

Spring 2008
Econ 175a
Homework 1 (Due on Jan. 29)

This assignment gets your familiar with GDP data.

Go to US Bureau of Economic Analysis (<http://www.bea.gov>), under “National”, click on GDP, download data in excel by clicking “current dollar and real GDP”. Now in MS Excel, do the following:

1. First, make sure you understand what is chained 2000 dollar. Google is your best friend. Write a brief explanation.
2. Graph (line graph not bar graph) yearly GDP in current dollar and in chained 2000 dollar. Present your graph and explain why in your graph GDP in chained dollar is above the GDP in current dollar.
3. Now use the same data to do some data manipulation. Calculate in Excel the year-over-year or y-o-y change of GDP in current dollar only. Format your growth rates in percentage terms. Graph this annual rate of growth of GDP in line graph and present your results. Finally explain the growth pattern of US GDP.