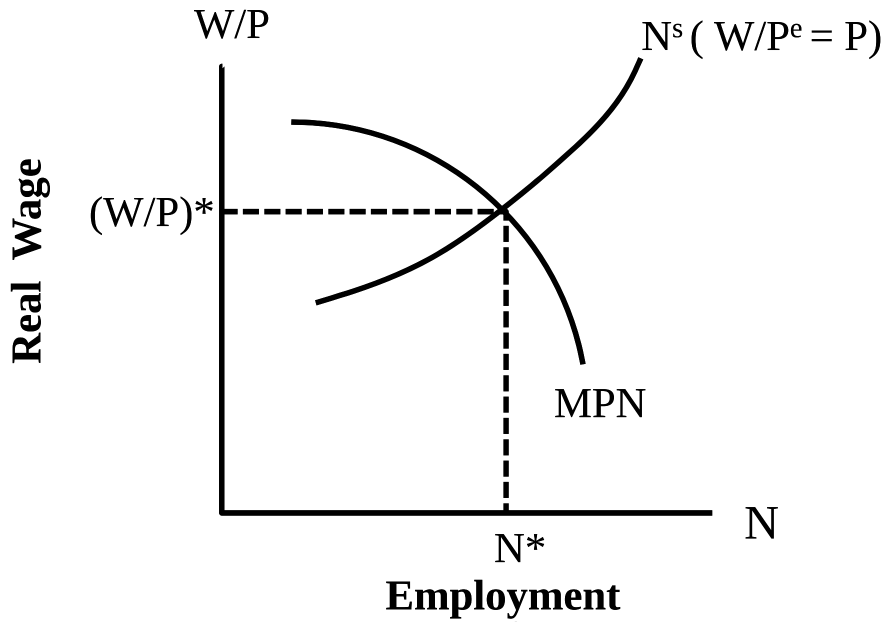
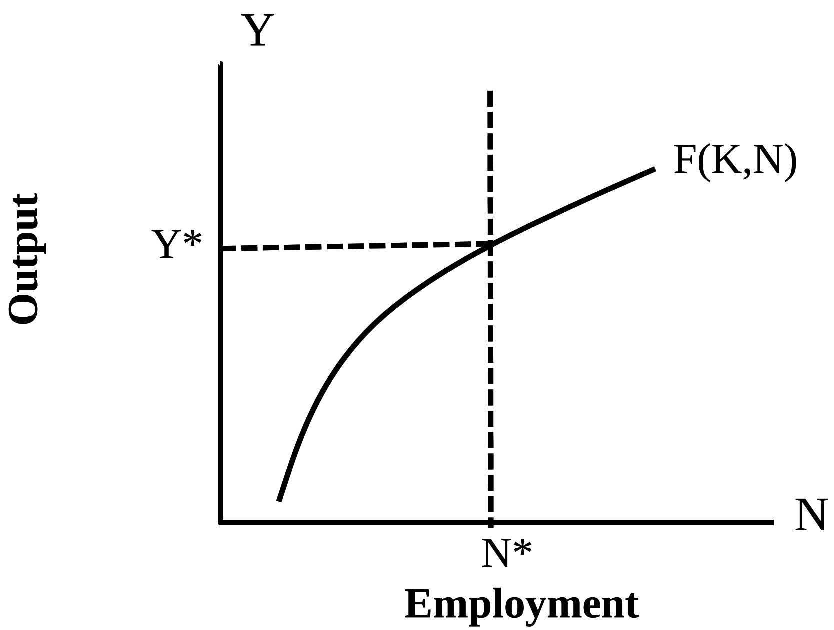
EE312: Macroecomics Theory

