UCLouvain

lecon2353
2020

Labour Productivity

Due to the COVID-19 crisis, the information below is subject to change, in particular that concerning the teaching mode (presential, distance or in a comodal or hybrid format).

5 credits	30.0 h	Q2

Teacher(s)	Vandenberghe Vincent ;
Language :	English
Place of the course	Louvain-la-Neuve
Main themes	The course addresses four major issues. First, how does economic theory a priori conceive labour productivity and its determinants? Second, what are the conceptual and econometric challenges to measure labour productivity and identify its determinants? Third, how and to which extent can wage data inform about labour productivity? Fourth, how can firm-level data be use to gauge and understand labour productivity? It also exposes topical questions that can be addressed with the above-mentioned theories, models and methods
Aims	1 The aim of the course is to ensure that students can use economic theory and state-of-the art econometrics to assess the determinants and the consequences of labour productivity for individuals, firms and labour markets. - - - - *The contribution of this Teaching Unit to the development and command of the skills and learning outcomes of the programme(s) can be accessed at the end of this sheet, in the section entitled "Programmes/courses offering this Teaching Unit".*
Evaluation methods	**Due to the COVID-19 crisis, the information in this section is particularly likely to change.** Ongoing assessment (40% of final grade) + end-of-term written exam (60% of final grade) during which students are requested to answer a questionnaire covering the whole set of issues covered by the course
Teaching methods	**Due to the COVID-19 crisis, the information in this section is particularly likely to change.** The emphasis of the course is on linking basic theoretical insights with empirical patterns in the labor market, using a combination of methodologies. Most of course consists of lectures, but there will be a number of problem sets/exercises throughout the semester, which all students must hand in individually Students are expected to have familiarity with programs like SAS, R or STATA
Content	Labour productivity is a crucial determinant of individual wages, living standards, firms'performance and the long-term prosperity of a country. Properly understanding the role of labour productivity, measuring its level and growth rate and identifying its determinants is thus key for anyone with an interest in productivity from a labour market but also industrial organisation (IO) or growth or perspective. The course addresses four major questions. - First, how does economic theory a priori conceives labour productivity and its determinants (e.g., the division of labour, the role of human capital; capital intensity and scientific/technological progress…)? Also what is the link between labour productivity and wages, and why it is that the two may no align (wage discrimination)? - Second, what are the conceptual, methodological and econometric challenges involved in measuring labour productivity and identifying its determinants? - Third, how and to which extent can wage data inform us about labour productivity? - Fourth, how can firm-level data be used to gauge and apprehend labour productivity, and several topical issues wherein it plays a key role? In this course, there is a strong focus on linking economic theory, econometrics and empirical findings to policy issues (human capital investment, ageing, gender wage discrimination, job turnover).
Inline resources	Moodle account

Bibliography	• Becker, G.S. and K.M. Murphy (1992); The Division of Labor, Coordination Costs, and Knowledge; The Quarterly Journal of Economics, 107(4), pp. 1137-1160 • Becker, G.S. (1971), The Economics of Discrimination, 2nd edn. Chicago, Ill.: University of Chicago Press. • Arrow, K.(1972), Some mathematical models of race in the labor market. In Racial Discrimination in Economic Life, ed. A.H. Pascal. Lexington, Mass.: Lexington Books, pp. 187–204. • Hellerstein, J.K., D. Neumar, and K. Troske (1999), Wages. Productivity. and Worker Characteristics: Evidence from Plant-Level Production Functions and Wage Equations. Journal of Labor Economics, 17(3), pp. 409-446 • Lazear, E.P. & Oyer, P. (2009), Personnel Economics, in Handbook of Organizational Economics, Princeton University Press [forthcoming] • Vandenberghe, V. (2017), The Productivity Challenge. What can be expected from better-quality labour and capital inputs? Applied Economics, 49(40), pp. 4013-4025 • Smith, A. (1776), The Wealth of Nations, Random House, Inc.
Faculty or entity in charge	ECON

Programmes containing this learning unit (UE)				
Program title	Acronym	Credits	Prerequisite	Aims
Master [120] in Economics: General	ECON2M	5		🔍
Master [60] in Economics : General	ECON2M1	5		🔍
Master [120] in Agriculture and Bio-industries	SAIV2M	5		🔍