

**Course unit title:**  
**Employment and Labour Market Policy: European Perspective**

**Number of ECTS credits allocated**  
12 credits

**Workload**

activities	Workload in hours	credits
Contact lectures/seminars	26 hours (13 x 2 h)	1
Readings	600 pages 65 hours	2.5
Seminar paper	24-30 pp + consultations 100 hours	4
Final exam	expertise + oral exam preparation for exam 75 hours	3
Home-works	10 pages 40 hours	1.5
<b>Total</b>	<b>306 hours</b>	<b>12</b>

**Name of lecturer(s)**

professor Tomáš Sirovátka, associate professor Zuzana Brixi-Schwidrowski

**Learning outcomes of the course unit**

To introduce students into principles, goals, measures and effects of employment and labour market policies and their mutual interrelatedness.

Promoting students' insight into interrelations between those economic and social processes that have impact on employment policy functioning.

To introduce students into methods of labour market analysis and labour market policy analysis as well as into principles of making and implementing measures and projects in the field of employment.

Learning outcomes after completing the course the students

- understand the purpose of use of various tools of labour market policy and their links to the specific problems of the labour market
- are able to identify most appropriate tools of labour market policies
- are able to analyse the effects of the labour market policies
- are able to suggest the specific solutions of labour market problems

**Course Contents**

**Macro-perspective**

1. The overall framework, macroeconomic perspective: GDP, inflation, unemployment. Okun's law, Phillips curve, NAIRU. Employment threshold. **(1 lecture + 1 seminar)**

2. Employment policy as macroeconomic regulation of labour demand: monetary, fiscal and income policies, expansive and restrictive economic policy, the instruments/tools and effects. (1 lecture).

3. LM policy: the linkages between macroeconomic policy and labour market policy. Beveridge curve and Phillips curve in a unified framework (1 lecture).

**Literature:**

**(Essential texts in red letters)**

*Paul A Samuelson, William D Nordhaus: Economics. McGraw-Hill, selected chapters: Unemployment, Inflation, pp. 594-608, 609-630, p. 629/4 homework, Monetary policy, Stabilising Economy, pp. 475-489, 643-648.*

*Layard R. Nickell S., Jackman R.: The Unemployment Crisis. Oxford Univ. Press, 1995, 90-109, 63-66.*

*EC 1993. Growth, competitiveness, employment, White Paper, selected chapters, chapter 1, chapter 8: pp. 53-67, 139-151.*

*Consolo, A. and Dias da Silva, A. 2019, The euro area labour market through the lens of the Beveridge curve, the ECB Economic Bulletin, Issue 4/2019, [www.ecb.europa.eu/pub/economic-bulletin/articles/2019/html/ecb.ebart201904\\_01~9070de27a0.en.html](http://www.ecb.europa.eu/pub/economic-bulletin/articles/2019/html/ecb.ebart201904_01~9070de27a0.en.html)*

*Sell, Friedrich L.; Reinisch, David C. 2013, How do Beveridge and Phillips curves in the euro area behave under the stress of the world economic crisis? Volkswirtschaftliche Diskussionsbeiträge, No. 2013,1, Universität der Bundeswehr München, Fachgruppe für Volkswirtschaftslehre, Neubiberg*

*Recommended: OECD Employment Outlook.*

**Labour market policies**

4. Different categories of LM policy: active and passive LM policy, the key categories of ALMPs: objectives and design. Income replacement in unemployment: objectives, design, and assessment of the schemes of unemployment benefits. Unemployment protection regimes, recent trends (1 lecture).

*Literature:*

*Gallie D., Paugam S. Welfare Regimes and the Experience of Unemployment in Europe. Oxford Univ. Press 2000, chapter 1: The Debate, pp.1-22.*

*Clasen J., Clegg, D. 'Regulating the risk of unemployment. National adaptations to post-industrial labour markets in Europe'. Oxford University Press 2011, chapter 1 Unemployment protection and labour market change: towards triple integration (pp. 1-12), (chapter 17 recommended).*

*Recommended:*

<http://www.missoc.org/MISSOC/INFORMATIONBASE/COMPARATIVETABLES/MISSOCDATABASE/comparativeTableSearch.jsp>

5. Active LM policy - the principles and types of measures: employment services, job mediation and counselling, vocational training, job creation, measures for handicapped. Employment regimes. (1 lecture).

*Literature:*

*Bonoli, G. 2011. Active Labour Market Policy in a Changing Economic Context. In Clasen, J.; Clegg, D. (eds.) Regulating the Risk of Unemployment. National Adaptations to Post-industrial Labour Markets in Europe. Oxford: University Press, pp. 318-332.*

*De la Porte, C., Jacobsson, K. 2012. Social investment or recommodification? Assessing the employment policies of the EU member states. In Morel, N., Palier, B. and J. Palme (eds.) Towards a social investment welfare state? Bristol, Chicago: The Policy press, pp. 117-149.*

*O. Hora, M. Horáková, T. Sirovátka Diversity of youth policy regimes and early job insecurity – towards an integrated approach, chapter 7, in Youth unemployment and job insecurity in Europe: Problems, risk factors and policies, Edited by Bjørn Hvinden, Jacqueline O'Reilly, Tomas Sirovatka, Mi Ah Schøyen & Christer Hyggen, Edward Elgar, 2019.*

