

**FEDERAL STATE BUDGET EDUCATIONAL
INSTITUTION OF HIGHER EDUCATION
“LOMONOSOV MOSCOW STATE UNIVERSITY”**

FACULTY OF ECONOMICS

«APPROVED»

Dean of the Faculty of Economics, MSU

professor _____ A.A.Auzan

«__» _____ 2021

COURSE SYLLABUS

Course title:

“LABOUR ECONOMICS - 2”

Level of higher education:

MASTER STUDIES

Field of study:

38.04.01. ECONOMICS

Mode of study:

FULL-TIME

Course syllabus is considered and approved by
the Educational and Methodological Council of the Faculty of Economics
(minutes № _____, date)

Moscow 2021

The course syllabus is developed in accordance with the self-established MSU educational standard (ES MSU) for implemented main professional educational programs of higher education for Master's degree in the field of study 38.04.01. Economics

ES MSU is approved by the decision of MSU Academic Council dated December 28, 2020, minutes №7

Year (years) of enrollment: 2021 and forthcoming

1. Place and status of the course in the structure of the Master program

Course status: *elective*

Trimester: 2

2. Course Prerequisites

This discipline is based on the knowledge and skills acquired as a result of studying following courses:

- Labor economics
- Demographics
- Microeconomics
- Macroeconomics
- Econometrics

Intended learning outcomes (ILO) of the course associated to the required competencies of the graduates

| Competencies of graduates (codes) | Indicators of achievement of competencies | Intended learning outcomes of the course (module) associated to the required competencies of the graduates |
|--|---|---|
| UC-1. Capable of carrying out a critical analysis of problematic situations based on a systematic approach, developing a strategy of actions, formulating scientifically based hypotheses, applying the methodology of scientific knowledge in professional activity | UC-1.I-1. Analyzes the problem situation as an integral system, identifying its components and the connections between them | UC-1.I-1.A-1. Able to determine the essence of the problem situation and the stages of its resolution, taking into account variable contexts |
| | | UC-1.I-1.A-2. Able to collect, systematize and critically analyze the information necessary to develop a strategy for resolving a problematic situation |
| | UC-1.I-2. Develops solutions to the problem situation based on a critical analysis of available information sources | UC-1.I-2.A-1. Able to assess the adequacy and reliability of information about a problem situation, to work with contradictory information from different sources |
| | | UC-1.I-2.A-3. Able to identify possible solutions to a problem situation based on the analysis of cause-and-effect relationships |

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| | <p>UC-1.I-3. Develops a strategy of actions to solve a problem situation in the form of a sequence of steps, anticipating the result of each of them</p> | <p>UC-1.I-3.A-1. Able to implement and argue the choice of a strategy to solve a problem situation, understanding the advantages and disadvantages of the chosen strategy</p> <p>UC-1.I-3.A-2. Able to develop an action plan to solve a problem situation, identifying and evaluating the practical consequences of implementing actions to resolve a problem situation</p> |
| <p>UC-5. Capable of applying modern communication technologies, including ones in a foreign language (foreign languages), for academic and professional interaction</p> | <p>UC-5.I-1. Compiles documents (letters, essays, abstracts, etc.) for academic and professional interaction in accordance with the norms of Russian and foreign languages</p> | <p>UC-5.I-1.A-1. Able to find and analyze the information necessary for the qualitative performance of academic and professional tasks and the achievement of professionally significant goals, including ones in a foreign language</p> |
| <p>GPC-1. Capable of applying knowledge (at an advanced level) of fundamental economics in solving practical and (or) research problems.</p> | <p>GPC-.1.I-1. Presents (at an advanced level) modern research methods of fundamental economic science in solving practical and (or) research problems</p> <p>GPC-1.I-2. Summarizes and critically evaluates the scientific results obtained by domestic and foreign researchers in the field of fundamental economic science and identifies the most appropriate theoretical model for solving a practical or research problem of an economic orientation and justifies his choice</p> <p>GPC-1.I-3. Makes a plan and carries out research of the real economic situation using the studied methods of fundamental economic science: macroeconomics and microeconomics</p> | <p>GPC-1.I-1.A-1. Able to determine the necessary set of modern methods for studying fundamental economic science in solving practical and (or) research problems</p> <p>GPC-1.I-2.K-1. Knows the main scientific results obtained by domestic and foreign researchers in the field of fundamental economic science</p> <p>GPC-1.I-2.A-1 Able to generalize and critically evaluate the scientific results obtained by domestic and foreign researchers in the field of fundamental economic science</p> <p>GPC-1.I-3.A-2. Able to use the main provisions of fundamental economic science in solving practical and (or) research problems</p> |
| <p>GPC-3. Capable of generalizing and critically evaluating scientific research in economics</p> | <p>GPC-3.I-1. Knows the trends in the development of world economic science over the past decades in the chosen area of scientific interests</p> | <p>GPC-3.I-1.K-1. Knows the main achievements of modern world economic science in the chosen field of scientific interests</p> <p>GPC-3.I-1.A-2. Able to draw reasonable conclusions based on the analysis of trends in the development of</p> |

