Outline

Topic: Microeconomics Questions

1. Paradox of thrift
2. Household and individual savings are depicted as a net drag to an economy, in the long term, especially following a recession period.
3. As such, I concur with the provided statement on the detrimental nature of personal savings to an economy
4. The objectives of monetary policy
5. Monetary policies influences unemployment in a country, for instance, an expansionary policy has the potential to reduce unemployment, since increasing money supply promotes activities that collectively result in an expansion of the job market, subsequently causing a reduction in unemployment rates.
6. The policy also regulates rates of exchanges between local and foreign markets
7. Limits to long-term economic growth
8. In the US, the limits are diverse and include the ability of the populace to innovate and be more productive over time, especially for small, and medium-sized enterprises, which form the largest base for the economy
9. Course reflection
10. The most imperative principle learned from the course encompasses the demand and supply principle.
11. The principle is widely applied in the contemporary market structure where it primarily determines the prices of goods and services.