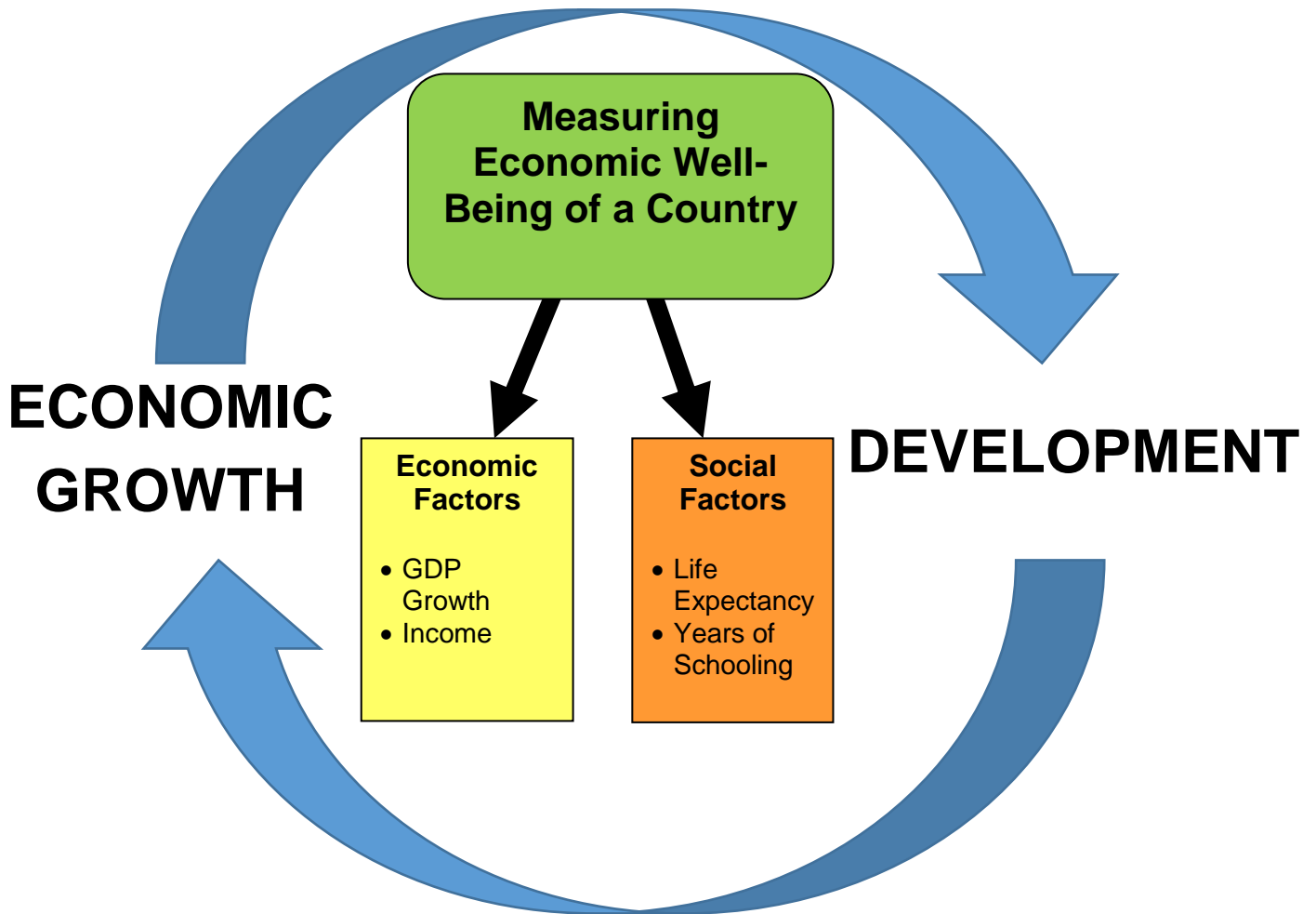


Unit 6 - Lesson 3



Big Idea Card

Big Ideas of Lesson 3, Unit 6

- Not all countries are the _____ in terms of well-being. Social scientists use several different ways to measure if a country is “rich” or “poor”.
- One way social scientists measure the well-being of a country is by looking at economic outcomes. The _____ Domestic Product (GDP) is an economic indicator which measures the total value of all goods and services produced in a country. By looking at changes in a country’s GDP, social scientists can tell whether a country is producing more goods than it did in the prior year.
- Another way in which social scientists measure the wealth of a country is by the level of development. Level of development is measured by indicators that relate to the quality of life such as years of schooling, life expectancy, and income. When social scientists measure the well-being of a country based on its level of development, they are considering both economic and social factors.
- In most cases, economic growth leads to development, or improved quality of _____ in a country.
- Factors like technology, political stability and improvements in infrastructure (roads, water supply and electricity) can lead to economic growth. However, factors like conflict, lack of resources, and natural hazards can negatively affect economic growth.

PowerPoint Notes - page 1

- 1. **SLIDE 2:** Do you think this is a rich country or a poor country? Why?

- 2. **SLIDE 3:** Does this change your answer to Number 1? Why or why not?

- 3. **SLIDE 7:** What are two inferences you can draw from this map?

1	
2	

- 4. **SLIDE 8:** What is one inference you can make about the countries with the highest GDPs?

- 5. **SLIDE 8:** What is one inference you can make about the countries with the lowest GDPs?

PowerPoint Notes – page 2

6. **SLIDE 9:** How does this data compare to the GDP data you analyzed on SLIDE 8?

7. **SLIDE 14:** What is one inference you can draw from this map?

8. **SLIDE 15:** What is one inference you can draw from the data on the chart?

9. **SLIDE 16:** What are three conclusions you can draw from comparing the three charts?

1	
2	
3	

