



## Course syllabus

School of Business and Economics

Department of Economics and Statistics

2NA03E Fördjupad nationalekonomi II inklusive examensarbete (kandidat), 30 högskolepoäng

2NA03E Intermediate Economics II including Degree Project (Bachelor), 30 credits

### **Main field of study**

Economics

### **Subject Group**

Economics

### **Level of classification**

First Level

### **Progression**

G2E

### **Date of Ratification**

Approved by School of Business and Economics 2014-04-16

The course syllabus is valid from spring semester 2015

### **Prerequisites**

Economics 60 credits, including Mathematical Economics II 7.5 credits, Econometrics 7.5 credits, Intermediate Microeconomics 7.5 credits and Intermediate Macroeconomics 7.5 credits, and Statistics 15 credits or course credits in time series analysis and regression analysis, and English B, or the equivalent

## Objectives

### **Module 1: Labour Economics, 7.5 credits**

After finished course the student is expected to able to:

- derive labour supply and demand
- apply economic theory, using graphs and mathematics, to derive equilibrium in competitive and non-competitive labour markets
- apply economic theory, using graphs and mathematics, to predict how the labour market responds to changes in labour market conditions, policy and regulations
- apply economic theory to explain the individual's investment decision in human capital
- describe the wage distribution and explain how it is determined by job amenities and workers' level of human capital

- apply economic theories of labour market discrimination to show how discrimination affects employment and wage levels and can lead to segregation
- identify which workers are likely to join a labour union and apply economic theory to predict the consequences of the existence of labour unions for workers, firms, and labour market equilibrium
- explain different incentive pay schemas and when/why such schemas might be used by employers
- describe the different types of unemployment and apply economic theory to derive the level of unemployment and how it is affected by changes in policy and regulations
- write a report on an application of economic theory on a selected topic in labour economics
- orally present an application of economic theory on a selected topic in labour economics

### **Module 2: Economics of Migration, 7.5 credits**

After finished course, the student is expected to be able to:

- describe, explain and compare different economic explanations of international migration and apply theories of migration to predict the direction and magnitude of international migration flows
- explain why and how selection of those who migrate affect the return on migration and labor market integration among immigrants in a country
- describe, explain and apply economic theories about the effects of immigration on native workers' wages and employment, and explain how different empirical approaches might lead to different results
- explain, verbally and graphically, various economic theories on immigrant labor market integration in the new country
- use human capital and ethnic discrimination theories to empirically examine the relative importance of the theories for immigrant labor market integration in the new country
- explain the mechanisms behind intergenerational occupational mobility among the immigrant population
- describe and explain theories for self-employment among immigrants and how the theories may explain the differences in the proportion of self-employed between immigrants and natives
- describe and explain why the position in the public security system is different for immigrants and natives and explain why the position of immigrants tend to change with the time in the new country
- explain and discuss the mechanisms behind ethnic residential segregation and the choice where to settle in the new country

### **Module 3: Economics, Degree Project (Bachelor), 15 credits**

After finished course, the student is expected to be able to:

- identify and formulate a relevant research question within a specialized part of Economics
- search for, choose and assess scientific studies relevant to the study
- motivate the choice of relevant theory and apply it on the selected research question
- motivate the choice of relevant method and apply it on the selected research question
- analyze and answer the selected research question based on the chosen theory

and method

- in writing and on time, account for the points above in a linguistically and scientifically correct way
- orally scientifically present, communicate and defend the results
- orally in a popular scientific way present and communicate the results
- scientifically review and, in a constructive way, criticize other relevant studies

## Content

The course consists of 3 different modules:

### ***Module 1 Labour Economics 7.5 credits***

Labour Economics is the study of the market for labour services. It studies how households (workers), firms (employers), and the government interact on the market for labour services and how this interaction determines wages and employment. The topics discussed during the course include:

- labour supply: the hours of labour that the workers in the economy bring to the labour market
- labour demand: the hours of work the firm plan to hire in the labour market
- labour market equilibrium: a state of the labour market where supply equals demand of labour and where employment and wages are determined
- compensating wage differentials: some jobs are less preferred and therefore firms must provide incentives for people to do them
- human capital: the stock of skills, mainly obtained through education and experience, that each worker possess
- the wage structure: the distribution of wages across workers
- labour market discrimination: unequal treatment in the labour market based on individual characteristics such as ethnicity and sex that is not related to the worker's productivity
- labour unions: representatives of workers with the goal of maximizing incomes and employment for its members
- incentive pay: pay schemas used to increase worker productivity and minimize shirking among workers
- unemployment: the number of workers of the labour force that cannot find a job

