

A nation's real GDP was \$255 billion in 2009 and \$265 billion in 2010. Its population was 120 million in 2009 and 125 million in 2010. What is its real GDP growth rate in 2010?


- a. 3.9%
- b. 15.0%
- c. 6.0%
- d. 5.7%

[Clear my choice](#)

Question 2

Not yet answered

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 Flag question

Which statement is false?

- a. None of the ANSWERS is correct
- b. All sectors of the economy are affected to similar degrees by business fluctuations
- c. All ANSWERS is correct
- d. Real output and employment generally show little variance over the business cycle

[Clear my choice](#)

Question 3

Not yet answered

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 Flag question

Labor productivity can only decrease if:


- a. Capital increases faster than Labor
- b. Labor and capital increase at the same rate
- c. Labor increases faster than capital
- d. None of the ANSWERS is correct

[Clear my choice](#)

Question 8

Not yet answered

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 Flag question

A recession is a decline in:


- a. None of the ANSWERS is correct
- b. The inflation rate that lasts six months or longer
- c. Potential GDP that lasts six months or longer
- d. The unemployment rate that lasts six months or longer

[Clear my choice](#)

Question 9

Not yet answered

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 Flag question

Question 4

Not yet answered

Marked out of 1.00

Flag question

The higher the rate of unemployment:

- a. The higher the level of potential GDP
- b. None of the ANSWERS is correct
- c. The smaller is the GDP gap
- d. The higher the level of actual GDP

[Clear my choice](#)

Question 5

Not yet answered

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Flag question

An example of a "frictionally unemployed" worker is one who:

- a. Is discouraged and not actively seeking work
- b. Reduces productivity by causing frictions in a business
- c. None of the ANSWERS is correct
- d. Is laid off during a recessionary period in the economy

[Clear my choice](#)

Question 6

Not yet answered

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Flag question

A worker who loses a job at a call center because business firms switch the call center to another country is an example of:

- a. Disguised unemployment
- b. Cyclical unemployment
- c. Structural unemployment
- d. Frictional unemployment

[Clear my choice](#)

Question 6

Not yet answered

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🚩 Flag question

In the expenditures approach of national income accounting, C, Ig, and G include expenditures for:

- a. Domestically produced goods and services only
- b. Domestically produced as well as imported goods and services
- c. Exported goods and services
- d. The private sector of the economy only

[Clear my choice](#)

Next page

Question 8

Not yet answered

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🚩 Flag question

Which of the following is a correct statement?

- a. Demand-pull inflation will continue so long as there is excess total spending in the economy
- b. A supply shock will cause a variation of demand-pull inflation that can lead to hyperinflation
- c. It is relatively easy to distinguish between cost-push and demand-pull inflation even if you don't know the source of the inflation
- d. Demand-pull inflation is usually accompanied by higher unemployment rates

[Clear my choice](#)

Part-time workers are:

- a. Treated the same as "discouraged" workers who are not actively seeking employment
- b. Used to determine the size of the labor force, but not the unemployment rate
- c. Counted as unemployed because they are not working full-time
- d. None of the ANSWERS is correct

[Clear my choice](#)

Question 14

Not yet answered

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[Flag question](#)

The unemployment rate is interpreted as the percentage of the:

- a. None of ANSWERS is correct
- b. Adult population who are unemployed
- c. Labor force that are not unemployed
- d. Work force that have been laid off

[Clear my choice](#)

Question 15

Not yet answered

Marked out of 1.00

[Flag question](#)

The GDP gap measures the amount by which:

Time left 0:31:34

- a. Actual GDP exceeds national income
- b. Nominal GDP exceeds real GDP
- c. Potential GDP exceeds actual GDP
- d. Actual GDP exceeds equilibrium GDP

[Clear my choice](#)

Question 2

Not yet answered

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 Flag question

A worker who loses a job at a call center because business firms switch the call center to another country is an example of:

- a. Disguised unemployment
- b. Frictional unemployment
- c. Cyclical unemployment
- d. Structural unemployment

[Clear my choice](#)

Question 9

Not yet answered

Marked out of 1.00

🚩 Flag question

Which of the following is not included in personal consumption expenditures?

