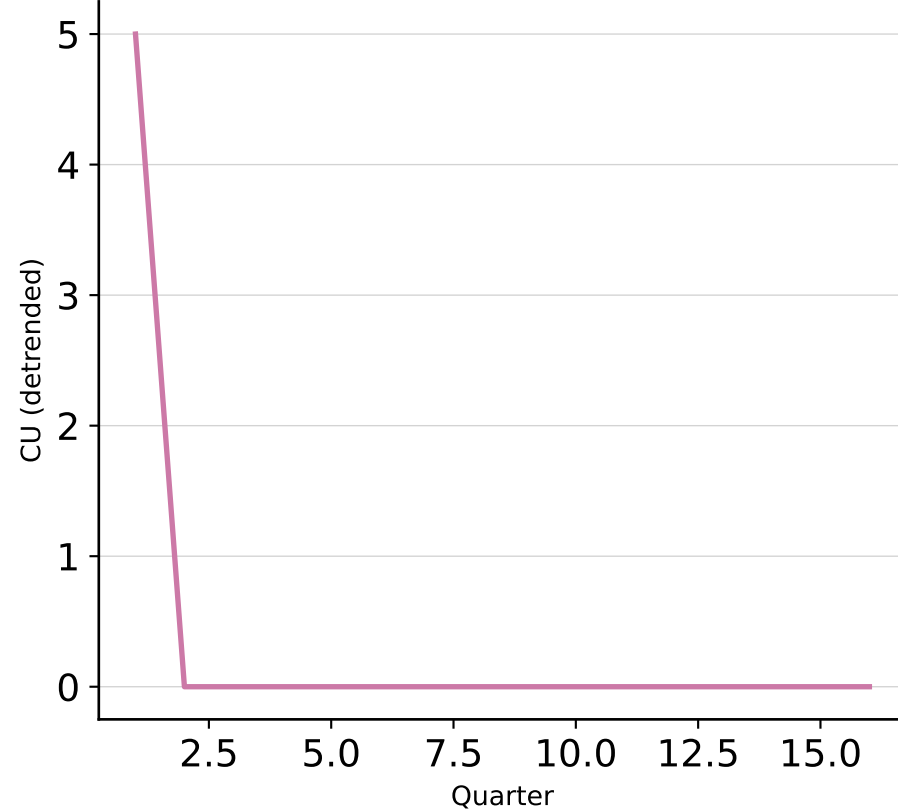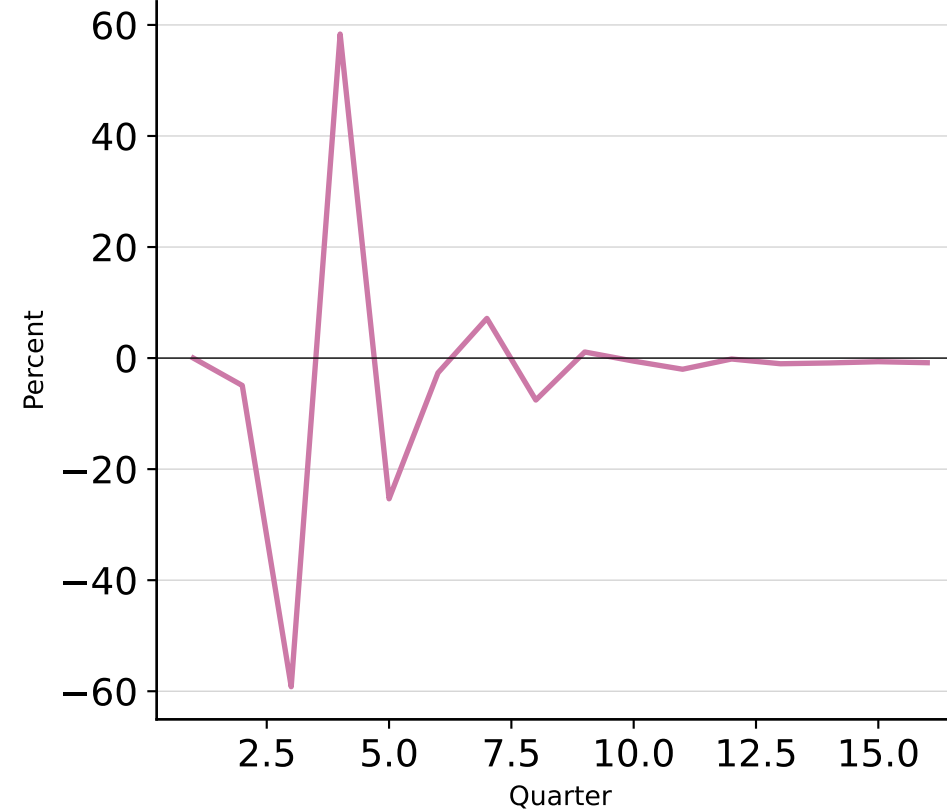**Capacity Utilization Shock: Endogenous Feedback Loop**
