

Econ. 1A. Quiz 6. (sample)

Name: \_\_\_\_\_ (Print your name). ID: \_\_\_\_\_.

A. Population and labor force in US in May 2005 is

	<u>No. of people</u>
Population	291.9
Working age population	225.7
Labor force	148.9
<u>Employment</u>	<u>141.6</u>

Based on the above data, please answer the following questions. (**Please show your calculation explicitly**)

1. Find the unemployment rate [2].

2. Find the labor force participation rate. [2]

3. Current unemployment rate (Sept. 2012) in US: \_\_\_\_\_. [2]

**B. Multiple Choice [6]**

1. At full employment there is no

- a. unemployment.
- b. cyclical unemployment.
- c. structural unemployment.
- d. frictional unemployment.

2. Potential GDP is the level of output produced when the unemployment rate is

- a. equal to the natural unemployment rate.
- b. greater than the natural rate of unemployment.
- c. less than the natural rate of unemployment.
- d. zero.

3. In which of the following decades was the average unemployment rate the highest in US?

- a. 1960s.
- b. 1970s.
- c. 1980s.
- d. 1990s.