





**PART 3 (5 points)**

Which of the following are included and which are excluded in calculating this year's GDP? Explain in each instance.

- (a) The purchase of a used machine by a firm.
  
  
  
  
  
  
  
  
  
  
- (b) The services of a plumber in fixing the sink in his own house.
  
  
  
  
  
  
  
  
  
  
- (c) Government hiring economists for their policy formulations.
  
  
  
  
  
  
  
  
  
  
- (d) An increase in business inventories.
  
  
  
  
  
  
  
  
  
  
- (e) Unemployment benefits received by a person.