### AFRICAN ECONOMIC RESEARCH CONSORTIUM

## COLLABORATIVE MASTERS DEGREE PROGRAMME (CMAP) IN ECONOMICS FOR ANGLOPHONE AFRICA (EXCEPT NIGERIA)

#### JOINT FACILITY FOR ELECTIVES



# LABOUR ECONOMICS COURSE OUTLINE

(Revised: February, 2017)









Facebook

Twitter

Website

Emai

Copyright © 2017 African Economic Research Consortium (AERC), All Rights Reserved.

#### Our mailing address is:

African Economic Research Consortium (AERC) 3rd Floor-Middle East Bank Towers Building, Jakaya Kikwete Road P. O. Box 62882 00200 Nairobi Kenya



#### **OBJECTIVES**

The objectives of the course in Labour Economics are to:

- (a) Provide students with both theoretical and empirical knowledge about the operation and the importance of labour markets;
- (b) Equip students with the analytical skills required for dealing with labour market issues and policies;
- (c) Familiarize students with current issues and policies relating to labour market outcomes with particular emphasis on Africa; and
- (d) Encourage and develop students' skills and interest in undertaking research in labour market issues using African datasets.

#### ORGANISATION OF THE COURSE

The course is divided into two complementary parts. Part 1 in the first semester (Labour Economics I) covers the general concepts and theory of labour economics. Part 2 in the second semester (Labour Economics II) is devoted to major empirical, institutional and policy issues pertaining to labour markets in developing countries in general and in sub-Saharan Africa in particular.

#### MAIN TEXBOOKS

- 1. Cahuc, P. and A. Zylberberg (2004), Labour Economics, MIT Press, Cambridge, MA.
- 2. Ehrenberg R. G. and R. S. Smith (2015), Modern Labour Economics: Theory and Public Policy, 12<sup>th</sup> Edition, Pearson Education.
- 3. Kauffman and Hotchkiss (2004), Economics of Labour Market, 6th Edition.
- 4. Handbook of Labour Economics, ed: O. Ashenfelter and R. Layard, New York: North Holland.
- 5. McConnel, C.R., Brue, S.L and Macpherson D.A (2010), <u>Contemporary labour Economics</u>, 9th Edition, McGraw-Hill.
- 6. Borjas George (2016) "Labour Economics", seventh edition, McGraw-Hill Education

#### **GRADING**

Final grading will be based on end of semester examinations (60%) and continuous assessments or course work (40%). Continuous assessments will comprise:

- (a) Empirical term paper (mostly focuses on review of critical articles) and presentation: 20%.
- (b) One class test: 20%.



### **SUMMARY OF TOPICS**

### FIRST SEMESTER: LABOUR ECONOMICS I (PART I)

- 1. Introduction to Labour Economics and Labour Market Issues in Africa (5 Hours)
- 2. Labour Supply (17 Hours)
- 3. Labour Demand (12 Hours)
- 4. Wage Determination (15 Hours)
- 5. Education and Human Capital Theory (11 Hours)

## SECOND SEMESTER: LABOUR ECONOMICS II (PART II)

- 1. Job Search, Information, Employment and Unemployment (16 Hours)
- 2. Labour Mobility (14 Hours)
- 3. Economics of Labour Market Segregation and Discrimination (10 Hours)
- 4. Trade Unions (12 Hours)
- 5. Labour Market Policies (8 Hours)



## **LABOUR ECONOMICS I (60 HOURS)**

#### (FIRST SEMESTER)

## 1. INTRODUCTION TO LABOUR ECONOMICS AND LABOUR MARKET ISSUES IN AFRICA (5 HOURS)

- 1.1 Definition and Scope of Labour Economics
- 1.2 Importance of Labour Economics
- 1.3 Evolution of the Labour Market Theory
- 1.4 Labour Economics in the Context of Africa

- (i) Ehrenberg R. G. and R. S. Smith (2015), Modern Labour Economics: Theory and Public Policy, 12<sup>th</sup> Edition, Pearson Education. Chapter 2.
- (ii) Kerr C. and P. D. Staudohart (2003) <u>Labour Economics and Industrial Relations: Market and Institutions.</u> Harvard University Press
- (iii) Gunderson M. and W. C. Riddell (1988) <u>Labour Market Economics</u>, McGraw-Hill Ryerson Ltd. chapter 13.
- (iv) Byron Eastman (1987), <u>Labour Market Theory and the Canadian experience</u>, Hancourt Brace Jovanovich Canada Inc. chapter 12.
- (v) Ashenfelter O. and R. Layard (1993), <u>Handbook of Labor Economics</u>, New York: Relevant Volumes, Elsevier. Preface.
- (vi) Boyer G. R. and S. S. Smith (2001), 'The Development of the Neoclassical Tradition in Labour Economics', <u>Industrial Labour Relations Review</u>, 54(2).
- (vii) Behrman Jere R (1999) "Labour Markets in Developing Countries", Chapter 43 of Handbook of Labour Economics, Vol. 3B
- (viii) World Bank Reports. Various Issues
- (ix) Mazumdar D. and A. Muzaheri (2000) Wages and Employment in Africa, Ashgate England
- (x) Rosenweig M. (1988), "Labour Markets in Low-income Countries," in <u>Handbook of Development Economics</u>, Vol. 1. ed.: H. Chenery and T. N. Srinivan, North Holland: Amsterdam.
- (xi) Nanfosso T. R. (2010) 'Labour Economics an African Flavoured Notebook'. Editions Universitaire Europeans, Sarrebruck.
- (xii) Fields, G. (2011), Labour market analysis for developing countries, *Labour Economics*, Vol. 18, s16-s22.
- (xiii) Froelich, M. and Haile, G. (2011), Labour markets in developing countries, *Labour Economics*, Vol. 18, s2-s6.
- (xiv) Borjas George (2016) "Labour Economics", 7th Edition, McGraw-Hill Education



#### 2. LABOUR SUPPLY (17 HOURS)

- 2.1 Participation and Hours Decisions
- 2.2 Short-run Labour Supply Analysis
  - 2.2.1 Simple Static Model
  - 2.2.2 Extensions to the Simple Static Model
    2.2.2.1 Fixed Costs
    2.2.2.2 Rigid Hours
    2.2.2.3 Moonlighting Activity
  - 2.2.3 Household Labour Supply Models
    2.2.3.1 Family Labour Model
    2.2.3.2 Household Production Model
- 2.3 Application
  - 2.3.1 Effects of Taxes and Transfers
  - 2.3.2 Welfare Programmes

