Solutions

Each answer shows the steps, then the **result**.

2.1

- the market value of all final goods and services produced within a country in a given period

2.2

- $GDP = C + I + G + (X - M)$

2.3

- $GDP = 500 + 150 + 250 + (80 - 100) = 880$ billion

3.1 B

3.2 C

- a used-car resale was counted when first sold

3.3

(a)

- $X - M = 120 - 170 = -50$ billion

(b)

- $GDP = 700 + 250 + 350 + (-50) = 1250$ billion