SYLLABUS

Economics of the Employment Relationship
37:575:325:90
Fall 2018

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 4, 2018. The last day students will be required to log into the course shell is May 5 (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, December 12, 2018.*

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 12.

**Grading**

Final grades are based on 1,000 points.

<table>
<thead>
<tr>
<th>Grade</th>
<th>Interpretation</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><strong>1000</strong></td>
<td><strong>100%</strong></td>
<td></td>
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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 prior 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 10 percent per day for late Journal entry submissions.

Forums cannot be made up (unless there is prior 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 announcements on Mondays. Students may also receive individual messages from the instructor regarding a variety of topics throughout the semester. There have been occurrences of student papers not being posted into forums and journals. ALWAYS double-check to be sure that the work you have submitted is actually posted. Always save a copy of your work in your computer.

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</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Reading and Written Assignments</td>
</tr>
<tr>
<td></td>
<td>Unit I: The Theoretical Underpinnings of Labor Economics</td>
</tr>
</tbody>
</table>

**Week 1 (9/4-9/9/2018)**

**What is Economics?**

Reading

*Three very short pieces:*


Assignment

**Student Introduction**

Please take a page to introduce yourself. Then list at least three specific things you would like to learn this semester, given this definition of labor economics: “Study of economic behavior of employers and employees in response to changing prices, profits, wages, and working conditions.”

**Due** Sunday, September 9, 11:59pm

Upload into document sharing.

**Week 2 (9/10-9/16)**

**What is a Labor Market?**

Reading and Viewing

- Labour Market (from France)
  [https://www.youtube.com/watch?v=j5Dd6re92TY](https://www.youtube.com/watch?v=j5Dd6re92TY)

- Labour Market Equilibrium – Excess Supply and Demand for Labour
  [https://www.youtube.com/watch?v=PBOPPzvUu2E](https://www.youtube.com/watch?v=PBOPPzvUu2E)
### Journal 1

In at least 50 words each, respond to the following 5 questions:

1. What knowledge can you gain from the laws of supply and demand for labor?
2. What is elasticity of demand? Give two examples of how the concept is important in thinking about the labor market.
3. If there is an inelastic demand for your labor, how does that influence your “bargaining power”?
4. Based on the “Labour Market” video, what options are there for moving toward full employment and how might national choices vary?
5. Explain the difference between a shift along the supply curve and a shift in the supply curve itself.

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

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| What is Elasticity? | The Demand Curve  
|---|---|

### Reading:

- International Labour Organization, “Employment Relationship,”  
- Wilson, Bill, “What is the ‘gig’ economy?” February 10, 2017,  
- Alton, Larry, January 24, 2018,  
- White, G., “In the Sharing Economy, No One’s an Employee: Why Don’t Uber and Lyft Consider Drivers Employees?” *The Atlantic*, June 8, 2015,  
- Rafter, M., “Who are you, gig worker or employee?” *The San Diego Union-Tribune*, September 2017,  
- Parrish, S., “Should I Be an Employee or an Independent Contractor?” *Forbes*, December 16, 2013,  
https://www.forbes.com/sites/steveparrish/2013/12/16/should-i-be-an-
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. 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. Primary post due Thursday. Secondary posts (to classmates) due Sunday. (50 points)

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

Week 4 (9/23-9/30) Employment and the Business Cycle

Reading:


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

In 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)

<table>
<thead>
<tr>
<th>Week 5 (10/1-10/7)</th>
<th>Microeconomic vs. Macroeconomic Analysis</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Reich, “The Truth About the Economy,” <a href="https://www.youtube.com/watch?v=ynIl5rM7bgU">https://www.youtube.com/watch?v=ynIl5rM7bgU</a>.</td>
</tr>
<tr>
<td></td>
<td>Reich, “Raise the Minimum Wage to $15 per Hour, <a href="https://www.youtube.com/watch?v=GOqtl53V3Jl">https://www.youtube.com/watch?v=GOqtl53V3Jl</a>.</td>
</tr>
<tr>
<td></td>
<td>Boudreaux, Don, Learn Liberty, “The ‘Real Truth About the Economy’: Have Wages Stagnated?” <a href="https://www.youtube.com/watch?v=s6FmhXQ32Wo">https://www.youtube.com/watch?v=s6FmhXQ32Wo</a>.</td>
</tr>
</tbody>
</table>

Forum 3 – Public Policy and Minimum Wage

In 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 of both micro and macro economics, 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 (10/8-10/14)</th>
<th>Role of Unions</th>
</tr>
</thead>
<tbody>
<tr>
<td>Reading and Viewing:</td>
<td>AFL-CIO, “About the AFL-CIO,” <a href="http://www.aflcio.org/About">http://www.aflcio.org/About</a></td>
</tr>
</tbody>
</table>
Inequality.org, “The Unfair Distribution of Workplace Rewards,”
https://inequality.org/research/wage-inequality-unfair-distribution/,
accessed April 2018.

