

Dr. Helge Sanner
Universität Potsdam

Interdependenz von imperfekten Produkt- und Arbeitsmärkten

Abstract:

Existing theoretical literature fails to explain satisfactorily the differences between the pay of workers that are covered by collective agreements and others who are not. This study aims at providing a model framework which is amenable for an analysis of this issue. Our general-equilibrium approach integrates a dual labor market and a two-sector product market. The results of our simulations suggest that the so-called 'union wage gap' is largely determined by the degree of centralization of the bargains, and, to a somewhat lesser extent, by the expenditure share of the unionized sector's goods. In the second part of the paper we derive how two policy parameters, one of which is related to the products market, while the other is related to the labor market, affect the outcome of the model, in particular real income.