Natural Rates of Employment and Output

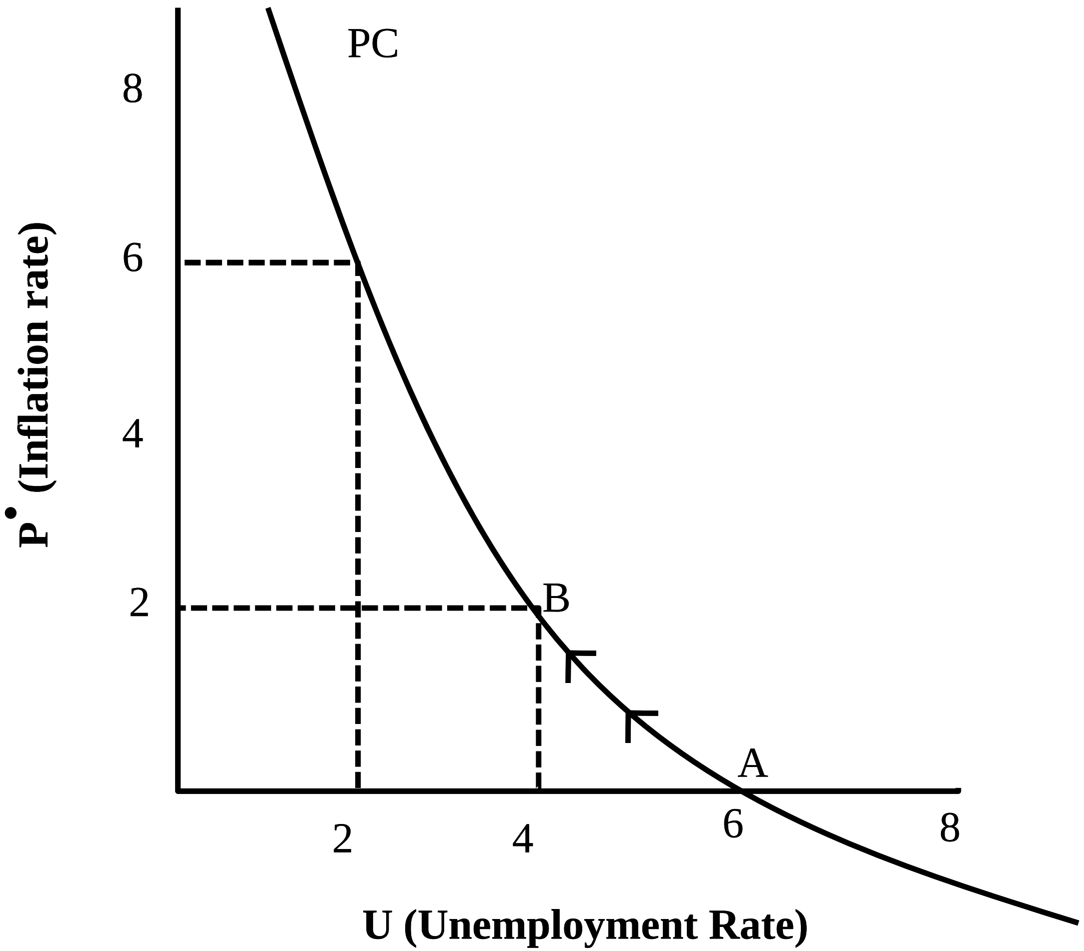
a. Natural Rate of Employment



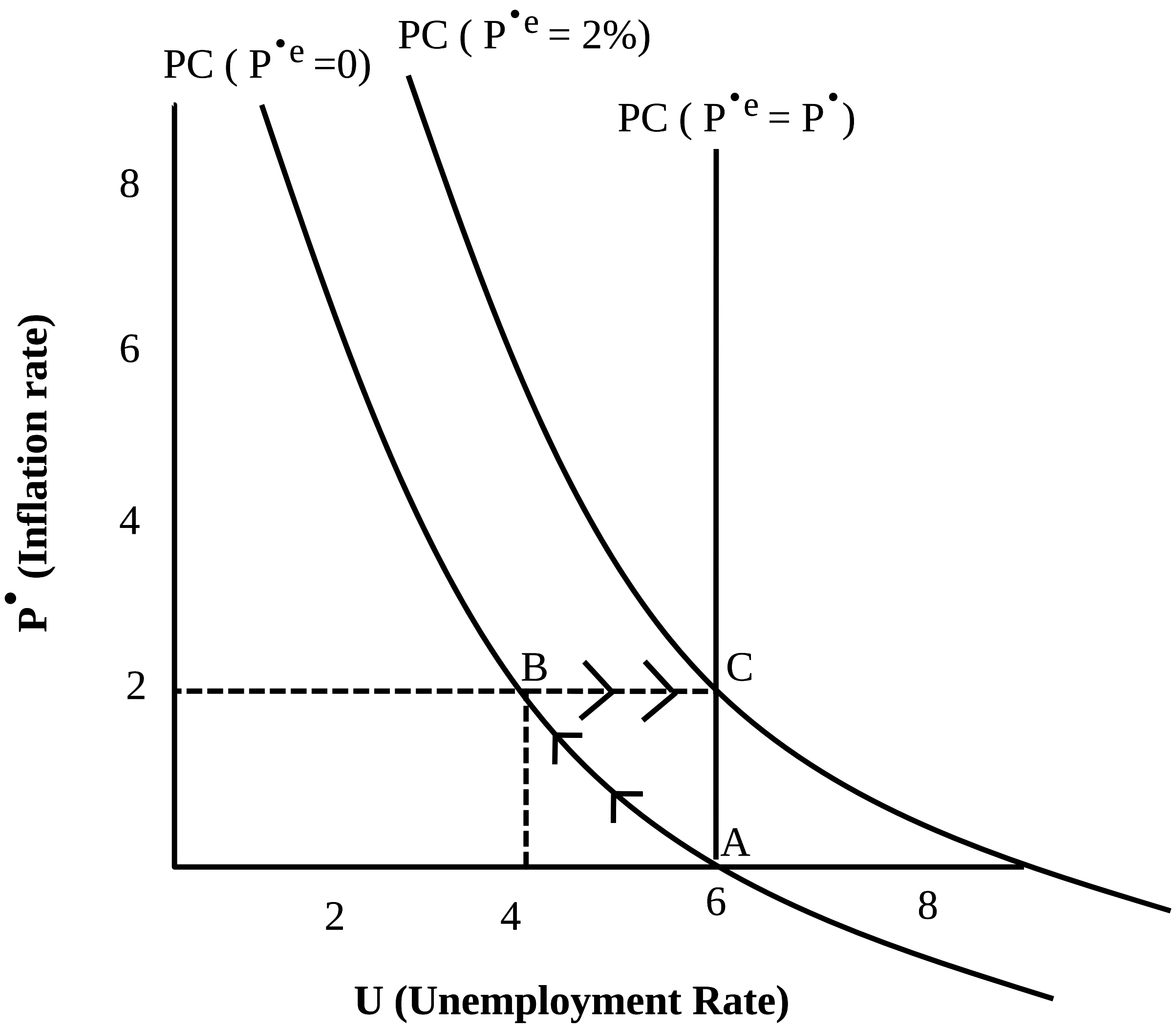
b. Natural rate of Output



