



**CHAPTER LEARNING OBJECTIVES**

1. **STUDENTS WILL BE ABLE TO DEFINE AND EXPLAIN THE TYPES OF UNEMPLOYMENT**
2. **STUDENTS WILL BE ABLE TO EXPLAIN THE MAJOR CAUSES OF STRUCTURAL UNEMPLOYMENT**
3. **STUDENTS WILL BE ABLE TO IDENTIFY AND EXPLAIN THE CONCEPTS USED TO MEASURE UNEMPLOYMENT**
4. **STUDENTS WILL BE ABLE TO DEFINE AND EXPLAIN THE THEORIES ABOUT WHAT CAUSES IT**
5. **STUDENTS WILL BE ABLE TO EXPLAIN THE DIFFERENCE BETWEEN THE TYPES OF INFLATION**
6. **STUDENTS WILL BE ABLE TO EXPLAIN THE EFFECTS INFLATION HAS ON CONSUMERS AND THE ECONOMY**
7. **STUDENT WILL BE ABLE TO EXPLAIN THE CAUSES AND EFFECTS OF DEFLATION**
8. **STUDENTS WILL BE ABLE TO IDENTIFY AND EXPLAIN THE TOOLS USED TO MEASURE INFLATION**
9. **STUDENTS WILL BE ABLE TO CALCULATE THE CONSUMER PRICE INDEX**
10. **STUDENTS WILL BE ABLE TO DEFINE POVERTY AND EXPLAIN HOW THE UNITED STATES GOVERNMENT CLASSIFIES POVERTY**
11. **STUDENTS WILL BE ABLE TO EXPLAIN HOW POVERTY IS MEASURED IN THE UNITED STATES**
12. **STUDENTS WILL BE ABLE TO IDENTIFY AND EXPLAIN THE FACTORS THAT CONTRIBUTE TO POVERTY**
13. **STUDENTS WILL BE ABLE TO IDENTIFY AT LEAST 6 ANTI-POVERTY POLICIES AND PROGRAMS**

**14. STUDENTS WILL BE ABLE TO EXPLAIN WHAT “ MEANS TESTING ” IS IN RELATION TO ANTI – POVERTY PROGRAMS**

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**DR. HOLDEN’S INTRODUCTION TO MACROECONOMICS VIDEO**

**WHAT ARE THE FOUR PRIMARY MACROECONOMIC OBJECTIVES GOVERNMENTS HAVE ?**

- 1.
- 2.
- 3.
- 4.

**WHAT ARE TWO SECONDARY MACROECONOMIC OBJECTIVES THAT GOVERNMENTS SOMETIMES TAKE ON ? ( THE SECOND MIGHT BE A LITTLE TOUGH TO UNDERSTAND , MAKE SURE THAT YOU ASK MR. ROTHSCHILD TO CLARIFY IT FOR YOU )**

- 1.
- 2.

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**WHAT ARE THE 4 TYPES OF UNEMPLOYMENT ?**

1. “ FRictionAL ” -
2. “ SEASONAL ” -
3. “ STRUCTURAL ” -
4. “ CYCLICAL ” -



**WHAT ARE THE 5 MAJOR CAUSES OF STRUCTURAL ENEMPLOYMENT ?**

- 1.
- 2.
- 3.
- 4.
- 5.



**THE GOVERNMENT TAKES ACTION TO TRY AND REDUCE WHAT TYPES OF UNEMPLOYMENT ?**

**WHAT ARE THE 5 PARTS TO MEASURING UNEMPLOYMENT ?**

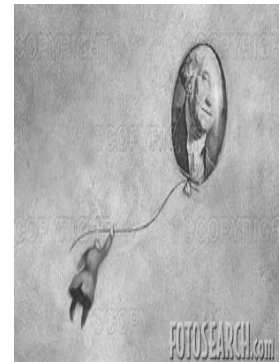
1. “ CENSUS ” -
2. “ UNEMPLOYMENT RATE ” -
3. “ FULL EMPLOYMENT ” -
4. “ UNDEREMPLOYMENT ” -
5. “ DISCOURAGED WORKERS ” -



**WHAT IS “INFLATION” ?**

**WHAT ARE THE 3 THEORIES FOR THE CAUSES OF INFLATION ?**

1. “ QUANTITY THEORY ” -
2. “ DEMAND PULL THEORY ” -
3. “ COST PUSH THEORY ” -



**WHAT ARE THE 3 TYPES OF INFLATION AND THEIR CHARACTERISTICS ?**

1. “ CREEPING INFLATION ” -
2. “ CHRONIC INFLATION ” -



3. “ HYPERINFLATION ” -

**WHAT ARE THE 3 EFFECTS OF INFLATION ?**

1. “ PURCHASING POWER ” -

2.

