

Lecture topics

1. Labour supply, natural experiments.
2. Natural experiments, labour supply and earned income tax credits, labour demand for youth, search theory, reservation wages and unemployment duration.
3. Unemployment duration, compensating wage differentials, effort and social norms.
4. Monopsony model of wage setting, collective bargaining (right-to-manage-model).
5. Collective bargaining (right-to-manage-model), equilibrium employment and efficient bargaining.
6. Insiders and outsiders, collective bargaining over working time, the degree of co-ordination of wage bargaining, interaction between wage setting and monetary policy.
7. Mortensen-Pissarides search-matching model.
8. Mortensen-Pissarides search-matching model, technological progress and wage inequality, wages and earned income tax credits.