

Econ. 1A. Quiz 5 (sample). Name: _____. ID: _____

Please show your calculation explicitly. Otherwise, only partial credit will be given.

1. Table 1 shows some of items in Country A's National Account and Product Accounts in 2008.

Item	Amount (billion of \$)
Consumption expenditure	885
Wages	815
Depreciation	200
Indirect Taxes less subsidies	165
Interest, rent, and profit	400
Investment	300
Net export	35

Assume that there is no statistical discrepancy. Please answer the following questions:

(1) Calculate Country A's GDP in 2008. [3]

(2) Did you use the expenditure approach or income approach to make your calculation? Why?[1]

(3) How much did Country A's government spend on goods and services (G) in 2008. [2]

2. An island economy has 10 people and produces and consumes only bananas and coconuts. The base year is 2008, and the following table gives the prices and the quantity of final goods

	2008	2009	2008	2009
	Price (P)	price (P')	output (Y)	output (Y')
Fish	\$10	\$15	50	60
Coconuts	\$12	\$10	100	120

(1) Find GDP (nominal GDP) for 2008 and 2009. [2]

(2) Find RGDP (Y) for 2008 and 2009. [2]

(3) Find RGDP per person (Y/population) for 2008 and 2009. [2]