**(cu → gw → W → ed → shortage → gcpi)**
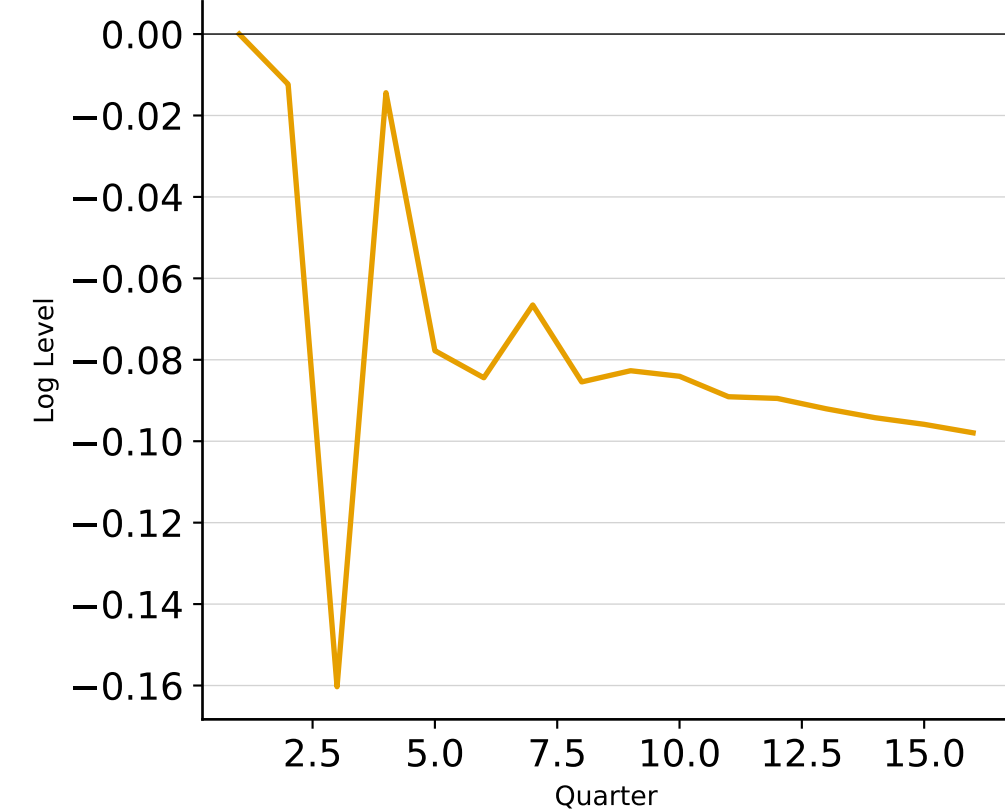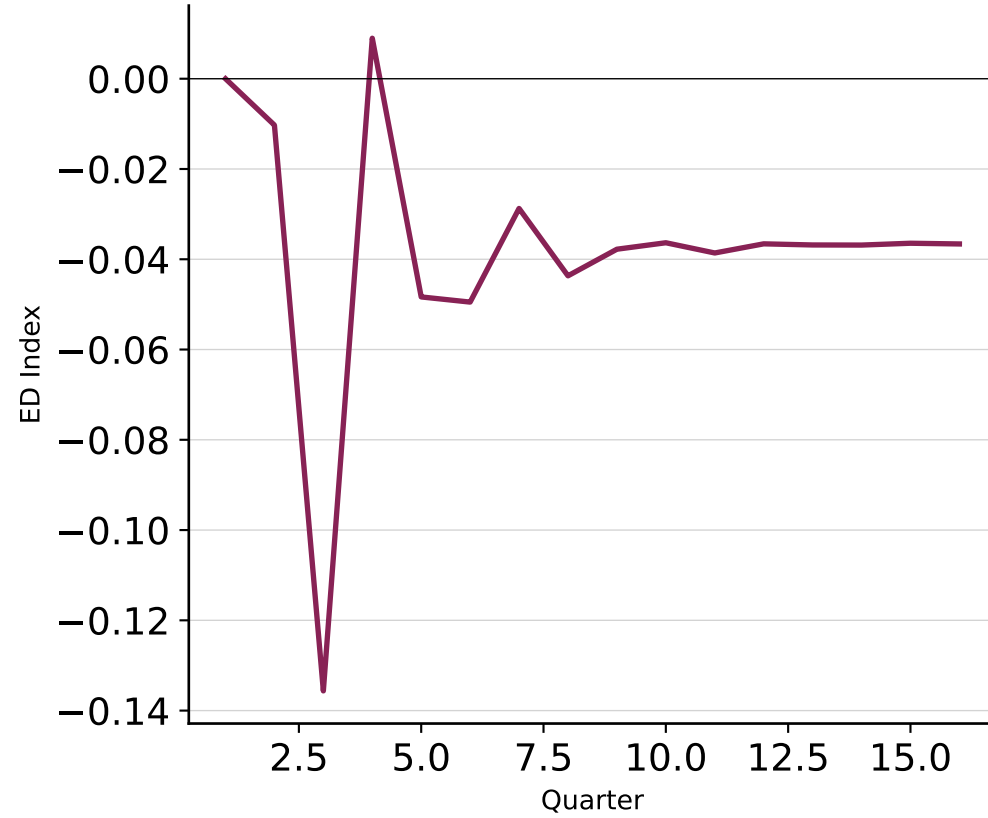
**(A) Capacity Utilization Shock**

**(B) Wage Growth Response**