#### **Required Readings**

- (i) Cahuc, P. and A. Zylberberg (2004) Labour Economics, MIT Press, Cambridge, MA Chapter 1.
- (ii) Killingsworth Mark K. (1983), <u>Labour Supply</u> Cambridge Surveys of Economic Literature, Cambridge: Cambridge University Press, Chapters: 1, 2, 5 & 6.
- (iii) Byron Eastman (1987), <u>Labour Market Theory and the Canadian experience</u>, <u>Hancourt Brace</u> Jovanovich Canada Inc. Chapters 1 & 2.
- (iv) Bosworth D., P. Dawkins, T. Stromback (1996), The Economics of the Labour Market.
- (v) Ehrenberg R. G. and R. S. Smith (2015), <u>Modern Labour Economics: Theory and Public Policy</u>, 12<sup>th</sup> Edition, Pearson Education Chapters 6 & 7.
- (vi) Kauffman and Hotchkiss (2006), <u>Economics of Labour Market</u>, 6th Edition
- (vii) Elliot R.F. (1991), Labour Economics: A Comparative Text, McGraw-Hill Book, UK

- (i) Miracle M. and B. Fetter (1970), "Backward-sloping labour-supply functions and African economic behaviour," <u>Economic Development & Cultural Change</u> 18 (January): 240-251.
- (ii) Heckman J. J. and T. E. MaCurdy (1980), "A Life Cycle Model of Female Labour Supply," Review of Economic Studies, 18:47-74.
- (iii) Becker G. (1965), "A Theory of Allocation of Time," Economic Journal, 75:493-517.
- (iv) Sandell S. (1977), "Attitude Toward Market Work and the Effect of Wage Rates on the Lifetime Labour Supply of Married Women." <u>Journal of Human Resources</u>, 12:379-386.
- (v) Psacharopoulos G. and Z. Tzannatos (1989), "Female Labour Force participation: An International Perspective," <u>The World Bank Research Observer</u> 4(2).



- (vi) Shisko R. and B. Rostker (1976), "The Economics of Multiple Job Holding," <u>American Economic Review</u>, 66 (3): 298-308.
- (vii) Van der Gaag, M. Stelcner and W. Vijverberg (1989), "Wage Differentials and Moonlighting by Civil Servants: Evidence from Cote d'Ivoire and Peru," <u>International Labour Review</u>, 129 (4): 441-457.
- (viii) Fleisher B. (1971). "The economics of Labour Force Participation, "Journal of Human Resources, 6 (Spring): 139-148.
- (ix) Kuch P. and S. Sharir (1978). "Added and Discouraged Worker Effects in Canada," <u>Canadian Journal of Economics</u>, 11 (February): 112-120.
- (x) Ashenfelter O. and R. Layard (1993), <u>Handbook of Labour Economics.</u> Vol. 1, New York: Elsevier. Chapters 1, 2 and 4
- (xi) Maglad N. A. (1998), "Female Labour Supply in Sudan", AERC Paper, SP 30
- (xii) Mroz T. A. (1987), "The Sensitivity of an empirical model of married women's hours of work to economic and statistical assumptions" Econometrica, 55 (4): 765-799.
- (xiii) Brue S. (2003), Contemporary Labour Economics

- (i) Baah-Boateng W, Adjei P and Oduro AD (2013) Determinants of moonlighting in Ghana: an empirical investigation. African Review of Economics and Finance 4(2): 176–202.
- (ii) Baah-Boateng, W. Nketia-Amponsah, E. and Frempong, R. (2013). The Effect of Fertility and Education on Female Labour Force Participation in Ghana. *Ghanaian Journal of Economics (GJE)*, 1(1) 108-127, African Finance and Economic Consult.
- (iii) Binzel Christine and Assaad Ragui (2011) Egyptian men working abroad: Labour supply responses by the women left behind, *Labour economics*, Vol. 18, pp s98-s114
- (iv) Siphambe H and Motswapong M (2010). Female Labour Force Participation in Botswana. Results from the 2005/06 Labour Force Survey. *Botswana Journal of Economics*. Vol. 7 Issue 11. October 2010. Pp65-78.
- (v) Siphambe H. K. and Tsie G (2010). The participation of rural women in the Labour Market: A case study of Botswana. *Asian-African Journal of Economics and Econometrics*. Vol. 10. No 1.Pp 135-146
- (vi) Sackey Harry A. (2005) Female Labour Force Participation in Ghana: The Effects of Education, RP 150 September
- (vii) Atieno Rosemary (2006) Female Participation in the Labour Market: The Case of the Informal Sector in Kenya RP 157 July

#### 3. LABOUR DEMAND (12 HOURS)

- 3.1 Types and Forms of Discrimination
- 3.2 Demand in Competitive Labour Markets
  - 3.2.1 Short run and long run analysis
  - 3.2.2 Factor Substitution (Technology)
  - 3.2.3 Minimum Wage Effects



- 3.3 Demand in Non-competitive Labour Markets
  - 3.3.1 Monopsonistic Markets
  - 3.3.2 Oligopolistic Markets

#### **Required Readings**

- (i) Cahuc, P. and A. Zylberberg (2004) Labour Economics, MIT Press, Cambridge, MA.
- (ii) Kauffman and Hotchkiss (2004), Economics of Labour Market, 6th Edition
- (iii) Bosworth D., P. Dawkins, T. Stromback (1996), The Economics of the Labour Market.
- (iv) Ehrenberg R. G. and R. S. Smith (2015), <u>Modern Labour Economics</u>, 12<sup>th</sup> Edition, Pearson Education. Chapter 3.
- (v) Elliot R.F. (1991), <u>Labour Economics</u>, A Comparative Text, McGraw-Hill Book, UK
- (vi) Gunderson M. and W. C. Riddell (1988), <u>Labour Market Economics</u>, McGraw-Hill Ryerson Ltd. chapters 9, 11, & 12.

- (i) Teal F. (2000), Real Wages and the Demand for Skilled and Unskilled Male Labour in Ghana's
- (ii) Manufacturing Sector: 1991-1995, Journal of Development Economics, 61: 447-461
- (iii) Card D. and A. Krueger (1994), Minimum Wages and Employment: A Case Study of the Fast
- (iv) Food Industry in New Jersey and Pennsylvania, American Economic Review, 84: 772-793
- (v) Brue, S. (2003), Contemporary Labour Economics
- (vi) Archibald G. C. (1960), "Testing Marginal Productivity Theory," Review of Economics and Statistics, 27 (June):210-213.
- (vii) Hammermesh D. (1993), "The Demand for Labour in the Long Run." In Handbook of Labor Economics, Vol.1, Ashenfelter and Layard.
- (viii) Hammermesh D. (1976), "Economic Studies of Labour Demand and Their Application to Policy Analysis," Journal of Human Resources, 11 (Fall): 368-378.
- (ix) Imam M. and J. Whalley (1985), "Incidence Analysis of a Sector-Specific Minimum Wage in a two- sector Harris-Todaro model," Quarterly Journal of Economics, 100 (February):207-224.
- (x) Stigler G. (1946), "The Economics of Minimum Wage Legislation." <u>American Economic Review</u>, 36 (June):358-367.
- (xi) Nagatani K. (1978). "Substitution and Scale Effects in Factor Demand," Canadian Journal of Economics, 11 (August): 521-526.
- (xii) Clark K. and R. Freeman (1980). "How Elastic is the Demand for Labour?" <u>Review of</u> Economics and Statistics, 62 (November): 509-520.
- (xiii) Maurice S. (1974). "Monopsony and the Effects of an Externally Imposed Minimum Wage," <u>Southern Economic Journal</u>, 41 (October): 283-287.



