

Name \_\_\_\_\_

Date \_\_\_\_\_

# GDP - Answer Key

Read each question and circle the correct answer.

1. The gross domestic product is equal to the total { } of a nation.

A. supply and demand

C. debt

B. population

☒ D. goods and services

2. What is an example of a good and/or service?

A. giving advice to a friend

☒ C. paying a repairman to fix your bike

B. receiving a grade on your homework

D. playing in a public park

3. Whose spending is included in GDP?

A. consumers

C. government

B. businesses

☒ D. all of the above

4. Net exports is equal to { } minus imports.

☒ A. exports

C. services

B. productivity

D. population

5. When is GDP measured?

A. hourly and weekly

☒ C. yearly and quarterly

B. daily

D. once every century

6. What does nominal GDP mean?

- ☒ A. GDP is calculated using current prices.
- B. GDP is calculated only with goods and services costing less than \$10.
- C. GDP is calculated taking inflation into account.
- D. GDP is calculated without government spending.

7. What does real GDP mean?

- A. GDP is calculated using current prices.
- B. GDP is calculated only with goods and services costing less than \$10.
- ☒ C. GDP is calculated taking inflation into account.
- D. GDP is calculated without government spending.

8. If China's GDP was 10 trillion and its population 1.4 billion in 2014, what is the correct way to solve for China's GDP per capita?

- A. 10 trillion minus 1.4 billion
- ☒ B. 10 trillion divided by 1.4 billion
- C. 10 trillion plus 1.4 billion
- D. 10 trillion multiplied by 1.4 billion

9. In 2014, America's GDP was { } trillion.

- A. 8
- B. 10
- ☒ C. 17
- D. 64

10. True or false: A fall in per capita GDP means economic growth and productivity?

- A. True
- ☒ B. False