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| | | world economic science |
| | GPC-3.I-2. Conducts a comparative analysis, summarizes and critically evaluates the performed scientific research in the economy | GPC-3. I-2. A-2. Able to generalize and critically evaluate modern scientific research in economics |
| GPC-5. Capable of using modern information technologies and software in solving professional problems | GPC-5. I-2. Uses electronic library systems to search for the necessary scientific literature and socio-economic statistics | GPC-5.I-2.K-1. Knows electronic library systems to search for the necessary scientific literature and socio-economic statistics |
| PC-1. Capable of conducting scientific research (experiments, observations) and developments as a responsible executor or together with a supervisor | PC-1.I-1. Carries out an independent applied or fundamental research project in the field of economics | PC-1.I-1.A-3. Able to choose and justify an adequate research method using modern theoretical and econometric tools |
| | | PC-1.I-1.A-4. Able to carry out their own research and present its results in the form of a full-fledged scientific text, article |
| PC-2. Capable of designing / developing plans and methodological research programs, independently developing tools and determine the theoretical and methodological basis of the study. | PC-2.I-1. Carries out the development of a plan for scientific research on economic topics | PC-2.I-1.U.1. Able to develop a plan for scientific research |
| PC-7. Capable of using various sources of information to conduct economic calculations and build economic forecasts | PC-7.I-1. Carries out an independent search, collection and processing of data necessary for conducting economic calculations and building economic forecasts | PC-7.I-1.K-2. Knows the basic methods of collecting and processing data, including using application software, as well as methods for generating data, conducting a survey and conducting an experiment |
| | PC-7.I-2. Applies modern methods for selecting sources of information and assessing their quality | PC-7.I-2.A-1. Able to select appropriate sources of information according to given parameters and evaluate the quality of these sources |
| PC-9. Capable of managing research on the analysis of economic processes, assessing the dynamics of socio-economic indicators and indicators of economic development, as well as the preparation, development and implementation of proposals in the field of state economic | PC-9.I-1. Plans and organizes research on economic processes | PC-9.I-1.K-1. Knows data collection methods and approaches to calculating the main indicators of economic development, methods for analyzing qualitative and quantitative data |
| | | PC-9.I-1.A-1. Able to formulate the goal, objectives, research hypotheses, use relevant data and analysis methods to test hypotheses and achieve the research |

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| policy and strategic decisions at the micro and macro levels | | goal |
| SPC-1. Capable of analyzing the socio-economic situation, identifying issues and suggesting ways to solve them with the use of economic policy instruments | SPC-1.I-1. Uses relevant data and methods to assess a situation, analyze alternative ways to solve issues considering the interests of stakeholders | SPC-1.I-1.A-1. Able to identify topical issues in various areas of economic policy |
| SPC-2. Capable of formulating goals and objectives, assessing the consequences of implementing various types of economic policy, including competition policy, social policy, monetary policy, fiscal policy, etc. | SPC-2.I-1. Formulates goals, objectives, performance indicators of economic policy | SPC-2.I-1.A-1. Able to apply quality criteria when formulating goals and objectives of economic policy |
| | | SPC-2.I-1.A-2. Able to formulate performance indicators for the goals and objectives of economic policy as well as to assess the distorting effect of indicators |
| | | SPC-2.I-1.A-3. Able to consider ethical constraints when formulating the goals and objectives of economic policy |

3. Workload of the course by types of activity

The workload of the discipline is 4 ECTS: 144 academic hours, including 72 academic hours of contact work with a professor, 72 academic hours of self-directed studies.

4. Learning format

full-time, with the use of educational platform On.Econ (use of distant learning technologies is allowed if necessary) or distant format, with the use of educational platform On.Econ and Zoom (if approved by the authorities).

5. Content of the course structured by topics (sections) indicating the number of academic hours allocated to them and types of training

| Title and brief content of sections and topics of the course (module), Form of assessment for the course | Total (hours) | Including | |
|---|---------------|--|---|
| | | Contact work (work in contact with a professor) <i>Types of contact work, hours</i> | Student self-directed studies <i>Types of self-directed studies, hours</i> |
| | | | |

| (module) | | | | | | | | | |
|--|-----|----------|---------------------|--------------------------|-------|--------------------------------|---|---|-------|
| | | Seminars | Group consultations | Individual consultations | Total | Reading educational materials. | Preparing for a discussion in the classroom | Preparing essay, review, project Test, exam | Total |
| THEME 1. Introduction. Economic analysis of labor relations.. | 10 | 4 | 4 | | 8 | 2 | | | 2 |
| THEME 2. Labor supply and institutions. | 12 | 4 | 4 | | 8 | 2 | 2 | | 4 |
| THEME 3. Labor demand | 12 | 4 | 4 | | 8 | 2 | 2 | | 4 |
| THEME 4. Quality of labor force and Human capital Migration and mobility of labor force | 16 | 4 | 4 | | 8 | 2 | 2 | 4 | 8 |
| THEMES 5. External labor market, determination of wages and employment. Labor market adjustment. | 12 | 4 | 4 | | 8 | 2 | 2 | | 4 |
| THEMES 6. Internal labor markets and inter-firm systems of remuneration | 12 | 4 | 4 | | 8 | 2 | 2 | | 4 |
| THEME 7. Macroeconomic policy, employment and unemployment | 10 | 4 | 4 | | 8 | 2 | | | 2 |
| | | | | | | | | | |
| Current certification: Preparation and defense of essays Preparing a review of your colleague's essay Test Group project defense | 40 | | 4 | 8 | 12 | 4 | | 24 | 28 |
| Midterm assessment written exam | 20 | 4 | | | 4 | | | | 16 |
| Total | 144 | | | | 72 | | | | 72 |

Brief content of the course topics

Topic 1. Economic analysis of labor relations.

Labor activity as economic activity. Labor activity management. External and internal labor markets. Subjects of labor relations: employee, employer. Self-employment. Trade unions. Influence of laws and institutions on labor market functioning. Studies of labor and labor relations in modern economic theory. History: pre-economics, neo-classics, institutionalism. The subject, interrelations with and difference from organization of job, human resource management, economic sociology. Economic imperialism in labor studies (theories of organization, family economics, human capital theory). The great role of quantitative analysis in modern labor economics. Econometric analysis. Data base RLMS (Russian Longitude Monitoring Survey).

Main literature:

Modern labor economics : theory and public policy / Ronald G. Ehrenberg, Robert S. Smith. — Eleventh ed. Ch.1, Ch.2

Additional literature:

Maria Recalde, Lise Vesterlund. Gender differences in negotiation and policy for improvement. Working Paper 28183 <http://www.nber.org/papers/w28183> NATIONAL BUREAU OF ECONOMIC RESEARCH December 2020

Goldin, Claudia. Labor Markets in the Twentieth Century. NBER, Working papers, HP No. 58, June 1994

Stafford, Frank. Forestalling the Demise of Empirical Economics: the Role of Microdata in Labor Economics Research// Handbook of labor economics. Volume 1. Ed. By Ashenfelter O.C., Layard R.D. North Holland, 1986. Ch.7.

