Homework #2

Macreoconomics: Part II Gothenburg University

Instructors: Ethan Kaplan and Heather Congdon-Fors

Due in Class: Tuesday, May 3<sup>rd</sup>

- (1.) List 5 possible explanations for the positive correlation between inflation and employment (3 pts.)
- (2.) 6.1 of Romer (3 points)
- (3.) 6.16 of Romer (3 points)
- (4.) 9.12 of Romer (3 points)
- (5.) Either

(A):Write a model where unemployment insurance contracts lead to unemployment.

Or

(B): Write a model where unemployment insurance contracts do not lead to unemployment.(3 points)

Bonus: 9.17 (3 points added to homework score for the semester)