What Does Economic Growth Mean?

First of all, what do I mean by economic growth? Well, the income of the average citizen tends to increase from year to year, usually by about 2 or 3% per year. Think back to 200 years ago, when the average citizen was far poorer than the average person nowadays. The difference in wealth is the result of small incremental improvements over time. Our incomes increase because society is constantly figuring out new ways to produce more goods and services in less time and sometimes with fewer resources. The result -- the total amount of goods and services we can produce keeps increasing from year to year.

What causes our incomes to increase?

Economic growth is mostly the result of new technology making it more efficient to produce goods and services. One example of economic growth in the United States occurred near the beginning of the 19th Century (1800s) known as the industrial revolution. It is a period of history that was marked by the general introduction of power-driven machinery that replaced hand production. During the industrial revolution, the invention of steam powered machines such as tractors made it easier to plow fields, so farmers could grow more food each year than they could before (and were thus a little bit wealthier). When people invented machines which could mass produce clothes, the clothing could be manufactured more cheaply and people could save money. The invention of the telephone saved workers a lot of time; no longer did people have to travel across the country to communicate with one another, so the telephone further drove down the cost of producing goods and services. Today, computers are used to do most business operations, including everything from overseeing factory shipments, to finding new molecules which cure diseases, to helping businesses communicate electronically. The falling cost of computer processing power today accounts for much of the economic growth in modern advanced economies. (In the future, new advancements in hydrogen fusion power and quantum computing will allow us to continue getting wealthier.) All this technology means that we can produce more goods and services in a given year.

