4)

A. If the countries inflation rate rises sharply the inflation tax on the people's money will remain the same and they will have to pay more in taxes until that is updated. The savings accounts are not updated with the new inflation because it would end up costing the banks in the end. This hurts the people because the money in the savings accounts is worth less so even though the interest rate is making them money they could lose money because of the decrease in value.

8)

A. My shoe leather costs of going to the bank would be me not doing my schoolwork and my productivity dipping. You could measure these costs by diving the amount I pay in tuition by the number of days I am in school and you can determine how much money I wasted with the loss of productivity. My shoe leather cost differs from my college president because he is getting paid to do his job, while I am being paying to learn to do my job.