

EC107

Economics 1

Term 1

In-Class Questions

Week 10 Support and Feedback Class

Unit 9

The Labour Market; Wages, Profits & Unemployment

In-Q9.1: Why is the wage-setting curve upward-sloping? Explain your answer through the use of a diagram.

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In-Q9.2: In a diagram incorporating a family of iso-profit curves and the firm's demand curve, illustrate the firm's chosen wage and mark-up.

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In-Q9.3: What does the price-setting curve show? Why might it be horizontal?

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In-Q9.4: Explain, with the use of a diagram, why there will be involuntary unemployment in the labour market equilibrium.

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Following your Class meeting of Week 10, you should ensure that you are able independently to be able to produce clear and comprehensive answers to these questions. To support you further in this, you should use all the resources available to you on the module, including:

Lecture Videos and Slides; the online textbook CORE: The Economy; the peer-support Forum for Unit 9; the Feedback on In-Class Questions for Unit 9; the FAQs resource. All of these resources are clearly linked on the module Moodle page.

Professor Robin Naylor