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New U_r =

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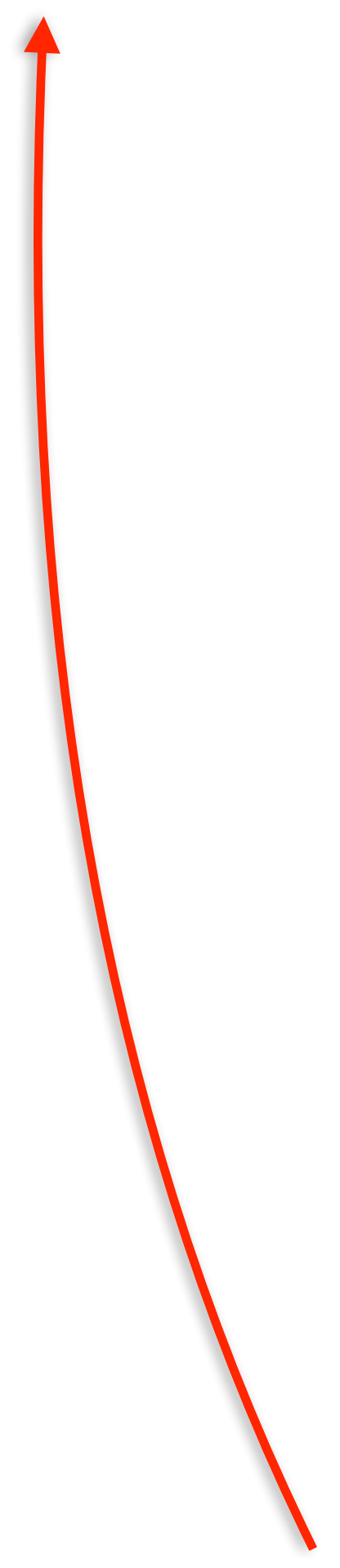

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If we know it is a mistake why not include Discouraged workers as Unemployed?

Because it is difficult to distinguish when a person gives up because s/he in fact, has exhausted all possible options from when a person does not want to work