

## Measuring Economic Performance

### *Additional Homework Problems*

ECON 3133

Dr. Keen

1. The following are data from the U.S. economy in billions of dollars

Rental income	24.1
Depreciation	669.1
Employee compensation	3,780.4
Consumption	4,378.2
Sales and excise taxes	525.3
Business transfers	28.7
Statistical discrepancy	2.7
Gross investment	882.0
Exports	659.1
Net subsidies to government businesses	9.0
Government spending	1,148.4
Imports	724.3
Net interest	399.5
Proprietor's income	442.6
Corporate profits	485.8
Net factor payments from abroad	5.7

- Compute gross domestic product (GDP) using the spending approach.
  - Compute net national product (NNP).
  - Compute national income (NI) two ways.
2. Fill in the blanks.
- If investment is \$1,100 billion, private savings is \$1,050 billion, and capital inflow from abroad is \$100 billion, then the government budget deficit is \_\_\_\_\_ billion.
  - If the stock of inventories in the economy is \$1,000 billion at the end of 2012 and \$1,050 billion at the end of 2013, then inventory investment for 2013 is \_\_\_\_\_ billion.
  - If net factor payments from abroad is \$80 billion and gross national product (GNP) is \$7,000 billion, then GDP is \_\_\_\_\_ billion.
3. The consumer price index and the GDP deflator for the 1978-82 period are listed below. This was a period of unusually high, but declining, inflation. Calculate the rate of inflation according to both measures from 1979 through 1982.

<u>Year</u>	<u>CPI</u>	<u>GDP Deflator</u>
1978	65.2	60.3
1979	72.6	65.5
1980	82.4	71.7
1981	90.9	78.9
1982	96.5	83.8