

Calculations for Economics:

Definitions:

- Labor Force consists of those who are looking for jobs + those who have jobs

Unemployment rate: Measures the number of people who do not have jobs and are actively looking for a job.

$$\frac{\text{Number of people unemployed (or those looking for jobs)}}{\text{Number of people in the Labor Force}} \times 100$$

Consumer Price Index - Measures Inflation

Formula:

$$\frac{\text{Current Market Basket of Goods}}{\text{Previous Years Market Basket of Goods}} \times 100$$

GDP (Gross Domestic Product) – Measures Economic Growth

$C + I + G + (X - M)$

- C = consumer spending (or consumption spending)
- I = Investment spending (businesses buying capital)
- G = Government Spending
- X - M – Subtract imports from exports

GDP Per capita (measures standard of living)

GDP

Population