

2. Economic Indicators and the Business Cycle Starter Quiz · 课前小测

AP Macroeconomics

Name: _____ Score: _____

1. GDP is the market value of all _____ goods and services produced in a country in a year.

- ☐ final
- ☐ intermediate
- ☐ used
- ☐ financial

2. If you cook your own dinner instead of paying a restaurant, GDP:

- ☐ does not rise (nonmarket production)
- ☐ rises by the same amount
- ☐ falls
- ☐ doubles

3. The labour force includes:

- ☐ the employed plus the unemployed who are looking
- ☐ everyone of working age
- ☐ only the employed
- ☐ retirees and students

4. Inflation is:

- ☐ a rise in the general price level
- ☐ a fall in the general price level
- ☐ a rise in one good's price only
- ☐ a fall in output

5. Which kind of inflation does the least harm, because people can plan for it?

- ☐ anticipated inflation
- ☐ unanticipated inflation
- ☐ hyperinflation
- ☐ surprise inflation

6. In the circular flow, total spending equals total income.

- ☐ True
- ☐ False

7. Hidden, unreported work that dodges taxes is part of the _____ economy.

8. A town has 95,000 employed and 5,000 unemployed. What is the unemployment rate, in percent?

_____ percent

9. If nominal GDP doubles only because prices doubled, real GDP is unchanged.

- ☐ True
- ☐ False

10. With $C = 700$, $I = 200$, $G = 300$, exports $X = 150$, and imports $M = 100$, what is GDP?

AP Macroeconomics

1. **final**

Only final goods count, so we don't double-count the intermediate parts.

2. **does not rise (nonmarket production)**

Unpaid household production has no market price, so GDP does not record it.

3. **the employed plus the unemployed who are looking**

It leaves out people not seeking work — retirees, full-time students, stay-at-home parents.

4. **a rise in the general price level**

Inflation is the average of all prices rising, not just one good.

5. **anticipated inflation**

When inflation is expected, workers and lenders build it into wages and interest rates.

6. **True**

Every dollar a household spends becomes a dollar of income for a firm's workers or owners.

7. **underground**

Because it is deliberately hidden, GDP records less output than really happened.

8. **5 percent**

Labour force = 100,000; rate = $5,000 \div 100,000 \times 100 = 5\%$.

9. **True**

No extra output was made, so real GDP — which strips out prices — stays the same.

10. **1250**

$GDP = C + I + G + (X - M) = 700 + 200 + 300 + (150 - 100) = 1250$.