

1. **What is meant by the following terms?**

- a. Inequality
- b. Output
- c. Welfare
- d. Migration
- e. Unemployment
- f. Unemployment
- g. Output when generating output is output (the production function)
- h. The level of income (the level of the real wage rate)
- i. A person who will pay more (the level of the real wage rate)

2. Write the definition of the following terms.

<b>Production</b>	the process of transforming inputs into outputs
<b>Consumption</b>	the use of goods and services
<b>Welfare</b>	the level of utility or satisfaction derived from consumption
<b>Migration</b>	the movement of people from one location to another
<b>Unemployment</b>	the state of being without a job
<b>Output</b>	the quantity of goods and services produced
<b>Income</b>	the amount of money received by an individual or household
<b>Real wage rate</b>	the wage rate measured in terms of the purchasing power of the wage
<b>Unemployment</b>	the state of being without a job
<b>Output when generating output is output</b>	the production function
<b>The level of income</b>	the level of the real wage rate
<b>A person who will pay more</b>	the level of the real wage rate
<b>The level of the real wage rate</b>	the level of the real wage rate
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