9. The macroeconomy (A Level)

Starter Quiz · 课前小测

A-Level Economics   Name: ____________   Score: ______

1. If the marginal propensity to consume is 0.75, what is the multiplier $= 1/(1 - \text{MPC})$?

   ____

2. Which is a benefit of economic growth?
   - ☐ higher living standards and more jobs
   - ☐ guaranteed lower inflation
   - ☐ automatic equality
   - ☐ less government revenue

3. There are 3 million unemployed in a labour force of 40 million. What is the unemployment rate (%)?

   ____

4. Using money to compare the value of different goods is its role as a:
   - ☐ unit of account
   - ☐ medium of exchange
   - ☐ store of value
   - ☐ standard of deferred payment

5. Which is an injection into the circular flow?
   - ☐ government spending
   - ☐ saving
   - ☐ imports
   - ☐ taxation

6. A potential cost of rapid economic growth is:
   - ☐ environmental damage and resource depletion
   - ☐ falling incomes
   - ☐ higher unemployment always
   - ☐ lower GDP

7. Unemployment caused by a mismatch between workers' skills and available jobs is:
   - ☐ structural
   - ☐ frictional

   - ☐ cyclical
   - ☐ seasonal

8. Commercial banks create money when they make loans.

   ☐ True ☐ False

9. A higher rate of saving or imports reduces the size of the multiplier.

   ☐ True ☐ False

10. Sustainable development meets present needs without compromising those of future generations.

    ☐ True ☐ False

A-Level Economics

1. **4**

   1 / (1 − 0.75) = 1 / 0.25 = 4.

2. **higher living standards and more jobs**

   Growth raises incomes, employment and tax revenue for public services.

3. **7.5**

   (3 / 40) × 100 = 7.5%.

4. **unit of account**

   A unit of account lets us measure and compare values.

5. **government spending**

   Injections are I, G, X; saving, taxes and imports are withdrawals.

6. **environmental damage and resource depletion**

   Growth can deplete resources and damage the environment, among other costs.

7. **structural**

   Structural unemployment comes from industry/skill mismatch (e.g. declining industries).

8. **True**

   Lending creates new deposits — most money is bank-created credit, not cash.

9. **True**

   More leaks out of the flow each round, so re-spending — and the multiplier — is smaller.

10. **True**

    That is the standard (Brundtland) definition of sustainable development.