Overview of eighteen Labor Market Indicators (KILM) used by the International Labor Organization. www.ilo.org

Ackers, Peter. Paternalism, participation and partnership: Rethinking the employment relationship. // Human Relations Volume 54(3) 2001.

Topic 2. Labor supply and institutions.

The main trends in the changes in labor supply. Basic model of labor supply. Sociological critics of the basic model of labor supply. Different life styles and limitations of the prerequisites of the basic model of labor supply. The decision on labor force participation. Reservation wage. Discouraged and additional worker. The choice of the amount of hours of work. Income effect and substitution effect. Wage and non-labor income elasticity of labor supply. Individual labor supply and total labor supply of the market. Restrictions of the choice of the amount of hours of work. Non continuous budget restrictions. Over-employment and underemployment. Over-time work. Workaholism. Secondary employment (moonlighting). Self-employment. Non-linear budget restrictions. Informal employment. Fixed costs of work. The main trends of the changes in time distributing. Time distributing model. Household production and labor supply decision. Becker model. Time-intensive and income-intensive goods. Comparative advantages and inter-family decisions on labor supply. Models of the family decisions on labor supply: chauvinistic model, model with common utility function, model with individual utility functions and common restrictions, model based on transaction costs. Taxes' influence on labor supply. Proportional income tax. Progressive income tax. Influence of social transfers on labor supply: demographic social benefits, income

support benefits. Influence of medical insurance programmes and sick benefits on labor supply. Labor supply during the life cycle. Age and gender peculiarities of labor supply. Empiric estimates of labor supply.

Tasks for independent work: preparation of individual essay on the chosen theme, group project on the chosen theme. Preparation for the seminars (reading textbooks, additional materials, recommended by the teachers).

Main literature:

Modern labor economics : theory and public policy / Ronald G. Ehrenberg, Robert S. Smith. — Eleventh ed. Ch.6, Ch.7

Additional literature:

Mikhail Golosov Michael Graber Magne Mogstad David Novgorodsky. How americans respond to idiosyncratic and exogenous changes in household wealth and unearned income. Working Paper 29000 <http://www.nber.org/papers/w29000>, July 2021

Heckman, James (1974) "Shadow Prices, Market Wages, and Labor Supply", *Econometrica*, Vol.42, No. 4, pp. 679-94

Mincer, Jacob. Labor-force participation of married women : a study of labor supply. // Mincer, Jacob. Studies in Labor Supply. Collected essays of Jacob Mincer, Volume 2. Cambridge University Press, 1993 , Pp.3-36.

Рощин С.Ю. Предложение труда в России: микроэкономический анализ экономической активности населения. Препринт WP3/2003/02. Серия WP3. Проблемы рынка труда. М.: ГУ-ВШЭ, 2003. 48 с. http://www.hse.ru/science/preprint/WP3_2003_02.pdf

Conway K., Kimmel J. Moonlighting Behavior: Theory and Evidence. 1992. <http://www.upjohn.org/publications/wp/92-09.pdf>

Gronau R. The Theory of Home Production: The Past Ten Years. Journal of Labor Economics, Vol. 15, No. 2. (Apr., 1997), pp. 197-205. <http://links.jstor.org/sici?sici=0734-306X%28199704%2915%3A2%3C197%3ATTOHPT%3E2.0.CO%3B2-X>

Blundell R., MaCurdy T. Labour supply: A Review of alternative approaches // Handbook of labor economics. Volumes 3A. Ed. by Ashenfelter O.C., Card. D. North Holland, 1999. Ch. 27. <http://www.ifs.org.uk/staff/bm180899.pdf>

Gronau R. Leisure, Home Production, and Work--the Theory of the Allocation of Time Revisited. The Journal of Political Economy, Vol. 85, No. 6. (Dec., 1977), pp. 1099-1124. <http://links.jstor.org/sici?sici=0022-3808%28197712%2985%3A6%3C1099%3ALHPAWT%3E2.0.CO%3B2-4>

Рощин С.Ю., Разумова Т.О. Вторичная занятость в России: моделирование предложения труда. Консорциум экономических исследований и образования. Научный доклад № 02/07. М.: EERC. 2002. http://www.eerc.ru/publications/workpapers/WP_02-07R.pdf

Topic 3. Labor demand

Labor demand under perfect competition. Labor demand of the firm in the short-run and long-run period. Scale effect and substitution effect. Labor demand of the firm and the market. Elasticity of labor demand. The laws of derived demand. Labor costs structure. Quasi-fixed labor costs: hiring costs, firing costs, on-job training costs, etc. Trade off: amount of workers/amount of working hours. Labor demand for several periods. Labor demand of the firms with different objective function. Labor demand under maximization of profit. Labor demand under preserving fixed level of employment. Labor demand under dominating of managers. Self-managed firms. Labor demand under different market structures: monopoly, oligopoly, monopsony, oligopsony. Demand for different types of labor. Substituting and complementing factors and types of labor. Cross-effects of the demand for different types of labor. Demand for high-qualified and low-qualified labor. Labor demand for part-time work. Labor demand in public sector. Labor demand and economics of “stars”. Dynamic model of labor demand. Technological changes. Job creation and liquidation of jobs. Institutional effects and labor demand. Minimum wage effect. Minimum wage on monopsonic labor market. Taxes and labor demand. Social taxes. Distribution of tax burden. Empiric estimates of labor demand. Problems of evaluation. Econometric estimates of trade off amount of workers/amount of working hours. Econometric analysis of minimum wage effects.

Tasks for independent work: preparation of individual essay on the chosen theme, group project on the chosen theme. Preparation for the seminars (reading textbooks, additional materials, recommended by the teachers).

Main literature:

Modern labor economics : theory and public policy / Ronald G. Ehrenberg, Robert S. Smith. — Eleventh ed. Ch.3, Ch.4.

