1. Macroeconomics
   1. Unemployment
      1. Why do individuals find themselves unemployed?
         1. The company shut down
         2. The company outsourced
         3. They were less than ethical at their job
            1. They don’t meet the jobs standards and qualifications
         4. Could be seasonal
   2. Reservation wage
      1. This is what it would take to accept a job
      2. At some point if no one is hiring you will have to be flexible and lower than number
   3. Types of unemployment
      1. **Frictional**
         1. Definition
            1. **In between jobs**
            2. **Voluntary**
            3. **You will always have some amount of frictional unemployment (unavoidable)**
         2. Examples
            1. Expectations hold you back

You’re not taking job offers

* + - * 1. You wait because you think you deserve more
        2. **or**
        3. You may have never worked before
        4. You are entering the labor force and you find yourself without a job
        5. This shows willingness and ability
        6. **Or**
        7. You got upset at your boss and got fired, you’re frictionally unemployed
    1. **Structural**
       1. Definition
          1. **The workers skills no longer fit the job requirements**
          2. **Voluntary**
          3. **You will always have some amount of structural unemployment (unavoidable)**
       2. The worker is being replaced by capital
       3. The place of employment is outsourcing
       4. This company couldn’t make it due to shifts in supply or demand in the market
       5. You’re typical talking about an industry
       6. It happens because the demand for products does not stay still
       7. Example
          1. Atari

Pacman, Frogger, Donkey Kong

Atari had to adapt to the changing environment, with Nintendo coming into the industry. They all lost their jobs

* + 1. ***Cyclical***
       1. Definition
          1. **Due to economic downturn**
       2. No matter the job, even those that require no degree, no one is hiring
       3. You can get an extension on unemployment
       4. A downturn to the whole economy
    2. Seasonal
       1. Definition
          1. The worker is laid off after a season
       2. Not a huge deal
    3. Induced
       1. Definition
          1. The gap between equilibrium and minimum wage
  1. Natural Rate of Unemployment
     1. Definition
        1. What an economy is expected to operate at
        2. This number is considered “full employment”
     2. ~5%