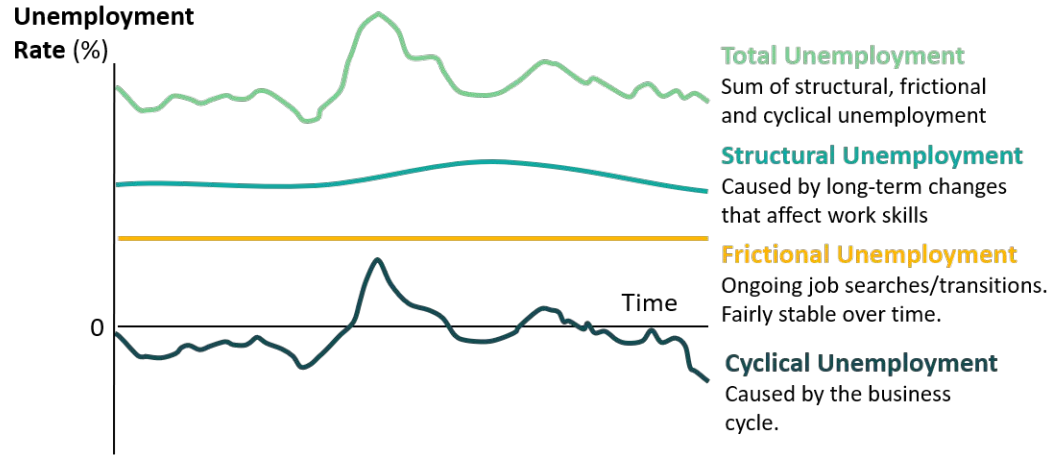


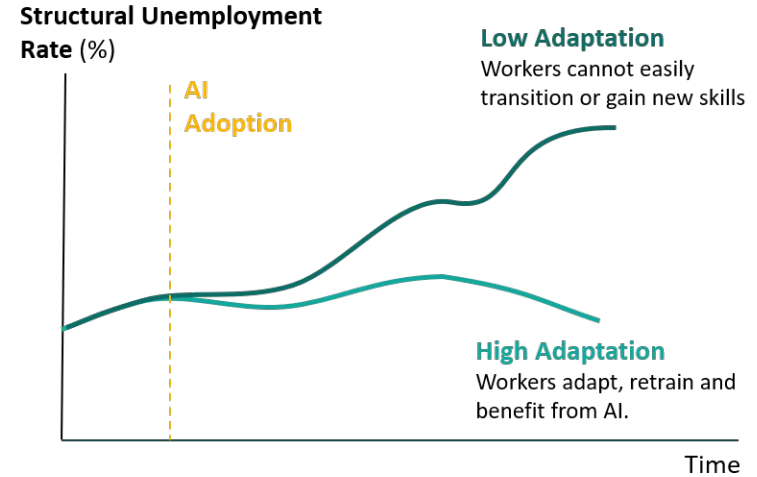
A. The Three Types of Unemployment

(total is the sum of the three types)



B. Structural Unemployment and AI

(different paths possible after AI adoption)



UE Figure S2 Ep2: AI and the Components of Unemployment. Panel A illustrates that total unemployment is the sum of frictional, structural, and cyclical unemployment. Panel B illustrates how artificial intelligence may affect structural unemployment. If workers are able to retrain and transition into new occupations, structural unemployment may remain relatively stable. If workers cannot adapt to changing skill demands, structural unemployment may increase, contributing to higher total unemployment over time.

