



Chapter 12: Gross Domestic Product and Growth Opener

Prentice Hall

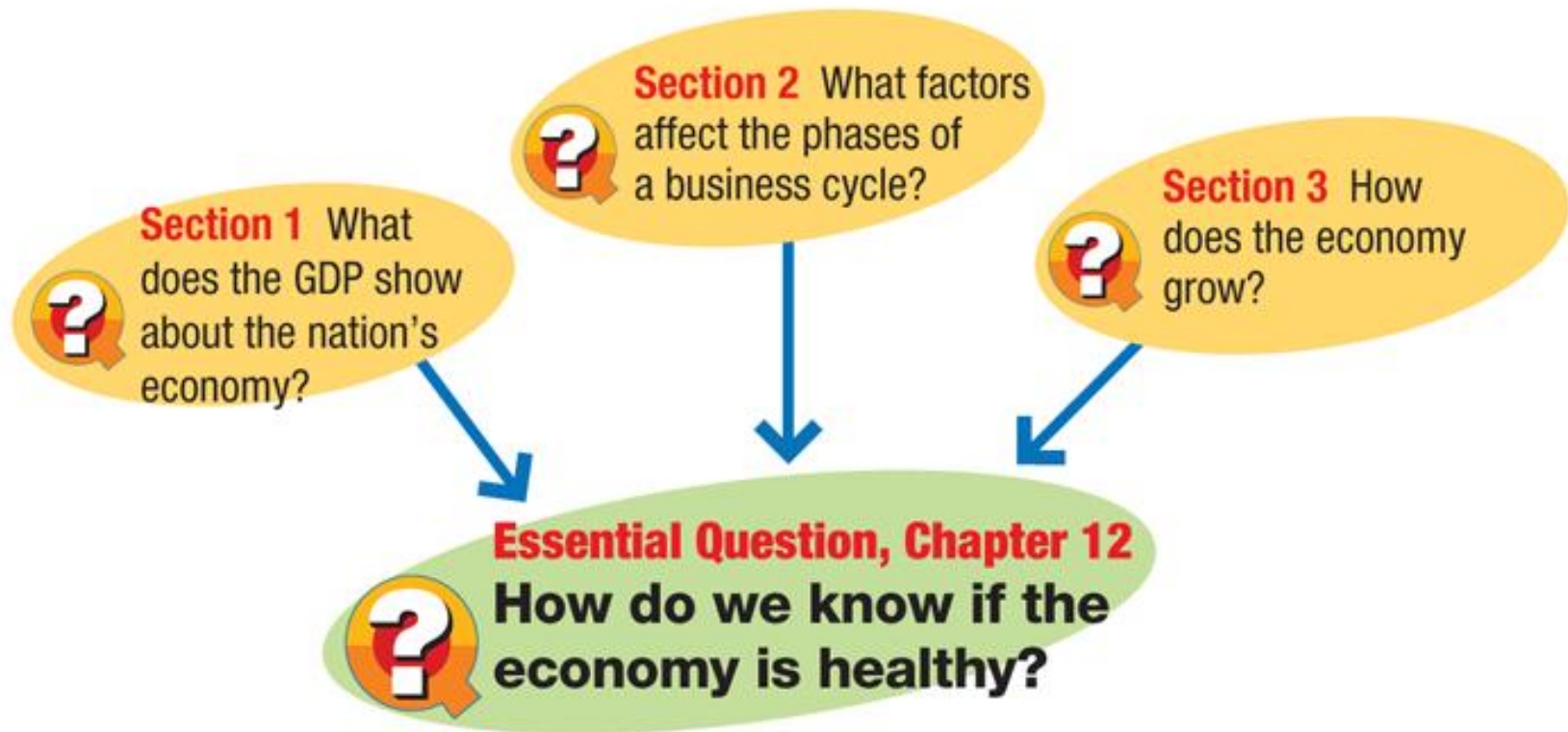
ECONOMICS

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Essential Question

- How do we know if the economy is healthy?



Guiding Questions

- Section 1: Growth and Domestic Product
 - What does the Gross Domestic Product (GDP) show about the nation's economy?
 - GDP shows how well a nation's economy is doing on a yearly basis. Because it measures only the products produced within a nation's borders, it is a good indicator of the performance of a nation's economy.



Guiding Questions

- Section 2: Business Cycles
 - What factors affect the phases of the business cycle?
 - Business investment, interest rates and credit, consumer expectations, and external shocks can all affect the phases of the business cycle.



Guiding Questions

- Section 3: Economic Growth
 - How does the economy grow?
 - The economy grows as a result of capital deepening, which can be affected by saving and investment, population growth, government intervention, foreign trade, and technological progress.

