

## Chapter 9 The Finances of Housing

### Economics and You: Money and Inflation

**Directions:** Research the concept of “inflation” and answer the questions.

1. What are “demand-pull” and “cost-push” inflation?

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2. How does inflation hurt business and consumer confidence?

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3. What is super inflation (hyperinflation)?

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4. What would you do if you anticipated hyperinflation occurring in the near future? Respond to each of the following options and explain your choice.

a. Would you buy a home if you had adequate funds for the down payment?

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Name \_\_\_\_\_ Date \_\_\_\_\_ Class \_\_\_\_\_

**b.** Would you save or spend the money you make?

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**c.** Would you want to pay off your debts as soon as possible or would you want to wait to pay them off?

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**d.** If you cannot decrease your debts, what might you do to increase your income in preparation for hyperinflation?

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**e.** Would you invest in the stock market?

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