Voos, Paula B. "How Unions Can Help Restore the Middle Class," Testimony
to U.S. Senate, March 10, 2009,
http://www.epi.org/publication/how_unions_can_help_restore_the_middle_class,
accessed February 2018.

Forum 4 – Role of Unions in Building the Middle Class
In 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.

“Why is ABC Opposed to Union-Only PLAs?”

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

Week 7
(10/15-10/21)

Human Capital/Return on Investment for Education

Viewing:
“Human Capital Theory” (definition),
https://www.youtube.com/watch?v=BueM_7YkO30

“The New Science of Human Capital” (HR within companies)
https://www.youtube.com/watch?v=j3rZSlqZ0pM

“The Human Capital Report” (global)
https://www.youtube.com/watch?v=lK8kGvJX94

“Davos 2014 – Higher Education – Investment or Waste?”
https://www.youtube.com/watch?v=d4y5QDxts28

Forum 5 – Return on Investment for Education
In 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)

**Week 8 (10/22-10/28)**

<table>
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<tr>
<th>Right-to-Work</th>
<th>Reading and Viewing:</th>
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**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 500 words is due on Thursday. Secondary posts, to at least two classmates, is due on Sunday. (50 points)

**Week 9 (10/29-11/4)**

<table>
<thead>
<tr>
<th>Retirement</th>
<th>Reading and Viewing:</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>“My Money@Work Simply Put: Defined Contribution &amp; Defined Benefit Retirement Plans,” (from Canada, but relevant and only 2 minutes) <a href="https://www.youtube.com/watch?v=qM1LbsNwQel">https://www.youtube.com/watch?v=qM1LbsNwQel</a>.</td>
</tr>
</tbody>
</table>
“Defined Benefit Retirement Plans” The Solution to America’s Retirement Crisis,”
https://www.youtube.com/watch?v=Xtl7ZfiYrxc.

“Rep. Mike Tobash explains defined contribution pension plan,”
https://www.youtube.com/watch?v=XPPmV9kh1DI.

Forum 7 – Defined Benefit vs. Defined Contribution Pension Plans
After explaining the difference, 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 500 words and use at least one new source. Respond to at least 2 classmates.

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

Reading and Viewing:
Explore the following web page, http://www.dol.gov/whd/flsa/.
Now go to 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)

<table>
<thead>
<tr>
<th>Week 10 (11/5-11/11)</th>
<th>Reading and Viewing:</th>
</tr>
</thead>
</table>
| Relevant Governmental Bodies, Programs, and Legislation | Occupational Safety and Health Administration, Mine Safety and Health Administration  
National Labor Relations Board  
http://www.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. (For LM-2 forms, instead of a paragraph, go
to the DOL web site 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](https://www.osha.gov/dcsp/smallbusiness/safetypays/estimator.html), where OSHA helps a business owner 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**

<table>
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<tbody>
<tr>
<td></td>
<td>Become familiar with NAICS classifications and the BLS inflation calculator. (Begin with <a href="https://www.census.gov/eos/www/naics/">https://www.census.gov/eos/www/naics/</a>.) All tables need to have sufficient titles and headings to be able to stand alone. Always show the specific url source for your tables.</td>
</tr>
<tr>
<td><strong>Journal 4 –Economic Terms Used by the Bureau of Labor Statistics</strong></td>
<td>For each of the terms below, provide, in your own words, a definition and a specific example:</td>
</tr>
<tr>
<td></td>
<td>1. Average hourly earnings vs median hourly earnings</td>
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<td>2. Cost of living and how it’s determined by BLS</td>
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<td></td>
<td>3. Cost of living adjustment (COLA) in collective bargaining</td>
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<td>4. Current dollars</td>
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<td></td>
<td>5. Earnings (in contrast with wages), as used by BLS</td>
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<tr>
<td></td>
<td>6. NAICS</td>
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<td></td>
<td>7. Prevailing wages</td>
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</tbody>
</table>
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.
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 14**  
(12/3-12/9)

**Final Exam**  
(Due December 12)

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**Final** — The final has 3 parts.

1. Using your table, from Journal 7, build the case (in written form and in tables) for a particular wage for 2018 and 2019 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. (150 points)

2. Write 500-1000 words, tell what theoretical aspects of labor economics and/or other information you would ideally like to have in order to set wages. What interactions within a firm would you establish? 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 12, 11:59 pm. (250 points)