Macroeconomics for Young Learners

Macroeconomics · Practice Test · 15 Questions

1. What is the primary function of a country's central bank?

A) To sell toys to children
B) To manage the nation's money supply
C) To build public parks
D) To set the price of groceries

2. Which term describes a general increase in the prices of goods and services over time?

A) Deflation
B) Inflation
C) Barter
D) Taxation

3. What does GDP stand for in macroeconomics?

A) Global Daily Price
B) General Domestic Product
C) Gross Domestic Product
D) Great Dollar Profit

4. What do we call the act of sending goods made in one country to another country for sale?

A) Importing
B) Exporting
C) Bartering
D) Taxing

5. Which of these is a way for a government to earn money to fund public services?

A) Taxes
B) Donations
C) Wishing
D) Borrowing from banks permanently

6. What is the term for a period when a country's economy experiences a significant decline in activity?

A) Boom
B) Recession
C) Expansion
D) Surplus

7. What is the primary purpose of a budget?

A) To hide money
B) To track income and spending
C) To increase the price of goods
D) To change the currency

8. What is it called when a country buys goods or services from another country?

A) Importing
B) Exporting
C) Manufacturing
D) Investing

9. Which entity is typically responsible for printing a nation's physical paper currency?

A) The local post office
B) The Treasury or Central Bank
C) Private toy stores
D) The local library

10. What is the 'labor force' composed of?

A) Only business owners
B) All people who are employed or actively looking for work
C) Only government workers
D) Only retired people

11. If a country's total spending is less than its total income, it has a budget...

A) Deficit
B) Surplus
C) Loss
D) Collapse

12. What describes a system where goods are exchanged directly for other goods without using money?

A) Bartering
B) Banking
C) Trading stocks
D) Importing

13. What is a 'tariff'?

A) A tax on imported goods
B) A type of savings account
C) A free government service
D) A form of currency

14. What is interest in the context of banking?

A) The fee for using a bank's services
B) The cost of borrowing money or the reward for saving it
C) A government tax on income
D) The weight of a coin

15. What is the term for a market situation where there is only one provider of a specific good or service?

A) Competition
B) Monopoly
C) Free trade
D) Import