# Macroeconomics of Labor Markets

**Module Code: ECU33133**

- **ECTS Weighting:** 5
- **Semester/Term Taught:** Semester 1
- **Contact Hours:** 22 hours of lectures and 4 hours of tutorials
- **Module Personnel:** Professor Martyna Marczak

\* Please note that this outline can be subject to change

## Module Learning Aims:

This module aims to explore the key imperfections that characterize real-world labor markets and to examine how these imperfections affect wages and employment. Moving beyond the benchmark model of perfect competition, the module introduces theoretical frameworks and empirical evidence related to labor unions, efficiency wages, search and matching frictions, and market power. It also investigates the role of technological change and globalization in shaping labor market outcomes and inequality. The module seeks to equip students with the analytical tools to understand and critically evaluate contemporary labor market issues and policy debates, including topics such as unemployment insurance and minimum wages.

## Module Learning Outcomes:

Upon successful completion of this module, students will be able to:

- Analyze key labor market imperfections and their effects on wages and employment
- Assess the impact of technological change and globalization on inequality and employment patterns
- Use analytical tools to examine contemporary labor market issues and policy debates
- Critically evaluate empirical evidence on labor market phenomena and policy interventions

## Module Content:

1. Introduction: Labor Market Imperfections
2. Brief Review: Labor Market under Perfect Competition

3. Labor Unions
4. Efficiency Wages
5. Search and Matching Frictions
6. Monopsony
7. Minimum Wages
8. Inequality: Technological Change and Globalization

## Recommended Reading List:

- Booth, Alison L. (1995), *The Economics of the Trade Union*, Cambridge University Press.
- Borjas (2023). *Labor Economics*, 9th edition, McGraw-Hill.

## Module Pre-Requisite

- ECU22011 & ECU22012 Intermediate Economics
- ECU22031 & ECU22032 Mathematical and Statistical Methods (or equivalent)

## Assessment Details:

Assessment for the module is based on a final exam (70%) and homework solutions (30%).

## Module Website:

Blackboard