



European Association for Evolutionary Political Economy
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Call for Paper of the RESEARCH AREA [L]: LABOUR

Theoretical background and empirical context

The mainstream approaches towards labour economics is micro-economically founded and based on the concept of labour marginal productivity which in equilibrium is equal to labour compensation, i.e., to the wage. Following this approach involuntary unemployment does not exist and labour market is always cleared by wages and prices flexibility. Only labour supply side policies such as labour flexibility, elimination of labour rigidities, employment centers and agencies etc, should be implemented in order to improve the matching between demand and supply of labour. On the contrary, the Keynesian approach admits unemployment positions when, at macro-economic level, the aggregate demand is insufficient. Demand side policies able to boost demand and a higher income activity level should be strongly supported. Further neo-Keynesian and post-Keynesian development includes efficiency wages theories, NAIRU and other similar approaches which however justify disequilibria in the labour market. In this context institutional approaches and evolutionary theories can easily find space for additional theoretical development and policies suggestions.

The labour market – which has to be considered as a social institution in order to be deeply understood - seems to be one of the most important factors for economic growth since the latter is mainly determined by labour productivity. In turn, labour productivity growth has to be explained. Recently, the mainstream recipe to foster labour productivity growth has been labour flexibility: “putting the right workers in the right place and the wrong workers out of wrong place”. However, in the European Union, where in the last decade the labour market was subject to radical reforms which increased labour flexibility, one can still observe in many countries high unemployment rates. At the same time, higher levels of flexibility and other supply side policies in the labour market were neither able to increase labour productivity.

Moreover, the 2008-09 economic crisis, which started with the subprime financial crisis, brought about a resurgence of the Keynesian approach. Massive unemployment and slump in the economic activity both in Europe and in US pushed many economists, social scientists and policymakers to question supply side policies which were at the core of the main economic consensus in the past two-three decades. The current evidence demonstrates that countries with better and stronger welfare state are able not only to prevent, to some extent, the crises but also to manage better the social costs of it and to use the State-supported economy to favour the recovery. In this context new demand-side economic recipes are needed along with job security and employability of workers. The latter issue recall for more effective education and better training of workers, which at the same time bring about job satisfaction, higher levels of human capital and labour productivity.

Possible fields of research

Both theoretical and empirical works are welcomed. They may include:

- Macroeconomics of labour market

- Wages, microeconomics of compensation and labour supply
- Structural change and labour market
- Migration
- Labour market institutions
- Economics of public labour
- Human capital, innovation and labour market
- Passive and active labour market policies
- Participation and work in cooperative firms
- Unemployment
- Labour productivity and growth
- Flexibility, flexicurity, European and national employment strategies
- Gender employment, gender gap and labour segmentation
- Job satisfaction, employability, and job search theories
- Comparative labour markets and variety of capitalism
- Welfare states and pension systems
- Informal labour markets
- Industrial relations
- Financial crisis and labour markets

Submission of abstracts:

Upload an abstract of around 500 words by **1 May 2011** to: <http://eaepe.org/> in the Research Area **LABOUR (L)**

The abstract should clearly mention:

- Title of the paper
- Name of the author(s) and full address of the corresponding author (postal address, phone, fax and email)
- the aim of the study and methodology
- (expected) results and/or conclusions
- up to 5 keywords and the EAEPE research area (Research Area L, LABOUR)