- (i) Bhorat, H., R. Kanbur & B. Stanwix (2012) Estimating the Impact of Minimum Wages on Employment, Wages and Non- Wage Benefits: The Case of Agriculture in South Africa", Centre for the Study of African Economies (CSAE)
- (ii) Haile, G.; Srour, I. and Vivarelli, M. (2016), Imported technology and manufacturing employment in Ethiopia, *Eurasian Business Review*, Vol.6, 1-23.
- (iii) Zhou Honest and Pindiriri (2015) Informal sector labour demand: Evidence from Zimbabwe's urban informal metal sector, *The Botswana Journal of Economics*, Vol. 13, Issue 1

#### 4. WAGE DETERMINATION (15 HOURS)

- 4.1 Models of Wage Determination
  - 4.1.1 Competitive Labour Market
  - 4.1.2 Non-competitive Labour Markets
  - 4.1.3 Compensating Wage Model
  - 4.1.4 Internal Labour Markets
  - 4.1.5 Efficiency-wage Model
  - 4.1.6 Insider-Outsider Model
- 4.2 Labour Contracts and Incentives
  - 4.2.1 Labour Contracts
  - 4.2.2 Incentive Schemes

#### **Required Readings**

- (i) Cahuc, P. and A. Zylberberg (2004) Labour Economics, MIT Press, Cambridge, MA.
- (ii) Ehrenberg R. G. and R. S. Smith (2015), Modern Labour Economics, 12<sup>th</sup> Edition, Pearson Education. Chapter 8.
- (iii) Kauffman and Hotchkiss (2006), Economics of Labour Market, 6th Edition
- (iv) Bosworth D., P. Dawkins, T. Stromback (1996), <u>The Economics of the Labour Market</u>. R.F. Elliot (1991), <u>Labour Economics</u>, <u>A Comparative Text</u>, <u>McGraw-Hill</u> Book, UK
- (v) Card D. (1999), 'The Causal Effect of Education on Earnings', in <u>Handbook of Labour Economics</u>, ed: O. Ashenfelter and R. Layard, New York: North Holland.
- (vi) Gunderson and Riddell (1988), Labour Market Economics, Part 5.
- (vii) Byron Eastman (1987), <u>Labour Market Theory</u>, <u>Hancourt Brace</u> Jovanovich Canada Inc., chapter 10.
- (viii) Henry Farber (1993), "The Analysis of Union Behaviour," in <u>Handbook of Labour</u> Economics, ed.: O. Ashenfelter and R. Layard. New York: North Holland.

- (i) Hicks J. (1963), Theory of Wages, London: Macmillan. 2ed. pp 241-246.
- (ii) Mincer J. (1974). <u>Schooling, Experience and Earnings,</u> New York: National Bureau of Economic Research.



- (iii) Taubman P. and M. Wachter (1993), "Segmented Labour Markets," in Handbook of Labor Economics, Vol.1, Ashenfelter and Layard.
- (iv) Rosen S. (1993) "The Theory of Equalising Differences," in <u>Handbook of Labour</u> Economics, Vol. 1, Ashenfelter and Layard.
- (v) Doeringer P. and M. Piore (1971), <u>Internal Labour Markets and Manpower Analysis</u> Lexington, Massachusetts: Heath.
- (vi) Schweitzer S. (1969), "Factors Determining the Inter-industry Structure of Wages." Industrial and Labour Relations Review, 22 (January): 217-225.
- (vii) Richard B. Freeman and James L. Medoff (1984), What Do Unions Do? New York: Basic Books.
- (viii) Abowd J. and T. Lemiuex (1991). "The Effects of International Trade on Union Wages and Employment: Evidence from the US and Canada." in Immigration, Trade, and the Labour Market, ed.: John Abowd and Richard Freeman. Chicago: University of Chicago Press.
- (ix) George Johnson (1990). "Work Rules, Featherbedding and Pareto Optimal Union Management Bargaining." <u>Journal of Labour Economics</u>, Vol. 8 (Part 2): S237-S259.
- (x) Edward Montgomery and Mary E. Benedict (1989) "The Impact of Bargainer Experience on Teacher Strikes." <u>Industrial and Labour Relations Review</u>, Vol. 42 (3):380-392.
- (xi) Ashenfelte O. R. and G. Johnson (1969), "Bargaining Theory, Trade Unions, and Industrial Strike Activity," <u>American Economic Review</u>, Vol. 59: 35-49.
- (xii) Farber H. (1978), "Bargaining Theory, Wage Outcomes, and the Occurrence of Strikes," American Economic Review, 68:262-271.
- (xiii) Gregg Lewis H. (1986), <u>Union Relative Wage Effects: A Survey Chicago</u>: <u>University of Chicago Press, chapter 9.</u>
- (xiv) Leigh Paul J. (1982), "Are Unionised Blue-Collar Jobs More Hazardous Than Non-unionised Blue-Collar Jobs?" <u>Journal of Labour Research</u> 3 (Summer): 349-357.
- (xv) Freeman R. B. (1980) "The Exit-Voice Trade-Off in the Labour Market: Unionism, Job Tenure, Quits, and Separations" Quarterly Journal of Economics, 94 (June): 643-673.
- (xvi) Clark K. (1984), "Unionisation and Firm Performance," American <u>Economic Review</u>, 74 (December): 893-919.
- (xvii) Kuhn P. (1985), "Union Productivity Effects and Economic Efficiency," <u>Journal of Labour Research</u>, 6 (Summer): 229-248.
- (xviii) Wessels W. (1985). "The Effects of Unions on Employment and Productivity: An Unresolved Contradiction." Journal of Labour Economics, 3 (January):101-108.
- (xix) Polacheck S. W., Siebert W. S. (1993), <u>The Economics of Earnings</u>, Cambridge University Press
- (xx) Brue, S. (2003), Contemporary Labour Economics
- (xxi) Stigler G. J. (1962). "Information in Labour Markets," Journal of Political Economy, 70 (October): 94-105.



