

## **A/ ASSESSMENT RECAP**

- **Length:** 1,500 words total (+10% buffer)
- **Task:** A report analyzing the management of inflation in a South-East Asian country over the last 15 years.

Country: Based on the last number of your student ID, you will be assigned a South-East Asian country. Specific numbers for assignment will be announced two weeks before the deadline.

### **Suggested structure:**

- I. **Introduction**
- II. **Background of Inflation**
- III. **Inflation's Impact**
- IV. **Policies and Strategies**
- V. **Evaluation of Policy Effectiveness**
- VI. **Lessons and Recommendations**
- VII. **Conclusion**

## **B/ DEFINITION**

- Inflation:
  - Inflation refers to the general increase in the prices of goods and services over time, leading to a decrease in the purchasing power of a currency.
- GDP Growth:
  - Gross Domestic Product (GDP) growth measures the increase in the total value of goods and services produced within a country's borders over a specific period, indicating the overall economic health and performance.
- Taxation:
  - Taxation is the process by which governments collect revenue from individuals and businesses to fund public services and government activities.
- Interest Rates and Borrowing Costs:

- Interest rates represent the cost of borrowing money. Higher interest rates generally mean increased borrowing costs for individuals and businesses.
- Government Regulations:
  - Government regulations are rules and guidelines set by authorities to control and manage various aspects of business and societal activities in the interest of public welfare.
- Unemployment Rates:
  - Unemployment rates measure the percentage of the workforce that is unemployed and actively seeking employment, providing insights into the health of the job market.
- Consumer Price Index (CPI) and Producer Price Index (PPI):
  - CPI measures the average change in prices paid by consumers for a basket of goods and services, reflecting inflation. PPI gauges the average change in selling prices received by producers.
- Consumer Purchasing Power:
  - Consumer purchasing power is the ability of individuals to buy goods and services, influenced by factors such as income, inflation, and the overall cost of living.
- Central Bank Policies:
  - Central bank policies refer to the strategies and measures adopted by a country's central bank to control monetary conditions, including interest rates and money supply, to achieve economic objectives.
- Supply and Demand Dynamics:
  - Supply and demand dynamics describe the relationship between the availability of goods or services (supply) and the desire of buyers to purchase them (demand), influencing market prices.
- Exchange Rates:
  - Exchange rates represent the value of one currency in terms of another, determining the cost of international trade and influencing economic activities.
- Monetary Policy Measures:
  - Monetary policy measures involve actions taken by central banks to manage money supply, interest rates, and credit conditions to achieve economic stability and growth.

- Fiscal Policy Adjustments:

- Fiscal policy adjustments refer to changes in government spending, taxation, and borrowing to influence the overall economic activity and achieve macroeconomic goals.

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