

Unit 3 Practice Questions

Name: _____

2012 Audit Exam

6. Which of the following best illustrates an improvement in a country's standard of living?
- (A) An increase in real per capita gross domestic product
 - (B) An increase in nominal per capita gross domestic product
 - (C) Price stability
 - (D) A balanced budget
 - (E) An increase in the consumer price index

2012 Exam

	National Economic Figures (billions of dollars)
Consumption	\$ 3,000
Government purchases of goods and services	1,000
Gross private domestic investment	700
Depreciation	300
Exports	300
Imports	500
Indirect business taxes	0

32. Based on the economic figures in the table above, what is the value of gross domestic product, in billions of dollars?
- (A) \$4,500
 - (B) \$4,700
 - (C) \$4,900
 - (D) \$5,150
 - (E) \$5,950

2008 Audit Exam

29. Which of the following will lead to an increase in the United States gross domestic product?
- (A) More individuals prepare their own personal income tax forms.
 - (B) Some citizens begin working abroad as computer programmers.
 - (C) The government prohibits the sale of alcoholic beverages.
 - (D) Foreign companies build new assembly plants in the United States.
 - (E) A million United States households sell their used cars to their children.

2008 Audit Exam

56. Which of the following household purchases will be counted as part of gross private investment in a country's gross domestic product?

- (A) Government bonds
- (B) Shares of a company stock
- (C) Corporate bonds
- (D) A new car for personal use
- (E) A newly constructed home

2007 FRQ

3. Indicate whether each of the following is counted in the United States gross domestic product for the year 2006. Explain each of your answers.
- (a) The value of a used textbook sold through an online auction in 2006
 - (b) Rent paid in 2006 by residents in an apartment building built in 2000
 - (c) Commissions earned in 2006 by a stockbroker
 - (d) The value of automobiles produced in 2006 entirely in South Korea by a firm fully owned by United States citizens