

Year	Price X	Quantity X	Price Y	Quantity Y	Price Z	Quantity Z	Nominal GDP
1	1	100	0.5	50	0.6	10	$(1 \times 100) + (0.5 \times 50) + (0.6 \times 10) = 131$
2	2	100	1	50	1.2	10	$(2 \times 100) + (1 \times 50) + (1.2 \times 10) = 262$
3	4	100	2	50	2.4	10	$(4 \times 100) + (2 \times 50) + (2.4 \times 10) = 524$
4	8	100	4	50	4.8	10	$(8 \times 100) + (4 \times 50) + (4.8 \times 10) = 1,048$

The first part of the paper discusses the importance of understanding the underlying mechanisms of the observed phenomena. This is followed by a detailed analysis of the data, which reveals several key findings. The results indicate that the proposed model is highly effective in capturing the essential features of the system under study. Furthermore, the analysis shows that the system exhibits a high degree of robustness and stability, which is a significant advantage in practical applications. The paper concludes by highlighting the potential of the proposed approach and suggesting directions for future research.

The first part of the paper discusses the importance of understanding the underlying mechanisms of the observed phenomena. This involves a thorough review of the existing literature and a clear identification of the research gaps. The second part presents the methodology used in the study, which includes a combination of qualitative and quantitative approaches. The data collection process is described in detail, along with the statistical analysis performed. The results of the study are then presented, showing the key findings and their implications. Finally, the paper concludes with a discussion of the limitations of the study and suggestions for future research.

The study aims to explore the relationship between the independent variable and the dependent variable, taking into account the moderating effect of the third variable. The research hypothesis is that there is a positive correlation between the two variables, which is stronger when the third variable is present. To test this hypothesis, a series of experiments were conducted, and the results were analyzed using regression analysis. The findings indicate that the hypothesis is supported, as the data shows a significant positive relationship between the variables, and this relationship is indeed moderated by the third variable.

The implications of these findings are far-reaching, as they provide valuable insights into the underlying processes at play. This knowledge can be applied in various contexts, from policy-making to business strategy. However, it is important to note that the study has certain limitations, such as the sample size and the specific context in which the data was collected. Future research should aim to address these limitations and further explore the relationship between the variables in different settings.

In conclusion, this paper has provided a comprehensive overview of the study, from the initial research question to the final conclusions. The findings suggest that there is a positive relationship between the variables, which is moderated by the third variable. This research contributes to the existing body of knowledge and offers practical implications for various fields. Further research is needed to build on these findings and to explore the relationship in more detail.

T



C

a





u



a



e

R

e

a



G

D

P







S



W

e

C

h





S

e

a



b

a

S

e



Y

e

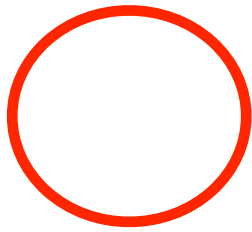
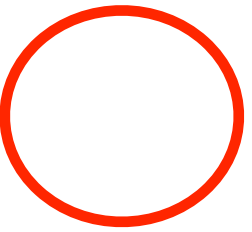
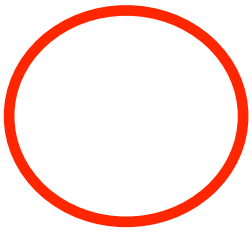
a

r

1

0.5

0.6



1

0.5

0.6

1

0.5

0.6

$$\text{Real GDP} = P_{x \text{ base}} Q_x + P_{y \text{ base}} Q_y + P_{z \text{ base}} Q_z$$

Real GDP

$$(1 \times 100) + (0.5 \times 50) + (0.6 \times 10) = 131$$

$$(1 \times 100) + (0.5 \times 50) + (0.6 \times 10) = 131$$

$$(1 \times 100) + (0.5 \times 50) + (0.6 \times 10) = 131$$

$$(1 \times 100) + (0.5 \times 50) + (0.6 \times 10) = 131$$

the 1990s, the number of people in the UK who are employed in the public sector has increased by 1.5 million, from 2.5 million in 1980 to 4 million in 1999. The public sector has grown from 10% of the economy to 15% of the economy. The public sector has grown from 10% of the economy to 15% of the economy.

The public sector has grown from 10% of the economy to 15% of the economy. The public sector has grown from 10% of the economy to 15% of the economy. The public sector has grown from 10% of the economy to 15% of the economy.

The public sector has grown from 10% of the economy to 15% of the economy. The public sector has grown from 10% of the economy to 15% of the economy. The public sector has grown from 10% of the economy to 15% of the economy.

The public sector has grown from 10% of the economy to 15% of the economy. The public sector has grown from 10% of the economy to 15% of the economy. The public sector has grown from 10% of the economy to 15% of the economy.

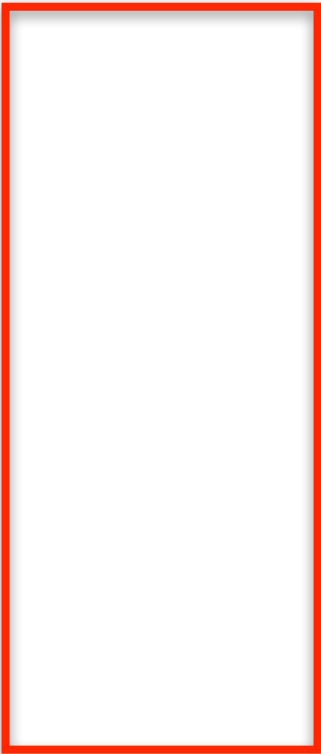
The public sector has grown from 10% of the economy to 15% of the economy. The public sector has grown from 10% of the economy to 15% of the economy. The public sector has grown from 10% of the economy to 15% of the economy.