*Recommended:*

*OECD 2007. Employment Outlook, Activating the Unemployed: What Countries Do?*

*OECD 2012. Employment Outlook. Chapter 1: Waiting for the Recovery: OECD Labour Markets in the Wake of the Crisis, Chapter 2: What Makes Labour Markets Resilient During Recession?, viz [www.oecd.org](http://www.oecd.org)*

*European Employment Strategy, Integrated Guidelines 2010.*

6. Analyzing the impact of ALMPs using the Beveridge curve, application to European countries (1 lecture)

*Literature:*

*Burda, M. (1993), Unemployment, Labour Markets and Structural Change in Eastern Europe, Economic Policy, Vol. 8, No. 16 (Apr), pp. 101-137*

*van Ours, J. C. (2007). Compulsion in Active Labour Market Programs. (CentER Discussion Paper; Vol. 2007-74). Microeconomics*

7. Activation policies and their governance. The notion of activation. The approaches to activation. The governance of activation policies (1 lecture).

*Literature:*

*van Berkel, R., de Graaf, W. and T. Sirovátka (eds) Governance of activation policies in Europe, Palgrave, Introduction 1-21. (chapter 12 recommended).*

Van Berkel, R.; Graaf, W.; Sirovátka, T. (eds.). 2012. *Governance of the Activation policies in Europe. International Journal of Sociology and Social Policy. Introduction. Volume 32, No 5/6, s. 260-285.*

8. ALMP in detail: the Czech Republic. Economic and political context. CZ in the context of employment regimes. Employment protection, unemployment protection, ALMPs (1 lecture).

*Literature:*

*Tomáš Sirovátka and Ondřej Hora Czech Republic: activation, diversification and marginalization, in Clasen J., Clegg, D. 'Regulating the risk of unemployment. National adaptations to post-industrial labour markets in Europe'. Oxford University Press 2011, pp. 255-277.*

*SIROVÁTKA, Tomáš. When workfare fails: post-crisis activation reform in the Czech Republic. International Journal of Sociology and Social Policy, Emerald, 2016, Vol. 36, No. 1-2, pp. 86-101.*

*Sirovátka, T. Czechia: political experimentation or incremental reforms? ch. 11 in S. Theodoropoulou (ed) Labour Market Policies in The Era of Pervasive Austerity. A European Perspective. Bristol, Chicago: Policy Press, pp.253-276.*

*Sirovátka, T., Rákoczyová, M. 2021. Front-line work in activation and targeting of re-qualification programmes: lessons from the Czech Republic. European Journal of Social Work, online.*

9. The problems with ALMPs: targeting, quality, management of the measures (1 lecture)

*Literature:*

*Nicaise I. et al. „Pitfalls and Dilemmas in Labour Market Policies for Disadvantaged Groups and How to Avoid Them.” European Journal of Social Policy 1995, 5: 199-217.*

*SIROVÁTKA, Tomáš a Henk SPIES. A new perspective on activating young people. In Sirovátka, T. and H. Spies. Effective interventions for unemployed young people in Europe. Oxon a New York: Routledge, 2018. pp. 10-28 (and chapter 12 recommended)*

*S. Theodoropoulou, S.: Conclusion, in S.T. (ed) Labour Market Policies in The Era of Pervasive Austerity. A European Perspective. Bristol, Chicago: Policy Press, pp. 337-362.*

10. Effects of LM policy and evaluation. Types of effects of ALMPs. Policy context, policy effort and policy outcomes/effects. Evaluation theory principles. Contra-factual evaluation (1 lecture)

*Literature:*

*Calmfors L. Active Labour Market Policy and Unemployment. A Framework for the Analysis of Crucial Design Features. Paris, OECD 1994.*

*Brown, A. J. G., & Koettl, J. (2015). Active labour market Programmes: Employment gain or fiscal drain? Bonn, Germany: The Institute for the Study of Labor (IZA).*

<https://doi.org/10.1186/s40172-015-0025-5>

*Hora, O., Sirovátka, T. 2020 Why targeting matters: The apprenticeship program for youth in the Czech Republic, Social Policy and Administration, 54 (7): 1198-1214*

*W. de Graaf, T. Sirovátka 2012. Governance reforms and their impacts on the effects of activation policies International Journal of Sociology and Social Policy, 32, 5/6: 353-363.*

*Snower, D. Unemployment Policy. Cambridge University Press 1997, ch2. Evaluating labour market policies (pp. 15-53) (recommended)*

### **Seminar paper**

The seminar paper about 12-15 pages, will assess labour market policies at the national level (or regional, local) level, by choice of the students.

It will consist from 3 parts:

Introduction (the purpose, the method)

1 Analysis of the problems in the labour market, the challenges (the level and profile of unemployment, the causes, the most affected groups)

2 Assessment of the policies at place: how they respond the problems (the scope of ALMPs, the tools, their adequacy, targeting, quality).

3 Final assessment, recommendations.

### **Teaching methods**

lecturing, class discussion, home-works, readings, seminar paper and feedback

### **Evaluation (conditions to pass)**

2 tests, 5 open questions each (not included in final evaluation but bottom limit of 10 points from 15 for each test must be achieved)

Seminar paper (will be assessed and must be accepted as satisfactory)

Exam (written exam): 2 more detailed questions (18 points maximum, 9 points each question, the bottom limit is 12 points = E)