

9 Growth and unemployment – Part 2

Name: _____ Class: _____ Date: _____

Vocabulary 词汇

Write each word three times. 把每个单词抄写三遍。

English	中文	Write it 3 times (English)		
Economic growth	经济增长	_____	_____	_____
potential output	潜在产出	_____	_____	_____
output gap	产出缺口	_____	_____	_____
sustainable growth	可持续增长	_____	_____	_____
unemployment	失业	_____	_____	_____
frictional	摩擦性失业	_____	_____	_____
structural	结构性失业	_____	_____	_____
cyclical	周期性失业	_____	_____	_____
seasonal	季节性失业	_____	_____	_____

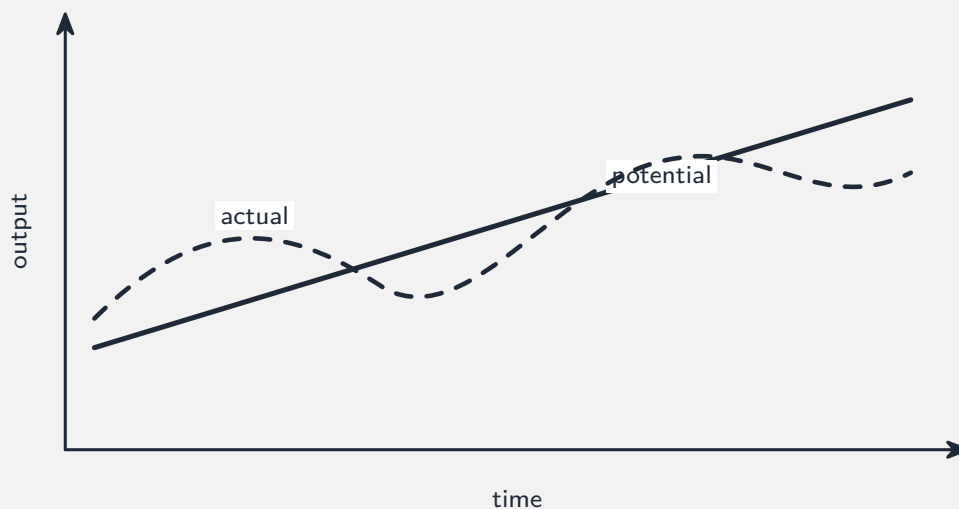
Recall

Economic growth 经济增长 is a rise in real output. But the economy does not grow smoothly, and not everyone has a job.

New ideas

Read these first, then do the Practice.

■ 1 The output gap



- **potential output** 潜在产出 is what the economy *can* make at full capacity;
- the **output gap** 产出缺口 is the difference between actual and potential output (above → inflation risk; below → spare capacity);
- **sustainable growth** 可持续增长 meets today's needs without harming future generations.

■ 2 Types of unemployment

frictional – between jobs

cyclical – low demand in a slump

structural – skills no longer fit

seasonal – only at certain times

unemployment 失业 comes in types: **frictional** 摩擦性失业 (between jobs), **structural** 结构性失业 (skills no longer fit), **cyclical** 周期性失业 (low demand in a slump), **seasonal** 季节性失业.

Watch out: the output gap is actual – potential output: *above* potential → inflation risk; *below* → spare capacity (and unemployment). Learn the four unemployment types —frictional, structural, cyclical and seasonal.

Practice

Try these in order.

9.6 What is *potential output*? [1]

9.7 What is the *output gap*? [1]

9.8 What is *sustainable growth*? [1]

9.9 A worker is briefly between two jobs. Which type of unemployment is that? [1]

9.10 Which type of unemployment rises in a recession? [1]

9.11 Challenge. A ski resort lays off most of its staff every summer when there is no snow. Name this type of unemployment and explain it. [2]
