvas.
- Any videos that are shown during the class meeting will also be provided separately through Canvas.
- We will also use the Canvas course website for announcements, to administer quizzes, collect your assignments, and to post your scores. Please check it regularly.
- The textbook for the course is George Borjas's *Labor Economics* (Eighth Edition). An e-book version of the eighth edition can be purchased from the campus book store through [this link](#). The library has the [seventh edition](#) and you can also use that. If there is any confusion about which sections we are referring to, please clarify with me or Fatemeh. If I refer to any additional material during our lectures, I will provide references to it on the course website.

## Assessment scheme

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### Class Participation 15%

Your participation score will depend on your active participation in the class meetings. This will be evaluated through your attendance in the class meetings, and participation in the Zoom polls that will be conducted from time to time. Students who actively ask questions, answer questions and make comments will also receive extra credit.

### Homework Assignments/Quizzes 35%

- There will be three homework assignments. They will appear on Canvas as quizzes. They will test your understanding of material that has been discussed in class or in your readings.
- Assignments will include both multiple choice questions and long-answer questions. You may be expected to submit graphs (which can be hand-drawn, or drawn on a computer or tablet) in the form of pdf files. If hand-drawn, we strongly recommend [scanning](#) the image to maximise contrast and resolution, and minimise file size. This will help ensure you can upload the file smoothly.
- Each assignment will have a stated deadline and must be submitted before the deadline is up. Late submissions are generally not possible. See exact dates in the Course Schedule.

### **Analysis of Real-world Questions (Team Exercise) 30%**

There will be three team exercises (dates in Course Schedule) where you will apply your knowledge to analyse a real-world question. During class time, you will work with a team in a break-out room to put together your analysis in a Powerpoint presentation. You will submit your work through Canvas at the end of the class. (This is called the draft submission.) You will receive feedback the next day, and each team will revise their work, and submit a revised version two days later. In the following class meeting, we will use your final presentations as a starting point to discuss the topic in greater detail. Each team exercise will be worth 10% of your grade (draft: 4%; revised: 6%). Evaluation rubrics will be provided on the Canvas course website.

### **Individual Final Quiz 20%**

Each student will **individually** answer a quiz during the final exam slot decided by the ARO. Please expect to be tested on selected topics from different parts of the semester. I will announce the specific topics for this quiz beforehand.

## **ECON 4670: Economics Research and Communication**

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This course *does not* automatically help you pass ECON 4670. However, interested students may take their work from the team exercise and write a 10-page *individual* paper for ECON 4670 by mid-June 2022. **I cannot accept more than 15 students. Students who wish to pursue this option should inform me no later than 11 February. If this option is over-subscribed, I will randomly pick 15 students and inform you by 14 February.** Further details about the requirements for ECON 4670 will be provided to accepted students around 15 March.

## **Academic honesty**

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Academic dishonesty is immoral and unfair, and I take a very serious view of it. You must be aware of [HKUST's policy on academic integrity](#), and abide by its provisions. I will report all cases of suspected misconduct to the Dean's Office, and their decision will be final and binding.

Please be especially careful not to plagiarize. Many students plagiarize without realizing what they are doing. Any text that you quote directly from another source must be included in quotation marks, and referenced correctly. If you do not include quotation marks, the words must be your own. If we detect plagiarism on written assignments we will penalise it.

Table 1: Course Schedule

Class	Date	Topics	Reading	Assigned	Due <sup>a</sup>
L1-2	Feb 8-10	Introduction, Some Employment Facts	Borjas Ch. 2		
L3-4	Feb 15-17	Labour Supply	Borjas Ch. 3	Quiz 1 15/2	Quiz 1 24/2
L5-6	Feb 22-24	Social Welfare Programmes	Borjas Ch. 3	Quiz 2 24/2	
L7-9	Mar 1-8	Labour Demand	Borjas Ch. 4		Quiz 2 8/3
L10-11	Mar 10-15	<i>Team Exercise: Automation</i>		TE 1 10/3	TE 13/3
L12-14	Mar 17-24	Migration	Borjas Ch. 4		
L14-16	Mar 24-31	Minimum Wages	Borjas Ch. 4		
L17-18	Apr 7-12	<i>Team Exercise: Living Wages</i>		TE 2 7/4	TE 2 10/3
L19-21	Apr 19-26	Human Capital	Borjas Ch. 6	Quiz 3 13/4	
L21-23	Apr 26-May 3	Discrimination	Borjas Ch. 9		Quiz 3 28/4
L24-25	May 5-May 10	<i>Team Exercise: Detecting Bias</i>		TE 3 5/5	TE 3 8/5
	Date TBD by ARO	Individual Final Quiz			

<sup>a</sup>Quizzes are due by 4:30 pm; Team Exercise draft submissions due by 7 pm, and Team Exercise revised submissions due by 9 pm on the due date.