

SUNY-Stony Brook. Economics Department  
Economics 337: Spring 2002

Advanced Labor Theory

Monday, Wednesday, Friday 10:30 to 11:25. SBU 236

Professor Hugo Benítez-Silva

<http://ms.cc.sunysb.edu/~hbenitezsilv>

The major focus of this course concerns the study of the labor market. Understanding how this important market works is an integral part of the minimum knowledge an economist should have. All of us are, in one or more senses, participants in this market, and close attention to current affairs reveals a broad spectrum of issues that can be analyzed and better understood by having the theoretical background you will be exposed to in this class. Labor Economics is nothing but an application of mainstream microeconomic theory to a market where firms demand workers and workers supply labor. The labor market is not a simple competitive market where only price matters, but from the moment individuals are involved, regulation, policy, preferences and other complexities play an important role in understanding how this market works, evolves and sometimes fails.

The emphasis of this course will not be necessarily quantitative, but given the requirements for the course a good knowledge of microeconomics, math, and some econometrics (basic statistics), will be expected from the students. We will follow the textbook quite closely but students will be expected to think *outside the box* in problem sets, exams and other assignments.

**Prerequisites:** ECO 303, or written permission from the instructor. Yes me.

**Textbook:** Ronald G. Ehrenberg and Robert S. Smith, *Modern Labor Economics: Theory and Policy*, Seventh Edition, 2000.

**Office and office hours:** My office is located in SBS S-649. Phone: 2-7551.

e-mail: [hugo.benitez-silva@sunysb.edu](mailto:hugo.benitez-silva@sunysb.edu).

Office Hours will be Tuesday and Thursday from 11am to 12 p.m. And by appointment.

**Grading:**

- There will be 5 problem set assignments, worth 20% of the final grade, only the best 4 grades will be counted, there might be some additional problem set assignment during the course at the instructor's discretion.
- Active class participation will count for 10% of the grade. This is not a freebie, attendance is only a small part of it. I expect in this part of the grade even more variability than in the others.
- A midterm that will count 25% of the grade will be in class before the spring break.
- Students can choose to write a paper for the class that will count for 15% of their grade, with the final exam counting for the remaining 30% of the grade. If the paper option is not taken the final exam will count for 45% of the grade. Those that choose the paper option will have to submit a paper proposal by early March. The paper will be due the last day of scheduled classes. Details on dates and the paper are below.
- Working in groups is encouraged. Before the first problem set is distributed you will be asked to form groups of 3 to 6 people (or I will), some questions will have to be answered as a group.

**Important Dates:**

- Wednesday January 23: first day of classes.
- Wednesday February 6: first problem set is distributed.
- Wednesday February 13: first problem set is due in class.
- Wednesday February 20: second problem set is distributed.
- Wednesday February 27: second problem set is due in class.
- Friday March 1: paper proposals are due by 5 p.m. See details below.
- Wednesday March 6: third problem set is distributed.
- Wednesday March 13: third problem set is due in class.
- Friday March 15: In class MIDTERM EXAM.
- Monday March 18: Comments on proposals are distributed.
- Spring Break: no class Monday March 25, Wednesday 27, and Friday 29.
- Wednesday April 3: fourth problem set is distributed.
- Wednesday April 10: fourth problem set is due in class.
- Wednesday April 24: fifth problem set is distributed.

- Wednesday May 1: fifth problem set is due in class.
- Monday May 6: papers are due by 5 p.m. Last day of classes.
- Wednesday May 15: Final Exam, 8 am to 10:30 am.

Paper proposals are due March 8, 2002. They have to be no longer than 3 double-spaced letter sized typed pages. Electronic submissions will be accepted in Word, pdf and postscript formats, but the deadline for these will be 12 p.m. to allow some time to fix possible format problems. Those that do not submit a proposal cannot write papers for this class and the final exam will count for 45% of their grade automatically. I will distribute my comments on each proposal on Monday March 18, students are free to decide not to write a paper if given my reaction to the proposal they think they are not likely to write a good enough paper. A student that submitted a proposal can decide not to write the paper up to the last minute before 5 p.m. on May 6, 2002.

Papers are due on May 6, 2002. The maximum permitted length of the paper is 15 pages, including graphs, tables, bibliography and notes. The paper has to use a minimum of 11pt fonts (except in graphs and tables) and 1.5 line spacing. Again electronic submissions are permitted with the caveat explained above.

Cheating, copying, plagiarism, and other deceiving techniques and/or attitudes will not be tolerated under any circumstance, meaning that the given individual(s) will get an automatic F in the assignment, and the instructor will take the case to the appropriate administration official. However, working with your classmates in problem sets is encouraged, and in some cases required, but make your problem set your own, if two or more problem sets are identical every individual involved, directly or indirectly, will fail that problem set, no questions asked or accepted.

This class should be fun, enjoy it, study hard, think hard and read the textbook...and the newspapers.

**Comments:** If you have any comments about the class and/or the instructor please send them to me. I will be reading them regularly. Comments can be anonymous, and there will be no record of who sends what. An account is set up to be used by students to send anonymous e-mails if they choose to, send them from econ\_337@hotmail.com The password of this account is *spring2002* Please make an adult and responsible use of these resources, otherwise the accounts will have to be shut down and potentially useful comments ignored.