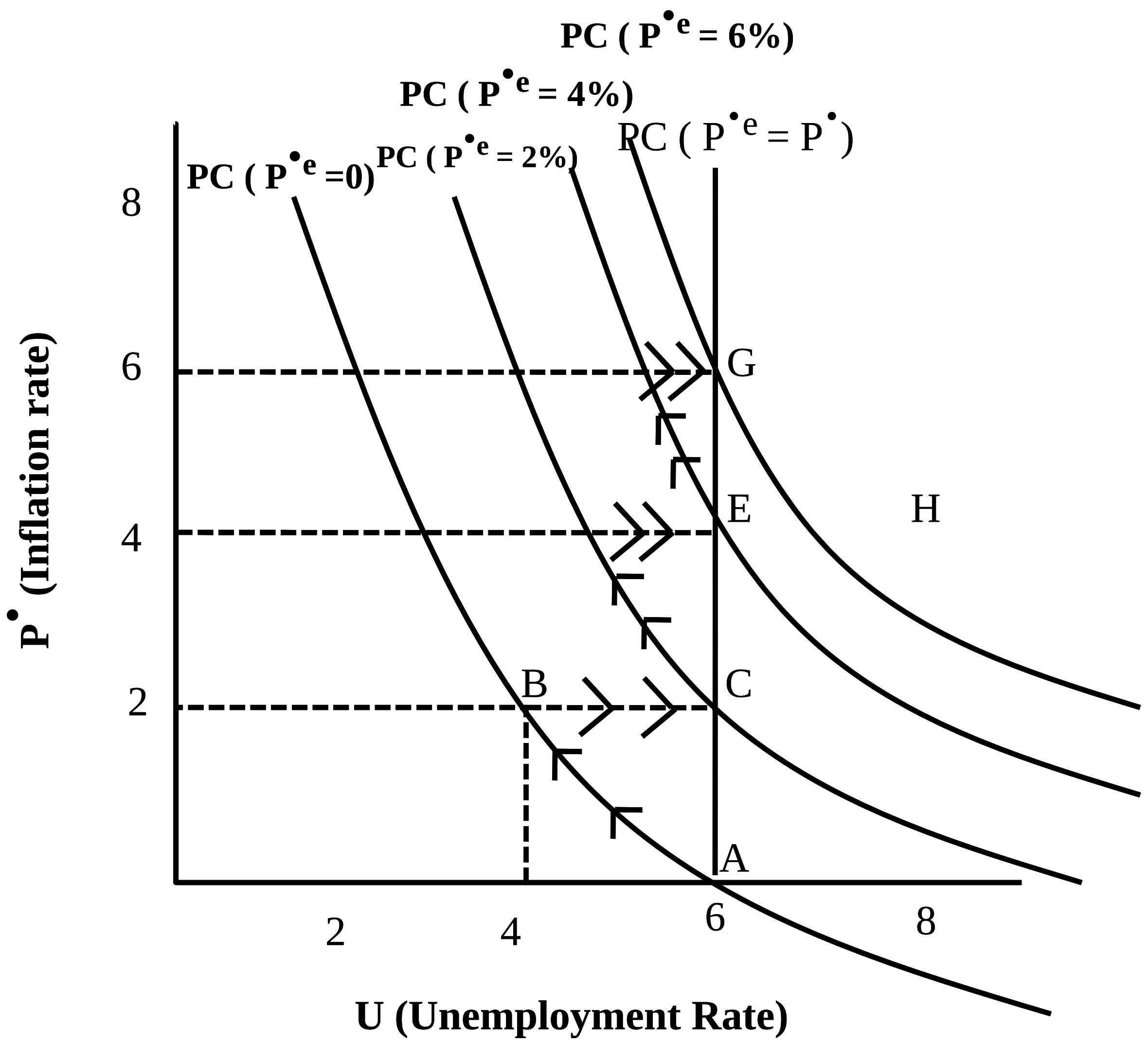
The Phillips Curve



Short-Run and Long-Run Phillips Curves

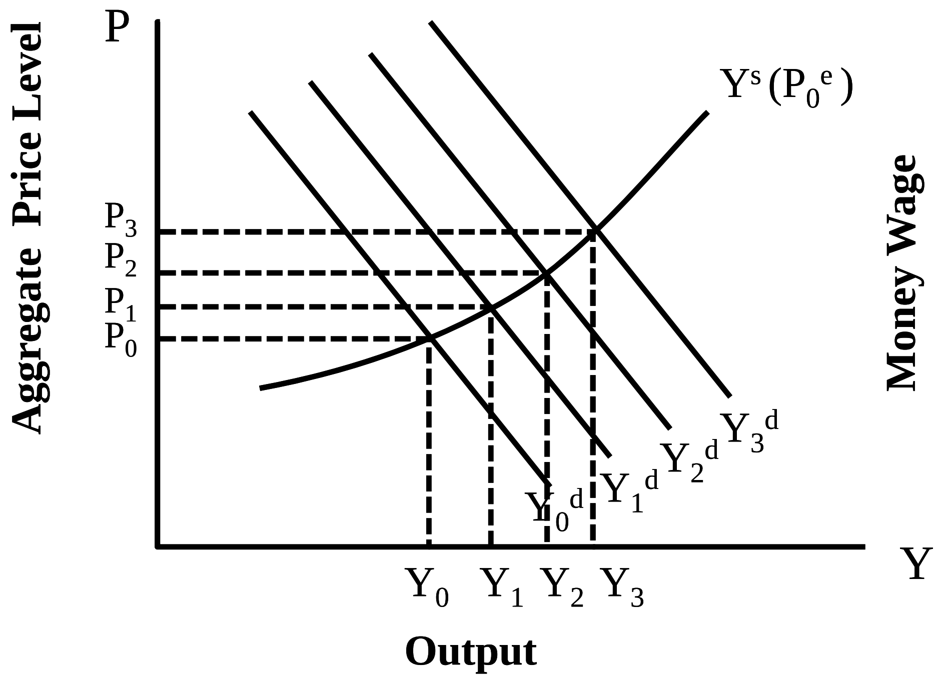


