Labour Economics
S402060

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Moodle page: https://moodle.unige.ch/course/view.php?id=3379

Description
The aim of this course is to provide students with a deep understanding of current theoretical and empirical research in labour economics. The course will cover main topics of modern labour economics, such as labour supply and demand, human capital and wage formation. We will approach the various topics from both a theoretical and an empirical viewpoint.
The class will cover the following topics:

1. Labour demand
2. Labour supply
3. Search&Matching models
4. Efficiency wages and other incentive contracts
5. The economics of migration
6. The economics of education
7. Discrimination in the labour market
8. Inequality of labour earnings

Teaching material
There isn't an official textbook for the course, which is based on classroom lectures. Nevertheless, the syllabus is pretty standard for a graduate class in labour economics and the following textbook contains most of the relevant material that we will cover (although sometimes using a different angle):

- Pierre Cahuc, Stéphane Carcillo and André Zylberberg. "Labor Economics", MIT Press, 2014. (CCZ)

We will also rely on journal articles and current research.

Course Structure
The course is composed of standard lectures, given either by prof. Mueller or prof. Pellizzari, and more applied and interactive sessions devoted to either solving problem sets or reading groups. We will also experiment with "reversed classes", i.e. classes in which the students prepare lectures for specific topics.

Assessment
Students are evaluated on three types of activities:

1. Problem sets. Two sets of problems will be distributed during the course. You will have to solve them in randomly formed groups of 2-3 students and hand them in after one week. The problem sets will then be solved in class by the TA. Using the solutions, you will then be asked to mark your own problem set and send the grade to the TA. We will randomly check some marks and if we detect any inappropriate lenient marking we will assign a mark of zero. The average grade in the two problem sets will count 25% towards your final grade, but only if the resulting grade is higher than the grade in the

final exam (see the grading policy). Students not wanting to participate in the problem set should notify their decision to the TA by the second week of the term.

2. Reading groups. Four reading group sessions will be organised during the course. One week before the session you will be assigned to a random group of 2-3 students and each group will be assigned a paper to read. You should prepare a presentation of the paper for the class. The TA assists to each reading group session and grades the paper presentations. The average grade in the 4 reading groups will count 25% towards your final grade, but only if the resulting grade is higher than the grade in the final exam (see the grading policy). Students not wanting to participate in the reading groups should notify their decision to the TA by the second week of the term.
3. Final exam. On the last day of class a final written exam will be organised. The exam lasts 1.5 hours and counts 50% or 100% of your final grade (see the grading policy).

Grading policy

Your final grade will be computed according to the following formula:

$$final\ mark = max\{[0.5\ F + 0.25\ P + 0.25\ R]\ ,\ F\}$$

where F is your grade in the final exam, P is your average grade in the problem sets and R is your average grade in the reading groups. Hence, your performance in the problem sets and in the reading group can only improve your final mark. The above formula is only used if you hand in all required problem sets and participate in all the required reading groups. In all other instances your final grade is simply your grade in the final exam.

Retake exam

Only the written exam can be retaken. The grades in the reading groups and the problem sets remain valid for the retake session but are disregarded if you retake the course the following year.