SYLLABUS

Economics of the Employment Relationship
37:575:325:90
Fall 2019

Professor: Dr. Ruth Ruttenberg
Email: ruth.ruttenberg@rutgers.edu

Technical Support:
It is the student’s responsibility to be competent in maneuvering around the course and using course tools. When a student has a technical question or experiences difficulties, it is the student’s responsibility to seek assistance. Your instructor cannot solve technical problems. Request assistance from helpdesk personnel.

Canvas Platform Helpdesk:
help@canvas.rutgers.edu
24/7 Call: 877-361-1134

Or:
Click the “help” question mark icon located at the bottom of the red navigation menu in the course shell.

Learning Objectives. The student is able to:

School of Management and Labor Relations:

- Demonstrate an understanding of relevant theories and apply them given the background context of a particular work situation. (Goal IV)
- Demonstrate an understanding of how to apply knowledge necessary for effective work performance. (Goal VI)

Labor Studies and Employment Relations Department:

- Demonstrate an understanding of the perspectives, theories and concepts in the field of labor and employment relations. (Goal 1).
- Apply those concepts, and substantive institutional knowledge, to understanding contemporary developments related to work. (Goal 2).

Course Learning Objectives from the Instructor
Learning objectives for this class are:
(1) for students to understand the theoretical underpinnings of labor economics.

(2) for students to be knowledgeable about key policy issues affecting the economics of employment relationships.

(3) for students to be able to access, organize, and analyze public data for relevant decision-making in the workplace and for policy.

Class Sessions

Class begins Tuesday, September 3, 2019. The last day students will be required to log into the course shell is December 15 (for any last-minute issues and for feedback on your final exam).

With the exception of the first week of the semester, course weeks will begin on Mondays and end 11:59 pm Sundays.

Students should log in as soon as possible to familiarize themselves with the tools used throughout the semester to access and submit assignments. It is important to keep up with the assignments, which means students should check the course shell and email frequently.

Use the syllabus, course calendar, and instructor announcements as a guide for due dates.

Course Materials

All course materials are linked to or uploaded into the course shell.

Assignments

Forums

Asynchronous, eight (8) forums; 50 points each; 1st comment deadline 11:59 pm Thursday; final comments by 11:59 pm Sunday

The purpose of these assignments is to hold meaningful discussions on course topics with fellow students.

The instructor provides directions on the forum assignment, requiring all students provide a 500 word 1st comment.

In order to receive maximum credit for the forum, students must offer a high quality 1st comment and interact substantively with each other about the contents of other students’ 1st comments and course content.

Instructions for developing a 500 word 1st comment for each forum are available as a link on the week page associated with the week that the forum will be held.

Participate in forums by clicking on a link that’s located under the week page (example week 4) associated with the week that the forum is being held.

Journal Entries

7 Journal entries; submission deadline Sundays, 11:59 pm; worth 50 points each entry
The purpose for the Journal assignment is to show your understanding of course material for the week.

Instructions for completing each Journal entry are available through a link on the Journal home page.

Submit journal entries in the appropriate folder in dropbox. (Example: Journal 1)

Final Exam

Take home, open book, worth 250 points; submission deadline last day of classes; Wednesday, Friday December 11, 2019.

The final exam involves working with tables, developing essays on specific topics, and identifying the importance of what the student has learned throughout the semester.

Extra Credit

Extra Credit Projects

There are two extra credit projects, that occur on the syllabus in weeks 6 and 10. Each extra credit writing assignment is worth up to 30 points. You may do them at any time during the semester, up through December 11.

Grading

Final grades are based on 1,000 points.

