

Once a country's GDP has been calculated governments can use this information to determine its citizens standard of living, in order to do this a government must take its total nominal GDP and divide it by its total population, so for example if the UK's nominal GDP is \$2.902 trillion and its population is roughly 64 million then its GDP per person is \$43,830, this is also phrased as 'per capita'. Since the end of 2013 the UK's GDP per capita was \$39,350.64 therefore we can see that the standard of living within the UK has risen.

So there it is, the most important calculation in economics down to its bare bones. Even though GDP is the most significant economic calculation to a country and determines whether how strong a country is economically and its citizens standard of living it does not take into account for any social or environmental inequalities that its citizens might be experiencing nor whether the individuals in a particular country are happy or not. So while it cannot take these factors into account it is still the best way of showing whether a country is prosperous or whether it is beginning to stagnate.

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