UCLouvain

lecon2353

2025

Labour Productivity

5.00 credits	30.0 h	Q2

Teacher(s)	Vandenberghe Vincent ;
Language :	English
Place of the course	Louvain-la-Neuve
Prerequisites	Good background in microeconomics and in econometrics
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
Learning outcomes	**At the end of this learning unit, the student is able to :** 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.
Evaluation methods	-End-of-term exam covering part 1-3 (worth 12/20 points) -Part 4/topical issue: memo+ presentation (worth 3/20 + 5/20 points) Possibility to resit end-of-term exam in August/Sept
Teaching methods	The course emphasizes linking basic theoretical insights with empirical patterns in the labour market using a combination of methodologies. Most of the course consists of lectures, but there will be several problem sets/exercises throughout the semester, which all students must hand in individually.
Content	Despite technological disruptions, labour continues to play a crucial role in the functioning of economies and society. Labour productivity determines **individual wages, working time, living standards, firms' performance , and a country's long-term prosperity** . Correctly understanding the role of labour productivity, measuring its level and growth rate, and identifying its determinants is thus key for anyone interested in productivity from a labour market, industrial organisation (IO), growth, or perspective. The course addresses four major questions. - First, how does economic theory a priori conceive 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 may the two not align (wage discrimination)? - Second, what are the conceptual, methodological and econometric challenges in measuring labour productivity and identifying its determinants? - Third, how and to what 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? This course strongly focuses on **linking economic theory and empirical findings to policy issues** (e.g., human capital investment, the dissemination of robots or AI, ageing, gender wage discrimination, or the energy transition).
Inline resources	TEAMS account
Other infos	Prerequisites: a good background in labour economics, microeconomics and applied econometrics. Students should be familiar with (basic) data handling and programming using Stata, SAS, R.... They are strongly advised to attend the ESL's Bootcamp
Faculty or entity in charge	ECON

Programmes containing this learning unit (UE)

Program title	Acronym	Credits	Prerequisite	Learning outcomes
Master [60] in Economics : General	ECON2M1	5		
Master [120] in Economics: General	ECON2M	5		
Master [120] in Agriculture and Bio-industries	SAIV2M	5		