

Name: \_\_\_\_\_

Date: \_\_\_\_\_

### Activity 1: Vital Signs of a Country (ANSWER KEY)

**Directions:** As you watch the video, fill in the blanks in the notes below.

- A. Vital signs of a country include the unemployment rate, inflation rate, and (real GDP growth rate or the growth rate of gross domestic product - answered at 0:27).
- B. GDP stands for (Gross Domestic Product - answered at 0:38) and is defined as the market value of all final goods and services produced in a country during a given period of time, usually one year.
- C. There are four types of GDP data that can be used to determine the health of a country. They are:
- a. nominal GDP
  - b. (real GDP - answered at 1:22)
  - c. nominal GDP per capita
  - d. (real GDP per capita - answered at 1:32)
- D. Many economists and businesses keep an eye on (real GDP - answered at 1:50) to watch trends in our economy.
- E. Real GDP is important because larger real GDP makes a better life possible because there are more goods and services available. But just as a good EKG read out is not a perfect measure of a healthy heart, real GDP is not a perfect measure of well-being. For example, real GDP does not measure the value of (leisure - answered at 2:47), the value of goods and services produced and used in the home, or the quality of the (environment - answered at 2:57).
- F. Although imperfect, real GDP per capita does indicate a standard of (living - answered at 3:04).

Source: Gross Domestic Product video found at [www.econedlink.org/i204](http://www.econedlink.org/i204)