

Course Title	Labor Economics -I
Course Code	ECON-341
Pre-Requisite	Eco-101: Principles of Microeconomics
Degree Program (BS / MS / PhD)	BS

Course Objectives

This course will help to

1. Understand how the labor market works.
2. Understand the interaction of three leading actors of the labor market which are workers, firms and the government.
3. Learn how to analyze the impact different government policies on labor market outcomes.

Learning Outcomes

After completing this course, the student will have learned the following:

1. 1. How basic labor market institutions, such as unions, and the government influence the operation of labor markets.
2. 2. How incentives shape labor market outcomes, such as the allocation of labor across occupations or the intensity of work effort.
3. 3. How opportunity costs shape labor market decisions, such as labor supply or which job benefits to offer.
4. 4. How these forces play out in domestic and international economies.

Contents

Week	Topic
1	Introduction to Labor Economics
2	Worker's Preferences and labor supply curve
3	Labor supply elasticities and labor supply over life cycle
4	Retirement and business cycle
5	Production function and employment decision
6	Short run and long run Demand curve for labor
7	The elasticity of substitution, Marshall rule of derived demand
8	Labor Market Equilibrium
9	Mid-term
10	The Cob-web model and structure of non-competitive labor markets: monopsony

11	The concept of wage differentials
12	Various labor economics theories, human capital and earnings
13	Education in the labor market, Present value, The schooling model
14	Education, earning and rate of return to schooling, Post-school investment and age-earning profile
15	Labor Mobility and Job turnover
16	Unions, unemployment, efficiency wage
17	Buffer Week
18	Final Examination

Readings List (including Books, Journals, Papers Articles, & Websites whatever is applicable)

- a. Borjas, J. George, **Labor Economic**, The McGraw Hill Companies, Inc.
- b. Ehrenberg, G. Ronald, Smith S. Robert, **Modern Labor Economics: Theory and Public Policy**, Pearson.
- c. Bruce E. Kaufman and Julie E. Hotchkiss, **The Economics of Labor Markets**, Thomson South-Western Publishing Company.
- d. McConnell, R. Cambell, Brue, S.L. and D.A. Macpherson, **Contemporary Labor Economics**, McGraw-Hill Publishing Company.

Evaluation Scheme

- Mid Term Exam: 20-25 marks
- Final Term Exam: 40-50 marks
- Assignments, quizzes etc.: 25-40