<table>
<thead>
<tr>
<th>Grade</th>
<th>Interpretation I</th>
<th>Points</th>
</tr>
</thead>
<tbody>
<tr>
<td>A</td>
<td>OUTSTANDING</td>
<td>900-1000</td>
</tr>
<tr>
<td>B+</td>
<td>VERY GOOD</td>
<td>860-899</td>
</tr>
<tr>
<td>B</td>
<td>GOOD</td>
<td>800-859</td>
</tr>
<tr>
<td>C+</td>
<td>AVERAGE</td>
<td>760-799</td>
</tr>
<tr>
<td>C</td>
<td>SATISFACTORY</td>
<td>700-759</td>
</tr>
</tbody>
</table>

Assignments: Points and percentage associated with final grade

<table>
<thead>
<tr>
<th>Assignment</th>
<th>Number</th>
<th>Point Worth</th>
<th>Percent of Final Grade</th>
</tr>
</thead>
<tbody>
<tr>
<td>Forums</td>
<td>8</td>
<td>400</td>
<td>40%</td>
</tr>
<tr>
<td>Journal Entries</td>
<td>7</td>
<td>350</td>
<td>35%</td>
</tr>
<tr>
<td>Final Exam</td>
<td>1</td>
<td>250</td>
<td>25%</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>1000</td>
<td></td>
<td><strong>100%</strong></td>
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</tbody>
</table>

In order to earn full points, you must: show (1) mastery of the subject, (2) critical thinking about the topic, (3) appropriate independent research, and (4) quality writing.
Course Policies

Deadlines and Late Penalty
Journal assignments should be submitted and students’ final forum comments completed by 11:59 pm on the date the assignment is due, unless you have made arrangements with the instructor. If you have a specific problem with making a deadline, please contact the professor in advance.

There is a penalty of up to 10 percent per day for late Journal entry submissions.

Forums cannot be made up (unless there is instructor permission), since they require interaction with peers. If a student misses a 1st comment deadline (without prior instructor approval), 11:59 pm Thursdays, he/she will receive a failing grade for the assignment.

The final exam is expected on the date due, unless previous arrangements have been made with the professor.

Wikipedia is NOT an acceptable source for academic work in this course.

Communication
All correspondence associated with the course is housed within the course. Students are to send correspondence to the professor by using the messaging tool in the course. The professor will also send correspondence to the student using the messaging tool.

On Mondays, which serves as the first day of each course week, the instructor will send the class a weekly message. Students should always check their inbox on Mondays and report if they have not received the weekly message. Students may also receive individual messages from the instructor regarding a variety of topics throughout the semester.

When communicating with classmates, proper etiquette is required at all times. All interaction should be courteous. A response that bullies, uses name calling, or directly attacks or threatens another student is grounds for failing the assignment.

Academic Integrity: Plagiarism
In this course, plagiarism is grounds for failing the assignment. Use quotation marks and citations appropriately.

A guide to avoiding plagiarism is provided under Course Home in the course shell. It is a student’s responsibility to review the document and follow guidelines.

Writing Requirement and Citations
All submissions, to receive a passing grade, must be grammatically correct.

Feel free to get assistance from the Writing Center on campus. (Help is also available from the Writing Center on-line.)

Students with Disabilities
To receive consideration for reasonable accommodations, students with a disability must send their letter of accommodation to the instructor and discuss the needed accommodation(s) as early in the semester as possible. For more information regarding the process of applying for a letter of accommodation:
https://ods.rutgers.edu/students/documentation-guidelines.
https://ods.rutgers.edu/students/registration-form.