Additional literature:

Alex W. Chernoff, Casey Warman. COVID-19 and implications for automation. Working Paper 27249. <http://www.nber.org/papers/w27249>
July 2020, Revised November 2020

Acquisti A., Lehmann L. (2000) Job Creation and Job Destruction in Russia: Some Preliminary Evidence from Enterprise-level Data. http://www.sims.berkeley.edu/~acquisti/papers/Acquisti_JCJD.pdf

Oi, Walter Y. Labour as a Quasi-Fixed Factor. // Readings in Labour Economics. Edited by King J.E. Oxford University Press. Pp. 87-107.

Manning, Alan. A Generalised Model of Monopsony. Discussion paper. Centre's Labour Market Programme, July, 2001.

Konings J., Lermann H. Marshall and labor demand in Russia: Going back to basics. Препринт WP3/2002/02. Серия WP3. Проблемы рынка труда. М.: ГУ-ВШЭ, 2002. http://www.hse.ru/science/preprint/WP3_2002_02.pdf

Hamermesh D. The Demand for Labor in the Long Run // Handbook of labor economics. Volumes 1. Ed. by Ashenfelter O.C., Layard R. North Holland, 1986. Ch. 8 (NBER Working Papers N 1297) <http://papers.nber.org/papers/w1297.pdf>

Topic 4. Quality of labor force and Human capital. Migration and mobility of labor force

Individual investments in human capital. Education-age-income dependencies. Basic model of investments in human capital. The return on investments. The decisions concerning type of education. Demand for education. Investments in health. Critics of human capital theory. Investments in human capital during the life cycle. Ben-Porath model. Accumulation and depreciation of human capital. Firms' investments in human capital. Education and training. General and specific human capital. Becker model. Post-Becker studies of firms' investments in on-job training. Educational signals on labor market. Screening theory. Imperfect information problem. Spence model. Public policy in the sphere of professional training. Educational subsidies. Peltzman effect. Econometric estimates and empiric studies of human capital. Mincer equation.

Inter-firm mobility. Turnover and firings. Quits. Layoffs. Turnover and specific human capital. Turnover and wages. Evaluation of turnover. Labor migration. Migration as investments in human capital. External labor migration. Internal labor migration. Migration and risks. Relative losses due to migration. Migration of high-skilled and low-skilled labor. Family decisions on migration. Backward migration. Consequences of migration: economic growth and welfare. Influence of labor migration on labor markets of country-donor and country-recipient. Public policy of regulation of migration. Empiric and econometric estimates of inter-firm and territorial mobility.

Tasks for independent work: preparation of individual essay on the chosen theme, group project on the chosen theme. Preparation for the seminars (reading textbooks, additional materials, recommended by the teachers).

Main literature:

Modern labor economics : theory and public policy / Ronald G. Ehrenberg, Robert S. Smith. — Eleventh ed. Ch.9, Ch.10

Additional literature:

Jesse Rothstein. Inequality of educational opportunity? Schools as mediators of the intergenerational transmission of income. Working Paper 24537 <http://www.nber.org/papers/w24537>. April, 2018

John Bound, Breno Braga, Gaurav Khanna, Sarah Turner. Public universities: the supply side of building a skilled workforce. Working Paper 25945 <http://www.nber.org/papers/w25945>. June 2019.

Psacharopoulos G., Patrinos H.A. Returns to Investment in Education: A Further Update. World Bank Policy Research Working Paper 2881, September 2002. http://econ.worldbank.org/files/18081_wps2881.pdf

Newell,A., Reilly,B: 1997. Rates of return to educational qualifications in the transitional economies. University of Sussex Discussion papers in Economics, 03/97. <http://citeseer.nj.nec.com/cache/papers/cs/21377/http:zSzzSzwww.sussex.ac.ukzSzeconomicszSzdpzSzpap3.pdf/newell97rates.pdf>

Нестерова Д.В., Сабирьянова К.З. Инвестиции в человеческий капитал в переходный период в России. Научный доклад. EERC, 1999. http://www.eerc.ru/publications/workpapers/WP_99-04R.pdf

Mincer, Jacob. Family investments in human capital: earnings of women (with Solomon Polachek). // Mincer, Jacob. Studies in Labor Supply. Collected essays of Jacob Mincer, Volume 2. Cambridge University Press, 1993 (?) Pp.105-140.

Acemoglu D., Pischke S. Beyond Becker: Training in Imperfect Labor Markets. NBER Working Papers 6740. <http://www.nber.org/papers/w6740.pdf>

Clark, Andrew. Signalling and Screening in a Transition Economy. Three Empirical Models Applied to Russia. 2000, CERT Discussion Papers DP00/03. <http://www.som.hw.ac.uk/cert/wpa/2000/dp0003.pdf>

Berger M.C., Earle J.S., Sabirianova K.Z. Worker Training in a Restructuring Economy: Evidence from the Russian Transition. IZA Discussion Papers, номер 361, September 2001. <http://www.iza.org/dps/dp361.pdf>

Card D. The Causal Effect of Education on Earnings // Handbook of labor economics. Volumes 3A. Ed. by Ashenfelter O.C., Card. D. North Holland, 1999. Ch. 30. <http://www.iir.berkeley.edu/cle/pdf/2.pdf>

Clark, Andrew. Returns and Implications of Human Capital Investment in a Transition Economy: An Empirical Analysis for Russia, 1994-98. 2000, CERT Discussion Papers DP00/02. <http://www.som.hw.ac.uk/cert/wpa/2000/dp0002.pdf>

Leuven E. The economics of training: a survey of the literature. <http://www1.fee.uva.nl/scholar/mdw/leuven/reviewart.pdf>

Vernon V. Human capital in transitional Russia. // University of Texas. Labor and demography. Economics working paper archive at WUSTL. <http://www.eco.utexas.edu/graduate/Konstantinova/humcap.pdf>

Brewer, Dominic J., Eide, Eric, Ehrenberg, Ronald G. Does it pay to attend an elite private college? Cross cohort evidence of the effects of college quality on earnings. // Working Paper 5613. National Bureau of Economic Research. 1996.

