



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

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.

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 ?

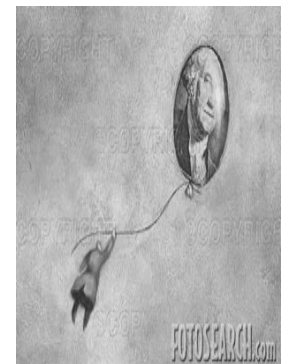
1. “ CENSUS ” -
2. “ UNEMPLOYMENT RATE ” -
3. “ FULL EMPLOYMENT ” -
4. “ UNDEREMPLOYMENT ” -
5. “ DISCOURAGED WORKERS ” -



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.

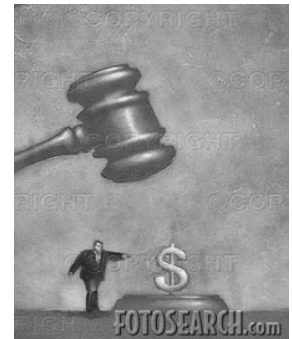
3.

8.

4.

9.

5.

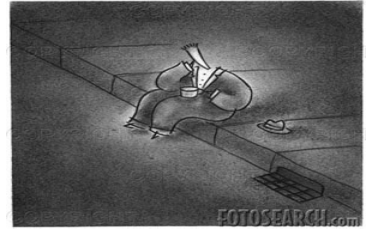


WHAT IS THE FORMULA FOR CALCULATING THE CONSUMER PRICE INDEX ?

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” ?

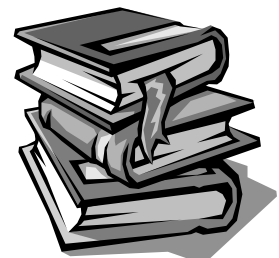
WHAT IS THE “POVERTY THRESHOLD” ?



WHAT IS THE NATIONAL “POVERTY RATE” ?

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

- 1.
- 2.
- 3.



4.

5.

6.

7.

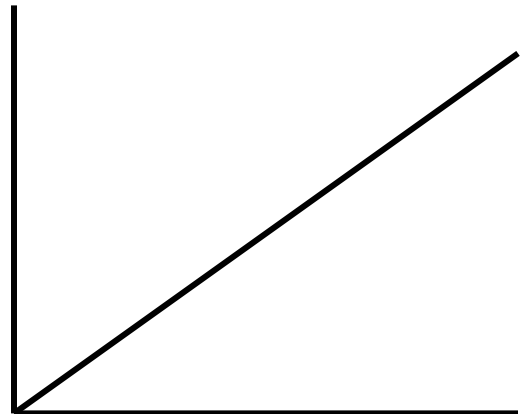


WHAT ARE THE 2 MOST REVEALING FACTS ABOUT POVERTY IN THE UNITED STATES ?

1.

2.

THE “ LORENZ CURVE ” -



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 ?***

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 ” ?