### Course Schedule

<table>
<thead>
<tr>
<th>Week</th>
<th>What is Due Reading and Written Assignments</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Unit I:</strong> The Theoretical Underpinnings of Labor Economics</td>
<td></td>
</tr>
<tr>
<td><strong>Week 1</strong> (9/3-9/8/2019)</td>
<td></td>
</tr>
<tr>
<td><em>Reading</em></td>
<td><em>Three very short pieces:</em></td>
</tr>
<tr>
<td></td>
<td>American Economic Association, “What is economics? Understanding the discipline,” <a href="https://www.aeaweb.org/resources/students/what-is-economics">https://www.aeaweb.org/resources/students/what-is-economics</a> (Links to an external site.).</td>
</tr>
<tr>
<td><em>Assignment</em></td>
<td><em>Student Introduction</em></td>
</tr>
<tr>
<td></td>
<td>1 page – to include an introduction of yourself, as well as your specific areas of interest in the economics of employment relationships.</td>
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<tr>
<td></td>
<td><em>Due</em> Sunday, September 8, 11:59pm</td>
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<tr>
<td></td>
<td><em>Upload into document sharing.</em></td>
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<tr>
<td><strong>Week 2</strong> (9/9-9/15)</td>
<td></td>
</tr>
<tr>
<td><em>Reading</em></td>
<td>Labour Market (from France)</td>
</tr>
<tr>
<td></td>
<td><a href="https://www.youtube.com/watch?v=jSDd6re92TY">https://www.youtube.com/watch?v=jSDd6re92TY</a></td>
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<tr>
<td></td>
<td>Labour Market Equilibrium – Excess Supply and Demand for Labour</td>
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<tr>
<td></td>
<td><a href="https://www.youtube.com/watch?v=PBOPPzvUu2E">https://www.youtube.com/watch?v=PBOPPzvUu2E</a></td>
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<tr>
<td></td>
<td>The Demand Curve</td>
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<tr>
<td></td>
<td>Followed by additional short videos on The Supply Curve, The Equilibrium Price, A Deeper Look at the Demand Curve, The Demand Curve Shifts, A</td>
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</tbody>
</table>
What knowledge can you gain from the laws of supply and demand for labor?

What is elasticity of demand? Give two examples of how the concept is important in thinking about the labor market.

Based on the “Labour Market” video, what options are there for moving toward full employment and how might national choices vary?

Explain the difference between a shift along the supply curve and a shift in the supply curve itself.

If there is an inelastic demand for your labor, how does that influence your “bargaining power”?

Week 3 (9/16-9/22)

Reading:
- Parrish, S., “Should I Be an Employee or an Independent Contractor?” Forbes, December 16, 2013, https://www.forbes.com/sites/stevparrish/2013/12/16/should-i-be-an-employee-or-an-independent-contractor/#741c8413138c (Links to an external site.)

Forum 1

An increasing number of jobs are part of the gig economy. Fewer workers have a full-time job as an employee, especially one that involves significant benefits. Some say these trends are increasing at an increasing rate. Define gig economy and write at
least 500 words about what is happening, and the tensions related to being an employee vs. an independent contractor. Look at the issue of “misclassification” and how that affects workers and the labor market more broadly. (This has been a big issue in construction for years. Check this out for construction and integrate it into your post. It is getting a lot of press now related to Uber and Lyft drivers.) Discuss the pros and cons of independent contracting and what you see as the trends for a long-run vision of the labor market. Use at least 2 additional sources. Respond to the posts of at least 2 classmates (in at least 250 words each).

Primary post due Thursday, 11:59 pm; Secondary posts (to at least 2 classmates) due Sunday, 11:59 p.m. (50 points)

| Due Sunday, 11:59 pm (50 points) |

### Unit II:
**Key Policy Issues Affecting the Economics of Employment Relationships**

<table>
<thead>
<tr>
<th>Week 4 (9/23-9/29) Employment and the Business Cycle</th>
<th>Reading:</th>
</tr>
</thead>
</table>

**Forum 2 – Public Policy Influencing the Supply and Demand for Labor**

In at least 500 words, give three examples of how the Federal Reserve Board (Fed) and/or Congressional legislation can influence the quantity and price of labor. Then comment on what involvement of the Fed makes sense to you or not, and explain why. Use at least 2 sources beyond the assigned reading. Respond to the posts of at least 2 classmates. Primary post due Thursday. Secondary posts due Sunday. (50 points)

