Case study Week 6 Case Study: Macroeconomic Analysis: Unemployment and Inflation. Overview A high unemployment rate in any economy is a symptom of dysfunctionality in the economy. People need income to be able to consume, and consumption leads to production and production leads to a higher demand for labor (employment), so unemployment is a crucial macroeconomic issue that confronts all modern economies. A lower unemployment rate, however, is not the end of the problem. The type of employment and the price of labor (wages) must be sufficient in order for consumption (which is the major component of GDP) in the economy to be healthy. If wages are low or if the prices in the economy are high, consumption would be low and thus, production and demand for labor would be low, too. High unemployment rate, high part-time employment rate for economic reasons, low wages, and high inflation could have negative effects on economic growth. Assignment Description In this assignment, you need to identify only two specific issues related to unemployment. You will study their past trends, provide an overview of their current status, and provide solutions to overcome them. You will use data, articles, experts' opinions, and government reports to draw a clear picture of the current unemployment issues. Some areas you might consider are the following (based on gender, education, race, age): · Unemployment rates among young college graduates · Unemployment rates for women · Unemployment rates for men · Unemployment rates among African Americans · Unemployment rates among Hispanics · Unemployment rates among Whites · Unemployment rates among Asians · Unemployment rate among workers with high school diploma · Unemployment rate among workers with less than a high school diploma · Unemployment rate in the medical industry · Unemployment rate in the high-tech industry Your research needs to be structured with consistent and clear thoughts. It also needs to be supported by actual data. Your results need to be based on solid facts. Your conclusion and recommended solution need to be thorough and based on your findings and understanding of macroeconomic challenges and macroeconomic policies. Writing Style (APA) and Page Number Requirements Document Type: Word Font Type: Times New Roman or Arial Font Size: 12 Spacing: Double Number of Pages: Three to five pages, not counting the separate Title page and the separate References page Structure and Requirements · Title Page o Title of the paper o Name of the author o E-mail address of the author o Class name o Professor's name o Date There are 5 sections to this case study (Introduction, Data, Analysis, Reflection, Solution). You must have 5 section/headers in your paper since each section has its own marks/points (see Case Study Rubric document). · Introduction Your introduction needs to include the following. o Include a clear definition of unemployment and inflation and how and why they occur and rise in the economy. o Briefly provide your understanding of the relationship between GDP growth and/or decline, high/low unemployment, and high/low inflation rates. o Include a brief description of the two unemployment-related issues that you are going to address in this paper and their importance. Basically, why do you think they are important to research and resolve? · Data Obtain data from at least 3 credible sources (not Wikipidia). Use tables, graphs, and figures to support your argument. You can find the latest unemployment and inflation data at www.bls.gov (Bureau of Labor Statistics). It is important to obtain your unemployment data from the Bureau of Labor Statistics (BLS) website. Follow the “Guide to using the BLS website Data” provided on this assignment page. You need 5 data pieces in the data section (3 General data pieces: GDP Growth Rate, Unemployment Rate, Inflation Rate. Variable data pieces: 2 specific unemployment rates based on your variable (gender, race, education, etc.). All pieces of data need the same 10-year period you have chosen. Data (graphs or tables) that have to be provided in this section: o GDP: Data that represents the last 10 years of GDP growth rate (percentage). o Inflation: Data that represents the last 10 years of inflation rate (percentage). o Unemployment: Data that represents the last 10 years of unemployment rate (percentage), which could be obtained from the BLS website. o Two Issues: Data that represents the last 10 years about the two issues you are going to address. Provide one separate data set (graph or table) for each of the two issues, which could be obtained from the BLS website. · Analysis This section needs to contain the following discussions based on the data that was gathered and your understanding of unemployment, inflation, and GDP. o Unemployment and Inflation: Discuss the trends of unemployment and inflation rates over the past 10 years and provide your objective analysis of the changes in unemployment and inflation rates and the current rates. Place extra emphasis on the periods where unemployment or inflation was either too high or too low. Also state the effect of the high and low rates on GDP. o Two Issues: Discuss the two unemployment-related issues you selected. Provide an overview of their trends and use facts to highlight the major changes in their trends and their current statuses. State the reason(s) why you believe these two issues represent a challenge for the economy. · Reflection and Critical Thinking Connect all the dots together by relating your above analysis to other areas in the macroeconomy. Basically, you will link changes in overall unemployment, the two unemployment related issues you selected, inflation, and GDP to one another and how they impacted each other during periods of economic decline (recessions) and periods of economic growth (expansion). · Solution o State which macroeconomic policy (monetary policy or fiscal policy) might resolve the issues you highlighted above, and state how this policy could be implemented and why it would solve these problems. o Finally, provide your own solution. Basically, answer the following question. What would you do to solve the macroeconomic issues you addressed if you were in charge of the U.S. economy? State why. · Reference List Use at least three professional sources to support your argument. The references need to be in APA format. To learn more about APA format, click (and hold your CTRL key) on the link below or copy/paste the link into your browser address bar. APA Resources: http://libguides.devry.edu/c.php?g=181472&p=1194156 Guide to using the BLS website Data for Week 6 Case Study for Unemployment Variables: 1. Go to this link: https://data.bls.gov/cgi-bin/surveymost?ln 2. Pick the variables you want. You can select more than one variable. For example, see screen shot below: 3. Click on “Retrieve Data” on the bottom left hand side as shown below: 4. You can then manipulate the data by changing output options, enter your ten-year period, such as “2006 to 2015” and then check the boxes “include graphs” and “include annual average”. Then, click on “GO” Your data will default to show the annual change based on a month, for example, series Id shown here is Unemployment Rate 16 years and over. The data is yearly from January 2006 up to January 2015, which will suffice for the case study. Lastly, you may see that an accompanying table is provided for each graph of each variable, i.e., the table of the above graph is shown below the graph. 5. To copy and paste the graph in your paper, right click on the graph, then select “copy”, then past it in your paper. IMPORTANT: make sure you cite the source of the graph (and any other graph and/or table you use) below the graph/table using APA citation style. 6. Now, you can use the data for the variables. Happy Hunting!