

# Macroeconomics Quiz

Economics 120: Global Macroeconomics

The most recent recession in the United States ended in...

- A** January 2002
- B** June 2009
- C** November 2013
- D** We are still in the recession

According to the National Bureau of Economic Research (NBER), the most recent recession started in December 2007 and ended in June 2009.

By most measures, it was the worse recession in U.S. history since the Great Depression.

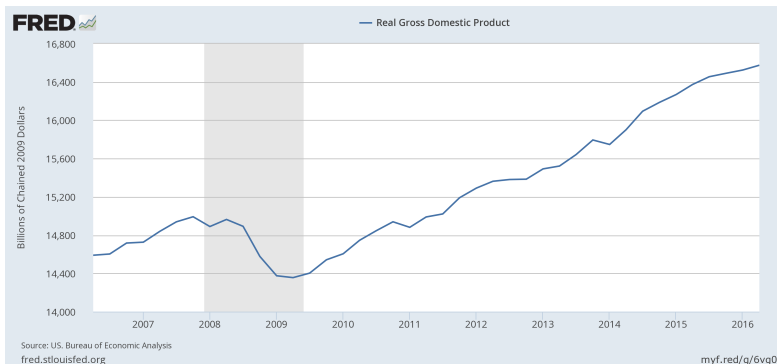
Compared to previous recessions, the recovery following the recession has been *considerably slower*.

## Q2: Real GDP

In terms of *real GDP* (inflation-adjusted total income for all), the United States is..

- A** Much better than 10 years ago
- B** Somewhat better off than 10 years ago
- C** About the same as 10 years ago
- D** Somewhat worse off than 10 years ago
- E** Much worse than 10 years ago

Real GDP is *somewhat better* today than 10 years ago.



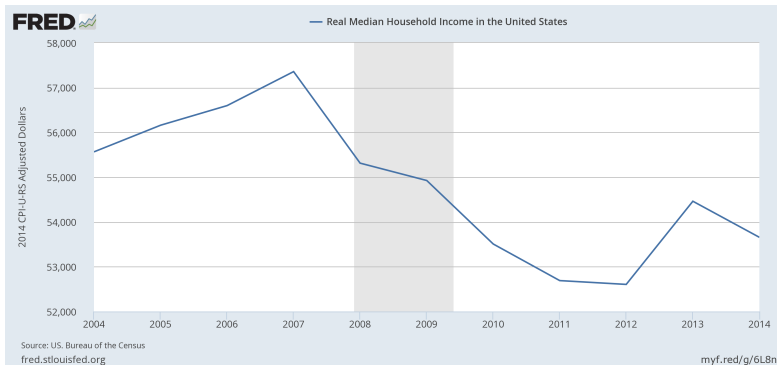
In 2016, U.S. real GDP was \$16.6 trillion.

In 2006, U.S. real GDP was \$14.6 trillion.

In terms of *median household income*, the United States is..

- A Much better than 10 years ago
- B Somewhat better off than 10 years ago
- C About the same as 10 years ago
- D Somewhat worse off than 10 years ago
- E Much worse than 10 years ago

Median household income is *somewhat worse* today than 10 years ago.



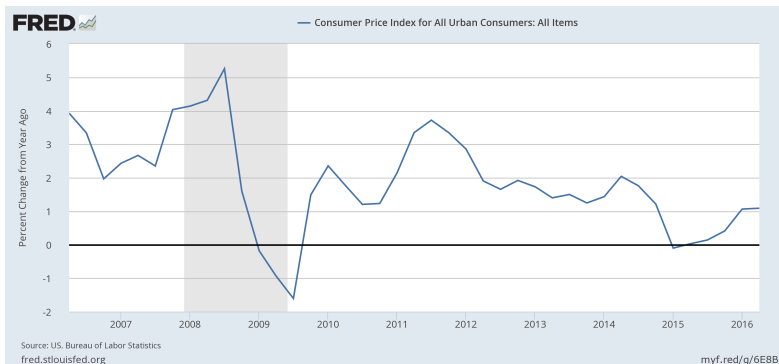
In 2014, U.S. median household income was \$53,657.

In 2004, U.S. median household income was \$55,565.

Over the last year, the average annual inflation rate in the United States was approximately...

- A 0%
- B 1%
- C 3%
- D 9%





The inflation rate over the past year was approximately 1%.

In terms of the *unemployment rate*, today the United States is..

- A Much better than 10 years ago
- B Somewhat better off than 10 years ago
- C About the same as 10 years ago
- D Somewhat worse off than 10 years ago
- E Much worse than 10 years ago

The unemployment rate is *about the same* today as it was 10 years ago.



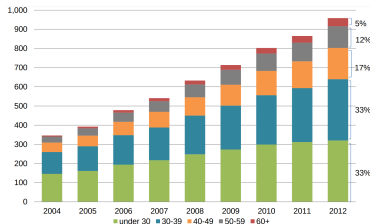
In July 2016, the U.S. unemployment rate was 4.9%.

In July 2006, the U.S. unemployment rate was 4.7%.

