

GDP – To be or not to be . . . counted? That is the question

For each of the following, determine whether or not it is counted in GDP. If it is counted, write whether it is Consumption, Investment, Government Spending, Net Exports, Wages, Interest, Rent or Profits. If it is not counted, explain why.

1. Justin Bieber earns \$9.50/hr. working at a local grocery store.
2. Chuck Norris purchases a brand new Toyota Tundra made in Alabama.
3. The United State Marine Corps invades Boulder, CO and in the process spends \$5 billion. Boulder surrenders.
4. On vacation, Kim Jong Un purchases a Goofy hat at Walt Disney's Magic Kingdom. He then declares himself supreme leader of Tomorrow Land.
5. My father-in-law receives a monthly check for oil pumped off of his property.
6. Intel spends \$300 million building a semiconductor factory in San Jose, Costa Rica.
7. Intel spends \$300 million building a semiconductor factory in San Jose, California.
8. Former British Prime Minister Tony Blair decides to start a boy band and purchases a used Volkswagen Euro Van in which to tour the United States.
9. Taylor Swift buys a new John Deere Tractor for her organic farm in New Hampshire.
10. John Deere receives payment from Taylor Swift for the new tractor.
11. Warren Buffet receives a \$500,000 stock dividend.
12. Mr. Kraft buys himself a \$500,000 house that was build 50 years ago. It burns down.
13. Cherry Creek School District builds a new high school . . . in Canada. Parents are angry about the lengthy commute.
14. Russian President Vladimir Putin orders a dozen Krispy Kreme glazed donuts and has them shipped to the Kremlin. He later hides in his office and eats the entire dozen without sharing.