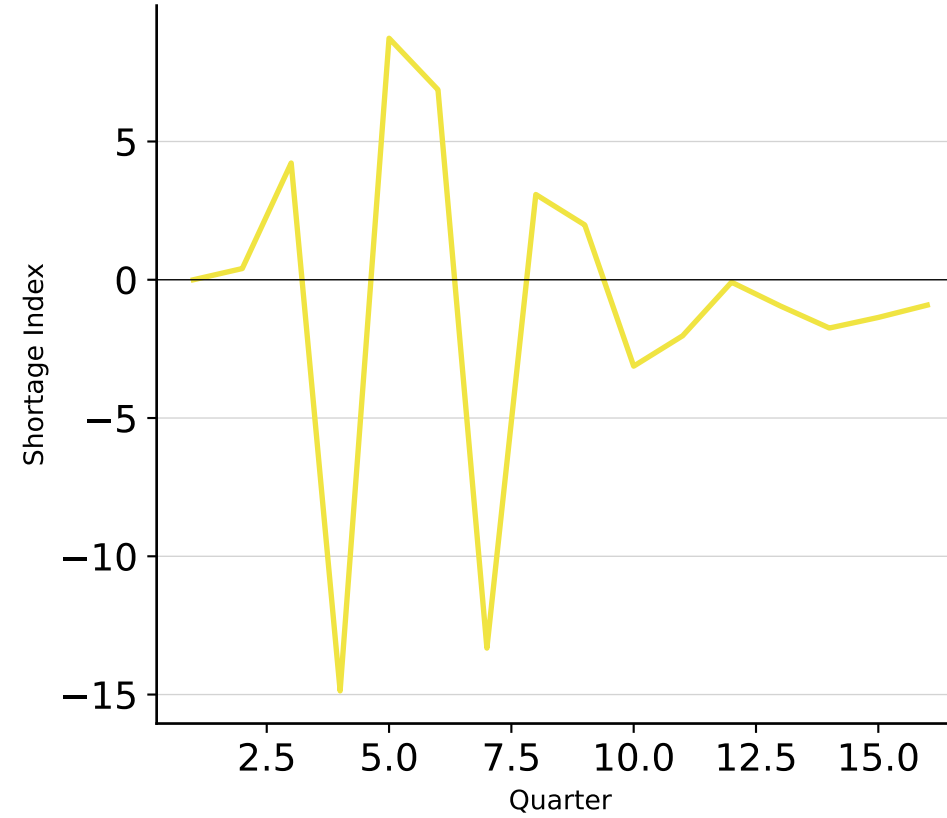
**(C) Log Wage Level**

**(D) Excess Demand (Endogenous)**

**(E) Shortage (Endogenous)**

**(F) Inflation Response**