

Pencavel, John H. *Labor markets under trade unionism: employment, wages, and hours*. Cambridge, Mass. Basil Blackwell. 1991. 217 pp. ISBN: 978-1-55786-077-4

Pencavel's focus is on the determination of wages, employment, and hours of work in labor markets where workers are represented by trade unions. His ambitious study surveys and assesses a broad range of the pertinent literature, both what is known and what remains to be determined. Throughout, he attempts to relate two branches of the current research: the empirical studies of the effects of unions on contracts and the theoretical model-building studies of union wage objectives and union-management wage bargaining. His analysis features a comparative study of the U.S. and British labor markets. Chapters cover: the context of unionism; empirical regularities; trade union objectives; efficient contracts; efficient contracts and the collective bargaining structure; recursive contracts; and interactions among markets.