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

**Section 2.1 Questions**

*Answer the questions below by circling the correct choice.*

1. Improvements in capital resources, worker training, or management techniques are not likely to result in improved productivity.
   1. True
   2. False
2. Personal income refers to
   1. amount of income individuals save.
   2. salaries and wages as well as investment income and government payments to individuals.
   3. amount of income individuals invest.
   4. amount of income individuals spend.
3. The value of lumber that is purchased to build a house is not included as part of GDP.
   1. True
   2. False
4. The unemployment rate is
   1. the portion of people in the labor force who are not working.
   2. the share of adults who work fewer than 14 hours per week.
   3. the number of people who are not employed.
   4. the percent of the population who are looking for work.
5. The measure of gross domestic product includes each of the following except
   1. business investments in buildings, equipment, and inventory.
   2. the mount of consumer spending.
   3. government expenditures for employees and goods and services.
   4. the value of the national debt.
6. Which of the following would not be included in GDP?
   1. exports to other countries
   2. purchases of computer by government
   3. automobiles purchased
   4. dinner preparation for your family
7. Retail sales include
   1. taxes collected.
   2. companies buying new equipment.
   3. borrowing by business.
   4. school supplies bought by students.

**Extra Credit!!**

As of May 2013, the unemployment rate in Illinois was 9.1%. Find another state that has a higher unemployment rate than Illinois. Then find a state that has a lower unemployment rate than Illinois.