**MULTIPLE CHOICE**

1. Your purchase of a new washing machine would be an example of what type of GDP?
   1. Consumption expenditures
   2. Investment expenditures
   3. Government Expenditures
   4. Net exports of goods and services
2. In which of the four sectors that make up GDP, would the purchase of a foreign automobile be included?
   1. Consumption expenditures
   2. Investment expenditures
   3. Government Expenditures
   4. Net exports of goods and services
3. If Amy trades 3 CDs for concert ticket, it is not included in GDP. This is due to what reason?
   1. GDP does not measure the underground economy
   2. GDP does not measure non-sale, nonmarket activities
   3. It is one of the goods not reported in GDP
   4. It is one of the “bad” items not reported in GDP
4. The construction of a new mall is an example of what type of GDP?
   1. Consumption expenditures
   2. Investment expenditures
   3. Government Expenditures
   4. Net exports of goods and services
5. Due to a tax increase, consumers decrease purchases of new homes.

**Category: \_\_\_\_\_\_\_\_\_\_ Impact on GDP: \_\_\_\_\_\_\_\_\_\_\_**

1. Decreases in interest rates, encourage businesses to take out loans to construct more buildings.

**Category: \_\_\_\_\_\_\_\_\_\_ Impact on GDP: \_\_\_\_\_\_\_\_\_\_\_**

1. Due to a decrease in the value of the Euro (European currency), Europeans buy less American goods.

**Category: \_\_\_\_\_\_\_\_\_\_ Impact on GDP: \_\_\_\_\_\_\_\_\_\_\_**

1. Many more Americans decide to buy French wine, instead of California wine.

**Category: \_\_\_\_\_\_\_\_\_\_ Impact on GDP: \_\_\_\_\_\_\_\_\_\_\_**

1. Worried about an increasing budget deficit, the Cobb County School district decides against building any new schools.

**Category: \_\_\_\_\_\_\_\_\_\_ Impact on GDP: \_\_\_\_\_\_\_\_\_\_\_**

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