Unemployment and inflation rates essay

Business, Customers

According to Karp (42) inflation and unemployment rates are indicators of how healthy an economy is. Inflation can measure the prices or value of the dollar, whether it rises or falls. Unemployment measures joblessness and it is said that employment (or unemployment) rates are the best way to tell if an economy is doing well.

Recent studies showed that the number of unemployed persons in the United States have reached up to 14. 8 million. This was from a recent study, just last month, September 2010. It shows that the unemployment rate is at 9. 6%, a 3. 5% rise from September 2008, where it held off at 6. 1%. California showed an alarming rate of unemployment at 12. 4%, with 2, 273, 900 people jobless. This data was recorded on August 2010.

According to InflationData the current annual rate of inflation last August 2009 was at -1. 48%, with a CPI-U at 215. 834 and this year during August 2010, it was at 1. 15% with CPI-U at 218. 312 (" Current Consumer Price Index").

Inflation Rate = (-)* 100 /

= The present average price

= The price that existed last year

= 218. 312

= 215. 834

Inflation Rate = (218. 312 – 215. 834)* 100 /

= (2. 478)*100 /

= 277. 8 / 215. 834

= 1. 15 %

The current 12 month rate of inflation is at 1. 15% in the United States

San Diego County shows 1, 574, 400 people in the labor force, with 1, 407, 200 people employed. This leaves 10. 6% rate of unemployment from Sand Diego County with 167, 200 people jobless, recorded on August 2010.

Works Cited

Gregory Karp, " Reading the Dollar Signs," The Saturday Evening Post Jan.-Feb, 2010. 282. 1,

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