Why Are Some Nations Wealthy?

Rich Nation / Poor Nation

Your group's task is to find out if a country is rich or poor. From the information provided below, guess at the identify each of the five countries listed. Jot down the country's name opposite each country's heading (Hint: use the 'Jumble Nation' box to the right).

Country A _____
Size: Three-tenths the size of the United States
Population: 40,000,000 (small for a nation this size)
Natural Resources: Rich resources with fertile land and minerals such as lead, zinc, tin, copper, iron ore, oil and uranium

Country B _____
Size: About the size of California
Population: 127,000,000
Natural Resources: Fish, no mineral resources

Country C _____
Size: Twice the size of California
Population: Large population of 129,000,000
Natural Resources: Vast resources including oil, tin, iron ore, coal, limestone, lead, zinc and natural gas

Country D _____
Size: 1.8 times the size of the United States
Population: 143,000,000
Natural Resources: Vast resources with major deposits of oil, natural gas, coal, many strategic minerals, vast timber supplies
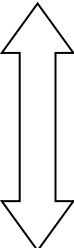
Country E _____
Size: 3.5 times larger than Washington, D.C.
Population: 4,000,000
Natural Resources: Fish, deepwater port

Now, rank the five countries you have identified in order, with the richest country placed at "1" and the poorest country at "5". Write the letter of the country used in the list above and the name of country.

	Country Letter	**Country Name**
Richest 1.	_____	_____
2.	_____	_____
3.	_____	_____
4.	_____	_____
Poorest 5.	_____	_____

Comprehension Check

1. Which of the following factors contributes <u>LEAST</u> to economic growth?
   A. Greater economic freedom.
   B. Large amounts of natural resources.
   C. Low rates of inflation.
   D. High investment in physical and human capital.

2. Greater economic freedom is associated with:
   A. Lower life expectancy.
   B. Terrorism.
   C. Political repression.
   D. Greater economic growth.

3. What do we mean by "investment in human capital"?
   A. Higher spending on education and training.
   B. Higher spending on population control measures.
   C. Government spending on exploration of natural resources.
   D. All of the above.

4. How important are natural resources to a nation's wealth?

5. How does per capita GDP relate to the quality of life? Why is this important?

6. It has said that "when we negotiate for open markets, we are providing new hope for the world's poor." Does freer trade help or hurt the world's poor?

7. What do we mean by "economic freedom," and how does it relate to economic growth?

8. What are the major factors that encourage long-term economic growth?