Ashenfelter, Orley, Rouse, Cecilia. Schooling, intelligence, and incomes in America: Cracks in the Bell curve // Working Paper 6902. National Bureau of Economic Research. 1999.

Ben-Porath, Yoram. (1967) "The Production of Human Capital and the Life Cycle Earnings," *Journal of Political Economy*, pp.352-65

Topic 5. External labor market, determination of wages and employment. Labor market adjustment.

Labor relations: external labor market. Determination of wages and employment. Labor market equilibrium under perfect and imperfect competition. Cob-web model of labor market adjustment. Model “exit-voice”. Institutional mechanisms of labor market adjustment: mechanism “exit”, mechanism “voice”. Labor market institutions and “voice”. Jobs competition. Dynamics equilibrium and labor market flexibility. Wage flexibility. Relative wage and labor mobility. Flexibility of working regimes. Interdependence of local labor markets. Segmentation of professional labor markets as adjustment mechanism. Non-equilibrium model of labor market. Institutional traps on labor market. Non-payments of wage and wage arrears. “Shadow” wage.

Tasks for independent work: preparation of individual essay on the chosen theme, group project on the chosen theme. Preparation for the seminars (reading textbooks, additional materials, recommended by the teachers).

Main literature:

Modern labor economics : theory and public policy / Ronald G. Ehrenberg, Robert S. Smith. — Eleventh ed. Ch.8

Additional literature:

Ioana Marinescu, Yue Qiu, Aaron Sojourner. Wage inequality and labor rights violations. Working Paper 28475,

<http://www.nber.org/papers/w28475>, NATIONAL BUREAU OF ECONOMIC RESEARCH, February 2021

Эрл Дж., Сабирьянова К. Равновесные задержки заработной платы: теоретический и эмпирический анализ институциональной ловушки в России. // Зарплата и расплата: проблемы задолженности по оплате труда. Под ред. Малевой Т. Моск. Центр Карнеги. М.: 2001. с. 106-157.
<http://www.carnegie.ru/ru/pubs/books/volume/33294.htm>; <http://www.carnegie.ru/ru/pubs/books/28830111tm-FullText.pdf>

Sabirianova K. The great human capital relocation: a study of occupational mobility in transitional Russia EERC, Working paper No 2K/11, 2001.
http://www.eerc.ru/publications/workpapers/WP_2K-11E.pdf

Смирных Л.И. Разнородность рынка труда и асимметричность информации - последствия для продолжительности отношений занятости. Доклад на конференции ASPE, СПб. май 2002. http://www.aspe.spb.ru/Papers/24_5.pdf

Stigler, George J. Information in the Labor Market. // Readings in Labour Economics. Edited by King J.E. Oxford University Press. Pp. 32-47.

Rogerson R., Wright R. Search-Theoretic Models of the Labor Market: A Survey. (October 2002). PIER Working Paper No. 02-041.
<http://www.econ.upenn.edu/Centers/pier/Archive/02-041.pdf>

Topic 6. Internal labor markets and inter-firm systems of remuneration

Labor relations: internal labor markets. The main reasons for emergence of internal labor market, Doeringer and Piore: transaction costs, fixed costs, imperfection of information, specific human capital, traditions. Trade unions and internal labor markets. Wages and employment as a result of interaction of institutions on in-firm level. Fairness and comparisons as principles of wage determination. The system of job places inside the firm. Scale effect of transactions. Modern theoretical models of internal labor markets. Decline of internal labor markets. Labor contracts. Stimulating contracts. Problem of opportunistic behaviour. Specifics of labor contract: incompleteness, implicitness, self-support. Indefinite results and risks. Contract as a method of sharing risks. Models of implicit contracts. Career growth and in-firm mobility. In-firm remuneration policy and labor contracts. Piece-rate and time pay systems. Interrelations of wage and labor productivity. Efficient wage. Solow condition. Basic model. Shirking model of Shapiro-Stieglitz. Model of turnover costs. Model of unfavourable selection. Sociologic model and “gifts” exchange. Model “principal-agent”. Econometric estimates and empiric studies of internal labor markets.

Tasks for independent work: preparation of individual essay on the chosen theme, group project on the chosen theme. Preparation for the seminars (reading textbooks, additional materials, recommended by the teachers).

Main literature:

Modern labor economics : theory and public policy / Ronald G. Ehrenberg, Robert S. Smith. — Eleventh ed. Ch.11, Ch.15

Additional literature:

Benjamin Bennett, Isil Erel, Léa H. Stern, Zexi Wang. Paid leave pays off: the effects of paid family leave on firm performance. Working Paper 27788 <http://www.nber.org/papers/w27788> NATIONAL BUREAU OF ECONOMIC RESEARCH September 2020, Revised December 2020

Baker G., Gibbs M., Holmstrom B. 1994. The Wage Policy of a Firm, The Quarterly Journal of Economics, Vol. 109 (4) pp. 921-55. <http://links.jstor.org/sici?sici=0033-5533%28199411%29109%3A4%3C921%3ATWPOAF%3E2.0.CO%3B2-3&origin=bc>

Akerlof , George A. Labor Contracts as Partial Gift Exchange. // Efficiency wage models of the labor market. Edited by Akerlof , George A. and Yellen , Janet L. Cambridge University Press, 1986. Pp. 61-92.

Shapiro, Carl and Stiglitz, Joseph E. Equilibrium Unemployment as a Worker Discipline Device. // Efficiency wage models of the labor market. Edited by Akerlof , George A. and Yellen , Janet L. Cambridge University Press, 1986. Pp. 42-57.

