UO ECO 1102G FIRST MIDTERM EXAM – 6 FEBRUARY 2014

Multiple Choice Instructions
On the scansheet, indicate the BEST answer to each question.
There are 4 extra "bonus questions." Exam is marked out of 40.
You have 60 minutes. No electronics permitted.

GNP resident here and abroad
GDP resident and non resident only here

____ 1. Darla, a U.S. citizen, only works in Canada. How does the value added to production from her employment impact GDP and GNP?
a. It raises Canadian and U.S. GDP.
b. It raises Canadian GDP and U.S. GNP.
c. It raises Canadian GNP and U.S. GDP.
d. It raises Canadian and U.S. GNP.

____ 2. Which of the following best defines productivity?
a. Productivity is the ability of a company to generate profit.
b. Productivity is the quantity of goods and services that a nation can produce in a year.
c. Productivity is the quantity of goods or services that a worker can produce in one hour.
d. Productivity is the ability of a company to produce goods and services.

____ 3. Ralph used to mow his lawn, but now he pays a company to do it. How does this change affect GDP?
a. It decreases GDP by more than the price of the service.
b. It increases GDP by less than the price of the service. .
c. It decreases GDP by the price of the service.
d. It increases GDP by the price of the service.

Table 5-4

Use the following table to answer the following questions.

Year	Price of Burgers	Quantity of Burgers	Price of Magazines	Quantity of Magazines
2010	$4.00	100	$2.00	180
2011	$5.00	120	$2.50	200
2012	$6.00	150	$3.50	200

____ 4. Refer to the Table 5-4. What is the nominal GDP?
a. $680 for 2010, $880 for 2011, and $1200 for 2012
b. $760 for 2010, $880 for 2011, and $1000 for 2012
c. $760 for 2010, $1100 for 2011, and $1600 for 2012
d. $960 for 2010, $1280 for 2011, and $1300 for 2012

Nominal.