- (xxii) George Akerlof (1970). "The Market for Lemons: Qualitative Uncertainty and the Market
- (xxiii) Mechanism." Quarterly Journal of Economics, 84: 488-500.
- (xxiv) Donald Parsons (1993). "The Employment Relationship: Job Attachment, Work Effort and the Nature of Contracts." in <u>Handbook of Labour Economics</u>, ed.: O. Ashenfelter and R. Layard. New York: North Holland.
- (xxv) Spence M. (1973), "Job Market Signalling," <u>Quarterly Journal of Economics</u>, 87:355-374.
- (xxvi) Lorne H. Carmichael (1989), "Self-enforcing Contracts, Shirking, and Life Cycle Incentives," <u>Journal of Economic perspectives</u>, 3 (Fall) 65-84.
- (xxvii) David E. Sappington (1991). "Incentives in Principal-Agent Relationships," Journal of Economic Perspectives 5 (Spring): 45-66.
- (xxviii)George Baker (1992). "Incentive Contracts and Performance Measurement," Journal of Political Economy, 100 (June): 598-614.
- (xxix) Costas Azariadis (1975). "Implicit Contracts and Underemployment Equlibria," <u>Journal of Political economy</u>, 83 (December): 1183-1202.
- (xxx) Costas Azariadis (1983). "Employment with Asymmetric Information," <u>Quarterly</u> <u>Journal of Economics</u>, 98 (Supplement): 157-172.

- (i) van der Gaag J. and W. Vijverberg (1989), "Wage Determinants in Cote d'Ivoire: Experience, Credentials and Human Change, 37:371-382.
- (ii) Leyaro V., P.T Baffour, O. Morrissey and T Owens (2012) 'Determinants of Urban Labour Earnings in Tanzania, 2000-2006', Labour Market Dynamics in Times of Crisis in Africa, Oxford.
- (iii) Nanfosso T.R. and B. Fomba Kamga (2011) 'Labour Contracts and Shirking in Cameroon' International Journal of Economics and Finance Vol. 3 (1)
- (iv) Nanfosso T.R. (2002) 'Union wage differential in Cameroon'. The Journal of Development Alternatives and Area Studies, Vol. 21.
- (v) Aigbokhan B.E. (2011) 'Efficiency wage, Rent-sharing Theories and Wage Determination in the Manufacturing Sector in Nigeria.' AERC Working Paper RP 222
- (vi) Aminu A. (2011) 'Government Wage Review Policy and Public-Private Sector Wage Differential in Nigeria. AERC working paper RP 223.
- (vii) Nielsen H.S. and R. Rosholm (2001). 'The Public-Private wage gap in Zambia in the 1990s, A quantile regression approach', Empirical Economics, 26(1).
- (viii) Velenchik A. (1997), 'Government intervention, efficiency wages and the employer size wage effect in Zimbabwe, <u>Journal of Development Economics</u>, 53: 305-338.



#### 5. EDUCATION AND HUMAN CAPITAL THEORY (11 HOURS)

- 5.1 The Theory of Human Capital
  - 5.1.1 Investment Decision
  - 5.1.2 Private and Social Returns to Education
  - 5.1.3 Implications of Human Capital Theory
- 5.2 Application of Human Capital Model
- 5.3 Critique of Human Capital Model5.3.1 Education as a Screening or Signaling Device
- 5.4 On-The-Job Training
  - 5.4.1 General vs. Specific Training
  - 5.4.2 Implications of On-The-Job Training

#### **Required Readings**

- (i) Botjas G (2015) Labour economics, 7<sup>th</sup> Edition, McGraw Hill, Chapter 6
- (ii) Ehrenberg R. G. and R. S. Smith (2015), Modern Labour Economics. 12<sup>th</sup> Edition, Pearson Education. Chapter 9.
- (iii) Kauffman and Hotchkiss (2006), Economics of Labour Market, 6th Edition
- (iv) Bosworth D., P. Dawkins, T. Stromback (1996), The Economics of the Labour Market.
- (v) Elliot R.F. (1991), <u>Labour Economics</u>, A <u>Comparative Text</u>, McGraw-Hill Book, UK
- (vi) Freeman D Richard (1999) "Demand for Education" in Ashenfelter O and Card D (eds) Handbook of Labor Economics, Vol 1.
- (vii) Card D. (1999) "Causal effect of education and earnings", Chapter 30 of Handbook of Labour Economics, Vol. 3A
- (viii) Krishnan, P. and Krutikova, S. (2013), Non-cognitive skill formation in poor neighbourhoods of urban India, Labour Economics. Vol. 24, 68–85.

- (i) Krishnan, P., Das, J, Dercon, S. Habyarimana (2007), "Teacher Shocks and Student Learning: evidence from Zambia, Fall 2007, Vol. 42, Issue 4: Journal of Human Resources
- (ii) Krishnan, P. (1996), Family background, education and employment in urban Ethiopia, *Oxford Bulletin of Economics and Statistics*, Vol.58(1), pages 167-83
- (iii) Ahiakpor F and Swaray R (2015) Parental expectations and school enrolment decisions: Evidence from rural Ghana, *Review of Development Economics*, Vol. 19, Issue 1, pp. 132-142
- (iv) Siphambe, H.K (2000) "Education and the Labour Market in Botswana", *Development Southern Africa*, Vol. 17. No.1, pp 105-116.
- (v) Siphambe, H. K (2008), Rates of return to education in Botswana: Results from the 2002/03 HIES Data. South African Journal of Economics. Vol. 74 No. 4, 2008. Pp 645-651.



