

$$GDP = C + I + G + (X-M)$$

$$= \$10,722.6 + \$1,913.6 + \$3,029.7 + (-\$578.2) = \$15,087.7$$

NATIONAL INCOME OR EXPENDITURE
TABLE B-1. Gross domestic product, 1963-2011
[Billions of dollars, except as noted; quarterly data at seasonally adjusted annual rates]

Year or quarter	Gross domestic product GDP	Personal consumption expenditures			Gross private domestic investment							Change in private inventories
		Total C	Goods	Services	Total I	Fixed investment				Residential		
						Total	Nonresidential					
							Total	Structures	Equipment and software			
1963	617.8	382.7	198.2	184.6	93.8	88.1	56.0	21.2	34.8	32.1	5.6	
2011	15,087.7	10,722.6	3,645.2	7,077.4	1,913.6	1,866.4	1,529.2	407.8	1,214.4	337.2	47.2	

A lesson on "stimulus" and the economy.

~Stephanie Kelton, Ph.D.

Household Consumption Spending

GDP

See next page for continuation of table.

It is impossible to "stimulate" the economy without more spending!!!!

GDP is the way we measure economic activity. It is based on the amount of money we spend buying new goods & services. When we spend more, GDP goes up, dollar for dollar.

TABLE B-1. Gross domestic product, 1963-2011—Continued
[Billions of dollars, except as noted; quarterly data at seasonally adjusted annual rates]

Year or quarter	Net exports of goods and services X-M	Exports	Imports	Government consumption expenditures and gross investment G	Federal			Final sales of domestic product	Gross domestic purchases ¹	Addendum: Gross national product ²	Percent change from preceding period					
					Total	National defense	Non-defense				State and local	Gross domestic product	Gross domestic purchases ¹			
														Total	Gross domestic product	Gross domestic purchases ¹
1963	4.9	31.1	26.1	136.4	75.9	61.0	59.5	612.1	612.8	622.2	5.5	5.4				
2011	-578.2	2,087.6	2,665.8	3,029.7	1,232.7	824.8	407.9	15,045.5	15,665.9	15,443.4	3.2	3.6				

Investment Spending, mainly by business on buildings and equipment

Government Spending: state, local and federal

(Exports - Imports) or the US Trade Deficit or how much we buy from the rest of the world compared to what they buy from us

¹ Gross domestic product (GDP) less exports of goods and services plus imports of goods and services.
² GDP plus net income receipts from rest of the world.
Source: Department of Commerce (Bureau of Economic Analysis).