The unemployment rate rarely falls below 4%. It did once in 2000 and previously in 1969.

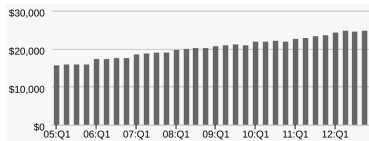
In 2012 (latest available data) total student loan debt in the United States was...

- A less than the amount in 2005.
- B somewhat more than the amount in 2005.
- C more than twice as high compared to 2005.
- D more than three times as high compared to 2005.



In 2012, real total student loan debt was \$893.5 billion.

In 2005, real total student loan debt was \$399.3 billion.



In 2012, real *average balance* of student loan debt was \$23,421.

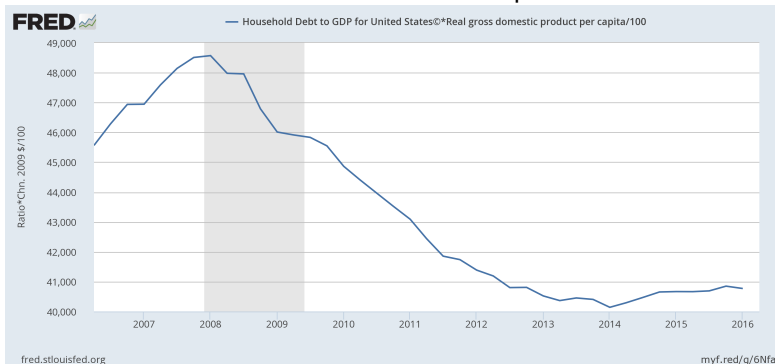
In 2005, real *average balance* of student loan debt was \$17,217.

Today, the *average consumer debt* in the United States is...

- A lower than it was 10 years ago.
- B somewhat higher than it was 10 years ago.
- C twice as high as 10 years ago.
- D three times as high as 10 years ago.

*Lower than it was 10 years ago*

## Household Debt Per Capita

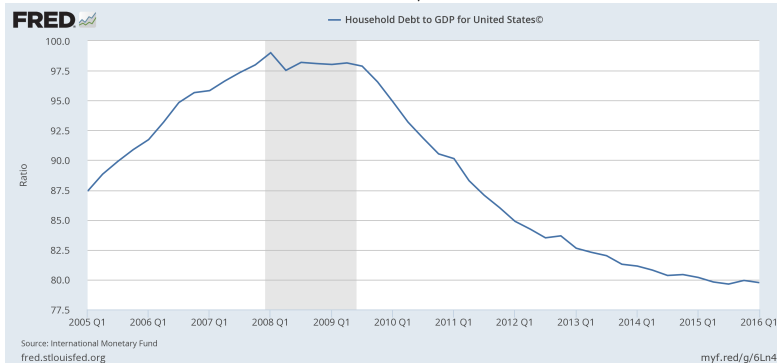


In 2016, household debt per capita was \$40,770.

In 2006, household debt per capita was \$44,814.

It is lower as a percentage of total income as well.

## Household Debt / GDP Ratio



Household debt / GDP was 79.7% in 2016.

Household debt / GDP was 91.7% in 2006.



United States trade of manufactured goods to and from China makes up what percentage of gross domestic product?

- A Less than 1%
- B Between 1% and 5%
- C Between 5% and 10%
- D More than 10%

*Way less than 1%.* The United States purchases and sales of goods to and from China is *about 1/4 of 1%* of GDP.



United States trade of all goods and services to and from any country in the world is what percentage of U.S. gross domestic product?

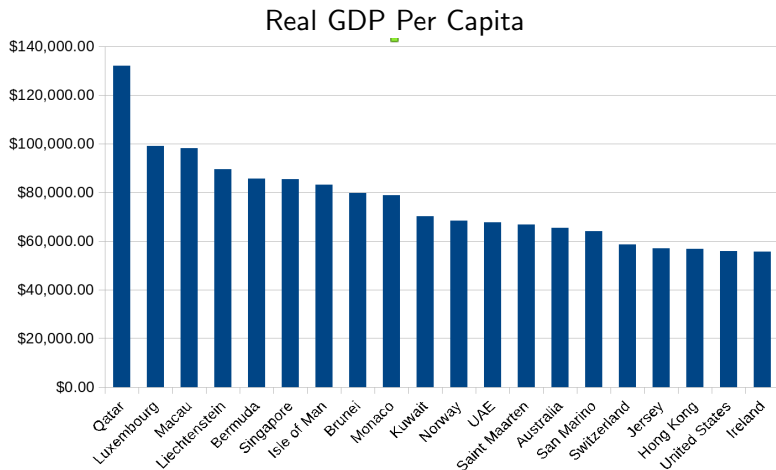
- A 4%
- B 18%
- C 29%
- D 56%

Total Exports and Imports is about 29% of U.S. GDP



In terms of annual real GDP per capita ( $\approx$  average annual income per person), the United States is...

