

GDP discussion

EC 103–003

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Motivation

Proposed discussion

The last two weeks were dedicated to the main measure of economic size and performance, namely the **Gross Domestic Product** (GDP).

By now, you are well aware of what it **includes**.

- But what about what it **does not include**?
 - Could we have a **better** measure of economic size and performance?
1. *Discuss among yourselves, brainstorm* ideas on a **better/ideal** measure to capture an economy's size and performance.
 2. What would be the **components** of this ideal measure?
 3. The last **20** minutes of class will be dedicated to your arguments **in favor** of this measure.

This activity is the *first problem* in **Problem Set 1**, worth 20 points.