- a. New furniture and appliances bought by homeowners
- b. Food purchased at supermarkets
- c. Payments for cable and Internet services to homes
- d. Purchases of mutual funds by consumers

[Clear my choice](#)

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Question 3

Not yet answered

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🚩 Flag question

That portion of corporate profits which is included in personal income is:

- a. Undistributed corporate profits
- b. Dividends
- c. Corporate income taxes
- d. Consumption of fixed capital

[Clear my choice](#)

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Quiz navigation

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Flag question

The unemployed are those people who:

- a. Are not in the workforce
- b. Are not working
- c. Do not have jobs
- d. Are not employed but are seeking work

[Clear my choice](#)

Question 17

Not yet answered

Marked out of 1.00

Flag question

The unemployment rate is interpreted as the percentage of the:

- a. Adult population who are unemployed
- b. Work force that have been laid off
- c. Able-bodied population who are not working
- d. Labor force that are not employed

[Clear my choice](#)

Question 18

Not yet answered

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Flag question

"Full employment" refers to the situation when there is

- a. 0% unemployment rate
- b. 100% employment of the labor force
- c. No frictional or structural unemployment
- d. No cyclical unemployment

[Clear my choice](#)

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Question 12

Not yet answered

Marked out of 1.00

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The GDP deflator or price index equals:

- a. Nominal GDP divided by real GDP
- b. Gross national product less net foreign factor income earned in the United States
- c. Gross private domestic investment less the consumption of fixed capital
- d. Real GDP divided by nominal GDP

[Clear my choice](#)

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Which of the following is not a component of GDP in the expenditures approach?

Time left 0:29:14


- a. Gross private domestic investment
- b. Workers' wages and other compensation
- c. The difference between exports and imports
- d. Government purchases

[Clear my choice](#)

Question 5

Not yet answered

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 Flag question

In an economy that is experiencing a shrinking production capacity:

- a. Net private domestic investment is zero
- b. Gross domestic investment is negative
- c. Depreciation exceeds gross investment
- d. Depreciation is negative

[Clear my choice](#)

A person's real income will increase by 3% if her nominal income:

Time left 0:19:19

- a. Increases by 2% while the price index rises by 5%
- b. Increases by 5% while the price index rises by 2%
- c. Increases by 2% while the price index falls by 5%
- d. Increases by 5% while the price index falls by 2%

[Clear my choice](#)

Question 14

Not yet answered

Marked out of 1.00

[Flag question](#)

Potential GDP is the output that would be produced if the economy was experiencing:

- a. Full employment
- b. Free markets and international trade
- c. No inflation
- d. No unemployment

[Clear my choice](#)

Question 15

Not yet answered

Marked out of 1.00

[Flag question](#)

A recession is a decline in:

- a. Potential GDP that lasts six months or longer
- b. The unemployment rate that lasts six months or longer
- c. The inflation rate that lasts six months or longer
- d. Real GDP that lasts six months or longer

[Clear my choice](#)

Question 10

Not yet answered

Time left 0:21:34

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In what circumstances would lenders most benefit?

- a. When there is an unanticipated decrease in inflation
- b. When there is an anticipated decrease in inflation
- c. When there is an unanticipated increase in inflation
- d. When there is an anticipated increase in inflation

[Clear my choice](#)**Question 11**

Not yet answered

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In the expansion phase of a business cycle:

- a. The inflation rate and productive capacity decrease
- b. Employment and output increase
- c. The inflation rate decreases, but productive capacity increases
- d. Employment increases, but output decreases

[Clear my choice](#)**Question 12**

Not yet answered

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Flag question

The GDP deflator or price index equals:

Question 19

Time left 0:13:52

Not yet answered

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Flag question

Real income will rise from one year to the next if nominal income:

- a. Rises and the price level rises faster
- b. Falls and the price level falls faster
- c. Falls and the price level rises
- d. Falls faster than the price level

[Clear my choice](#)**Question 20**

Not yet answered

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Flag question

Inflation is a rise in:

- a. Industrial production over time
- b. The general level of prices over time
- c. The standard of living over time
- d. Real GDP over time

[Clear my choice](#)[Finish attempt ...](#)