Topic 7. Macroeconomic policy, employment and unemployment

Unemployment: problems of definition and evaluation. Stocks and streams, structure and duration. Types of unemployment: frictional, structural, cyclical. Unemployment of equilibrium and unemployment of disequilibrium. Neo-classic and Keynesian approaches. Frictional unemployment and job search theory. Structural unemployment, balance of unemployment and vacancies, Beveridge curve. Efficient wage and unemployment. Unemployment and rigidity of wages. Implicit contracts and unemployment. The role of trade unions, collective bargaining, decentralized and centralized negotiations. Labor market segmentation and unemployment. Inflation and unemployment. Phillips curve. Unemployment, excessive labor demand, wage inflation. Lipsey model. Unemployment and price inflation. Friedman model: real wage and expected price inflation. Rational and adaptive expectations. Natural unemployment rate. Non-accelerating inflation rate of unemployment (NAIRU). Layard-Nickel model. Econometric estimates and empirical studies of unemployment

Tasks for independent work: preparation of individual essay on the chosen theme, group project on the chosen theme. Preparation for the seminars (reading textbooks, additional materials, recommended by the teachers).

Main literature:

Modern labor economics : theory and public policy / Ronald G. Ehrenberg, Robert S. Smith. — Eleventh ed. Ch. 2, Ch. 13, Ch.14

Additional literature:

Titan Alon, Matthias Doepke, Jane Olmstead-Rumsey, Michèle Tertilt. The impact of COVID-19 on gender equality. Working Paper 26947

<http://www.nber.org/papers/w26947>. April, 2020

Lehmann H., Wadsworth J. Wage Arrears and the Distribution of Earnings: What can we learn from Russia?: Препринт WP3/2003/03. — М.: ГУ-ВШЭ, 2003. http://www.hse.ru/science/preprint/WP3_2003_03.pdf

Machin S., Manning A. The Causes and Consequences of Longterm Unemployment in Europe. // Handbook of labor economics. Volumes 3C). Ed. by Ashenfelter O.C., Card. D. North Holland, 1999. Ch. 47. <http://cep.lse.ac.uk/pubs/download/dp0400.pdf>

Foley M. C. Determinants of Unemployment Duration in Russia. Economic Growth Center Discussion Paper Series, No. 779, August 1997. William Davidson Institute, WP No 81, august 1997. <http://eres.bus.umich.edu/docs/workpap-dav/wp81.pdf>

Svejnar, J. Labor Markets in the Transition Central and East European Economies.// Handbook of labor economics. Volume 3B. Ed. By Ashenfelter O.C., Card D. North Holland, 1999. Ch.42.

6. Assessment tools to assess the course learning outcomes

6.1. Sample assessment tools:

| Learning outcomes of the course | Types of assessment tools |
|---|--|
| UC-1.I-1.A-1. Able to determine the essence of the problem situation and the stages of its resolution, taking into account variable contexts | Group project and presentation Essay and presentation |
| UC-1.I-1.A-2. Able to collect, systematize and critically analyze the information necessary to develop a strategy for resolving a problematic situation | Group project and presentation Essay and presentation |

| | |
|---|---|
| UC-1.I-2.A-1. Able to assess the adequacy and reliability of information about a problem situation, to work with contradictory information from different sources | Activity in discussions |
| UC-1.I-2.A-3. Able to identify possible solutions to a problem situation based on the analysis of cause-and-effect relationships | Activity in discussions Group project and presentation |
| UC-1.I-3.A-1. Able to implement and argue the choice of a strategy to solve a problem situation, understanding the advantages and disadvantages of the chosen strategy | Activity in discussions Written exam |
| UC-1.I-3.A-2. Able to develop an action plan to solve a problem situation, identifying and evaluating the practical consequences of implementing actions to resolve a problem situation | Written exam Group project and presentation |
| UC-5.I-1.A-1. Able to find and analyze the information necessary for the qualitative performance of academic and professional tasks and the achievement of professionally significant goals, including ones in a foreign language | Essay and presentation Group project and presentation |
| GPC-1.I-1.A-1. Able to determine the necessary set of modern methods for studying fundamental economic science in solving practical and (or) research problems | Essay and presentation Group project and presentation Review of the colleague's essay |
| GPC-1.I-2.K-1. Knows the main scientific results obtained by domestic and foreign researchers in the field of fundamental economic science | Test Written exam |
| GPC-1.I-2.A-1 Able to generalize and critically evaluate the scientific results obtained by domestic and foreign researchers in the field of fundamental economic science | Essay and presentation Group project and presentation Review of the colleague's essay |
| GPC-1.I-3.A-2. Able to use the main provisions of fundamental economic science in solving practical and (or) research problems | Group project and presentation |
| GPC-3.I-1.K-1. Knows the main achievements of modern world economic science in the chosen field of scientific interests | Activity in discussions Test Written exam |
| GPC-3.I-1.A-2. Able to draw reasonable conclusions based on the analysis of trends in the development of world economic science | Essay and presentation Activity in discussions |
| GPC-3. I-2. A-2. Able to generalize and critically evaluate modern scientific research in economics | Essay and presentation Group project and presentation |
| GPC-5.I-2.K-1. Knows electronic library systems to search for the necessary scientific literature and socio-economic statistics | Activity in discussions Essay and presentation Group project and presentation |
| PC-1.I-1.A-3. Able to choose and justify an adequate research method using modern theoretical and econometric tools | Group project and presentation |

| | |
|---|--|
| PC-1.I-1.A-4. Able to carry out their own research and present its results in the form of a full-fledged scientific text, article | Essay and presentation Group project and presentation |
| PC-2.I-1.U.1. Able to develop a plan for scientific research | Essay and presentation Group project and presentation |
| PC-7.I-1.K-2. Knows the basic methods of collecting and processing data, including using application software, as well as methods for generating data, conducting a survey and conducting an experiment | Group project and presentation |
| PC-7.I-2.A-1. Able to select appropriate sources of information according to given parameters and evaluate the quality of these sources | Essay and presentation Review of the colleague's essay Group project and presentation |
| PC-9.I-1.K-1. Knows data collection methods and approaches to calculating the main indicators of economic development, methods for analyzing qualitative and quantitative data | Group project and presentation |
| PC-9.I-1.A-1. Able to formulate the goal, objectives, research hypotheses, use relevant data and analysis methods to test hypotheses and achieve the research goal | Essay and presentation Group project and presentation |
| SPC-1.I-1.A-1. Able to identify topical issues in various areas of economic policy | Activity in discussions Essay and presentation Review of the colleague's essay Group project and presentation |
| SPC-2.I-1.A-1. Able to apply quality criteria when formulating goals and objectives of economic policy | Activity in discussions Essay and presentation Review of the colleague's essay Group project and presentation |
| SPC-2.I-1.A-2. Able to formulate performance indicators for the goals and objectives of economic policy as well as to assess the distorting effect of indicators | Activity in discussions Essay and presentation Review of the colleague's essay Group project and presentation |
| SPC-2.I-1.A-3. Able to consider ethical constraints when formulating the goals and objectives of economic policy | Activity in discussions Essay and presentation Review of the colleague's essay Group project and presentation |