Effect of an Attempt to “Peg” the Unemployment Rate

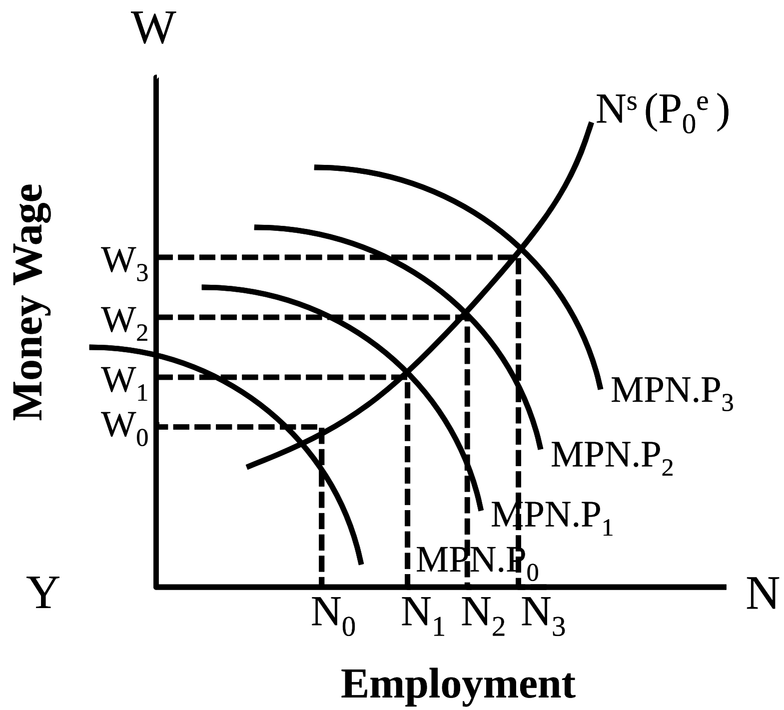


Short-Run Effects of Increase in Aggregate Demand in the Keynesian Model

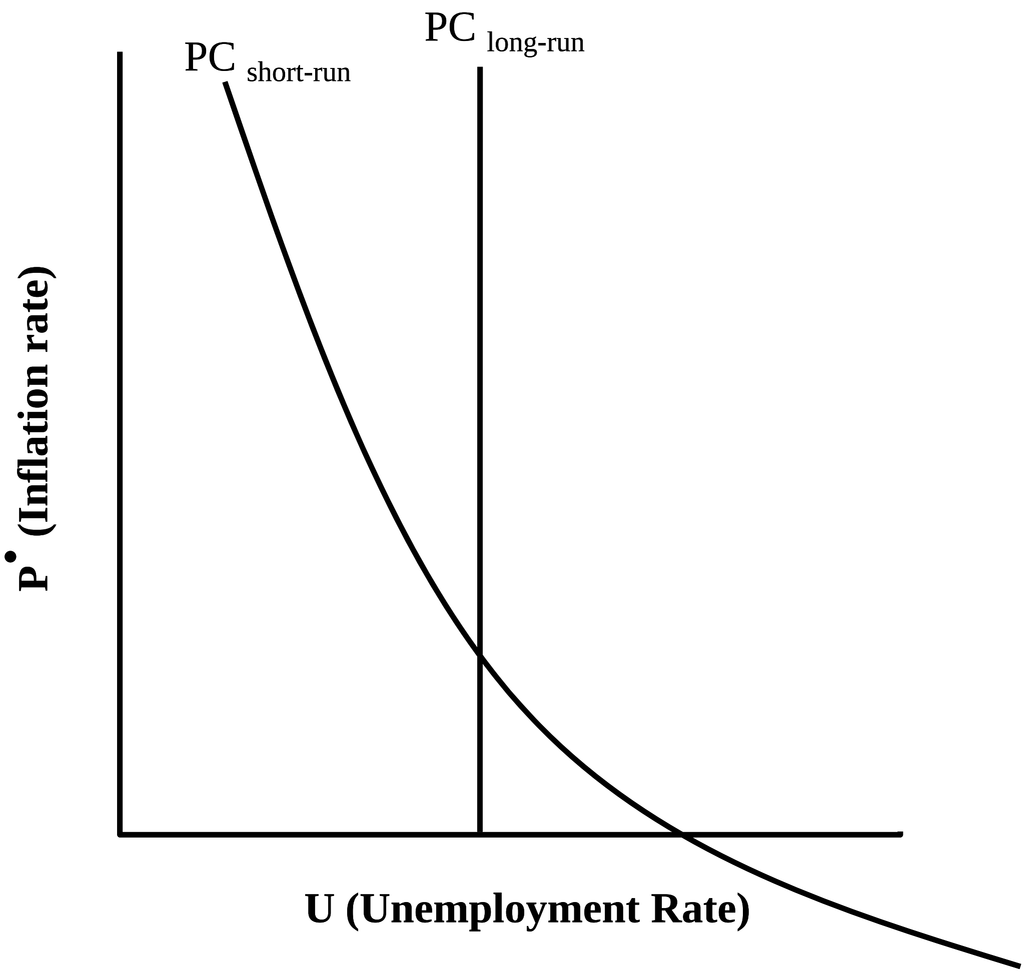
a. Market for Output



b. Labor Market



The Phillips Curve: The Keynesian Perspective



Long-Run Effects of Increase in Aggregate Demand in the Keynesian Model