Teacher Answer Key

Case Study

1. U-6 captures underemployed and discouraged workers, so it rose more than U-3.

2. Expanded job-training grants, extended part-time benefits, and college–industry hiring partnerships.

Multiple Choice

1. C

2. D

3. B

Matching

1-E, 2-D, 3-B, 4-A, 5-C

Fill-in-the-Blank

1) Cyclical, 2) participation, 3) discouraged

Short Answer (Sample Responses)

Q1: A falling participation rate can lower unemployment even if jobs are lost—masking weakness.

Q2: Advantage: reveals hidden slack; Limitation: more complex and less well understood.

Q3: Skill mismatches require retraining or relocation, so unemployment may persist despite growth.