Labor Economics

Academic Year: (2018 / 2019) **Review date: 10-05-2018**

Department assigned to the subject: Economics Department

Coordinating teacher: ALBA RAMIREZ, ALFONSO

Type: Electives ECTS Credits : 6.0

Year : Semester :

OBJECTIVES

The aim of the course is to apply the tools of economic analysis to the labour market. Once students understand the basic principles governing the world of work, they should be able to identify problems and discern possible solutions. It is stressed that economic models are critical to find and analyze the appropriate data. Moreover, it is shown how empirical results should inform sound public policy. That is why we stress the importance of learning technics of data analysis, using integrated statistics package such as STATA.

DESCRIPTION OF CONTENTS: PROGRAMME

Part I. Introduction
1. Basic Concepts and Overview: Economic Activity and the Labor Market. How Does the Labor Market Work? What is Special about the Labour Market?

Part II. The Labor Supply
2. The Labor Supply in the Short Run: The Theory of Individual Labor Supply
3. The Labour Supply in the Long Run (I): Population, Participation Rates, and Hours of Work
4. The Labour Supply in the Long Run (II): The Qualification of the Workforce and Investment in Human Capital

Part III. The Labour Demand
5. The Labour Demand of the Firm and the Labor Demand in the Market. The Demand for Labour in the Short and in the Long Run. Applications

Part IV. Wage Determination and the Allocation of Labor
6. Wage Determination in Competitive and non Competitive Markets
7. Alternative Pay Schemes and Labour Efficiency. The Wage Structure. The Influence of Trade Unions on Wages

Part V. Discrimination and Mobility
8. Discrimination in the Labour Market
9. Determinants and Consequences of Migration

Part VI. Unemployment
10. Overview of the Study of Unemployment: The Case of Spain
11. The Macroeconomic Approach to Unemployment
12. The Microeconomic Approach to Unemployment: Job Search and Unemployment Duration

LEARNING ACTIVITIES AND METHODOLOGY

The structure of study of each topic will be common:
- Lectures. Each topic will be introduced from an empirical point of view. This part will be completed with the theoretical study of the issues with a focus on micro and / or macroeconomic applications to labor economics.
- Recitations, to solve exercises and problems.
The students should also write an essay about one of the topics covered during the course. This activity will be completed with computer practice sessions, where they will use a statistical package (i.e., Stata) to address an issue of interest in the labour market. This may include replicating the results of at least a relevant research paper related to the topic of study. At the end of the course, the student must present his or her work in class. Through the essay the student should demonstrate his or her ability to apply a conceptual framework and data analysis techniques to an economic issue of interest. There will be at least one quiz during the course.

ASSESSMENT SYSTEM

Final exam (60%) + Problem solving classes & quizzes (20%) + Essay (20%).

% end-of-term-examination:	60
% of continuous assessment (assigments, laboratory, practicals…):	40

BASIC BIBLIOGRAPHY

- C. R. C. McConnell, S. L. Brue and D. A. Macpherson. Contemporary Labor Economics, , McGraw-Hill, , 9th edition, McGraw-Hill.