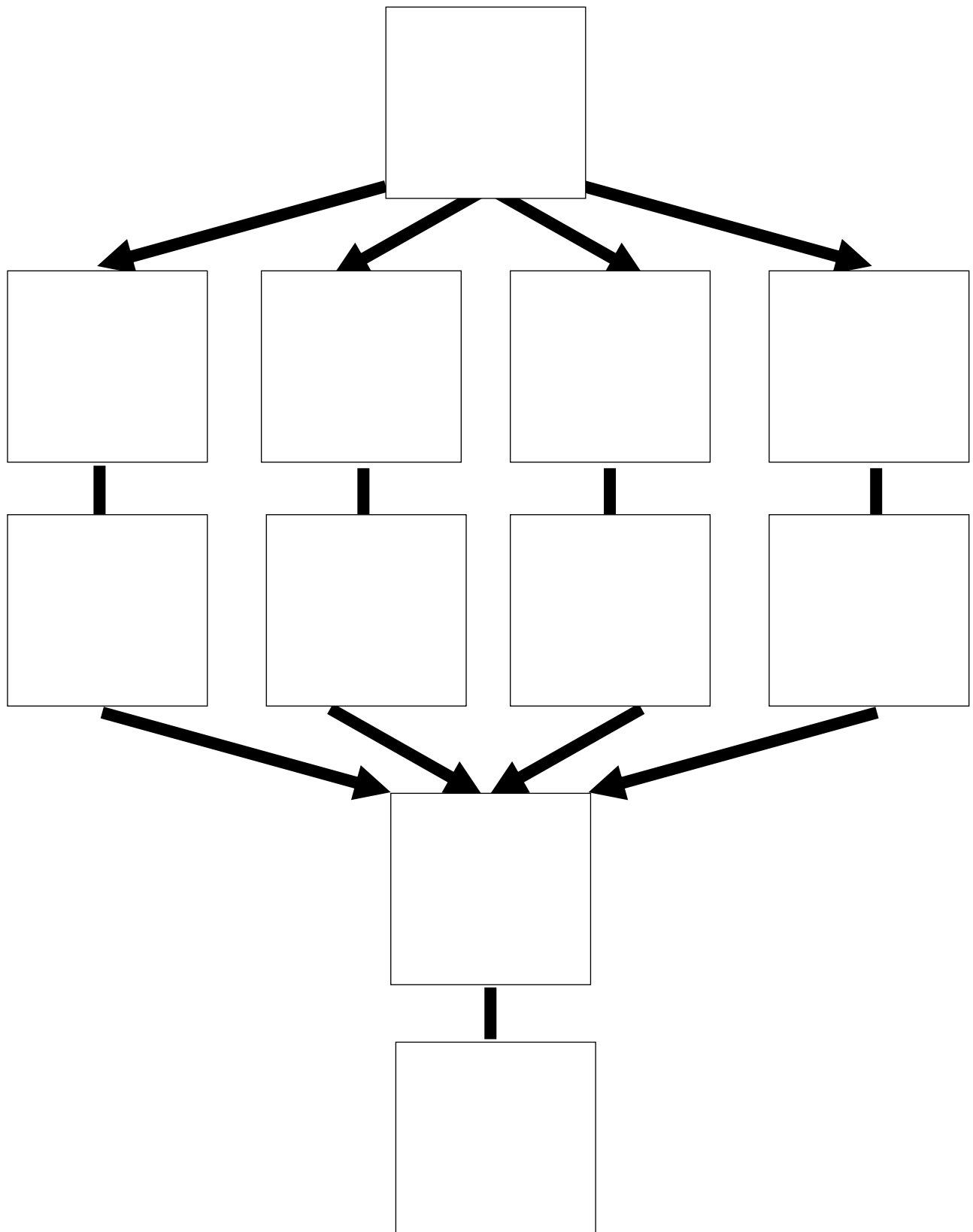
What is the main cause of economic growth?

Economists like to talk about the Gross Domestic Product (GDP), which is just the total amount of goods and services produced by a country in a year. GDP growth means that the total amount of goods and services that the country can produce keeps getting bigger every year. In Canada and the US, GDP has grown by about 1.75% per year on average for the last 200 years, leading to more goods and services per person (higher incomes).

What is one way economists measure economic growth?

Adapted from: "What Does Economic Growth Mean?" *How Geography Influences Economic Growth*. Poverty Education. 3 February 2015 <<http://www.povertyeducation.org/geography-and-economic-growth.html>>.

Constructing a Graphic Organizer



Factors Leading to Economic Growth and Development

FACTOR	WHY?
Technological innovation	
Investment in the factors of production (land, labor, capital)	
A mixed economy	
Political stability	
Steady improvement of infrastructure like roads, water supply and electrical grids	
Active involvement in global trade networks	

Factors That Can Negatively Affect Economic Growth and Development

	FACTOR	EXAMPLE
GEOGRAPHIC	CLIMATE	
	NATURAL RESOURCES	
	LOCATION	
	NATURAL HAZARDS	
POLITICAL	GOVERNMENT	
	CONFLICT	
SOCIAL	POPULATION	
	EDUCATION	
	DISCRIMINATION/ INEQUALITY	

