

**COURSE DATA****DATA SUBJECT**

Code: 36134
Name: Labour economics
Cycle: Undergraduate Studies
ECTS Credits: 6
Academic year: 2025-26

STUDY (S)

| Degree | Center | Acad. year | Period |
|----------------------------|---------------------|------------|----------------|
| 1316 - Degree in Economics | Facultat d'Economia | 4 | Second quarter |

SUBJECT-MATTER

| Degree | Subject-matter | Character |
|----------------------------|----------------------------|-----------|
| 1316 - Degree in Economics | Pathway: economic analysis | ELECTIVES |

COORDINATION

CASQUEL DEL CAMPO MARIA ELENA

SUMMARY

This subject studies the functioning of the labor market using an economic analysis approach. It will be analyzed the supply and demand of labor, its determinants, its characteristics and the way in which they contribute to explain the level of employment and wages. Also the nature and behavior of trade unions, wage differentials, discrimination or the use of wages as an incentive will also be studied. There will be discussed phenomena such as immigration, technological change and their impact on the demand for labor.

The goal is for each student to get a solid and documented opinion on labour market problems. In the practical tutorials the debate will be promoted, and solutions to exercises will be provided.

PREVIOUS KNOWLEDGE**RELATIONSHIP TO OTHER SUBJECTS OF THE SAME DEGREE**

There are no specified enrollment restrictions with other subjects of the curriculum.

OTHER REQUIREMENTS

Previous knowledge of microeconomics and macroeconomics is necessary



COMPETENCES / LEARNING OUTCOMES

-

Apply the principles of economic analysis (rational decision) to the diagnosis and resolution of problems.

Be able to collect and analyse information.

Be able to learn autonomously.

Be able to use ICTs.

Be able to work in a team (including interdisciplinary teams).

Have decision-making skills and be able to apply knowledge to practice.

Have oral and written communication skills in the native language.

Know and understand the functioning of labour markets and the determinants of unemployment and wages.

Know the causes of gender and race discrimination in labour markets and in economic and political organisations and the economic corrective measures.

Know the economic measures to reduce income inequality and poverty.

Recognise strategic conflicts and know how to use basic strategic principles to obtain cooperation and coordination in incentive problems.

Show critical thinking skills.

Understand the effects of different market structures on efficiency and equity and the influence of regulatory policies.

Understand the functioning of the economy at the aggregate level and the effect of different economic policies.

Understand the keys to the functioning of market economy, the difference between normative and positive reasoning and between the concepts of equity and efficiency.

DESCRIPTION OF CONTENTS

1. Introduction

1. Labour economics as a discipline, variables and sources.
2. The labour market: flows and unemployment



3. Unemployment and vacancies: the Beveridge curve.

2. Labour supply

1. The theory of individual labour supply.
2. Applications: inactivity and reserve wage; Effects of unemployment insurance and working day with fixed number of hours.
3. Intertemporal labour supply.
4. The commodities approach. Substitution between time and market goods.
5. The business cycle effects on labour market participation.

3. The quality of work and education theories

1. The human capital investment model.
2. The returns to education.
3. On the job training: general versus specific.
4. Alternatives theories to human capital: education as a filter or signal.
5. The Mincer equation

4. Labour demand and wage determination

1. Short-run labour demand in perfect competition.
2. Long-run labour demand
3. Monopoly.
4. Monopsony
5. The determinants of the demand for labour elasticity.

5. Efficiency in labour markets

1. The efficiency of the competitive labour market.
2. Producer surplus and worker surplus.
3. Loss of efficiency in monopsony.
4. The cobweb model



6. Migrations

1. The determinants of migration decision
2. The returns to migration
3. Roy's model
4. The economic effects of migration.

7. Remuneration systems and efficiency at work

1. The principal-agent problem.
2. Remuneration according to performance.
3. Compensating wage differentials.
4. Tournament theory
5. Efficiency wages.
6. Alternative theories

8. Wage differentials

1. Differentials by groups.
2. Heterogeneity of workers
3. Jobs heterogeneity.
3. Theories of discrimination.

WORKLOAD

PRESENCIAL ACTIVITIES

| Activity | Hours |
|---------------------|--------------|
| Theory | 30,00 |
| Classroom practices | 30,00 |
| Total hours | 60,00 |

NON PRESENCIAL ACTIVITIES

| Activity | Hours |
|----------|-------|
|----------|-------|



| | |
|---------------------------------------|--------------|
| Attendance at other activities | 0,00 |
| Individual or group project | 24,00 |
| Independent study and work | 24,00 |
| Preparation of lessons | 36,00 |
| Preparation for assessment activities | 6,00 |
| Resolution of case studies | 0,00 |
| Total hours | 90,00 |

TEACHING METHODOLOGY

The subject has a theoretical-practical orientation.

Lectures

In the lectures, the teacher will discuss the fundamental concepts of the subjects. It is convenient for students to take time to read the corresponding topic in the handbook in advance.

Practical tutorials. In order to consolidate the knowledge acquired in the lectures, practical tutorials will give rise to debate and discussion. The practical classes will have a double dynamic:

Individual. Sometimes each student must submit a brief report on the topic discussed.

Group. (Groups will be formed). Each group will have to do a course work, for which a list of possible topics will be provided. This work intends the student to know scientific texts, to approach the subjects with rigor and to be aware of the implications of certain economic policy measures. Also to learn the effects of certain phenomena (immigration, new technologies...)

The materials to be used in the practical class will be specified in the virtual classroom. The theoretical classes will be based on the contents of the textbook.

EVALUATION

Assessment will consist of a written exam, a series of individual reports prepared by the student, and a group project. Active participation in class will be taken into account. Specifically, the final grade will be based on the following:

- 60% from a written exam, which will cover only theoretical content.
- 20% from individually completed and submitted reports.
- 20% from the group project.
- In order for continuous assessment to be considered, the student must obtain at least a score of 3 out of 10 on the theoretical exam.



REFERENCES

- Economía Laboral. McConnell, C.R., Brue, S.L. y Macpherson, D.A. Editorial McGraw-Hill 2007