Labour Economics

Lecturers: Sergey Y. Roshchin, Inna O. Maltseva
Class teachers: Sergey Y. Roshchin, Inna O. Maltseva

Course description

The course provides basic knowledge of labor economics. It analyzes behavior of the main labor market actors: households, firms and government. The course examines the principles of determination of labor supply and labor demand, rates of employment and unemployment, human capital accumulation and labor mobility. In focus of the course there are also issues of internal labor markets operating with the stress on firm’s wage policy. The course also contains analysis of labor market institutions such as unions and employment protection legislation.

Prerequisites

Students are supposed to be competent in basic economic analysis up to the level of the Intermediate Microeconomics and Macroeconomics, as well as knowledge of basic elements of Econometrics.

Teaching objectives

The main goal of the course is to introduce the students to the fundamental theories, methods of analysis and applied aspects, which form the modern labor market economics. By the end of the course the students are supposed to have knowledge of:

- topics and main problems analyzed in labor economics;
- principles of labor market operating;
- directions of Russian and other countries labor markets’ development
- analytic instruments of micro- and macroanalysis courses that could be applied to the labor market research;
- sources of statistic data on the labor market as well as basic skills for its using in research work

Assessment

While teaching the course the following teaching methods and forms of control are used:
• Lectures
• Classes
• Teachers’ consultations
• Self-study
• Written home-assignments (3–4 per course)
• Multiple-choice tests during the each class
• Essay writing and presentation
• Final exam

Grade determination

The final mark is determined as follows:

• Home assignments — 10%
• Activity during the classes and tests’ results — 10%
• Presentation of the essay — 20%
• Final written exam — 60%

Main reading


Additional reading


18. OECD Employment Outlook, various years


21. Вишневская Н. Реформа законодательства о защите занятости и рынок труда // Мировая экономика и международные отношения, 2006, № 10, с. 34–42.


**Internet resources and databases**

Statistical information:

- [http://www.gks.ru](http://www.gks.ru)
- [http://laborsta.ilo.org](http://laborsta.ilo.org)
- [http://www.ilo.org/dyn/lfsurvey/lfsurvey.home](http://www.ilo.org/dyn/lfsurvey/lfsurvey.home)
- [http://www.oecd.org](http://www.oecd.org)
- [http://www.nber.org/data](http://www.nber.org/data)

Papers in Labor Economics:

- [http://www.iza.org](http://www.iza.org)
• http://www.jstor.org
• http://www.nber.org/pubs.htm
• http://www.eerc.ru/library/default.htm
• http://www.wdi.umich.edu/Publications/WorkingPapers

Course outline

1. Labor Market and Employment Structure of Population
   (B Ch 1; E&S Chs 1, 2)

2. Labor Supply
   (B Chs 2, 3; E&S Chs 6, 7)

3. Labor Demand
   (B Ch 4; E&S Chs 3, 4, 5)
4. Labor Market Equilibrium
   Effects of structure of goods and labor markets on labor demand. Equilibrium in cases of perfect competition, monopoly and monopsony. Effects of shocks of labor demand and labor supply on labor market equilibrium. Methods of adjustment of labor market: “exit” and “voice” principles. Flexibility of labor market and its kinds. Effects of taxation and subsidies on labor market equilibrium. Features of adjustment of Russian labor market: wage arrears and informal contracts.
   \( (B\ Ch\ 5;\ E&S\ Chs\ 2,\ 3) \)

5. Human Capital
   \( (B\ Ch\ 7;\ E&S\ Chs\ 5,\ 9) \)

6. Wage Inequality: Compensating Wage Differentials
   \( (B\ Ch\ 6;\ E&S\ Ch\ 8) \)

7. Wage Inequality: Labor Market Discrimination
   \( (B\ Ch\ 10;\ E&S\ Ch\ 12) \)

8. Wage Inequality: Unions

*(B Ch 11; E&S Ch 13)*

9. Labor Mobility


*(B Ch 9; E&S Ch 10)*

10. Internal Labor Markets and Wage Policy of the Firm


*(B Ch 12; E&S Ch 11)*

11. Unemployment and Job Search


(B Ch 13; E&S Chs 16, 17)

12. Labor Market Policy


(Bишневская Н. Реформа законодательства о защите занятости и рынок труда // Мировая экономика и международные отношения, 2006, № 10, с. 34-42)

Distribution of hours

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