

			

SYLLABUS

Academic Year 2018-2019

GENERAL INFORMATION			
Code	500317-en	ECTS	6
Name (Spanish)	Economía Laboral		
Name (English)	Labour Economics		
Degree/s	Degree in Labour Relations and Human Resources / Degree in Business Administration and Labour Relations and Human Resources		
Centre	Facultad de Ciencias Económicas y Empresariales		
Semester	5th (LR) and 7th (BA-LR)	Type	Compulsory
Module/s	Economics		
Matter/s	Economics		
Teacher/s			
Name	Office	E-mail address	Degree
Jesús Pérez Mayo	55	jperez@unex.es	LR/BA-LR
Area	Applied Economics		
Department/s	Economics		
Coordinator (in case of two teachers or more)			
OBJETIVES AND SKILLS			
Objectives			
1. Familiarize the students with the application of apply the economic analysis tools to the labour market issues.			
2. Reviewing the main economic theories about labour supply and demand, investments in human capital, wage differentials or unemployment			
3. Studying how the labour market actually works instead of analysing a formal derivation from the economic models.			
Skills¹ (codes)			
CB1, CB2			
CT1, CT2, CT4, CT8, CT10, CT12			
CE9			
CONTENTS			
OVERVIEW			
This subject deals with the description and analysis of labour market. It starts from learning the basic definitions of Labour Market and the main data sources (Unit 1). The most important topics in this subject			

¹ The full list of skills can be found at www.ecouex.es

are presented as well as their decisive factors in the following lessons (Units 2, 3 and 4). Following this approach, the market equilibrium is analysed afterwards with a special focus on the driving-equilibrium forces as well as other factors that constraint the employment and wage agreements (Unit 5). Wage differentials and other related topics are studied in the following lesson (Unit 6). Because of the relevance of unemployment in European labour markets and, especially, Spain, a lesson is specifically addressed to analysing the main explaining factors of unemployment (Unit 7). Finally, public intervention policies in the labour market and their impacts on wage and job creation are reviewed (Unit 8).

Units

1: The Theory of Individual Labour Supply

Theory:

1. The basic model: work and leisure time
2. The labour supply in the long run
3. Extending the labour supply basic model
4. The “Added Worker” and “Discouraged Worker” effects

Practice:

1. Determining individual labour supplies.
2. Problems on labour supply and elasticity.

2: The Demand for Labour

Theory

1. The demand for labour as a derived demand
2. The demand for labour in the short run
3. The demand for labour in the long run
4. Adjustment costs and demand for labour

Practice:

1. Analysing if a market is perfectly competitive.
2. Analysing the information collected by INE in the Labour Force Survey (Encuesta de Población Activa).

3: Labour Market Equilibrium

Theory

1. Labour market equilibrium
2. Imperfectly competitive labour markets and wages
3. Unions and wage determination
4. Wage changes and labour supply adjustments
5. Alternative approaches

Practice:

1. Solve some exercises about equilibrium wages.
2. Analysing a real case reported in news.

4: Pay Schemes and Labour Efficiency

Theory

1. Economics of Fringe Benefits
2. Principal-Agent Problem
3. Pay for Performance
4. Efficiency Wage Payments
5. The Distribution of Personal Earnings

Practice:

1. Analysing a real case reported in news
2. Computing some inequality indicators.

5: The wage structure

Theory

1. Perfect competition: homogenous workers and jobs
2. Compensating wage differentials
3. Wage differentials: heterogenous workers
4. Wage differentials as result of market imperfections
5. Labour and wage discrimination

Practice:

1. (Group activity) Analysing the wage differentials reported in the Wage Structure Survey (Encuesta de Estructura Salarial).

6: Unemployment

Theory

1. Activity, employment and unemployment
2. Frictional unemployment and job search
3. Structural unemployment
4. Demand deficient unemployment
5. Microeconomic explanations of unemployment: job search models

Practice:

1. Analysing the information collected by INE in the Labour Force Survey (Encuesta de Población Activa).

7: Job Quality: Human Capital Theory

Theory

1. Human Capital: basic concepts
2. The Schooling model
3. General and Specific Human Capital
4. Alternative approaches

Practice:

1. Solving some problems on Human Capital.

8: Institutions and Labour Market

Theory

1. Nonpayroll Spending by Government: Impact on Labour
2. Labour Markets Effects of Publicly Provided Goods and Services
3. Taxes and Labour Supply
4. Economic Analysis of Labour Laws
5. The Economic Effects of the Minimum Wage
6. Occupational Health and Safety Regulations
7. Government as a Rent Provider
8. Labour Market Active Policies

Practice:

