Section 2: Guided Reading and Review
Promoting Growth and Stability

A. As You Read
As you read Section 2, supply the requested information in the spaces provided.

1. Usual length of the business cycle: ________________________________

2. Three main outcomes of public policy aimed at economic stability: ________________

3. Requirement for raising living standards for new generations: ________________

4. Two indicators of economic stability: ________________________________

5. Government-provided incentives for innovation: ________________________________

B. Reviewing Key Terms
Define the following terms.

6. macroeconomics ________________________________

7. microeconomics ________________________________

8. business cycle ________________________________

9. gross domestic product ________________________________

10. technology ________________________________