The public sector has grown from 10% of the economy to 15% of the economy. The public sector has grown from 10% of the economy to 15% of the economy. The public sector has grown from 10% of the economy to 15% of the economy.

The public sector has grown from 10% of the economy to 15% of the economy. The public sector has grown from 10% of the economy to 15% of the economy. The public sector has grown from 10% of the economy to 15% of the economy.

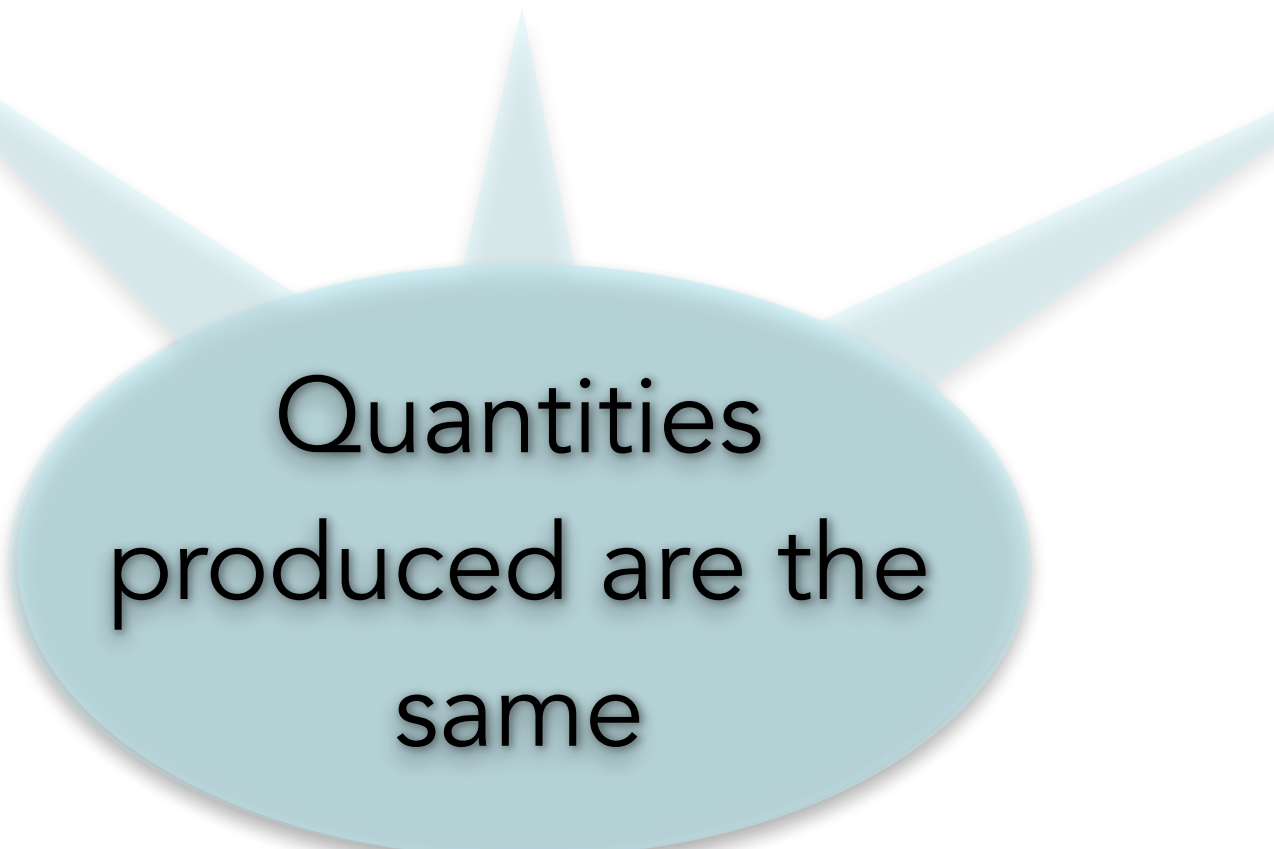
The public sector has grown from 10% of the economy to 15% of the economy. The public sector has grown from 10% of the economy to 15% of the economy. The public sector has grown from 10% of the economy to 15% of the economy.

The public sector has grown from 10% of the economy to 15% of the economy. The public sector has grown from 10% of the economy to 15% of the economy. The public sector has grown from 10% of the economy to 15% of the economy.




Choosing Year 1 as the **base** means that we will pretend that prices did not change from what they were in year 1

The choice of base year is arbitrary. In this example we'll use Year 1 as the base



Quantities
produced are the
same



Real GDP
correctly shows
that production
is the same



Nominal GDP tells us
that production
increased!

To calculate **Real** GDP first we
choose a "**base**" year

Choosing Year 1 as the **base** means that we will pretend that prices did not change from what they were in year 1

Real GDP= $P_{x \text{ base}}Q_x + P_{y \text{ base}}Q_y + P_{z \text{ base}}Q_z$

Year	Price X	Quantity X	Price Y	Quantity Y	Price Z	Quantity Z	Real GDP
1	1	100	0.5	50	0.6	10	$(1 \times 100) + (0.5 \times 50) + (0.6 \times 10) = 131$
2	1	100	0.5	50	0.6	10	$(1 \times 100) + (0.5 \times 50) + (0.6 \times 10) = 131$
3	1	100	0.5	50	0.6	10	$(1 \times 100) + (0.5 \times 50) + (0.6 \times 10) = 131$
4	1	100	0.5	50	0.6	10	$(1 \times 100) + (0.5 \times 50) + (0.6 \times 10) = 131$

Quantities produced are the same

Real GDP correctly shows that production is the same

Comparing Real and Nominal GDP