### Week 5 (9/30-10/6) Microeconomic vs. Macroeconomic Analysis

<table>
<thead>
<tr>
<th>Reading and Viewing:</th>
</tr>
</thead>
<tbody>
<tr>
<td>U.S. Department of Labor, Wage and Hour Division, “History of Federal Minimum Wage Rates...,” <a href="https://www.dol.gov/whd/minwage/coverage.htm">https://www.dol.gov/whd/minwage/coverage.htm</a> (Links to an external site.)</td>
</tr>
<tr>
<td>Horowitz, Julia, Here’s where the minimum wage is going up in 2018,” CNNMoney, December 29,</td>
</tr>
</tbody>
</table>
Forum 3 – Public Policy and Minimum Wage

In at least 500 words, with at least three new sources, in addition to assigned readings, respond to: “Using what you’ve learned about political economy and the labor market, discuss the pros and cons of raising the national minimum wage to $15.00. Include a national economic perspective, the perspective of small business, and the perspective of low wage workers.” Respond to at least two classmates.

Primary post due Thursday. Secondary posts due Sunday. (50 points)

<table>
<thead>
<tr>
<th>Week 6 (10/7-10/13)</th>
<th>Role of Unions</th>
<th>Reading and Viewing:</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td>AFL-CIO, “About the AFL-CIO,” <a href="http://www.aflcio.org/About">http://www.aflcio.org/About</a></td>
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<tr>
<td></td>
<td></td>
<td>Voos, Paula B. &quot;How Unions Can Help Restore the Middle Class,&quot; Testimony to U.S. Senate, March 10,2009, <a href="http://www.epi.org/publication/how_unions_can_help_restore_the_middle_class">http://www.epi.org/publication/how_unions_can_help_restore_the_middle_class</a>.</td>
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</table>

Forum 4 – Role of Unions in Building the Middle Class

In at least 500 words, discuss the role that unions played in building a middle class and the relationship of unions now to the decline of the middle class. Use at least two new sources. Respond to at least 2 student posts.
Primary post due Thursday, 11:59 pm; Secondary posts due Sunday, 11:59 p.m. (50 points)

**Extra Credit – Project Labor Agreements**

**Reading and Viewing**

“Project Labor Agreements,”

“New Report Shows Project Labor Agreements Work,”
https://www.youtube.com/watch?v=49Y2CNST3RE.

“Project Labor Agreements: Not What We Need, Not What We Deserve,”
https://www.youtube.com/watch?v=3ITdRvoG_Kc.

Write in 500 words and with at least 2 additional sources, the pros and cons of Project Labor Agreements, as a tool of developing middle class jobs and careers. (up to 30 points)

<table>
<thead>
<tr>
<th>Week 7 (10/14-10/20)</th>
<th>Viewing:</th>
</tr>
</thead>
<tbody>
<tr>
<td>Human Capital/ Return on Investment for Education</td>
<td>“Human Capital Theory” (definition), <a href="https://www.youtube.com/watch?v=BueM_7YkO30">https://www.youtube.com/watch?v=BueM_7YkO30</a></td>
</tr>
<tr>
<td></td>
<td>“The New Science of Human Capital” (HR within companies) <a href="https://www.youtube.com/watch?v=j3rZSlqZ0pM">https://www.youtube.com/watch?v=j3rZSlqZ0pM</a></td>
</tr>
</tbody>
</table>

**Forum 5 – Return on Investment for Education**

In at least 500 words, tell what Davos is and summarize the points of view of each of the speakers (in the Davos video) on whether or not education is a good economic/human capital investment or not. Then, using their arguments and at least 2 other sources, discuss the relative importance of traditional college education vs. development of a new paradigm. What is your perspective?