- (vi) Siphambe, H.K., (2000) "Rates of Return to Education in Botswana", Economics of Education Review (USA), Vol. 19, no.3, 291-300.
- (vii) Siphambe, H.K (2000) "Education and the Labour Market in Botswana", Development Southern Africa, Vol. 17. No.1, pp 105-116. 10 19.
- (viii) Siphambe, H.K (1999) "The Role of Education in Raising Earnings: Evidence from Botswana Data", *South African Journal of Economics*, Vol.67. No.3. pp. 403-417.
- (ix) Okuwa O. B. (2004) Private Returns to Higher Education in Nigeria AERC RP 139 March





## **LABOUR ECONOMICS II (60 HOURS)**

#### (SECOND SEMESTER)

## 1. JOB SEARCH, INFORMATION, EMPLOYMENT AND UNEMPLOYMENT (16 HOURS)

- 1.1 Job Search and Information
  - 1.1.1 Job search and matching
  - 1.1.2 Labour Market Information
- 1.2 Unemployment
  - 1.2.1 The Concept of unemployment and its application in Africa's context
  - 1.2.2 Types and costs of unemployment
  - 1.2.3 Youth unemployment and demographic trends
- 1.3 Informality And Underemployment
  - 1.3.1 Informal sector employment in Africa
  - 1.3.2 Underemployment
- 1.4 Employment Policies in Africa
  - 1.4.1 Supply-side Policies
    - 1.4.1.1 Education and Training Policies
    - 1.4.1.2 Population Policy
  - 1.4.2 Demand-side Policies
    - 1.4.2.1 Labour Absorption capacity
    - 1.4.2.2 Special Employment Programmes
- 1.5 Child Labour
  - 1.5.1 Definition and concept of child labour
  - 1.5.2 Limitation and application in Africa's context
  - 1.5.3 Causes and consequences of child labour

#### **Required Readings**

- (i) Cahuc, P. and A. Zylberberg (2004) Labour Economics, MIT Press, Cambridge, MA.
- (ii) Mortensen D.T. (1993). "Job Search and Labour Market Analysis." in ed.: O. Ashenfelter and R. Layard, <u>Handbook of Labour Economics</u>. North Hollan. pp. 849-919.
- (iii) ILO (1990), Employment, Unemployment, and Underemployment, An ILO Manual on Concepts and Methods, Geneva

- (i) Jan Vandemoortele (1991), Employment Issu<mark>es in Sub-Sah</mark>aran Africa, AERC Special Paper 14.
- (ii) ILO/JASPA (1989), African Employment Report 1988, ILO, Addis Ababa.
- (iii) ILO/JASPA (1991), African Employment Report 1990, ILO, Addis Ababa.
- (iv) Byron Eastman (1987), <u>Labour Market Theory</u>. Hancourt Brace Jovanovich Canada Inc., Chapter 9.





- (i) Mincer J. (1976). "The Unemployment Effects of Minimum Wages," <u>Journal of Political Economy</u>, 84 (August, Supplement): S87-S104.
- (ii) Stigler G. J. (1962). "Information in Labour Markets," <u>Journal of Political Economy</u>, 70 (October): 94-105.
- (iii) Akerlof George (1970). "The Market for Lemons: Qualitative Uncertainty and the
- (iv) Market Mechanism." Quarterly Journal of Economics, 84: 488-500.
- (v) Parsons Donald (1993). "The Employment Relationship: Job Attachment, Work Effort and the Nature of Contracts." in <u>Handbook of Labour Economics</u>, ed.: O. Ashenfelter and R. Layard. New York: North Holland.
- (vi) Spence M. (1973), "Job Market Signalling," Quarterly <u>Journal of Economics</u>, 87:355-374.
- (vii) Schoer V. and M. Leibbrandt (2006) 'Determinants of Job Search strategies: Evidence from Khayelitsha/Mitchell's Plain Survey', South African Journal of Economics Vol. 74(4).
- (viii) Carmichael H. Lorne (1989), "Self-enforcing Contracts, Shirking, and Life Cycle Incentives," Journal of Economic perspectives, 3 (Fall) 65-84.
- (ix) Sappington David E. (1991). "Incentives in Principal-Agent Relationships," <u>Journal of Economic Perspectives</u> 5 (Spring): 45-66.
- (x) Baker George (1992). "Incentive Contracts and Performance Measurement," <u>Journal of Political Economy</u>, 100 (June): 598-614.
- (xi) Azariadis Costas (1975). "Implicit Contracts and Underemployment Equlibria," <u>Journal of Political economy</u>, 83 (December): 1183-1202.
- (xii) Azariadis Costas (1983). "Employment with Asymmetric Information," Quarterly <u>Journal of Economics</u>, 98 (Supplement): 157-172.
- (xiii) Todaro M. (1981), <u>Economic Development in the Third World</u>, New York: Longman Inc. 2ed. Chapter 8.
- (xiv) Squire Lyn (1981), <u>Employment Policy in Developing Countries</u>, The World Bank: Oxford University Press, Parts 3 & 4.
- (xv) Stiglitz J. (1974). "Alternative Theories of Wage Determination and Unemployment in LDCs: The labour Turnover Model." Quarterly Journal of Economics, 88:194-227.
- (xvi) O'Higgins N. (2001) 'Youth Unemployment and Employment policy: A Global perspective'. MPRA Paper No. 23698.
- (xvii) Levy V. and J. Newman (1989). "Wage Rigidity: Micro and Macro Evidence on Labour Market Adjustment in the Modern Sector." The World Bank Economic Review, 3 (1): 97-117.
- (xviii) Mincer J. (1976). "The Unemployment Effects of Minimum Wages," <u>Journal of</u> Political Economy, 84 (August, Supplement): S87-S104.
- (xix) Parsons D. (1993). "The Employment Relationship: Job Attachment, Work Effort and the Nature of Contracts." in <u>Handbook of Labour Economics</u>, ed.: O. Ashenfelter and R. Layard. New York: North Holland.



- (xx) Squire Lyn (1981) <u>Employment Policy in Developing Countries</u>, The World Bank: Oxford University Press, Parts 3 & 4.
- (xxi) Sampson A. (1983) "Employment Policy in a Model with a Rational Trade Union," <u>Economic Journal</u>, 93 (June): 297-311.
- (xxii) Todaro M. (1981) <u>Economic Development in the Third World</u>. New York: Longman Inc. 2ed. Chapter 8.
- (xxiii) UNDP, <u>Human Development Report</u> Annual Issues, Oxford University Press, NY.
- (xxiv) Wessels W. (1985). "The Effects of Unions on Employment and Productivity: An Unresolved Contradiction." Journal of Labour Economics, 3 (January):101-108.
- (xxv) Nunberg B. (1989) <u>Public Sector Pay and Employment Reform</u> IBRD, Washington, D.C. (mimeograph).
- (xxvi) Lindauer D., O. Meesook, and P. Suebsaeng (1988) "Government Wage Policy in Africa: Some Findings and Policy Issues." The World Bank Research Observer, 3 (1):1-25.
- (xxvii) Hammermesh D. (1976) "Economic Studies of Labour Demand and Their Application to Policy Analysis" Journal of Human Resources, 11 (Fall): 368-378.
- (xxviii) Duflo E. (2001) 'Schooling and labour market consequences of school construction in Indonesia: Evidence from an Unusual Policy Experiment', American Economic Review, 91(4): 795-813
- (xxix) Ted M. and M. Kremer (2004) 'Worms: Identifying Impacts on Education and Health in the Presence of Treatment Externalities', <u>Econometrica</u>, 72(1): 159-217
- (xxx) Munshi, Kaivan et. al. (2003) 'Traditional Institutions Meet the Modern World: Caste, Gender and Schooling Choice in a Globalising Economy,' <u>BREAD Working Paper</u> No. 038
- (xxxi) Schultz K. Paul (2004), 'School Subsidies for the Poor: Evaluating the Mexican Progress and Poverty Program', <u>Journal of Development Economics</u>, 74(1):199-250.

