



## Part B

## GDP: Is It Counted and Where?

For each of the following items, write one of the following in the space provided:

C if the item is counted as *consumption spending*.

I if the item is counted as *investment spending*.

G if the item is counted as *government spending*.

NX if the item is counted as *net exports*.

NC if the item is *not counted* in GDP.

- \_\_\_ 11. You spend \$7.00 to attend a movie.
- \_\_\_ 12. A family pays a contractor \$100,000 for a house he built for them this year.
- \_\_\_ 13. A family pays \$75,000 for a house built three years ago.
- \_\_\_ 14. An accountant pays a tailor \$175 to sew a suit for her.
- \_\_\_ 15. The government increases its defense expenditures by \$1,000,000,000.
- \_\_\_ 16. The government makes a \$300 Social Security payment to a retired person.
- \_\_\_ 17. You buy General Motors Corp. stock for \$1,000 in the stock market.
- \_\_\_ 18. At the end of a year, a flour-milling firm finds that its inventories of grain and flour are \$10,000 above the amounts of its inventories at the beginning of the year.
- \_\_\_ 19. A homemaker works hard caring for her spouse and two children.
- \_\_\_ 20. Ford Motor Co. buys new auto-making robots.
- \_\_\_ 21. You pay \$300 a month to rent an apartment.
- \_\_\_ 22. Apple Computer Co. builds a new factory in the United States.
- \_\_\_ 23. R.J. Reynolds Co. buys control of Nabisco.
- \_\_\_ 24. You buy a new Toyota that was made in Japan.
- \_\_\_ 25. You pay tuition to attend college.