

transfer payments by government 586,  
 rental income of household sector 260,  
 personal consumption expenditure 3227,  
 gross investment 766,  
 interest income earned by household sector 211,  
 proprietor's income 325,  
 social security contribution by households 290,  
 compensation to employees 2905,  
 dividends 126,  
 net exports -94,  
 sale taxes 392,  
 retained profit 57,  
 government purchase of goods & services 964,  
 personal income taxes 590,  
 net private investment 260,  
 saving by households 146,  
 interest paid by the households 100,  
 transfer payments made by private sector to foreigners 390,  
 corporate profit 324,  
 net income earned abroad 60

Calculate GDP and GNP by all approaches (please mention name of each approach); also calculate NNP, NI, PI, DI.

**GDP (income approach)** = compensation of employees + gross operating surplus + gross mixed income + taxes less subsidies on production and imports = 2905 + 325 + 60 + 324 + 260 + 211 + 126 + 290 + 392 + 57 + 590 = 5540

GDP (Y) is a sum of Consumption (C), Investment (I), Government Spending (G) and Net Exports (X - M).

**GDP (expenditure approach)** = C + I + G + (X - M) = 3227 + 146 + 100 + 766 + 260 + 964 - 94 = 5369

GNP = GDP - net income earned abroad = 5540 - 60 = 5480

NNP = GDP - depreciation

National income is the total value a country's final output of all new goods and services produced in one year. NI = 5369

PI is per capita income = NI/number of citizens

DI is disposable income = personal income - personal income taxes = 2905 - 590 = 2315