- (i) Baah-Boateng, W. (2016). Youth unemployment challenge in Africa: what are the drivers? *Economic and Labour Relations Review*, 27(4), 413-431
- (ii) Baah-Boateng, W. (2013). Determinants of Unemployment in Ghana. African Development Review, 21(4) 385-399, Wiley Publication.
- (iii) Baah-Boateng, W. (2015). Unemployment in Africa: how appropriate is the global definition and measurement for policy purpose. *International Journal of Manpower*, 36 (5) 650-667, Emerald.
- (iv) Hino H. and G. Ranis (Eds.) (2014) *Youth and Employment in Sub-Saharan Africa: Working but Poor*, Routledge Publication (pages 233-302) ISBN: 9780415859387.
- (v) African Development Bank (AfDB), Organisation for Economic Cooperation and Development, (OECD), United Nations Development Program (UNDP), et al. (2012) Promoting Youth Employment. African Economic Outlook. Available at: <a href="http://www.africaneconomicoutlook.org/en/theme/youth\_employment">http://www.africaneconomicoutlook.org/en/theme/youth\_employment</a>.
- (vi) Siphambe H.K (2007), Growth and Employment Dynamics in Botswana: A Case Study of Policy Coherence. Working Paper no. 82. ILO. ISBN: 9789221204282; 9789221204299 (web pdf).



- (vii) Siphambe, H.K (2003), Understanding Unemployment in Botswana, *South African Journal of Economics*, Vol. 17:3, pp 480-495
- (viii) Siphambe, H. K. (2004), The Nature of Child Labour in Botswana's Labour Market and its Challenges on Poverty and Unemployment- Results from 1995/96 Labour Force Survey Data. Indian Journal of Social and Economic Policy. Vol. 1 no 2. December 2004. pp 283-291.
- (ix) Nanfosso T.R. (2009) 'Child Labour in Cameroon' in Hinduman (eds). The World of Child Labour, M.E Sharpe publisher, New York.
- (x) Nanfosso T.R. and C. Akono (2010) 'Fertility, Health and Female Labour Force Participation in Cameroon'. <u>International Business Research</u>, Vol. (3)
- (xi) Lam D., M. Leibbrandt and C. Mlatsheni (2009) 'Education and youth unemployment in South Africa', in Labour markets and Economic Development edited by Ravi Kanbur and Jan Svejnar, New York, Routledge.
- (xii) Hoddinott H. (1993), Wages and Unemployment in Urban Cote d'Ivoire, Centre for the Study of African Economies, WPS/93.3, Institute of Economics and Statistics, University of Oxford, England.
- (xiii) Boateng K. (1994). "Measuring the Cost of Unemployment: The Ca Legon Economic Studies, Department of Economics, University of Ghana.
- (xiv) Nkamleu G.B. (2009) 'Determinants of Child Labour and Schooling in the Native Cocoa Households of Cote d'Ivoire'. AERC working paper RP-190.
- (xv) Okpukpara B.C. (2006) 'Incidence and Determinants of Child Labour in Nigeria: Implications for Poverty Alleviation' AERC working paper RP-156.
- (xvi) Mwebaze T. 'Extent and Determinants of Child Labour in Uganda' AERC working paper RP-167
- (xvii) Sackey H.A. (2005) 'Female Labour Force Participation in Ghana: The effects of education' AERC working paper RP-150.
- (xviii) Nyaga R.K. (2010) 'Earnings and employment sector choice in Kenya', AERC working paper RP-199.
- (xix) Wamuthenya W.R. (2010). 'Determinants of Employment in the Formal and Informal Sectors of the Urban areas of Kenya' AERC working paper RP-194.
- (xx) Kabubo-Mariara J. (2002) 'Labour Force Participation and Gender differences in Kenya', Journal of Economic Policy, 9(2)
- (xxi) ILO/JASPA/OATUU (1990), <u>Strategies for Employment Creation in Africa</u>, Addis Ababa.
- (xxii) Vandemoortele Jan (1991). <u>Employment Issues in Sub-Saharan Africa</u> AERC Special Paper 14. Nairobi: Initiatives Publishers August.
- (xxiii) ILO/JASPA (1989) African Employment Report 1988. ILO, Addis Ababa.
- (xxiv) de Merode L. (1991) <u>Civil Service Pay and Employment Reform in Africa</u> World Bank, Africa Technical Department, Washington, D.C.
- (xxv) Boateng K. (1999) Quality Jobs or Mass Employment AERC RP 98 October



#### 2. LABOUR MOBILITY (14 HOURS)

- 2.1 Types of Mobility
  - 2.1.1 Spatial
  - 2.1.2 Job mobility
  - 2.1.3 A cross sectors
  - 2.1.4 Occupational
- 2.2 Labour Migration
  - 2.2.1 Internal Labour Migration
  - 2.2.2 International Labour Migration
    - 2.2.2.1 Human Capital explanation of migration
    - 2.2.2.2 Asymmetric Information perspective of international migration
  - 2.2.3 Consequences of international migration
  - 2.2.3.1 Brain drain and Remittances
  - 2.2.3.2 Other Effects of Migration
- 2.3 Labour Turnover
  - 2.3.1 Job Tenure
  - 2.3.2 Quits and Lay-Offs

- (i) Botjas G (2015) Labour economics, 7th Edition, McGraw Hill, Chapter 8
- (ii) Ehrenberg R. G. and R. S. Smith (2015), <u>Modern Labour Economics</u>, 12<sup>th</sup> Edition, Pearson Education. Chapter 8.
- (iii) Kauffman and Hotchkiss (2006), Economics of Labour Market, 6th Edition
- (iv) Bosworth D., P. Dawkins, T. Stromback (1996), The Economics of the Labour Market.
- (v) Elliot R.F. (1991), <u>Labour Economics</u>, <u>A Comparative Text</u>, McGraw-Hill Book, UK.
- (vi) Todaro M. (1981) Economic <u>Development in the Third World.</u> New York: Longman Inc. 2ed. Chapter 9.
- (vii) Harris R. and M. P. Todaro (1970). "Migration, Unemployment and Development: A Two-Sector Analysis." <u>American Economic Review</u>, Vol. 60:126-142.
- (viii) Mortensen D.T. (1993). "Job Search and Labour Market Analysis." in ed.: O. Ashenfelter and R. Layard, <u>Handbook of Labour Economics</u>. North Hollan. pp. 849-919.
- (ix) Borjas G J (1999) "Economic Analysis of Immigration", Chapter 28 of Handbook of Labour Economics, Vol. 3A
- (x) Chiswick R Barry and Miller W Paul (eds) (2015) Economics of International Migration, Vol. 1A and 1B., Elsevier
- (xi) Dustmann, C. and Frattini, T. (2014), The Fiscal Effects of Immigration to the UK, *Economic Journal*, 124 (November), F593-F643.
- (xii) Liebig, T. and Mo, J. (2013), The fiscal impact of immigration in OECD countries, chapter 3, in (OECD, ed.), International Migration Outlook 2013, pages 125–189, Paris: OECD Publishing.



