

Place your name on the back of this sheet of paper and nowhere else. Staple your answers on the front of this sheet of paper. Failure to follow these directions will cost you 1 point. Your assignment will be typed, except graphs can be drawn by hand and mathematical equations can be done by hand. Failure to type it will cost you 10 points. If you use double-sided printing or print on the back of scrap paper, I will give you one additional point.

1) (10 points) Which part of my web page, <http://mysite.bethanywv.edu/wcsaplar/> do you think will be most helpful? Why? Is anything missing that you would like to see? What is the URL for the first exam from this class during the last semester it was taught?

2) (10 points) Which part of the Department of Economics and Business's web page, <http://www2.bethanywv.edu/econ/> do you think will be most helpful? Why? Is anything missing that you would like to see? If you were a sophomore Business major, then what courses does the departmental web page suggest you be taking this semester?

3) (10 points) As you can see, in the typing at the bottom of the page, there is a big difference between translating and explaining. Explain:  $NX = \text{exports} - \text{imports}$ . Make sure you do not just "translate" the equation.

4) (10 points each) How much does GDP change in each event? Explain how you reached the conclusion. If you GDP changes, tell me which part of GDP and how you determined that.

A) I pay a snow removal company \$50 to plow my driveway.

B) You pay \$5000 for housing while doing foreign exchange in Spain.

C) Your grandfather gets a \$400 Social Security check.

D) You buy \$5000 worth of stock in Google because you think they will make huge profits from all of the information they legally steal from you and sell to corporations. You pay \$10 in commissions.

E) You buy a used car for \$5000 which cost the dealer \$3000.

5) (20 points) Use the following data to calculate GDP, GNP, NNP, NI, PI, and DPI. Consumers buy \$1200 worth of goods. Firms buy \$600 worth of machines. The government buys \$700 worth of services. We import \$220 worth of goods and export \$170 worth. We paid foreigners \$10 worth of interest and received \$12. Capital lost \$40 worth of value. Firms paid \$120 dollars of sales tax and \$30 worth of business taxes. They retained \$25 of earnings. Consumers paid \$220 worth of income tax and received \$140 worth of transfers from the government. Show all work. If you need data which is not provided, assume it is zero.

பாஷும் தெளி தேலும் பாதும்  
 பருப்புமி வை நாளும் கலந்துணக்கு  
 நான் தருவேன்  
 கோஷும் செம்  
 தூங்கிட கிழுகத்து தூமணியே !