


Personal Consumption Expenditures	9,734
Depreciation	1,687
Wages	7,874
Indirect Business Taxes	1,041
Rental Income	65
Gross Private Domestic Investment	2,125
Profits	2,638
Exports	1,643
Government Purchases	2,690
Interest	603
Imports	2,351
Income received from other countries	818
Income paid to other countries	722



Should
be equal

There is always a difference because there is a **lag** between the time when production and incomes are measured.

This difference is called the **Statistical**

$$\text{Discrepancy} = \text{NNP} - \text{NI} = 29$$

$GDP = C + I + G + X - M$	$13,841$
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National Income = Wages + Interest+Rents+Profits+Indirect Business Taxes	12,221
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GNP = GDP - income **paid** to other
countries **+** income **received** from
other countries

13,937

$$\text{NNP} = \text{GNP} - \text{Depreciation} \quad 12,250$$







N





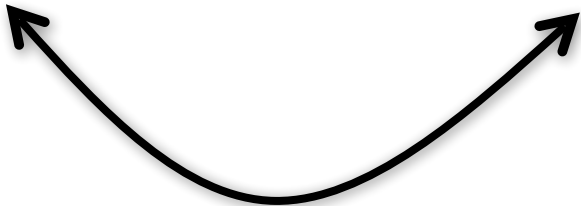
Total Incomes
\$12,221

Total Production *is always equal* to Total Incomes



United States as Internal Disposal

Total Production
\$12,250



Should
be equal

Wagdes

Interst

Rents

Profits



Indirect Taxes



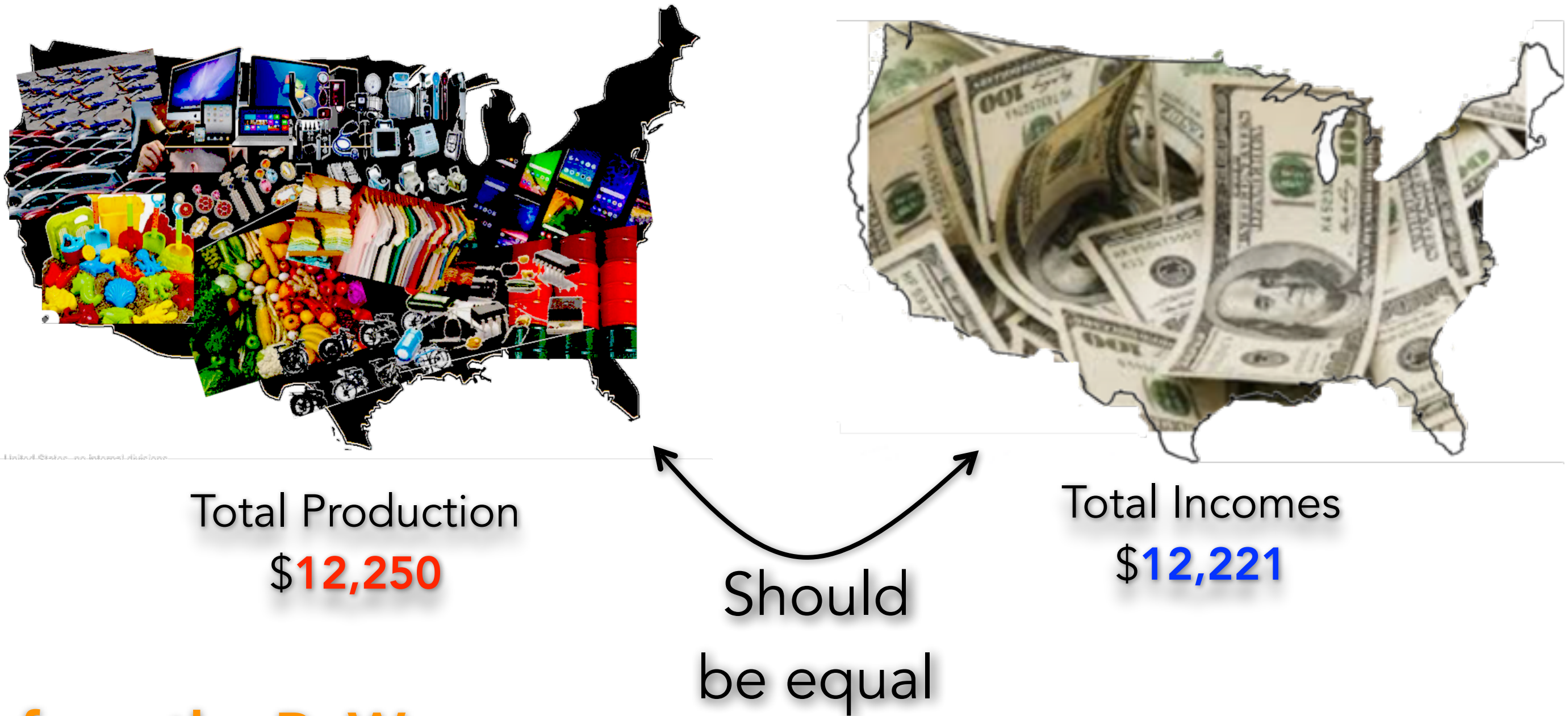
Receipts from the RoV



Payments to the Row



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Wages Wages	7,874
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Imports M	2,351
Income <i>received</i> from other countries	818
Income <i>paid</i> to other countries	722
GDP = C + I + G + X - M	13,841
National Income = Wages + Interest + Rents + Profits + Indirect Business Taxes	12,221
GNP = GDP - income <i>paid</i> to other countries + income <i>received</i> from other countries	13,937
NNP = GNP - Depreciation	12,250



Receipts from the RoW
Payments to the RoW

There is always a difference because there is a lag between the time when production and incomes are measured. This difference is called the Statistical Discrepancy = NNP – NI =29

Total Production is always equal to Total Incomes

