

AQA Economics AS-level

Macroeconomics

Topic 1 - Measurement of Macroeconomic Performance

Flashcards

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Availability of credit







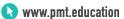




Funds available for firms and households to borrow









Claimant count













A method of measuring unemployment by counting all of those who claim the Jobseekers Allowance and other unemployment related benefits











Consumer prices index (CPI)











Official measure used to calculate the rate of consumer price inflation, using a basket of common goods











Credit crunch















Occurs when there is low availability of credit in the economy







Economic shock











Unexpected events and their effects on economies; may be demand side or supply side













Exchange rate











The price of a currency measured in terms of another currency







Exports











Domestically produced goods and services sold to residents of other countries









Full employment











All those willing and able to work are able to find jobs









Imports











Non-domestically produced goods and services sold to residents of this country









Index numbers











Numbers allowing accurate comparisons over time to be made. The base year value is typically 100











Inflation rate target











The CPI inflation rate target set by the government, which the Bank of England attempts to achieve; currently 2%











Labour Force Survey













A quarterly survey of UK households, recording information on the personal employment circumstances of the respondents











Liquidity











The ease with which an asset can be turned into cash without loss or delay









Macroeconomics













Involves the study of the whole economy at the aggregate level









Marginal propensity to consume (MPC)











The proportion of an increase in disposable income that is spent on consumer goods









National wealth











The stock of all goods with value in the economy











Performance indicator













Provides information used to judge success or failure of a government policy











Policy instrument









Tool or set of tools used to try and meet a policy objective







Policy objective













Target or goal policy-makers aim to hit











Price index













An index number showing the extent to which a set of prices has changed in comparison to the prices in the base











Retail prices index (RPI)













An older measure used to calculate the rate of consumer price inflation









Wealth











Stock of assets







