**ECON Quiz**

1. What does GDP measure?
2. The value of products produced
3. The Value of products produced for the entire world
4. The amount of money spent on products
5. A measurement of inflation
6. What is inflation?
7. The devaluation of money
8. The drop in the price of goods
9. The increase in value of money
10. Which of the following is vital for the growth and stability of an economy?
11. Inflation
12. Boom Periods
13. Quality Resources
14. A totalitarian communist government
15. Analyze the GDP chart below. What can best be inferred about our economy? Pick the **TWO** best answers.



1. Economies are always growing
2. GDP is an inaccurate measurement of an economy
3. Economies are cyclical
4. Booms periods and bust periods happen
5. Use the GDP chart above, what generalization can be made about the economy?
6. No changes are occurring in this economy
7. Overall the economy is growing and is fairly stable
8. The economy is shrinking
9. The economy is unstable
10. As GDP increases, a nation’s economy -
11. Becomes less stable
12. Becomes more stable
13. Experiences inflation
14. Experiences deflation
15. Which of the following is related to a high unemployment rate?
16. A stable economy
17. A decrease in GDP
18. High inflation
19. Which of the following is calculated by the unemployment rate?
20. Citizens under 16
21. Retired persons
22. Labor force
23. Citizens not looking for work
24. GDP and the unemployment rate are –
25. Worthless economic tools
26. Useful measurements of the economy
27. Unrelated economic tools
28. Misleading economic instruments
29. Which of the following statements is **FALSE**?
30. The Great Depression could have been prevented by government intervention
31. The Great Recession was the result of bad loans being made by banks, and bad loans being taken out by people
32. The Great Depression occurred because of fear
33. The Great Recession can be blamed completely on dead beat borrowers
34. What causes inflation?
35. Increase in the money supply
36. Decrease in the money supply
37. Increase in goods and services
38. Decrease in goods and services
39. Which of the following is **NOT** studied by an economist?
40. Production
41. Consumption
42. Language
43. Distribution
44. **Calculate the GDP** - In the tiny island Country of A, consumers spent $10,000. In country A, business invested $2,500 in new machines and warehouses. The government spent $2,000 on public goods (roads, schools, police, etc.) The country of A exported $1,800 worth of goods. They imported $1,300 worth of goods. **YOUR ANSWER WILL BE INCORRECT, IF YOU DO NOT SHOW YOUR MATH.**