LISTENING

Task 1. Discuss the relationship between microeconomics and macroeconomics



Task 2. Listen and fill in the blank with ONE suitable words

Household demand individual unemployment income supply interrelated interest rate saving investing

Microeconomics versus macroeconomics, the study of economics is divided into two major branches microeconomics and macroeconomics.

Microeconomics comes from Greek word, micros meaning small. Microeconomics deals with the behavior of individual actors in the economy. It can mean one consumer, one (1)……., one firm or even one industry. Some questions we aim to answer in microeconomics are if the price of car go up what happens to consumer (2) …… ? If income levels of people increase whole demand for meat change, so microeconomics deals with the (3) ……. parts of the economy when you hear microeconomics things small.

Macroeconomics comes from Greek word, macros meaning big. In macroeconomics, we are interested in the economy as a whole, for example, the country's (4) …… rate, changes in prices of goods or inflation, national (5) ……. which is often referred as GDP. Some questions we try to answer in macroeconomics are what happen if money (6) …… increase, what causes the economy to grow over

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time. So in a nutshell, macroeconomics studies the economy as a whole . When you hear macroeconomics, things big. and you know what microeconomics and macroeconomics are (7) ……. To understand microeconomics, we've got to understand microeconomics. For instance, a typical question we ask in macroeconomics is when (8) …… go down how would GDP change? To answer this question, we need to first understand microeconomics. How will a consumer respond to an interest rate drop. Will consumer start (9) ……. Less? How will a firm respond to interest rate drop? Will a firm start (10) ……. more? Once we understand the behavior of individual agents we can then understand the economy as a whole.

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