6.2. Course assessment criteria (scores):

| Types of assessment tools | Score |
|---------------------------------|-------|
| Group project and presentation | 40 |
| Essay and presentation | 40 |
| Review of the colleague's essay | 10 |
| Test | 20 |
| Activity in discussions | 20 |
| Written exam | 70 |
| Total | 200 |

6.3. Grade for the course is determined based on the following criteria:

| Grade | Minimum score | Maximum score |
|---------------------|---------------|---------------|
| <i>Excellent</i> | 170 | 200 |
| <i>Good</i> | 130 | 169 |
| <i>Satisfactory</i> | 80 | 129 |
| <i>Failed</i> | 0,0 | 79 |

Note: in case a student's score obtained during the trimester is less than 20% of the maximum score of the discipline, the following rule of passing the course should be applied at the midterm assessment (and further re-examination): 'a student can obtain only a satisfactory mark and only in case she/he receives for the midterm assessment, including all the course material, no less than 85% of the score allocated to this assessment'.

6.4. Typical tasks and other materials necessary to assess the learning outcomes:

Sample topics of group projects

1. Labor supply in various socio-demographic groups of the population: the impact of digitalization.
2. Regional differentiation of labor markets in Russia
3. The impact of social transfers on the labor supply in Russia
4. Job creation and job cuts in Russia: the impact of COVID19
5. Investing in human capital or a signal model: what is more valuable for Russian employees?
6. Gender gap in wages and income
7. Internal labor mobility as a factor of labor market harmonization VS remote jobs

Sample essay topics

1. International labor standards and the activities of the International Labor Organization in modern conditions
2. The impact of changes in the retirement age on the supply of labor and demand for older workers
3. State policy of employment support in the conditions of the COVID19 pandemic.
4. State policy of income support in the conditions of the COVID19 pandemic.
5. Labor migration - the main trends and problems in Russia
6. The impact of trade unions on wages and employment
7. Dynamics and types of unemployment in different regions of Russia

6.5. Methodological guidelines and assignment requirements:

- Project

The project is carried out in a group of no more than 3 people. The project is carried out in English. The project involves: independent selection of the topic, coordination of the topic with the teacher at the contact hours, formulation of a scientific and practical problem, review of literature on the topic, collection and analysis of empirical information, selection of a method and application of empirical information analysis, economic interpretation of the results obtained, development of recommendations for solving the problem. The results of the project should be presented in the form of a written work (30 points) and in the form of a presentation (10 points). The quality of the work as a whole and the individual contribution of each participant are evaluated.

- Essay

The essay is done individually in English. According to the topic independently selected and agreed with the teacher at the contact hours, you should study the material (chapters of monographs, analytical reports, articles in journals, scientific papers in English) and prepare a written essay (25 points), a question for intermediate certification (5 points), as well as make a presentation in the classroom (10 points). The volume of the text is 7-10 pages, the speech is 10-15 minutes.

- Review

The review is carried out individually. The student gets acquainted with the text of the reviewed essay in advance and writes a written review, which reflects the relevance of the reviewed essay, its content, validity, significance for modern Russian economic policy, noting both advantages and disadvantages. During the defense of the essay, the reviewer asks questions to the speaker and delivers his review. The volume of the review is 1.5 pages.

7. Resources

7.1. List of main and additional literature

Main literature for the course:

Modern labor economics : theory and public policy / Ronald G. Ehrenberg, Robert S. Smith. — Eleventh ed.

Additional literature for the course:

1. Maria Recalde, Lise Vesterlund. Gender differences in negotiation and policy for improvement. Working Paper 28183 <http://www.nber.org/papers/w28183> NATIONAL BUREAU OF ECONOMIC RESEARCH December 2020
2. Mikhail Golosov Michael Graber Magne Mogstad David Novgorodsky. How americans respond to idiosyncratic and exogenous changes in household wealth and unearned income. Working Paper 29000 <http://www.nber.org/papers/w29000>, July 2021
3. Alex W. Chernoff, Casey Warman. COVID-19 and implications for automation. Working Paper 27249. <http://www.nber.org/papers/w27249> July 2020, Revised November 2020
4. Jesse Rothstein. Inequality of educational opportunity? Schools as mediators of the intergenerational transmission of income. Working Paper 24537 <http://www.nber.org/papers/w24537>. April, 2018
5. Ioana Marinescu, Yue Qiu, Aaron Sojourner. Wage inequality and labor rights violations. Working Paper 28475, <http://www.nber.org/papers/w28475>, NATIONAL BUREAU OF ECONOMIC RESEARCH, February 2021
6. Benjamin Bennett, Isil Erel, Léa H. Stern, Zexi Wang. Paid leave pays off: the effects of paid family leave on firm performance. Working Paper 27788 <http://www.nber.org/papers/w27788> NATIONAL BUREAU OF ECONOMIC RESEARCH September 2020, Revised December 2020
7. Titan Alon, Matthias Doepke, Jane Olmstead-Rumsey, Michèle Tertilt. The impact of COVID-19 on gender equality. Working Paper 26947
8. <http://www.nber.org/papers/w26947>. April, 2020
9. Acquiring skills. Market failures, their symptoms and policy responses. Ed. by Booth A., Snower D. Cambridge University Press, 1996.
10. Azariadis C. Implicit contracts and related topics: a survey. In: The economics of the labour market. 1981, pp.221-260.
11. Becker G.S. Human capital. Columbia University Press UP, 1975.
12. Booth A. The economics of the trade union. Cambridge University Press, 1995.
13. Borjas G. Labor economics. The McGraw-Hill Companies, Inc, 1996.
14. Bosworth D., Dawkins P., Stromback T. The economics of the labour market. Addison Wesley Longman Limited, 1996.
15. Cahuc P., Zylberberg A. Le marche du travail. Editions de Boeck Universite, 2001.
16. Current issues in labour economics. Ed. by Sapsford D., Tzannatos Z. MacMillan Education LTD, 1990.
17. Doeringer P.B., Piore M.J. Internal labor markets and manpower analysis. Lexington Books, D.C.Heath, 1971.
18. Efficiency wage models of the labor market. Ed. by. Akerlof G.A., Yellen J.L. Cambridge University Press, 1986.
19. Ehrenberg R., Smith R. Modern labor economics. 7th ed. Addison Wesley Longman, Inc, 2000.
20. Elliott R.F. Labor economics: a comparative text. McGraw-Hill Book Company LTD, 1991.

