Econ. 1A. Quiz 6. (sample)
Name: ________________ (Print your name). ID: ____________________.

A. Population and labor force in US in May 2005 is

<table>
<thead>
<tr>
<th>No. of people</th>
</tr>
</thead>
<tbody>
<tr>
<td>Population</td>
</tr>
<tr>
<td>Working age population</td>
</tr>
<tr>
<td>Labor force</td>
</tr>
<tr>
<td>Employment</td>
</tr>
</tbody>
</table>

Based on the above data, please answer the following questions. (Please show your calculation explicitly)
1. Find the unemployment rate [2].

2. Find the labor force participation rate. [2]


B. Multiple Choice [6]

1. At full employment there is no
   a. unemployment. b. cyclical unemployment.
   c. structural unemployment. d. frictional unemployment.

2. Potential GDP is the level of output produced when the unemployment rate is
   a. equal to the natural unemployment rate.
   b. greater than the natural rate of unemployment.
   c. less than the natural rate of unemployment.
   d. zero.

3. In which of the following decades was the average unemployment rate the highest in US?