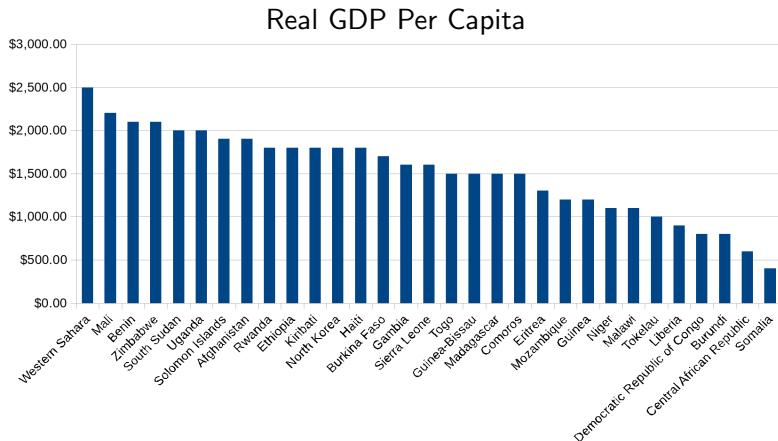
- A** The richest country in the world
- B** The 4th richest country in the world
- C** The 12th richest country in the world
- D** The 19th richest country in the world



In *real GDP per capita* at \$55,800 in 2015, the United States was the *19th richest country* in the world.

The 30 poorest countries all have annual real GDP per capita less than or equal to...

- A \$7,600
- B \$3,400
- C \$2,500
- D \$900



The 30 poorest countries in the world all have annual real GDP per capita *at or below* \$2,500.

At only \$400, Somalia is the poorest country in the world.



- 1 What promotes or limits economic growth in both highly-developed and lesser-developed countries? What explains differences between countries?
- 2 What causes recessions and unemployment episodes? Can governments enact economic policies that can prevent or fix these problems? How?
- 3 What influences the cost-of-living and inflation? Can governments enact economic policies that keeps inflation under control? How?
- 4 Can common government policies adversely affect economic growth or the economic well-being of a country? How?
- 5 How do international influences affect the economic well-being of a country?
- 6 How do we or how should we measure the economic health of a country? Do our measures provide accurate descriptions employment, inflation, and production?

- 1 What promotes or limits economic growth in both highly-developed and lesser-developed countries? What explains differences between countries?
- 2 What causes recessions and unemployment episodes? Can governments enact economic policies that can prevent or fix these problems? How?
- 3 What influences the cost-of-living and inflation? Can governments enact economic policies that keeps inflation under control? How?
- 4 Can common government policies adversely affect economic growth or the economic well-being of a country? How?
- 5 How do international influences affect the economic well-being of a country?
- 6 How do we or how should we measure the economic health of a country? Do our measures provide accurate descriptions employment, inflation, and production?

- 1 What promotes or limits economic growth in both highly-developed and lesser-developed countries? What explains differences between countries?
- 2 What causes recessions and unemployment episodes? Can governments enact economic policies that can prevent or fix these problems? How?
- 3 What influences the cost-of-living and inflation? Can governments enact economic policies that keeps inflation under control? How?
- 4 Can common government policies adversely affect economic growth or the economic well-being of a country? How?
- 5 How do international influences affect the economic well-being of a country?
- 6 How do we or how should we measure the economic health of a country? Do our measures provide accurate descriptions employment, inflation, and production?

- 1 What promotes or limits economic growth in both highly-developed and lesser-developed countries? What explains differences between countries?
- 2 What causes recessions and unemployment episodes? Can governments enact economic policies that can prevent or fix these problems? How?
- 3 What influences the cost-of-living and inflation? Can governments enact economic policies that keeps inflation under control? How?
- 4 Can common government policies adversely affect economic growth or the economic well-being of a country? How?
- 5 How do international influences affect the economic well-being of a country?
- 6 How do we or how should we measure the economic health of a country? Do our measures provide accurate descriptions employment, inflation, and production?

- 1 What promotes or limits economic growth in both highly-developed and lesser-developed countries? What explains differences between countries?
- 2 What causes recessions and unemployment episodes? Can governments enact economic policies that can prevent or fix these problems? How?
- 3 What influences the cost-of-living and inflation? Can governments enact economic policies that keeps inflation under control? How?
- 4 Can common government policies adversely affect economic growth or the economic well-being of a country? How?
- 5 How do international influences affect the economic well-being of a country?
- 6 How do we or how should we measure the economic health of a country? Do our measures provide accurate descriptions employment, inflation, and production?

- 1 What promotes or limits economic growth in both highly-developed and lesser-developed countries? What explains differences between countries?
- 2 What causes recessions and unemployment episodes? Can governments enact economic policies that can prevent or fix these problems? How?
- 3 What influences the cost-of-living and inflation? Can governments enact economic policies that keeps inflation under control? How?
- 4 Can common government policies adversely affect economic growth or the economic well-being of a country? How?
- 5 How do international influences affect the economic well-being of a country?
- 6 How do we or how should we measure the economic health of a country? Do our measures provide accurate descriptions employment, inflation, and production?