Labor Economics for Bachelor

Lecture: Tuesday, 12:30 - 14:00h, HS 3043 (B. Fitzenberger)
Exercise Session: Thursday, 10:15 - 11:45h, HS 1009 (A. Dörr)

The course is taught in English
This is a 2+2 course with 6 Credit Points

Summary: Wages, employment, and education are key aspects for the well being of most individuals in an economy and labor market policy is an important part of economic policy. Unemployment, wage inequality and vocational training are key issues in the policy debate. This course provides an overview on the economic analysis of labor markets. The main parts of the course are static theories of labor supply, labor demand, investment into human capital, union theories and wage bargaining, efficiency wages, and unemployment. The course will be both theoretical and empirical. A number of current policy issues will be discussed as case studies such as ‘welfare to work policies’, ‘minimum wages’, ‘activating job seekers’, and ‘policies to address skill shortages’.

Prerequisites: Microeconomics, Macroeconomics, Econometrics

The course is open to Bachelor students in economics.

Participants are expected to read the paper by C. Dustmann, B. Fitzenberger, U. Schönberg, and A. Spitz-Oener (2014) ‘From Sick Man of Europe to Economic Superstar: Germany’s Resurgent Economy’ before the first lecture, see http://www.empiwifo.uni-freiburg.de/discussion-papers/j_dustmann_281.pdf.

Outline

1. Introduction
   Case Study: The Improvement of the Labor Market Situation in Germany

2. Labor Supply
   Case Study: Welfare to work policies

3. Human Capital and Signalling
   Case Study: Policies to Address Skill Shortages

4. Labor Demand
   Case Study: Minimum Wages in Germany

5. Unemployment, Search and Matching Theory
   Case Study: Activating jobseekers

6. Unions, Wage Bargaining, and Wage Inequality
7. Case Study on Current Labor Market Developments: The Experience of Different Labor Market Groups following the Crisis in 2008/09
Reference: OECD (2013, chapter 1), ‘All in it together? The experience of different labour market groups following the crisis’

Main References:

Further References:

Additional references will be made available during the course.