21. Fallon P., Verry D. The economics of labor markets. Philip Allan, 1988.
22. Filer R.K., Hamermesh D.S., Rees A.E. The economics of work and pay. 6th ed. Harper Collins College Publishers, 1996.;
23. Hamermesh D.S. Labor demand. Princeton University Press UP, 1993.
24. Handbook of labor economics. Volumes 1-2. Ed. by Ashenfelter O.C., Layard R. North Holland, 1986.
25. Handbook of labor economics. Volumes 3 (3A, 3B, 3C). Ed. by Ashenfelter O.C., Card. D. North Holland, 1999.
26. Heckman J.J. Sample selection bias as a specification error. *Econometrica*, 1979, January, pp. 153-162.
27. Hirschman A. Exit, voice and loyalty. Harvard University Press UP, 1973.
28. Hirsch B.T., Addison J.T. The economic analysis of unions: new approaches and evidences. Allen & Unwin Inc., 1986.
29. Jovanovic B. Firm-specific capital and turnover. *Journal of political economy*, 1979, vol.87, no.6, pp. 1246-1260.
30. Kaufman B., Hotchkiss J. The economics of labor market. 5th ed. The Dryden Press, 2000.
31. Killingsworth M.R. Labor supply. Cambridge University Press, 1983.
32. Labor economics and industrial relations: markets and institutions. Ed. by Kerr C., Staudohar P.D. Harvard University Press, 1994.
33. Layard R., Nickell S., Jackman R. Unemployment: macroeconomic performance and the labour market. Oxford University Press, 1991.
34. McConnell C.R., Brue S.L., Macpherson D.A. Contemporary labor economics. 5th ed. The McGraw-Hill Companies, Inc, 1999.
35. Mincer J. Studies in human capital. Volume 1. Edward Elgar Publishing Limited, 1993.
36. Mincer J. Studies in labor supply. Volume 2. Edward Elgar Publishing Limited, 1993.
37. Parsons D.O. Models of labor market turnover: a theoretical and empirical survey. In: *Reserch in labor economics*, ed. Ehrenberg R.G. V.1 Jai Press, 1977.
38. Pencavel J. Labor markets under trade unionism. Basil Blackwell INC, 1991.
39. Perrot A. Les nouvelles theories du marche du travail. Edition La Decouverte, 1992.
40. Pissarides C. Equilibrium unemployment theory. Second edition. Massachusetts Institute of Technology Press, 2000.
41. Polachek S.W., Siebert W.S. The economics of earnings. Cambridge University Press, 1993.
42. Redor D. *Economie du travail et de l'emploi*. Montchrestien, 1999.
43. Sapsford D., Tzannatos Z. The economics of the labour market. Macmillan Press LTD, 1993.
44. Stankiewicz F. *Economie des ressources humaines*. Editions la Decouverte, Paris, 1999.
45. Stark O. The migration of labor. Basil Blackwell INC, 1991.
46. Thaize-Challier M.-C. Les modeles theoriques d'offre de travail. *Economica*. Paris, 1997.
47. Колосницына М.Г.. Экономика труда. Издательство Магистр. М., 1998.
48. Роцин С.Ю., Разумова Т.О. Экономика труда. Москва, ИНФРА-М, 2000.
49. Роцин С.Ю., Разумова Т.О. Теория рынка труда. М., ТЕИС 1998, 2-е изд., 1999.

8.2. List of licensed software

MS Office

8.3. List of professional databases and information referral systems

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8.4. List of Internet resources (if necessary)

- <http://www.ilo.ru> International labor organisation
- <http://www.ilo.org> International labor organisation
- <http://www.mintrud.ru/> Ministry of labor and social security of Russian Federation
- <http://www.rostrud.info/> Federal labor and employment service
- <http://www.niitruda.ru/> Scientific research institute of labor and social insurance.
- <http://demoscope.ru/weekly/> Demoscope Weekly.
- <http://nber.org/> National Bureau of Economic Research, USA
- Базы данных, статистика, социологические исследования
- <http://laborsta.ilo.org/> Laborsta – International Labour Office database on labour statistics, ILO Bureau of Statistics.
- <http://www.gks.ru> Rosstat
- RLMS
- <http://www.cpc.unc.edu/projects/rlms/data.html>
- <http://www.cpc.unc.edu/rlms/> Russian Longitudinal Monitoring Survey (RLMS) (Российский мониторинг экономического положения и здоровья населения (РМЭЗ)). – UNC, Carolina Population Center.
- <http://www.oecd.org/statistics/> Organisation for Economic Co-operation and Development, Statistical Portal
- Electronic versions of the journals on labor relations
- <http://www.chelt.ru> "Человек и труд"
- <http://www.top-personal.ru> «Управление персоналом»

8.5. Description of material and technical support

Multimedia classrooms equipped with a computer and presentation equipment, Internet access.

8. Language of instruction:

English

9. Professor (professors):

Tatiana Razumova, Dr. of Economics, Professor

10. Syllabus authors:

Tatiana Razumova, Dr. of Economics, Professor