**RWS #18: Labour Market Failure**

**Due for w/b 5th February 2018**

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| **GENERAL INSTRUCTIONS:**  *Please complete a revision worksheet summarizing the work from the last two to three weeks. The work should be taking you* ***up to 2 hours*** *to complete and should consist of a 1 A4 double paged summary based on the questions below. Please print out a double sided version to be handed in and marked on the date above (emails will not be accepted so make sure you are printing off your sheet before the lesson).*  *Remember to use all of the space over your two sides of A4 and make sure the ‘margins’ in Word are put as ‘narrow’. Feel free to reduce the size of the font if you are running out of space but nothing less than size 10. A better way to reduce would be to reread what you have written and try to be more succinct; it must fit onto two sides of A4 only!*  *You should be reading and using all the compulsory resources below (remember you will have already read an awful lot of these for homework and in class but there are a few extras I want you to read.*  *This revision worksheet should be taking you 2.25 to 3 hours…I suggest you spend 45 minutes writing up all your notes from class into a rough draft. Then, spend the next 45m-1.5hrs reading the compulsory resources and any extra information or clarifying concepts if you do not understand them. Then use the final 30-45 minutes to edit the work, make it look pretty and print it off.*  *When you hand in these revision worksheets, they are not speculative attempts to see if you understand the material; I am expecting you to have spent the time in and out of the classroom learning it. Thereforeo make use of the extra support available to you: (1) emails to Olly to seek clarification on specific points (2) Economics lunchtime workshop drop ins on Mondays, Wednesdays and Fridays in room 206 (3) 1-2-1 15 minute slot outside of lessons.*  *REMEMBER THAT IF YOU DO NOT HAVE A PRINTER AT HOME YOU MUST FIND TIME BEFORE THE LESSON TO PRINT IT OFF AT COLLEGE*  *ALSO MAKE SURE THAT AS WELL AS STORING A COPY ON A MEMORY STICK, YOU ALSO EMAIL YOURSELF SO THERE CAN BE NO COMPUTER ISSUES WHEN IT COMES TO PRINTING OFF YOUR WORK* |
| **SOURCES**  **Compulsory**   1. **TEXTBOOK (see GOL Library Page to download for free or buy online - £20-25):** pp 102-109; 112-117 2. **NOTES:** Class and PREP homework notes (in your bag!) including department worksheets issued in class (available on GOL). Remember to include the PREP work as well! This is important for context and case studies. 3. **POWERPOINT:** See the powerpoint slides on GOL 4. **ARTICLES:** On GOL under ‘compulsory reading’ there are a few articles to read   **EXTENSION (IF YOU HAVE TIME, TRY TO READ OR WATCH THESE)**   1. ARTICLES: On GOL under ‘extension reading’ folder 2. Recommended Websites:    1. Economics Help Website    2. Tutor2U Website 3. Other specific resources?   **ALL OF THESE RESOURCES CAN BE FOUND ON GODALMING ONLINE – ANY ISSUES, EMAIL OLLY on** [**ods@godalming.ac.uk**](mailto:ods@godalming.ac.uk) |

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| **TITLE: RWS 18: Labour Market Failure**   1. **Perfectly Competitive Market for Labour (1/2 side of A4)**    1. What are the key assumptions of a perfectly competitive labour market?    2. Draw a labour market diagram for a firm and the industry of a perfectly competitive labour market. Why is the firm’s supply curve different from the industry? 2. **Imperfectly Competitive Market for Labour (1 side of A4)**    1. Define Trade Unions, Monopsony Employers and Bi-lateral Monopolies using a few examples for each.    2. How do trade unions influence the market (use terms such as collective bargaining and industrial action).    3. Provide a brief history of the trade union movement and the importance of the 1970’s and 1980’s. Why was it that New Labour in 1997 did not reinstate Union powers?    4. Draw a simple diagram for a labour market influenced by a monopsony employer and the ‘advanced’ diagram too. What does the power of the monopsony employer influence in the labour market which may be considered to be ‘undesirable’? Why might monopsony employers not always have ‘undesirable effects’?    5. Draw a diagram for a labour market influenced by a trade union. Explain what ‘undesirable’ effect may occur? Why might trade unions not always have ‘undesirable effects’ in the market?    6. Draw a diagram for a bi-lateral monopoly – what does the equilibrium wage depend on?    7. Evaluate Margaret Thatcher’s intervention to curb trade union power in the 1980’s: what were the advantages and disadvantages (Government failure) of this move. 3. **Discrimination in the Labour Market (1/2 side of A4)**    1. Briefly describe the concept of discrimination in terms of the labour market    2. What is the gender pay gap?    3. Explain the ‘MRP prejudice’ model and the ‘Crowding Out’ model using diagrams to explain why men get paid less than women.    4. To what extent can discrimination be to blame for the gender pay gap? Remember both sides and a conclusion.    5. Evaluate two Government interventions to try and reduce the gender pay gap. |

**REMEMBER YOU NEED TO SUMMARISE THESE SUB-TITLES onto only 1 A4 PIECE OF PAPER (double sided – please use all available space; aim for narrow margins and make sure your fonts are not too big)**

**PLEASE DO NOT LEAVE THIS TILL THE LAST MINUTE. START IT EARLY AND THEN YOU CAN SEE ME IF THERE ARE ANY PROBLEMS**