### ***Module 2 Economics of Migration 7.5 credits***

The course includes:

- size, direction and composition of migration flows
- economic returns to migration
- selection effects in migration
- remittances to sending country
- effects of immigration on natives' wages and employment: theory
- effects of immigration on natives' wages and employment: the role of different empirical approaches
- human capital investment in the host country: language and formal education
- labor market integration among immigrants
- ethnic discrimination: theory and empirical methods
- labor market integration among the children and grand children of immigrants and intergenerational mobility

- self-employment among immigrants: theory and empirical results
- ethnic segregation in the housing market

### ***Module 3 Economics, Degree Project (Bachelor) 15 credits***

The course implies writing, in consultation with a supervisor, and presenting an individual scientific degree project. Each student will also critically review and act as an opponent on another degree project.

### **Type of Instruction**

#### **Module 1: Labour Economics, 7.5 credits**

Lectures, exercises, tutoring and obligatory seminar. Obligatory parts are stated in the schedule.

#### **Module 2: Economics of Migration, 7.5 credits**

Lectures, laboratory sessions and obligatory seminars. Obligatory parts are stated in the schedule.

#### **Module 3: Economics, Degree Project (Bachelor), 15 credits**

Lectures, tutoring and obligatory seminars. Obligatory parts are stated in the schedule.

### **Examination**

The course is assessed with the grades Fail (U), Pass (G) or Pass with Distinction (VG).

#### **Module 1: Labour Economics, 7.5 credits**

The assessment of the performance of the students is based on written examination and writing and presenting a report.

#### **Module 2: Economics of Migration, 7.5 credits**

The assessment of the performance of the students is based on presentations of scientific articles at seminars and the results of the laboratory sessions. A written exam is also a part of the examination.

#### **Module 3: Economics, Degree Project (Bachelor), 15 credits**

The assessment of the performance of the students is based on assessment of the written degree project, oral presentation of the degree project and opposition of another degree project.

Results are graded using one of the terms Passed with distinction, Pass or Fail, and A-F according to the ECTS scale. For the grade pass, the objectives have to be reached; the grade is based upon the degree to which the objectives are met. The weighing of the grades to the course grade is following the principles in the document "Principer för betygsrapportering dnr: ELNU 2011/160".

Students who do not achieve a satisfactory result in the examinations are permitted to make a second attempt approximately 5-8 weeks after the normal examination date. The student will have a minimum of five occasions for written exams in relation to the syllabus to which the student was accepted. Usually 3 occasions per academic year. Students that do not pass reports can complement after consultation with the examiner. A degree project that is not assessed to possibly fulfill the requirements at the final tutoring is recommended not to be treated at the originally scheduled final seminar. The thesis has to be reassessed at a new final review and considered fulfilling the necessary requirements in order to be presented at a later final seminar.

## Course Evaluation

A written course evaluation is carried out and compiled in a report, which is archived at the faculty. The results and possible measures taken are communicated by the course coordinator and presented to the students the next time the course is given, or in another way deemed suitable by the course coordinator. Other types of course evaluations, for example regular evaluations throughout the course or discussions with students, will be included and encouraged with the aim of ensuring continuous quality development.

## Credit Overlap

The course cannot be included in a degree along with the following course/courses of which the content fully, or partly, corresponds to the content of this course: Each course module has a corresponding single subject course with which there is a 100% credit overlap.

2NA03E:1 overlaps 2NA030

2NA03E:2 overlaps 2NA031

2NA03E:3 overlaps 2NA10E

## Required Reading and Additional Study Material

### *List of references Module 1 - Labour Economics 7.5 credits*

#### **Required reading**

Borjas, G. J. *Labour Economics*. McGraw-Hill International Editions. Latest edition. 500 pages.

Scientific articles, about 100 pages.

### *List of references Module 2 - Economics of Migration 7.5 credits*

#### **Required reading**

Scientific articles, about 500 pages.

### *List of references Module 3 - Economics, Degree Project (Bachelor) 15 credits*

#### **Required reading**

McCloskey, D.N. *Economical Writing*. Waveland Press. Latest edition. 109 pages.

Neugeboren, R. *Student's Guide to Writing Economics*. Routledge. Latest edition. 96 pages.

Other literature, about 1000 pages, is selected in consultation with the supervisor.