

Department	International College of Liberal Arts		
Semester	Fall 2025	Year Offered (Odd/Even/Every Year)	Every Year
Course Number	ECON355		
Course Title	Labor Economics: Jobs, Wages, and Why They Matter		
Prerequisites	ECON101 Microeconomics		
Course Instructor	TRAN, Thanh Trang	Year Available (Grade Level)	3
Subject Area	Global Business & Economics	Number of Credits	3
Class Style	Lecture	Language of instruction	English

(NOTE 1) Depending on the class size and the capacity of the facility, we may not be able to accommodate all students who wish to register for the course

Course Description	This course introduces the basic ideas and tools used to understand how labor markets work. We will study how workers decide whether to work and how much to work, how employers decide how many workers to hire, and how wages and working conditions are determined. Topics include labor supply and demand, human capital and education, wage differences, inequality, discrimination, migration, unions, and unemployment. Real-world examples from both developed and developing countries will be used to connect theory to current labor market issues and policies.
Class plan based on course evaluation from previous academic year	N/A
Course related to the instructor's practical experience (Summary of experience)	N/A
Learning Goals	The goal of this course is to help you understand the main forces that shape jobs, wages, and employment. You will learn to use economic models to analyze labor market outcomes and evaluate the effects of policies. By the end of the course, you should be able to apply these tools to explain real-world labor market problems, assess possible solutions, and think critically about the role of labor markets in the economy.

iCLA Diploma Policy	DP1/DP2/DP3/DP4
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iCLA Diploma Policy

(DP1) To Value Knowledge – Having high oral and written communication skills to be able to both comprehend and transfer knowledge

(DP2) To Be Able to Adapt to a Changing World – Having critical, creative, problem-solving, intercultural skills, global and independent mindset to adopt to a changing world

(DP3) To Believe in Collaboration – Having a disposition to work effectively and inclusively in teams

(DP4) To Act from a Sense of Personal and Social Responsibility – Having good ethical and moral values to make positive impacts in the world

Active Learning Methods	Problem-Based Learning/ Discussion, Debate/ Group Work/ Presentation
More details/supplemental information on Active Learning Methods	N/A

Use of ICT	UNIPA, Microsoft 365, and any AI platform for co-learning (ChatGPT, Gemini, etc)				
Contents of class preparation and review	Students are expected to spend 5 hours per week on class preparation and review. Class preparation includes reading the textbook and working on problems and questions. Class review includes summarizing the contents in the textbook and lectures, and working on the assignment.	Hours expected to be spent preparing for class (hours per week)	2 hours	Hours expected to be spent on class review (hours per week)	3 hours
Feedback Methods	a) In-class practice with immediate corrections. b) Exams will include explanations of solutions and model answers during class. c) Individual meetings with students are available upon request.				

Grading Criteria		
Grading Methods	Grading Weights	Grading Content
Assignments	30%	Problem sets applying economic theories
Mid-term exam	30%	Mid-term problem-solving assessment
Final exam	40%	Final test

Required Textbook(s)	BORJAS, George J. Labor economics. Eight edition. New York: McGraw-Hill Education, 2020, xvi, 478. ISBN 9781260565522.
Other Reading Materials/URL	N/A
Plagiarism Policy	Maintaining academic integrity is essential for this class. You may use AI tools for brainstorming, refining drafts, and grammar checking only. All work will be screened, and assessments will include randomized questions, real-world applications.
Other Additional Notes (Outline crucial policies and info not mentioned above)	Class Expectations: The following rules are set to support mutual understanding and help everyone achieve the best learning outcomes. 1. Punctuality Being on time shows respect and responsibility. Arriving late disrupts the class and reflects a lack of commitment. 2. Engagement This is an interactive course, and your active participation is important and expected. Being engaged not only improves the discussion but also deepens your understanding of the material. 3. Deadlines Meeting deadlines is an essential skill. Late submissions will be penalized as follows: Within 24 hours: 5% deduction 1-3 days late: 10% deduction More than 3 days: No credit (unless approved in advance)

