

Mystery Nations

SSEF6 The student will explain how productivity, economic growth, and future standards of living are influenced by investment in factories, machinery, new technology, and the health, education, and training of people.

- Directions: 1. Read the information given for each of the countries in the chart.
 2. Decide if each country is rich or poor based on the information given. Answer the question in the boxes given.
 3. Complete the final box by ranking the countries from poorest to richest.

<p>Country A</p> <ul style="list-style-type: none"> Size: Three-tenths the size of the United States Population: About 40 million (small for a nation this size) Natural Resources: Rich resources with fertile land, lead, zinc, tin, copper, iron ore, oil, uranium <p>Is this nation likely to be rich or poor? Why?</p>	<p>Country B</p> <ul style="list-style-type: none"> Size: About the size of California Population: Over 127 million Natural Resources: Fish, no mineral resources <p>Is this nation likely to be rich or poor? Why?</p>
<p>Country C</p> <ul style="list-style-type: none"> Size: Twice the size of California Population: Large population of 128 million Natural Resources: Vast resources including oil, tin, iron ore, coal, limestone, lead, zinc, natural gas <p>Is this nation likely to be rich or poor? Why?</p>	<p>Country D</p> <ul style="list-style-type: none"> Size: 1.8 times the size of the United States. Population: 143 million Natural Resources: Vast resources with major deposits of oil, natural gas, coal, many strategic minerals, vast timber supplies <p>Is this nation likely to be rich or poor? Why?</p>
<p>Country E Size: 3.5 times bigger than Washington, D.C.</p> <ul style="list-style-type: none"> Population: 4 million Natural Resources: Fish, deep-water port <p>Is this nation likely to be rich or poor? Why?</p>	<p>Rank the nations in order of poorest to richest by putting the countries' letters next to the numbers given.</p> <p>1. _____ (poorest)</p> <p>2. _____</p> <p>3. _____</p> <p>4. _____</p> <p>5. _____ (richest)</p>

¹ The source of statistics for this exercise is the *CIA World Factbook* available at www.cia.gov/cia/publications/factbook

Mystery Nations Revealed

<p>Country A: Argentina Population: 39,537,943 Per capita GDP: \$13,600 (2005) Life expectancy: 75.91 years Literacy rate (age 15 and over can read and write): 97.1% Infant mortality: 15.18 deaths/1,000 live births</p>	<p>Country B: Japan Population: 127,417,244 Per capita GDP: \$30,400 (2005) Life expectancy: 81.15 years Literacy rate (age 15 and over can read and write): 99% Infant mortality: 3.26 deaths/1,000 live births</p>
<p>Country C: Nigeria Population: 128,771,988 Per capita GDP: \$1,000 (2005) Life expectancy: 46.74 years Literacy rate (age 15 and over can read and write): 68% Infant mortality: 98.8 deaths/1,000 live births</p>	<p>Country D: Russia Population: 143,420,309 Per capita GDP: \$10,700 (2005) Life expectancy: 67.1 years Literacy rate (age 15 and over can read and write): 99.6% Infant mortality: 15.39 deaths/1,000 live births</p>
<p>Country E: Singapore Population: 4,425,720 Per capita GDP: \$29,700 (2005) Life expectancy: 81.62 years Literacy rate (age 15 and over can read and write): 92.5% Infant mortality: 2.29 deaths/1,000 live births</p>	

What are the characteristics of nations that have produced wealth? These nations have a common set of institutions² that provides a stable environment which rewards the activities of entrepreneurs. These factors include:

- Limited size of government in terms of expenditures, taxes, and state-run enterprises,
- Stable legal structure which has an independent system of justice and secure protection of property rights,
- Low levels of inflation and access to sound money,
- Freedom to trade internationally, and
- Limited government regulation of financial institutions, labor markets, and business.

² *Economic Freedom of the World, 2005 Annual Report*, Fraser Institute, 2005.