**NAME: HOUR: GRADE:**

**Economics Video Questions**

***Week of May 4th***

**Episode 13 – Recession, Hyperinflation, and Stagflation**

1. Describe the hyperinflation of Germany in 1920’s and Zimbabwe in 2007 and define hyperinflation.
2. Why is hyperinflation so bad?
3. What things happen to create hyperinflation?
4. Explain what a depression and stagflation are.
5. Explain the cycle/circle that happens between people’s expectations and prices (whether higher or lower).
6. What were the consequences of Paul Volcker’s decision to cut the money supply and raise interest rates?

**Episode 14 – Economic Schools of Thought**

1. What idea did Thomas Malthus believe in 1798?
2. What ideas were established by the work of Adam Smith (*The Wealth of Nations*) and David Ricardo?
3. What did Karl Marx and Friedrich Engels believe would happen in *The Communist Manifesto*?
4. What ideas were brought about by Alfred Marshall and Classical Economics and what events hurt those beliefs?
5. What did John Maynard Keynes (Keynesian Economics) believe about economics?
6. What is socialism?
7. What ideas were pushed by Friedrich Hayek/Ludwig Von Mises (Austrian School) and Milton Friedman (Chicago School) about economics?
8. Describe the approach of monetarism.

**Episode 15 – Imports, Exports, and Exchange Rates**

1. Where does the U.S. rank as importer and exporter and what country is our largest trade partner?
2. What is the difference between a trade surplus and a trade deficit?
3. What are some positives and negatives associated with the extensive use of international trade?
4. What are both positives and negatives argued about the North American Free Trade Agreement (NAFTA) and what is protectionism?
5. What is the purpose of the World Trade Organization?
6. What is the exchange rate and what happens to both imports and exports when our currency appreciates AND depreciates?
7. As part of the balance of payments (all international transactions), what is included in both the Current Account and the Financial Account?