**Name \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ Class \_\_\_\_\_\_\_\_\_\_ Date \_\_\_\_\_\_\_\_\_\_**

**Economic Conditions Organizer**

Directions: Provide the name and a brief description in your words of each phase of the business cycle.

**Part A**

**The Four Phases of the Business Cycle**

**Economic Conditions Organizer Continued**

**Part B**

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| **Situation** | **Prosperity** | **Recession** | **Depression** | **Recovery** |
| **Employment trend** |  |  |  |  |
| **Supply and demand of goods and services trend** |  |  |  |  |
| **Possible actions of businesses** |  |  |  |  |

**Economic Conditions Organizer Continued**

|  |  |
| --- | --- |
| **Consumer Prices** | |
| **Inflation**  Define:  How may high demand and limited supply of products cause inflation?  How does inflation impact consumer buying power? | **Deflation**  Define**:**  How do lower prices impact deflation? |

**Part C**

What is consumer price index (CPI)? \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_  
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How is the consumer price index (CPI) calculated?

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What are interest rates**? \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_**

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How do interest rates impact businesses? \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

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