

# Global Economy 101 Notes

Name: \_\_\_\_\_

Date: \_\_\_\_\_

## I. Introduction to the Global Exchange

1. The three essential concepts for this Economics Project are \_\_\_\_\_, \_\_\_\_\_, and \_\_\_\_\_.

## II. What is GDP?

2. GDP stands for \_\_\_\_\_.
3. It is the total \_\_\_\_\_ of all finished goods and services produced within a country in \_\_\_\_\_.
4. Think of GDP as an "\_\_\_\_\_ " or a giant \_\_\_\_\_ for everything a country "sold" in a year.
5. It tells us how \_\_\_\_\_ and \_\_\_\_\_ an economy is.

## III. The GDP Recipe

6. Economists calculate GDP by adding these four types of spending:
  - o **C** = \_\_\_\_\_ (People buying things)
  - o **I** = \_\_\_\_\_ (Businesses growing)
  - o **G** = \_\_\_\_\_ (Schools, Roads)
  - o **X-M** = \_\_\_\_\_ (Sales minus Purchases)

## IV. Scale & Size

7. A higher GDP usually means a country has more \_\_\_\_\_, more \_\_\_\_\_, and more \_\_\_\_\_ being created.
8. Example: Mexico's annual GDP is approximately **\$1.8** \_\_\_\_\_, while Nigeria's is approximately **\$360** \_\_\_\_\_.

## V. The National Bank

9. Every nation has a \_\_\_\_\_ that acts as the "\_\_\_\_\_ " of the country's money.
10. The Central Bank has three main jobs:
  - o \_\_\_\_\_: Decides how many bills and coins to make.
  - o \_\_\_\_\_: Decides interest rates for other banks.

- \_\_\_\_\_: Tries to keep prices from rising too fast, which is called \_\_\_\_\_.

## VI. Currency & Value

11. \_\_\_\_\_ is the specific type of money a country uses.
12. Examples of currencies:
  - Mexico: \_\_\_\_\_ (\$)
  - Japan: \_\_\_\_\_ (¥)
  - United Kingdom: \_\_\_\_\_ (£)

## VII. Global Trade: Buying & Selling

13. **Exports** are goods your country \_\_\_\_\_ and \_\_\_\_\_ to others (Money comes \_\_\_\_\_!).
14. **Imports** are goods your country \_\_\_\_\_ from others (Money goes \_\_\_\_\_!).

## VIII. Baseline: Mexico's Economy

15. Mexico is a top \_\_\_\_ world economy.
  16. Its main exports are \_\_\_\_\_ and \_\_\_\_\_.
  17. Its top trading partner is the \_\_\_\_\_, which accounts for \_\_\_\_% of its trade.
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## Questions I Still Have

Write down three questions you still have about the global economy or the concepts we covered today:

1.

2.

3.