(NOTE 2) Class schedule is subject to change

Class Schedule	
Class Number	Content
Class 1	What Is Labor Economics? (Ch. 1) ·Definition and scope of labor economics ·Key questions: wages, employment, inequality ·Labor markets vs. other markets ·How economics can answer labor questions ·Overview of course structure
Class 2	Basic Tools of Analysis ·Review of supply and demand ·Competitive market equilibrium ·Role of prices in labor markets ·Shifts in supply and demand: causes and effects ·Short-run vs. long-run perspectives
Class 3	Theory of Labor Supply (Ch. 2) ·Work-leisure trade-off model ·Budget constraint and wage rate ·Preferences and indifference curves ·Reservation wage concept
Class 4	Income & Substitution Effects ·How wage changes affect hours worked ·Graphical and numerical examples ·Backward-bending labor supply curve ·Policy relevance: wage subsidies and taxes
Class 5	Taxes, Welfare, and Labor Supply ·Impact of income taxes on work incentives ·Earned Income Tax Credit (EITC) as a case study ·Welfare programs and labor participation ·Policy trade-offs
Class 6	Labor Force Participation Trends ·Historical trends in participation rates ·Women's participation and social change ·Aging population and retirement decisions ·Cross-country comparisons
Class 7	Short-Run Labor Demand (Ch. 3) ·Marginal product of labor (MPL) ·Value of marginal product (VMPL) ·Profit-maximizing hiring rule ·Shifts in labor demand in the short run
Class 8	Long-Run Labor Demand ·Substitution vs. scale effects ·Labor-capital complementarity and substitutability ·Elasticity of labor demand ·Applications: automation and technology shocks ·Problem set 1
Class 9	Competitive Equilibrium in Labor Markets (Ch. 4) ·Equilibrium wage and employment determination ·Effects of labor demand and supply shifts ·Market adjustments in competitive settings
Class 10	Policy Applications: Minimum Wage & Payroll Taxes ·Minimum wage effects in competitive markets ·Payroll tax incidence: who bears the burden? ·Empirical evidence on minimum wage and employment
Class 11	Education as an Investment (Ch. 6) ·Human capital theory basics ·Present value and discounting ·Schooling decision model ·Costs and benefits of education

Class 12	Returns to Education ·Measuring returns using earnings data ·Mincer earnings function ·Limitations of the basic model ·Empirical evidence from different countries · Problem set 2
Class 13	On-the-Job Training ·General vs. specific training ·How firms and workers share training costs ·Wage-tenure profiles ·Productivity gains from training
Class 14	Earnings Profiles ·Age-earnings profiles and lifecycle earnings ·Schooling vs. experience effects ·Role of ability bias and selection bias
Class 15	Midterm exam
Class 16	Compensating Wage Differentials (Ch. 5) ·Concept of compensating differentials ·Job risk and safety ·Non-wage job attributes ·Measuring differentials in data
Class 17	Job Characteristics & Worker Preferences ·Hedonic wage models ·Sorting into jobs ·Examples: hazard pay, remote work premiums
Class 18	Wage Structure and Inequality (Ch. 8) ·Skill-biased technological change ·Supply and demand for skills ·Globalization effects on wage distribution
Class 19	Trends in Wage Inequality ·U.S. wage inequality over time ·Role of unions, technology, and trade ·Policy responses to inequality
Class 20	Theories of Labor Market Discrimination (Ch. 9) ·Taste-based discrimination (Becker model) ·Statistical discrimination ·Employer, employee, and customer discrimination
Class 21	Measuring Discrimination ·Wage gap decomposition (Oaxaca-Blinder) ·Experimental and audit studies ·Evidence from gender and racial wage gaps · Problem set 3
Class 22	Labor Unions (Ch. 10) ·History of unions and collective bargaining ·Unionization rates and trends ·Goals and strategies of unions
Class 23	Union Effects on Wages and Employment ·Wage premiums and non-wage benefits ·Productivity and firm profitability ·Political and social influence of unions

Class 24	<p>Economic Theory of Immigration (Ch. 12)</p> <ul style="list-style-type: none"> · Immigration as a labor supply shock · Models of native-immigrant wage effects · Skill composition of immigrants
Class 25	<p>Evidence on Immigration's Impact</p> <ul style="list-style-type: none"> · Empirical case studies (Mariel Boatlift, EU migration) · Short-run vs. long-run effects · Immigration policy debates · Problem set 4
Class 26	<p>Job Search Theory (Ch. 7)</p> <ul style="list-style-type: none"> · Frictional vs. structural unemployment · The reservation wage in job search models · Matching efficiency
Class 27	<p>Unemployment Insurance & Policy</p> <ul style="list-style-type: none"> · Role of UI in search behavior · Trade-offs between support and incentives · International comparisons
Class 28	<p>Labor Markets in Transition</p> <ul style="list-style-type: none"> · Technological change, globalization, and AI impacts · Gig economy and nonstandard work · Policy challenges for the future of work
Class 29	Final review
Class 30	Final review