Professor Goldberg emphasized that you need to understand the difference between RGDP and NGDP, what is behind that, and the definition of GDP;

- How can we measure output(GDP)?
- Which set of price should we use to calculate RGDP?
- If NGDP is going up, can we conclude that more output is being produced?
- What do we mean by a ‘basket”? What is in this basket?
- What is a ‘price index”? How can we calculate it?
- What is the difference between GDP deflator and RGDP?
- What does a price index of “3” tells us?
- Why RGDP = (NGDP / Price Index ) ?
- Why do we care so much about inflation?
- Define nominal interest rate? Define real interest rate?
- Who (debtors/lenders) gains and who(debtors/lenders) lose when inflation goes up?
- Who has control on monetary policy? Who does control the FED?
- Define labor force. Who is counted in the labor force?
- What is participation rate?
- What is an “unemployment rate”? what does it measure?
- Is 6% a high rate of unemployment?
- Can unemployment be too low?
- What is the relationship between unemployment and GDP growth?
- How does the book define short-run, medium-run, and long-run?