**Measuring the Economy – Student Instructions**

Individual Work: Go to the [FRED website](https://fred.stlouisfed.org/) and collect U.S. data for the real GDP growth rate, the civilian unemployment rate, and the Consumer Price Index (all urban consumers) *inflation rate* for one of the following decades (assigned by your instructor). Plot all three lines on the same graph, giving a different color to each one. (Hint: Check [here](https://fredhelp.stlouisfed.org/fred/graphs/customize-a-fred-graph/change-graph-settings/) for help with creating graphs)

Team Work: Answer the following questions:

1. In which decade was the U.S. economy most healthy?
2. In which decade was the U.S. economy least healthy?
3. Based on your answers above, which statistic is most important for measuring an economy’s health?
4. What do you notice about the relationship between the variables during each period? (Choose all that apply)
   1. The inflation rate decreases when the unemployment rate increases.
   2. When GDP growth is increasing, the unemployment rate decreases.
   3. When the unemployment rate is low, GDP growth is high.
   4. When GDP growth is high, inflation increases.
   5. There is no connection between the three variables.

Follow-up for teams that finish early: What questions do these specific data bring to mind? What questions might you ask yourself when seeking out future data for these economic indicators? Write down at least two questions.