Macroeconomics

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| **Unemployment**  | Low unemployment | Germany 2.3%Cambodia 0.7%<https://www.investopedia.com/articles/personal-finance/062315/unemployment-rates-country.asp> |
|  | Structural unemployment: | South Africa has a long running structural unemployment due to issues stemming from distance from work areas, lack of skills, lack of competition in some sectors, poverty which works against individuals - are still a result from apartheid<https://theconversation.com/south-africas-labour-market-trends-from-2009-to-2019-a-lost-decade-167645><https://theconversation.com/south-africas-employment-tax-incentive-is-not-a-success-story-168124> |
|  | Cyclical unemployment: | Pandemic, financial crisis (i.e. GFC, 1990 recession) caused cyclical unemployment through the unemployment rate starkly increasing and reducing when these periods of economic uncertainty are over |
|  | Frictional unemployment | Missouri (America) is experiencing frictional unemployment due to the increase in jobs available but lack of employees making the match to jobs<https://krcgtv.com/news/local/missouri-jobs-increased-unemployment-rate-decreased-in-august> |
|  | Seasonal unemployment: | "Christmas casuals" in Australia |
|  | Demand-pull inflation | Malaysia may experience demand-pull inflation. There is currently inflationary pressures on the economy due to high crude oil prices, and as the economy opens up post pandemic (business' open up) economists expect there to be demand-pull inflation<https://themalaysianreserve.com/2021/10/06/economists-foresee-inflationary-pressures-but-not-stagflation/?__cf_chl_jschl_tk__=pmd_8hbYEZsvKjAk_PMVcEp5cp3_EmNP0hxIBOLgJXtKt7Y-1634011189-0-gqNtZGzNApCjcnBszQjR> |
|  | Distribution of income | Australia has a poor distribution of income - the top 1% has more money than the whole middle class<https://www.businessinsider.com.au/top-1-have-more-money-than-the-middle-class-2021-10> |

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| Circular flow of income |  |
| GDP vs GNI | US - higher GNI than GDPDue to the high level of workers working abroad, high level of productions processed overseasChina - higher GDP than GNIHigh level of domestic output |
| Business cycle | Australia - expansion before COVIDContraction 2020 |

Aggregate Demand

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| Increase in AD | - ‘G’ USA spends 19.39 trillion dollars in national security and military services  - ‘G’ Sweden spends 538 billion in military services - ‘I’ USA firms invest every year 230 billion into advertising and marketing - ‘I’ Woolworths spent 780 million to replace 1,300 workers with robots  |
| Decrease in AD | COVIDAustralia decreases in AD 2020* Decrease in net export: iron ore/coal to china (major trading partner)
* Less consumption and investment due to lockdowns and economic instability
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Aggregate Supply

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| LRAS | * Korea experiences economic growth averaging 7.3% annually between 1960 and 2019. (Export growth of 16.0%, savings and investment rose to 34.7% and 29.8% of GDP)

Shifting the LRAS to the right |

Fiscal Policy

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| Expansionary  | * 2020 September, Thailand announces $2.2 billion of stimulus in handouts, job measures
* To support investment and consumption, Kenya reduced income tax rate for top earners from 30% to 25%
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| Contractionary  | * UK increased tax rate from 19% to 25% to support the country’s funded National Health Services
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| **Interventionist supply-side policy** | Improved training and education 2007 | D.C (US) education reforms<https://prospect.org/education/d.c.-became-darling-education-reform/> |
| Improved heath care services (and access to them) Up to 2021 | Norway's heavily subsidized and decentralised health care system<https://www.lifeinnorway.net/healthcare/><https://www.thelocal.no/20210921/norwegian-health-chief-covid-19-can-now-be-compared-to-the-flu/> |
| Investment in new technology (R&D)Oct 2021 | Lagos introducing larger investment in technology<https://leadership.ng/our-huge-investment-in-technology-is-to-drive-smart-city-project-sanwo-olu/> |
| Investment in infrastructureOct 2021 | South African readjusting infrastructure investment systems<https://www.iol.co.za/business-report/economy/government-plans-to-make-changes-in-infrastructure-development-legislation-to-boost-investments-f612e2a2-3176-4a84-99ef-96bfb3cb0fb7> |
| Industrial policies: small/medium-sized businessesJune 2021 | Australia's Payment Times Procurement Connected Policy<https://treasury.gov.au/publication/p2021-183909> |

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| **Monetary Policy** | South Korea raises interest rates due to high inflation which was causing high prices and higher household debtHouse prices rose by 14.3% year-on-year in July and household debt also shot up, by 10% year-on-year in the second quarter | <https://www.cnbc.com/2021/08/26/south-korea-hikes-interest-rates-the-first-developed-economy-to-do-so-in-pandemic-era.html> |
| Australia decreases interest rates to a record low of 0.10 percent in order to counter the recession caused by the pandemicTo combat high unemployment and to increase ADResulted in increased borrowing and investment | <https://www.9news.com.au/national/rba-interest-rate-decision-may-2021-soaring-house-prices-and-low-wage-growth/15b29c34-1516-4c41-b894-78b1449ff97e> |

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| **Market-based supply-side policy** | PrivatisationOct 2021 | India privatising national airline<https://economictimes.indiatimes.com/news/economy/policy/air-india-privatisation-reflects-govt-resolve-to-bite-reform-bullet-cii/articleshow/86939652.cms> |
| DeregulationOct 2021 | US deregulates energy sector<https://www.wsj.com/articles/deregulation-energy-independence-fracking-hydraulic-fracturing-11633462282> |
| Outsourcing (contracting to private sector) | Bangladesh outsourcing IT development<https://www.dhakatribune.com/business/2021/10/07/bangladesh-could-be-the-next-bangalore-with-it-outsourcing> |
| Restricting monopoly policy | China restrict internet monopoly firms<https://economictimes.indiatimes.com/tech/tech-bytes/no-let-up-in-chinas-aim-to-curb-tech-monopolies-says-pboc-governor/articleshow/86909334.cms> |
| India labour market reforms | <https://www.theleaflet.in/politics-of-welfare-or-lack-thereof-of-labour-part-ii/> |
| Unemployment benefits | Uruguay Covid-19 recovery<https://en.mercopress.com/2021/10/12/uruguay-imf-recommends-addressing-skill-mismatch-between-the-labour-force-and-new-jobs> |