

Questions for chapters 11 and 12, due Tuesday 12/3/13

Chapter 11

1. What are the pros and cons of paying workers according to direct measures of their productive output, as opposed to the amount of time they work...
 - a) from the perspective of employers?
 - b) from the perspective of employees?
2. What are 'promotion tournaments'? What are their pros and cons?
3. From the perspective of an employer, what are the benefits of offering compensation schemes that systematically underpay workers (relative to their productivities) when they are relatively new to the job, but promise to overpay them when they have been there longer?

Chapter 12

1. What are the earnings differences between male and female workers in the US, currently? What are the earnings differences between members of different ethnicities?
2. Should all differences between earnings according to race, gender, etc. be attributed to discrimination? If not, what are the other factors that might account for these differences?
3. To what extent can we expect competitive labor markets to prevent discrimination on the basis of gender, ethnicity, etc.? That is, what types of discrimination should be reduced by market competition, and what types are likely to remain?
4. What forms of discrimination are currently illegal in the US? What forms of discrimination are legal?