1. Discussing issues about labour market public policies.

TEACHING ACTIVITIES

Student's working hours		On-campus		Tutor Session	Non-classroom
Unit	Total	L	S	T	PS
1. Theory	14.75	5		0.75	9.00
1. Practice	3.5		0.75		2.75
2. Theory	14.75	5		0.75	9.00
2. Practice	3.5		0.8		2.70
3 Theory	14.75	5		0.75	9.00
3. Practice	3.5		0.8		2.70
4. Theory	14.75	5		0.75	9.00
4. Practice	3.5		0.75		2.75
5 Theory	14.75	5		0.75	9.00
5. Practice	3.5		0.8		2.70
6. Theory	14.75	5		0.75	9.00
6. Practice	3.5		0.8		2.70
7. Theory	14.75	5		0.75	9.00
7. Practice	3.5		0.8		2.70
8. Theory	14.75	4.75		1	9.00
8. Practice	3.5		0.75		2.75
Assessment	4	4			0.00
TOTAL	150	43.75	6.25	6.25	93.75

L: Lectures (40- 80 students)

S: Seminars (20- 40)

ST: Scheduled Tutoring sessions (5- 8)

PS: Student's Personal Study, personal or group essays, readings...

TEACHING METHODS

1. Lectures
2. Solving problems and/or cases
3. Co-working activities based on digital tools and resources.
4. Assessment tests.

TEACHING RESULTS

Being able to clearly understand the main issues about labour market
 Applying knowledge to real life and solving specific issues. Being able to work alone and in a team.
 Making assessments with an ethical reflection.
 Searching, communicating, understanding and managing information, ideas and identifying problems and their solutions.

EVALUATION SYSTEMS AND CRITERIA

The assessment system and criteria are applied in each examination opportunity of the academic year.

The final mark will be the result of the following activities and weights:

Term (final) Exam 70%

A written exam will be programmed at the end of the semester. It will include a theoretical section with short and essay questions, aimed to assess the understanding of theoretical contents and skills such as writing expression, the ability of summarizing or exposing ideas. A practical section similar to those performed in the practice classes will also be included.

Practical Activities: 15%

Different on-campus and non-classroom practical activities will be performed during the term.

In-class Exams: 15%

There will be two in-class exams with test or short questions. Both allow the teacher to assess the learning degree of theoretical contents as well as some skills.

On the contrary, those students who expressly declare it will do a final exam in which they can achieve 100% of the mark. This declaration **MUST** be done in the first month of the term.

The students only can use writing material and a calculator in the exam. It will be forbidden to use a mobile phone during the exam. If a phone rings or its use is detected, its owner will be immediately expelled.

Besides, the student must sit for the exam perfectly identified.

TEXTBOOK AND READINGS

Textbook:

- McConnell, C., Brue, S. and Macpherson, D (2007): *Economía laboral* (7th edition), Mc-Graw Hill.

Reading:

- Ashenfelter, O. and Layard, R. (1991): *Manual de Economía del Trabajo*, vols. I y II, Ministerio de Trabajo, Madrid.
- Borjas, G. J. (2002): *Labor Economics*, Editorial McGraw-Hill, segunda edición.
- Cahuc, P. and Zylberberg, A. (2004), *Labor Economics*, MIT Press.
- Garibaldi, P. (2006): *Personnel Economics in Imperfect Labor Markets*, Oxford University Press.
- Hernández Rubio, C. and Carrasco Gallego, J. A. (2005): *Ejercicios de Economía laboral*, Mc-Graw Hill (disponible como libro electrónico).
- Layard, R., Nickell, S. and Jackman (2006): *Unemployment*, segunda edición, Oxford University Press.
- Palacio J.I. and Álvarez, C. (2004): *El mercado de trabajo: análisis y políticas*, Akal.
- Pérez Infante, J.I. (2006): *Las Estadísticas del mercado de trabajo en España*. Ministerio de Trabajo y Asuntos Sociales.
- Solow, R. (1992): *El mercado de trabajo como institución social*, Alianza editorial, Madrid.

- Toharia, L. and otros (1998): El mercado de trabajo en España, Editorial McGraw-Hill, Madrid.

ADDITIONAL TEACHING MATERIALS

- <http://www.ine.es> (Instituto Nacional de Estadística)
- www.nadaesgratis.es (FEDEA blog)
- <http://blogaldeaglobal.com> (Asociación Libre de Economía blog)
- www.mtin.es
- www.bde.es
- www.ces.es
- www.iza.org
- www.uniovi.es/Revistas/REL/
- www.revecap.com
- www.oecd.org
- www.ilo.org
- www.epp.eurostat.ec.europa.eu
- <http://www.fedea.es/observatorio/>

TUTOR SESSIONS TIMETABLE

In the Faculty webpage at the beginning of the Academic Year

RECOMMENDATIONS

Although having passed the first-year subject "Introduction to Economics", the students should revise Micro and Macroeconomics to understand this subject better. Besides, a constant study, attending the classes and resolving all their doubts by tutoring sessions are advisable.

A constant work and a good planning allow the students a more effective academic progress and they will be helpful to reach their academic goals in this subject.

Since university years are a time for getting the required skills in the future work, the students should apply these skills in the learning process, especially good and polite behaviour, punctuality and respecting classmates and teachers.

Besides, a correct oral and written expression in practices and exams is advisable. An awful writing style or spelling errors can decrease marks in these activities.