

## 12.2 Business Cycles

### Outline 12.2 on Business Cycles

Answer the following questions:

- 1) Explain each phase of the business cycle
- 2) Describe 4 key factors that keep the business cycle going
- 3) Explain how economists forecast fluctuations in the business cycle
- 4) How did the Great Depression affect economists' beliefs about the macroeconomy?
- 5) Why is the stock market considered to be the leading indicator of economic change?
- 6) How can interest rates push a business cycle into a contraction?