

- b. explains some, but not most of the differences across countries in the standard of living.
 - c. is nearly the same across countries and so provides no help explaining differences across countries in the standard of living.
 - d. explains very little of the differences across countries in the standard of living.
33. Last year real GDP in Oceania was 620 billion and the population was 2.3 million. The year before real GDP was 502.0 billion and the population was 2.0 million. What was the approximate growth rate of real GDP per person?
- a. 4 percent
 - b. 16 percent
 - c. 10 percent
 - d. 13 percent
 - e. 7 percent
34. A movie company makes 500,000 DVDs of one of its latest releases. It sells 300,000 of them before the end of the second quarter, and holds the others in its warehouse.
- a. The DVDs will be counted as a change in inventory in the second quarter, and when sold in the third quarter will raise GDP.
 - b. The DVDs will be counted as a change in inventory in the second quarter and so will be included in second-quarter GDP.
 - c. Since the DVDs will eventually be bought by consumers, they are included as consumption in the second quarter.
 - d. Since the DVDs were not purchased this quarter, they will be counted as an increase in third-quarter GDP.
35. Which of the following lists contains, in this order, natural resources, human capital, and physical capital?
- a. For a railroad: fuel, railroad engines, railroad tracks.
 - b. For a restaurant: the produce used to make salad, the things the Chef learned at Cooking School, the freezers where the steaks are kept.
 - c. For a furniture company: wood, the company cafeteria, saws.
 - d. None of the above is correct.

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