“ FIXED INCOME ” -

3.

**TRADITIONALLY WHAT EFFECT WOULD A LOW UNEMPLOYMENT RATE HAVE ON INFLATION ?**

**WHAT IS “ DEFLATION ” ?**

**MEASURING INFLATION USING INDEXES :**

**WHAT IS A “ PRICE INDEX ” ?**

**WHAT IS THE “ CONSUMER PRICE INDEX ”**

**WHAT ARE THE 9 CATEGORIES THAT MAKE UP THE “ MARKET BASKET ” OF THE CONSUMER PRICE INDEX ?**

1.

6.

2.

7.

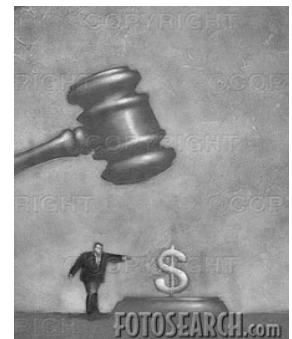
3.

8.

4.

9.

5.



**WHAT IS THE FORMULA FOR CALCULATING THE CONSUMER PRICE INDEX ?**

**THE ECONOMIC CONCEPTS OF “REAL” AND “NOMINAL” AS THEY RELATE TO INFLATION :**

- 1.
2. “ NOMINAL ” -
3. “ REAL ” -

**HOW IS A “FAMILY” DEFINED FOR THE PURPOSE OF MEASURING POVERTY LEVELS ?**



**HOW IS A “HOUSEHOLD” DEFINED FOR THE PURPOSE OF MEASURING POVERTY LEVELS ?**

**HOW DOES THE UNITED STATES GOVERNMENT DEFINE “POVERTY” ?**

**WHAT IS THE “POVERTY THRESHOLD” ?**



**WHAT IS THE NATIONAL “POVERTY RATE” ?**

**WHAT ARE THE 7 FACTORS THAT SEEM TO CONTRIBUTE TO POVERTY ?**

- 1.
- 2.
- 3.



4.

5.

6.

7.

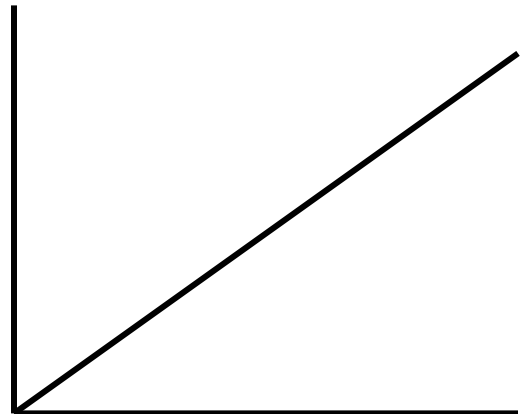


**WHAT ARE THE 2 MOST REVEALING FACTS ABOUT POVERTY IN THE UNITED STATES ?**

1.

2.

**THE “ LORENZ CURVE ” -**



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**DR. HOLDEN'S EXPLANATION OF THE LORENZ CURVE AND THE GINI COEFFICIENT**

1. **THE LORENZ CURVE COMPARES THE QUALITY OF INCOME** \_\_\_\_\_

2. **STRONG ECONOMIC GROWTH BENDS THE LORENZ CURVE** \_\_\_\_\_

3. **INCREASING TAXES WILL BEND THE LORENZ CURVE** \_\_\_\_\_

4. **“ GINI COEFFICIENT ” -**

5. ***CALCULATING THE GINI COEFFICIENT TO BE “ 0 ” WOULD MEAN THAT THE SOCIETY WOULD HAVE WHAT ?***

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***WHAT ARE CONSIDERED THE 4 KEY FACTORS IN CREATING THE SIGNIFICANT SEPARATION BETWEEN THE WELL OFF AND THOSE NEAR THE POVERTY THRESHOLD ?***

- 1.
- 2.
- 3.
- 4.

***WHAT ARE THE 6 MAJOR ANTI-POVERTY POLICIES / PROGRAMS ?***

1. ***“HOUSING SUBSIDIES” -***

2. ***“FOOD STAMPS” -***

3. ***“ENTERPRISE ZONES” -***

4.

5.

6. ***“BLOCK GRANTS” AND “WORKFARE” -***



***WHAT IS “MEANS TESTING” ?***