

Macroeconomics A: EI056

Quizz

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1 Insider-outsider model

Question: Why can temporary productivity shocks have permanent employment effects in the insider-outsider model?

2 The role of the wage

Question: How does the interaction between labor supply and labor demand differ between the standard model and the efficiency wage model?

3 Wage and incentive

Question: In the Shapiro-Stiglitz model, could we reduce unemployment by letting the unemployed work for a lower wage than the one prevailing in equilibrium?

4 Search and matching

Question: Why is the wage above unemployment benefits, and employment below full employment, in the search-matching model?