

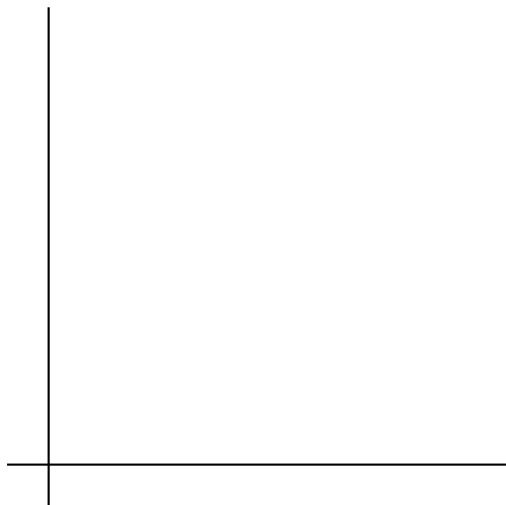
# Group Work VI

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**Name:**\_\_\_\_\_ **UO ID:**\_\_\_\_\_

- (1) What happens to the natural rate of unemployment  $u_n$  and the real wage if unemployment benefits increase?



- (2): What happens to the natural rate of unemployment  $u_n$  and the real wage if markup  $m$  increases?