- (i) Beine, M. F. Docquire and H. Rapoport (2001) 'Brain drain and economic growth: theory and evidence' Journal of Development Economics, Vol. 64.
- (ii) Squire Lyn (1981) <u>Employment Policy in Developing Countries</u> The World Bank: Oxford University Press, Part 2.
- (iii) Borjas G.J. (1988) <u>International Differences in the Labour Market Performance of Immigrants</u> W. E. <u>Upjohn Institute for Employment Research</u>, Kalamazoo, Michigan.
- (iv) Kwok V. and H. Leland (1982). "An Economic Model of the Brain Drain," <u>American</u> Economic Review, 72 (March):91-100.
- (v) Bhagwati J. (1975). "The Brain Drain: A Symposium." <u>Journal of Development Economics</u>, 2 (September):193-378.
- (vi) Gary S., Fields (1990). "Labour Market Modelling and the Urban Informal Sector: Theory and Evidence." in <u>The Informal Sector Revisited</u>. ed.: David Turnham et al. OECD Development Centre Seminars, Chapter 2.
- (vii) Mark Montgomery (1993) "Migration Responses to adjustment." in <u>Understanding the Social Effects of Policy Reform,</u> ed: Lionel Demery et al. A World Bank Study, p100-113.
- (viii) Gary S. Fields (1975). "Rural Urban Migration, Urban Unemployment and Underemployment, and Job Search Activity in LDCs," <u>Journal of Development</u> Economics, 2(2):165-187.
- (ix) Lewis W. A. (1954). "Economic Development with Unlimited Supplies of Labour, "Manchester School of Economics and Social Studies, 22 (May): 139-191.
- (x) Mingley P. C. (1980). "The Theory of Migration." in ed.: J. E. King, Readings in Labour Economics. New York: Oxford University Press. pp. 47-63.
- (xi) Yezer A. M. J. and L. Thurston (1976), "Migration Patterns and Income Change: Implications for Human Capital Approach to Migration." Southern Economic Journal, April: 693-702.
- (xii) Katz E. and O. Stark (1987), "Migration, Information, and Costs and Benefits of Signalling." Regional Science and Urban Economics August, 17(3):323-331.
- (xiii) Katz E. and O. Stark (1987). "International Migration under Asymmetric Information," <u>Economic Journal</u>, September 97(387):718-726.
- (xiv) Borjas G. J. (1985). "Assimilation, Changes in Cohort Quality and the earnings of Immigrants," Journal of Labour Economics. 3:463-489.
- (xv) Chiswick B. R. (1978), "The Effect of Americanisation on the Earnings of Foreign-born Men," Journal of Political Economy, 86:897-921.
- (xvi) Kossoudji S. A. (1988) "Immigrant Worker Assimilation: Is it a Labour Market Phenomenon," Journal of Human Resources, 24:494-527.
- (xvii) Borjas G. J. (1994) 'The Economics of Immigration', <u>Journal of Economic Literature</u>, 32: 667-1717.



- (i) Easterly W. and Y. Yarko (2008) 'Is Brain Drain good for Africa?' Brookings Global Economy and Development Program Working paper 19.
- (ii) Nanfosso T.R. and Akono, C (2009) 'Migration and wage differentials in urban Cameroon', Research in Applied Economics, Vol. 1.
- (iii) Quartey P. (2006) 'The impact of migrant remittances on Household welfare in Ghana'. AERC working paper RP 158
- (iv) Jamal V. and J. Weeks (1988). "The Vanishing Rural-Urban Gap in Sub-Saharan Africa." International Labour Review, 127 (3): 271-292.

## 3. ECONOMICS OF LABOUR MARKET SEGREGATION AND DISCRIMINATION (10 HOURS)

- 3.1 Segregation versus Discrimination in the Labour Market
- 3.2 Types of Labour Market Discrimination
- 3.2 Economic Theories of Discrimination
- 3.3 Measuring the Extent of Segregation and Discrimination in the Labour Market
- 3.4 Empirical Evidence on Segregation and Discrimination

- (i) Cahuc, P. and A. Zylberberg (2004) Labour Economics, MIT Press, Cambridge, MA.
- (ii) Bosworth D., P. Dawkins, T. Stromback (1996), The Economics of the Labour Market. R.F.
- (iii) Elliot (1991), <u>Labour Economics: A Comparative Text</u>, McGraw-Hill Book, UK
- (iv) Becker G. S. (1971), <u>The Economics of Discrimination</u>, <u>Chicago</u>: <u>University</u> of Chicago Press. 2nd ed.
- (v) Aigner Dennis A. and Glen G. Cain (1977), "Statistical Theories of Discrimination in Labour Markets," Industrial and Labour Relations Review, 30(2):175-187.
- (vi) Cain Glen G. (1976), "The Challenge of Segmented Labour Market Theories to Orthodox Theory: A Survey," <u>Journal of Economic Literature</u>, Vol. 14 (December):1215-1257.
- (vii) Butler Richard J. (1983), "Direct Estimates of the Demand for Race and Sex Discrimination," <u>Southern Economic Journal</u>, 49(4):975-990.
- (viii) Schmid Gunther (1984), "The Political Economy of Labour Market Discrimination: A Theoretical and Comparative Analysis of Sex Discrimination." in ed.: G. Schmid and R. Weitzel, <u>Sex Discrimination and Equal Opportunity: The Labour Market and Employment Policy</u>, Gower Publishing Co. Ltd, England. pp. 264-308.
- (ix) Cain G. (1986), 'The Economic Analysis of Labour Market Discrimination: A Survey', in Handbook of Labor Economics Volume 1, 1986, Pages 693–785O.



