**My Happy Inflation Days**

1. Why does the author say that “whether [inflation being] high is good and low is bad, or low is good and high is bad depends in part on your stage in life.”?

a) Looking at your own economic circumstances, would you benefit right now from inflation being high or low? Explain.

b) When you are in your early 20s, have a job, and are trying to save money, do you want inflation to be high or low? Explain.

c) When you are retired and have a fixed income (same amount of money every month), do you want inflation to be high or low? Explain.

d) When you are in your 30s-50s & own a home and are trying to send your kids to college, do you want inflation to be high or low? (this is the trickiest… think about it…. The answer might be complex or multi-faceted)

2. What is the relationship between inflation and unemployment?

3. What is the relationship between inflation and interest rates?

4. Define inflation in your own wordsx.