The aim of this paper is to analyze the labour market institutions of the United Kingdom and too see how changes made by the government in this area during the current crisis might have had affected the natural rate of unemployment of the country in the medium run. First an overlook of some of the main macroeconomics figures (unemployment rate, wages, etc) will be presented so as to provide an insight of the actual economic situation of the UK. Then the specific British labour market institutions will be deeply analyzed, as it is one of the main objectives of the paper. The next step will be to introduce the macroeconomic model of Blanchard et al. (2010), which will be use to obtain the conclusions. But so as to reach the equation of the natural rate of unemployment, the wages and prices determination model must be reviewed. Finally, conclusions will be drawn from the results obtained of applying the model.

Materias o Palabras Clave (máximo 5) / Gaiak edo hitz gakoak (gehienez 5)
Wages, Prices, Real wages, Labour market institutions, Unemployment rate
Abstract (Resumen de 100-250 palabras) / / Abstract (Laburpena 100-250 hitzetan)

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