

EUROPEAN HUMAN RESOURCES (Codes 6134, 5341)

Prof. Tommaso Nannicini

Office: Via Rontgen 1, 5th floor, D1-16. Phone: 5241.

E-mail: tommaso.nannicini@unibocconi.it

Website: www.tommasonannicini.eu

Office hours:

Every Tuesday from 2:30pm to 4:30pm (office D1-16) or by appointment (e-mail).

Course syllabus and readings:*

This course aims at providing the basic analytical tools needed to understand the role of different institutions in shaping the labor market. We will study both the goals and effects of different labor market institutions such as the regulation of permanent and temporary employment, the minimum wage, or welfare benefits. A particular emphasis will be devoted to the political economy approach: in other words, the analysis will focus on the winners and losers of different institutions and reforms, in order to understand their political support and feasibility. The theoretical discussion will be complemented by the institutional and statistical analysis of the European and U.S. labor markets. A precise list of topics and readings follows.

(I) Perfect and Imperfect Labor Markets: The Scope for Labor Market Institutions

[R] Boeri and Van Ours (2008), chapter 1 (excluding technical annex); lecture slides.

(II) Insiders, Outsiders, and the Political Roots of Labor Market Institutions

[R] Lecture slides.

[O] Saint-Paul (1996); Lindbeck and Snower (2001).

(III) Debating the Minimum Wage

[R] Boeri and Van Ours (2008), chapter 2 (excluding technical annex).

[O] Lecture slides; Card and Krueger (1994); Neumark and Wascher (2000).

(IV) Taxes and Subsidies in the Labor Market

[R] Boeri and Van Ours (2008), chapter 4 (excluding technical annex).

[O] Lecture slides.

(V) The Regulation of Working Hours

[R] Boeri and Van Ours (2008), chapter 5 (excluding technical annex).

[O] Lecture slides.

(VI) Migration Flows and Policies

[R] Boeri and Van Ours (2008), chapter 9 (excluding technical annex); lecture slides.

[O] Borjas (2000).

*Required readings are denoted with [R]; optional readings with [O].

(VII) *Employment Protection and Temporary Work Regulation*

- [R] Boeri and Van Ours (2008), chapter 10 (excluding technical annex); lecture slides.
- [O] Dolado, Garcia-Serrano, and Jimeno-Serrano (2002).

(VIII) *Unemployment Benefits and Welfare to Work*

- [R] Boeri and Van Ours (2008), chapter 11 (excluding technical annex).
- [O] Lecture slides.

(IX) *The U.S. and European Labor Markets in Comparative Perspective*

- [R] Lecture slides.
- [O] Boeri and Garibaldi (2009); Nickell (1997; 2008); Blanchard (2004).

References:[†]

- Boeri and Van Ours (2008), *The Economics of Imperfect Labor Markets*, Princeton Univ. Press.
- Lecture slides (posted after every class at the address: <http://www.tommasonannicini.eu>).
- Blanchard (2004), “The Economic Future of Europe,” *Journal of Economic Perspectives*, 3-26.
- Boeri and Garibaldi (2009), “Beyond Eurosclerosis,” *Economic Policy*, forthcoming.
- Borjas (2000), “The Economics of Migration,” *International Encyclopedia of the Social Sciences*
- Card and Krueger (1994), “Minimum Wages and Employment: A Case Study of the Fast-Food Industry in New Jersey and Pennsylvania,” *American Economic Review*, 772-93.
- Dolado, Garcia-Serrano, and Jimeno-Serrano (2002), “Drawing Lessons from the Boom of Temporary Jobs in Spain,” *Economic Journal*, 270-95.
- Lindbeck and Snower (2001), “Insiders vs. Outsiders,” *Journal of Economic Perspectives*, 165-88.
- Neumark and Wascher (2000), “Minimum Wages and Employment: A Case Study of the Fast-Food Industry in New Jersey & Pennsylvania: Comment,” *American Economic Review*, 1362-96.
- Nickell (1997), “Unemployment and Labor Market Rigidities: Europe versus North America,” *Journal of Economic Perspectives*, 55-74.
- Nickell (2008), “Is the U.S. Labor Market Really that Exceptional? A Review of Richard Freeman’s *America Works*,” *Journal of Economic Literature*, 384-95.
- Saint-Paul (1996), “Exploring the Political Economy of Labour Market Institutions,” *Economic Policy*, 265-300.

Prerequisites:

Basic mathematical and statistical knowledge; introductory microeconomics.

Grade policy:

The final exam will be written and made up of 4 questions. Students taking the midterm will face 3 questions in each partial exam and have the possibility to discard one of them.

[†]All of the following readings—excluding, of course, the textbook by Boeri and Van Ours—will be made available through the Bocconi learning space.