

VU Research Portal

Essays in Labor and Product Market Search

Cai, X.

2015

document version

Publisher's PDF, also known as Version of record

[Link to publication in VU Research Portal](#)

citation for published version (APA)

Cai, X. (2015). *Essays in Labor and Product Market Search*. [PhD-Thesis - Research and graduation internal, Vrije Universiteit Amsterdam]. Tinbergen Institute.

General rights

Copyright and moral rights for the publications made accessible in the public portal are retained by the authors and/or other copyright owners and it is a condition of accessing publications that users recognise and abide by the legal requirements associated with these rights.

- Users may download and print one copy of any publication from the public portal for the purpose of private study or research.
- You may not further distribute the material or use it for any profit-making activity or commercial gain
- You may freely distribute the URL identifying the publication in the public portal

Take down policy

If you believe that this document breaches copyright please contact us providing details, and we will remove access to the work immediately and investigate your claim.

E-mail address:

vuresearchportal.ub@vu.nl

Contents

Acknowledgements	i
Contents	ii
1 Introduction	1
2 Collective versus decentralized wage bargaining and the efficient allocation of resources	7
2.1 Introduction	7
2.2 The model	10
2.3 Decentralized wage setting without commitment	15
2.4 Calibration and numerical simulations	18
2.5 Allowing for insider unions and pay scales	27
2.6 Final remarks	30
3 Meeting Technologies, Heterogeneity, and Competing Mechanisms	35
3.1 Introduction	35
3.2 Environment	39
3.3 Planner's Problem and Market Equilibrium	43
3.4 Virtual valuation and ϕ	47
3.5 Classification of meeting technologies	48
3.6 Conclusion	52
4 Entry efficiency and the meeting technology	65
4.1 Introduction	65
4.2 A One-Period Model	69
4.3 A Dynamic Model	81
4.4 Conclusion	87

5	Minimum prices in a model with search frictions and price posting	93
5.1	Introduction	93
5.2	Model	95
5.3	Extensions: Heterogeneity and Efficiency	99
5.4	Final remarks	100
6	Summary and conclusions	103
	Samenvatting (Summary in Dutch)	109
	Bibliography	111