

## **Labour Market Economics Course Description**

**Faculty: of Economy**

**Study program: Bachelor in Business Administration**

**Course Title: Labour Market Economics**

**Course Credits: 5**

**Language of Instruction: Albanian**

**Course Description:** describe the course content, purpose, contributions, etc and what the learner may expect if enrolled in the course.

This subject examines some of the most common arguments and models used in modern labor economics; Wage compensation theory, job search, income/wage distribution, labor market mismatch, efficiency wages, etc. After completing the course, the student should be able to explain how labor markets work in a variety of contexts, such as competitive or non-competitive, with or without barriers, etc.; understand how our theoretical understanding of the labor market and empirical approaches to labor markets are related; demonstrate an understanding of data and methods commonly used in applied labor market research; demonstrate ability to acquire and convey content in the international scientific literature in the field of research.

**Course Goals:** Describe a practical purpose for the course, often are or relate to core competences. These are general learning outcomes

By the end of the course students are familiarized with main aspects of labour market theory such as:

- Job offer; Facts about the job offer; Neoclassical theory of job offer; Empirical aspects of the job offer.
- Job search; Static theory of job demand; Dynamic labor demand.
- Competitive balance and compensatory differences in pay; Competitive balance; Compensatory wage differentials and the hedonic theory of wages
- Education and human capital; Facts about human capital; Theory of human capital; Education as a signaling tool; Identifying the causal relationship between education and income; The rate of return on investment in human capital.
- Job seekers; What are job seekers looking for? Basic theory of job seeking; Empirical aspects of job seekers.
- Contracts, risk sharing, and incentives; Work contract; Risk sharing; Incentives in the presence of verifiable results; Social preferences.
- Discrimination; Facts about wages and differences in employment; Theories of discrimination; Measurement of salary discrimination; Empirical evidence about discrimination.

- Equilibrium unemployment; Facts; Cost-competitive model of job adaptation; Matching model; Market equilibrium efficiency; Investment and employment; Employment fluctuations.
- Technological progress, unemployment, and inequality; Technological progress and unemployment; Technological progress and inequality.
- Globalization, employment, and inequality; International trade and labor markets: facts and theories; International trade and labor markets: empirical evidence; Migration.
- Redistribution of income; Taxation and transfers; Minimum wage.
- Social security policies; Unemployment payment; Employment protection; The interaction of unemployment benefits and employment protection.
- Active labor market policies; Labor market policies: an international perspective; Active policies: theory analysis; Evaluation of labor market policies.
- Unions as a third party and negotiations; Facts about unions and collective bargaining; Theory of negotiation; Models and empirical evidence about collective bargaining

**Course Requirements:** List and describe the assessments which contribute to course score. (May include exams, portfolios, participation, attendance, papers, oral reports, group projects, assignments, etc.)

Students are asked to prepare a labour market report for a specific profession/sector (teachers, nurses, banking, hospitality, etc.) in full: labour force supply and demand in that sector, skills need analysis, wage equation estimation, role of labour law and unions, and generate policy related suggestions on that profession/sector as well.

**Grading:** Indicate how a final course grade (including credit/no credit) will be assigned

Participation in seminars: 10%

Individual coursework: 30%

Final exam: 60%

**Course Schedule:** Course frequency

The Schedule of Activities is subject to change. Lecture sessions are 2 hours per week and seminar sessions are 1 hours per week throughout the second semester (10 weeks in total) of the 3<sup>rd</sup> academic year of studies.

(Maximum 250 words)