Primary post due Thursday, 11:59 pm; Secondary posts due Sunday, 11:59 p.m. (50 points)

<table>
<thead>
<tr>
<th>Week 8 (10/21-10/27)</th>
<th>Reading and Viewing:</th>
</tr>
</thead>
</table>

...
| Collective Bargaining and Organizing |  |
| Gig Economy |  |

**Forum 6 – Right to Work Legislation**

Recently, states such as Wisconsin and Michigan have passed right-to-work legislation. Take a position for or against the legislation, focusing on the economics as viewed by workers and employers. Find at least 3 sources to support your point of view.

Primary post of at least 500 words is due on Thursday. Secondary posts, to at least two classmates, is due on Sunday. (50 points)

| Week 9 | 2 Forums This Week! |
| (10/28-11/3) | Reading and Viewing: |
“Defined Benefit Retirement Plans” The Solution to America’s Retirement Crisis,” [https://www.youtube.com/watch?v=Xtl7ZfiYrxc](https://www.youtube.com/watch?v=Xtl7ZfiYrxc)  
“Rep. Mike Tobash explains defined contribution pension plan,” [https://www.youtube.com/watch?v=XPpmV9hI1DI](https://www.youtube.com/watch?v=XPpmV9hI1DI) |
| Fair Labor Standards |  |

**Forum 7 – Defined Benefit vs. Defined Contribution Pension Plans**

After explaining the differences, in your own words, between a defined benefit pension plan and a defined contribution benefit plan, explain the pros and cons of each. Use at least two new sources. Your response should be at least 500 words and use at least one new source. Respond to at least 2 classmates.
Reading and Viewing:

Explore the following web page, [http://www.dol.gov/whd/flsa/](http://www.dol.gov/whd/flsa/).
Now go to [http://www.dol.gov/whd/reg-library.htm](http://www.dol.gov/whd/reg-library.htm), to review 11 pieces of federal legislation that govern wages and hours.

Forum 8 - Legislation Affecting the Employment Relationship

For each of the 11 pieces of legislation discussed on the above web site, provide a sentence about what specifically is most meaningful about that legislation for a worker and a sentence about what specifically is most meaningful/important to an employer. Respond to at least 2 classmates.

Primary response is due on Thursday, with secondary responses by Sunday. (50 points)

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**Week 10**

(11/4-11/10)

**Note:** This Week There are Two Journals

**Reading and Viewing:**

- Occupational Safety and Health Administration, Mine Safety and Health Administration
  [https://www.osha.gov/](https://www.osha.gov/)
  [https://www.msha.gov/](https://www.msha.gov/)

- National Labor Relations Board
  [https://nlrb.gov/](https://nlrb.gov/)


**Journal 2 – Government and Employment Relations**

Focusing on economic issues, write a paragraph explaining each (each with at least 2 sources): Family and Medical Leave Act, LM-2 forms, NLRB and NLRA, Railway Labor Act, Taft-Hartley. ([Please Note: For LM-2 forms, instead of a paragraph, go to the DOL web site for LM-2 reports and choose one union and summarize what you learned from reviewing the specific submission of that labor body. Include at least 3 specific findings.])
Due Sunday. (50 points)

**Reading**

Go to U.S. Department of Labor, [http://www.dol.gov](http://www.dol.gov) and click on Agencies

**Journal 3 – Agencies of the Department of Labor**
Write at least two sentences in your own words about the functions of 15 of the 28 DOL agencies. Be specific about the work of each agency. Due Sunday (50 points)

**Extra Credit Project—Economics of Occupational Safety and Health**
Go to https://www.osha.gov/dcsp/smallbusiness/safetypays/estimator.html where OSHA helps business owners to calculate the cost of a range of accidents and illnesses. Choose 3 types of accidents or illnesses and explain the assumptions you make as you calculate their cost to an employer. Write a 2 paragraph response: the first paragraph explaining your findings and a second paragraph of analysis and reflections. (Up to 30 points)

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**Unit III:**
Ability to Access, Organize, and Analyze Public Data
For Relevant Decision-Making in the Workplace and for Policy

