

The Consumer Price Index for August 2013 is 233.877. The Consumer Price Index for August 2012 is 230.379. Use this data to calculate the inflation rate. Show your work in the table below. Write your answer in the last row of this table.







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Inflation Rate:

Fill in the type of inflation that matches the description below. Choose from: *demand-pull inflation* and *cost-push inflation*.

<u>Type of inflation</u>	<u>Description</u>
	Prices have increased because of an increase in the money supply, causing an increase in spending.
	The price of a Big Mac in Washington State increases after the state raises the minimum wage to \$15 per hour.

Circle the individuals that are considered part of the civilian labor force.

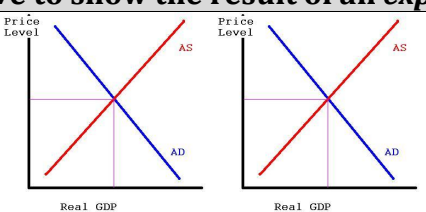
 "I am a soldier."	 "I am retired."
 "I am a stay-at-home mom."	 "I am an accountant".
 "I am looking for a job, but I can't find one."	 "I am a full-time student."

Use the data below to calculate the unemployment rate of Anytown, USA.	
Unemployed Workers: 15,000	Unemployment Rate Calculation:
Employed Workers: 85,000	
Retired Workers: 25,000	
Stay-at-Home Parents: 5,000	
Armed Forces: 2,000	
People that would like a job but have given up looking for a job: 10,000	

Match the type of unemployment with the definition.	
	It is summer and Suzy is currently not working at her ski instructor job.
	Karl lost his job because the VCR factory closed.
	Ben is unemployed because of the recession.
	Ronald is unemployed because he quit his job at McDonalds. He will start work at White Castle next week.

Use the data below to calculate the Gross Domestic Product of the United States in 2010. Amounts are expressed in trillions.	
Consumption: \$14.6	GDP Calculation:
Investment: \$1.8	
Government Spending: \$3.0	
Export Spending: \$1.8	
Import Spending: -\$2.3	

On the graph on the left, draw a new aggregate demand curve to show the result of a *contractionary fiscal policy*. On the graph on the right, draw a new aggregate demand curve to show the result of an *expansionary fiscal policy*.



Complete the table using what you know about types of GDP.	
	GDP adjusted for changes in prices over time.
Nominal GDP	
	GDP divided by population.