

**Economics 304**  
**Daily Problem #8**

**Fall 2013**  
**September 25**

The *New York Times* article “An Italian Jobs Opera” (see link on the assignment page of the Web site) describes “job protection” legislation in Italy. Use the theories of Section 5.4 to explain how we would expect such legislation to affect the natural rate of unemployment. Be sure to explain how the job separation rate and/or the job finding rate would be affected.