**Week 11**
(11/11-11/17)

Data from the Bureau of Labor Statistics

Presenting Data in Tables and in Charts

**Note:** There are Two Journals this Week.


Become familiar with NAICS classifications and the BLS inflation calculator. (Begin with https://www.census.gov/eos/www/naics/.) **All tables that you will be creating need to have sufficiently detailed titles and headings to be able to stand alone. Always show the full and specific URL source for your tables.**

**Journal 4 —Economic Terms Used by the Bureau of Labor Statistics**

For each of the terms below, provide, in your own words, a definition and a specific example:

1. Average hourly earnings vs median hourly earnings
2. Cost of living and how it’s determined **by BLS**
3. Cost of living adjustment (COLA) in **collective bargaining**
4. Current dollars
5. Earnings (in contrast with wages), as **used by BLS**
6. NAICS
7. Prevailing wages
8. Real (or constant) dollars
9. Seasonally adjusted employment
10. Union density

**Due:** Sunday, 11:59 pm. (50 points)
Journal 5 – Finding and Organizing Employment-Related Data

Exercises finding data and organizing it.

1. Compare, in a table, employment and both median and mean hourly wages in New Jersey for five types of job categories in “Food Preparation Serving Related Occupations,” 35-0000. Then, in 2-3 sentences, summarize and then analyze what you found.

2. Find the current average mean hourly wage for 51-8091. “Chemical Plant and System Operators.” Using the BLS inflation calculator, make a table showing the value of that wage, each year, 1990-2016. (Show both current and constant dollar wages in two separate columns.) State your base year. Then, in 2-3 sentences, analyze what you found.

3. Make a table for construction wages for occupational category 47-0000, for New Jersey and four nearby states. What do the numbers say about NJ construction wages? Be analytic.

4. Make a table of union density in 10 states, with one being New Jersey. What do the data say about union density in NJ?

5. Using the Census for Fatal Occupational Injuries, make a table showing fatalities, 2011-2014, for slips, trips, and falls; struck by an object or equipment; exposure to environmental heat; exposure to electricity. Then, in 2-3 sentences, summarize and analyze what you found.


Due Sunday, 11:59 pm. (50 points)

Week 12
(11/18-11/24)
Data: Employment and Unemployment; Trend Analysis

Journal 6 – Data on Employment and Unemployment

Using BLS data, make a table comparing the changes in employment, unemployment, and the level of average hourly wage since the onset of the Great Recession in 2008. Discuss at least 3 different ways to interpret the data you have collected and organized.

Due Sunday, 11:59 pm. (50 points)

Week 13
(11/25-12/1)
Data: Employment Projections and Analysis

Journal 7 – Data on Hourly Wages

In preparation for setting future wages (the largest part of the final exam), choose an NAIC with hourly employees and a metropolitan area. Build a table (one table only) that shows hourly wages for the NAIC and metro area you have chosen. List comparable metropolitan areas and comparable job classifications that you will use for your proposal. (Think carefully about your choices, as you will use this table in your final exam.)

Due Sunday, 11:59 pm. (50 points)

Happy Thanksgiving!
Week 14
(12/2-12/8)

Final Exam
(Due Dec 11)

Final – The final has 3 parts.

1. Using your table, from Journal 7, as a base, build the case (first in written form and then in tables) for a specific wage for 2020 and 2021 based on real wages, parity with other similar NAICSs and jurisdictions and any other data you see as relevant. Have at least 2-3 tables. Tell how you calculated the projected wage rate and make clear arguments based on your evidence. (150 points)

2. Write 500-1000 words, tell what theoretical aspects of labor economics and what other specific information and data you would ideally like to have in order to best calculate and set future wages. What interactions within a firm would you establish to satisfy both employers and employees with the results? Be as specific as possible. (75 points)

3. Tell in a paragraph each, the three most important things you learned this semester and how you might use that information as you move forward with your major/career. (25 point)

Due: December 11, 11:59 pm. (250 points)