- (x) Ashenfelter and R. Layard, ed. <u>Handbook of Labour Economics</u>, Elsevier Science Publishers.
- (xi) Altonji J. and R. Blank (1999), 'Race and Gender in the Labour Market', in O. Ashenfelter and R. Layard, ed. <u>Handbook of Labor Economics</u>, Elsevier Science Publishers.
- (xii) Aigner D. J. and G. Cain (1977), 'Statistical Theories of Discrimination in Labour Markets', <u>Industrial and Labour Relations Review</u>, 30(2): 175-187.
- (xiii) Phelps E. S. (1972), 'The Statistical Theory of Racism and Sexism', <u>American Economic Review</u>, 62(4): 659-661

- (i) Baah-Boateng, W. (2014). Empirical Analysis of the Changing Pattern of Sex Segregation of Occupation in Ghana. *International Journal of Social Economics* 41(8) 650-663. Emerald
- (ii) Kolobe, M, Bakwena, M and Siphambe H (2015) Analysis of Gender Wage Differentials: The case of Botswana's Labour Market. *Asian-African Journal of Economics and Econometrics* Vol. 15, Number 2, Dec 2015, 127-146.
- (iii) Siphambe, H.K and Thokweng- Bakwena, M (2001) "The Wage Gap Between Men and Women in Botswana's Formal Labor Market", Journal of African Economies (Oxford, UK). Vol. 10, Issue number 2, 127-142.
- (iv) Krishnan, P., Appleton, S. and Hoddinott, J. (1999), Decomposition of wage differentials by sex: A new technique and applications to three African countries, *Economic Development and Cultural Change*, Vol. 47(2), January 1999, pages 289-312
- (v) ILO/JASPA (1991), African Employment Report 1990
- (vi) Ntuli M. (2009) 'Exploring gender wage "discrimination" in South Africa, 1995-2004: A Quantile Regression Analysis', in Labour markets and Economic Development edited by Ravi Kanbur and Jan Svejnar, New York, Routledge.
- (vii) Barr A. and A. Oduro (2000), 'Ethnicity and Wage Determination in Ghana', WPS/2000-9. First draft prepared for the CSAE's conference on 'Opportunities in Africa: Micro Evidence from Firms and Households'.
- (viii) Appleton Simon, John Hoddinott and Pramila Krishnan, (1999) 'The Gender Wage Gap in Three African Countries', Economic Development and Cultural Change: 289-312.
- (ix) Kabubo-Mariara Jane (2003), 'Wage Determination and the Gender Wage Gap in Kenya: Any Evidence of Gender Discrimination? <u>AERC Research Paper 132</u>.
- (x) Appleton Simon, Paul Collier, Paul Horsnell and Alison Evans (1991) 'Gender, Education, and Employment in Côte d'Ivoire', African Affairs, 90(361): 636-638.
- (xi) Addai I. (2011) 'An Empirical Analysis of Gender Earnings Gap in the Ghanaian Informal Sector using the 1989/99 GLSS'. Current Research Journal of Social Sciences 3(4) 347-352



#### 4. TRADE UNIONS (12 HOURS)

- 4.1 Theories of Union Behavior
  - 4.1.1 Monopoly Model
  - 4.1.2 Right-to-Manage Model
  - 4.1.3 Efficiency Wage Bargain Model
  - 4.1.4 Seniority Model
- 4.2 Strike Activity and Bargaining Power
- 4.3 Economic Impacts of Unions
  - 4.3.1 Union Wage Effects Measures and Empirical Evidence
  - 4.3.2 Unions and Productivity

#### Required Readings

- (i) Botjas G (2015) Labour Economics, 7<sup>th</sup> Edition, McGraw Hill, Chapter 10
- (ii) Ehrenberg R. G. and R. S. Smith (2015), Modern Labour Economics, 12<sup>th</sup> Edition, Pearson Education.
- (iii) Kauffman and Hotchkiss (2006), Economics of Labour Market, 6th Edition
- (iv) Bosworth D., P. Dawkins, T. Stromback (1996), The Economics of the Labour Market.
- (v) Elliot R.F. (1991), <u>Labour Economics</u>, A <u>Comparative Text</u>, McGraw-Hill Book, UK.
- (vi) Farber S Henry (1999) "Analysis of Union Behaviour", Chapter 18 of Handbook of Labor Economics, Vol. 2
- (vii) Kennan John (1999) "The Economics of Strike", Chapter 19 of Handbook of Labor Economics, Vol. 2
- (viii) Lewis Gregg H (1999) "Union Relative Wage Effects", Chapter 20 of Handbook of Labor Economics, Vol. 2
- (ix) Card, D. (1990), Strikes and Wages: A Test of an Asymmetric Information Model, Quarterly Journal of Economics, Vol. 105, pp. 625-659.
- (x) Card, D. (1990), Unexpected Inflation, Real Wages, and Employment Determination in Union Contracts, American Economic Review, Vol. 80, pp. 669-688.
- (xi) DiNardo, J., DiNardo, J., Fortin, N. and Lemieux, T. (1996), Labor Market Institutions and the Distribution of Wages 1973-1992: A Semiparametric Approach, Econometrica, 1996, 1001-1044.
- (xii) DiNardo, J. and Lee, D. (2004), Economic Impacts of New Unionization on US Private Sector Employers: 1984-2001, Quarterly Journal of Economics, 119, 1383-1442.
- (xiii) Lee, D. and Mas, A. (2009), Long-Run Impacts of Unions on Firms: New Evidence from Financial Markets, 1961-1999," NBER Working Paper No. 14709

- (i) Motswagae, T and Siphambe, H (2015). The Impact of Trade Unions on Earnings in Botswana's labour Market. *Journal of Social and Economic Policy* (JSEP). Vol. 12. Number 2.Dec 2015.49-64.
- (ii) Panford Kwamina (2011) "Trade Unions, Democratic Transition and Organizational Challenges: The Case of the Ghana TUC (1989-2009)" in Craig Phelan, Ed: Trade Unions in West Africa, Peter Lang, Oxford, pp. 145-178



#### 5. LABOUR MARKET POLICIES (8 HOURS)

- 5.1 Labour Standards and the International Labour Organization
- 5.2 Social Protection
- 5.3 Active and Passive Labour Market Policies

- (i) Gary, F. (2007), Labour Market Policies in Developing Countries: A Selective Review of the Literature and Needs for the Future, Cornell University IL School
- (ii) Laura, M. and Puerta, S. (2010), Labor Market Policy Research for Developing Countries: Recent Examples from the Literature-What do We Know and What should We Know? SP Discussion Paper No. 1001, The World Bank.
- (iii) Seleka, T, Siphambe H, Ntseane, D, Mbere, N, Kerapeletswe C, and Sharp C (2007). Social Safety Nets in Botswana: Administration, targeting and sustainability. BIDPA. LightBooks, Gaborone, Botswana.

