Q1

1. Nominal GDP (2010):

25\*10+15\*12=$430

Real GDP (2010):

430/100\*100=$430

Nominal GDP (2011):

30\*10.5+20\*12.5=$565

Comparing with 2010 the inflation is 10.5-10=0.5; 12.5-12=0.5; (0.5+0.5)/2= 0.5

GDP deflator of 2011 is 100.5

Real GDP (2011)

565/100.5\*100=$562.18

1. Rate of growth= (562.18-430)/430\*100=30.34

Rule of 72 = 72/30.34=2.37

So, it need 2.37 years to double the country’s GDP

Q2

1. GDP is the production in a year in the country that no matter who produced.

GNP is the production in a year that the citizen-produced no matter where they are.

NNP is the GDP that is net of depreciation.

NI is a measure of the income payments that actually go to resources.

PI is the income with individuals pays personal taxes, save and consume.

1. GDP=2030+400+150+200-300=$2480

GNP=2480+0-0=$2480

NNP=2480-800=$1680

NI=1680-600=$1080

PI=1080-100+150=$1130