

## Analyzing GDP Data Answer Key

**Directions:** Use the data in the Closing the Gap Data File to answer the following questions.

1. Column B shows GDP per capita in US Dollars for 2018. The countries in column A that are in GREEN are the 15 highest GPD per capita and the countries highlighted in YELLOW are the 15 lowest GDP per capita. Rows 2-11 show the top 10 of whatever ranking you are using.
  - a. Rank column B in descending order (highest to lowest) and write down the top five countries.  
*Luxembourg, Iceland, Norway, Qatar, Singapore*
  - b. Rank column B in ascending order (lowest to highest) and write down the five lowest countries.  
*Burundi, Afghanistan, Congo, Liberia, Chad*
2. Columns C and D are measures of the level of investment in infrastructure and capital goods by the countries. Rank them one at a time ascending and descending and record the following:
  - a. When column C (% with internet) is ranked highest to lowest, how many of the top 10 countries are green?  
*NINE*
  - b. When column C is ranked lowest to highest, how many of the bottom 10 countries are yellow?  
*TEN*
  - c. When column D (% with electricity) is ranked lowest to highest, how many of the bottom 10 countries are yellow?  
*TEN*

## Closing the Gap

3. Columns E, F, and G represent various measures of investment in human capital by the countries (private or public). Rank them one at a time ascending and descending and record the following:
  - a. When column E (literacy rate) is ranked highest to lowest, how many of the top 10 countries are green?  
*FIVE, however all the top 25 countries are all pretty close in number.*
  - b. When column E (literacy rate) is ranked lowest to highest, how many of the bottom 10 countries are yellow?  
*TEN*
  - c. When column F (% of GDP by gov't education) ranked either way, both green and yellow countries show up in the top 10. What might be an explanation for this?  
*Various reasons. The measurement is % of GDP instead of a dollar amount, some countries offer more private education, some governments may have other resources (like Qatar) that affect their GDP per capita, etc.*
  - d. When column G (% of GDP by gov't healthcare) is ranked highest to lowest, how many of the top 10 countries are green?  
*TEN, this indicates these countries might place value on a healthy, able-bodied workforce allowing people to work into older ages and contribute to GDP longer*
  - e. When column G (% of GDP by gov't healthcare) is ranked lowest to highest, how many of the bottom 10 countries are green?  
*TEN, this may indicate a lack of desire to do this OR ability of the government to fund initiatives like public healthcare or programs like Medicare/Medicaid*
4. Column H is the country's "freedom score" put together by the Heritage Foundation. It is a measure of the amount of "economic freedom" a country has. The higher the number, the more economically free the country is.
  - a. When column H is ranked highest to lowest, how many of the top 10 countries are green?  
*EIGHT*
  - b. When column H is ranked lowest to highest, how many of the top 10 countries are yellow?  
*SIX*

## Closing the Gap

5. Columns I and J are other measures sometimes associated with economic growth and/or economic health. Rank them and note how both green and yellow countries show up in both the highest and lowest top 10. How useful would you say these metrics are in measuring economic growth and/or health of a country?

*The data is mixed here for a variety of reasons. In looking at new businesses, for example, sometimes countries discourage/encourage businesses based on their policies and other times economic conditions limit this ability. Unemployment is most often measured by looking at the number unemployed divided by the labor force. In some countries the majority of the adult population is not in the labor force so a small unemployment rate is not indicative of much.*

6. Looking back over your data and answers to questions 1-5, what factors seem to have the most impact on GDP per capita?

*Investment in technology/infrastructure, education/health/human capital, and freedom. These have been the cornerstones for economic growth for centuries.*

7. What might be preventing the countries with the lower GDP per capita from doing the things you identified in question 6?

*Civil unrest, lack of natural resources, lack of foreign investment, corruption, poor banking infrastructure, lack of economic freedom, etc. Make sure students understand that for most of these countries, having low standards of living is not a choice or desirable but has resulted from decades of prior decision-making or imperialism and colonization.*

8. Identify two things that surprised you in the data and explain why you found them surprising.

*Answers will vary significantly, but follow up with students about what made the data "surprising" as a way to uncover assumptions the students may have about the data.*