



# Measuring Total Production



Total Production

Consumers





Other Countries



Government

A bright green, curved, blade-like shape, possibly representing a stylized letter 'S' or a swoosh. The shape is oriented diagonally from the top-left to the bottom-right. The word "Firms" is written in black, sans-serif font across the middle of the green shape.

Firms

# The Expenditures Approach



**GDP**

Goods and Services are purchased  
by consumers, firms, the  
government and other countries

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Adding Total Purchases  
gives us Total Production

$$\text{GDP} = \text{Consumer Purchases} + \text{Firms Purchases} + \text{Government Purchases} + \text{Other Countries' purchases}$$

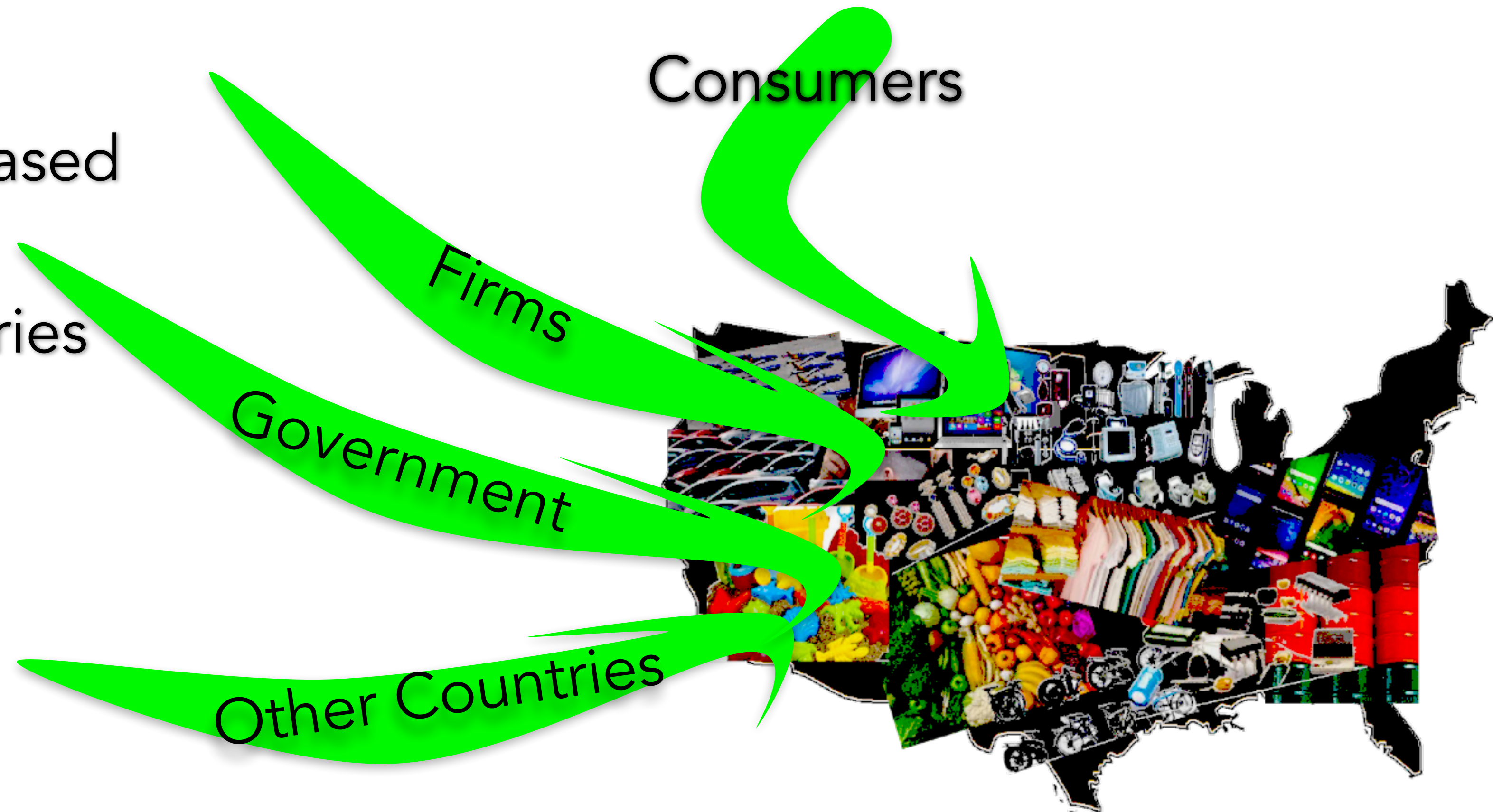
# Measuring Total Production

The **Expenditures** Approach

**GDP**

Goods and Services are purchased  
by consumers, firms, the  
government and other countries

Adding Total Purchases  
gives us Total Production



Total Production

$$\text{GDP} = \text{Consumption} + \text{Investment} + \text{Government Spending} + \text{Exports}$$



# Expenditures Approach