

Labor Supply and Demand
 are alike, so an hour of work is an hour of work.

H
KENTSTATE
Determining Wage Rates

## Labor Supply and Demand

 W

Labor Supply and Demand


H
KENTSTATE

| wabor Supply and Demand |  |
| :---: | :---: |
|  |  |
| KENTSTATE | Dotemming wise fates |



## Assumptions

- All N* workers are alike
- $w^{*}$ is the hourly wage rate
- Each worker spends

$$
h^{*}=H^{*} / N^{*}
$$

hours in work

KENTSTATE



## Labor Supply and Demand



We will apply this to some additional cases


H*
KENTSTATE


More people reach working age


More people reach working age


KENTSTATE
Determining Wage Rates

More people reach working age


KENTSTATE
Determining Wage Rates

More people reach working age


More people reach working age


Factoid
During the 1930's this argument was used in support of social security and against women
working
Nuvisinul
: H ,


Nage Rate

More people reach working age
w* - S. . Not everyone works. Suppose more people ......l~- Same effects.

Factoid fewer people During the $1930^{\circ}$ The fewer people argument was us working, the higher the support of social s wages for "real" workers. and against women : $\mathbf{H}^{\prime}$
working
Nuyivirut


End

