

OBJECTIVE 9.01

COMPETENCY GOAL ACTIVITY

GOAL 9

KEY ECONOMIC INDICATORS

DIRECTIONS: Read the following paragraphs. Then study the table below, which shows the gross domestic product in 2001. Use the table to answer the questions and complete the activities that follow.

Economists are always studying the health of the economy. They look at several kinds of information. They want to know how many people are working, how much money consumers spent last year, and how many new building permits were issued. Statistics such as these are called economic indicators.

One important economic indicator is the gross domestic product (GDP). The GDP is the dollar value of all final goods and services produced within the United States each year. GDP is usually reported as an annual figure (for the year) or a quarterly figure (every three months).

Gross Domestic Product – 2001 (billions of current dollars)				
Sector	Quarter			
	I	II	III	IV
Business	8,574.1	8,609.4	8,606.6	8,623.1
Nonfarm	8,489.2	8,525.2	8,516.4	8,546.3
Farm	84.9	84.2	90.3	76.8
Households and institutions	454.3	465.6	474.8	482.1
Private households	14.8	15.1	15.4	15.5
Nonprofit institutions	439.5	450.5	459.5	466.6
Government	1,113.3	1,127.6	1,143.4	1,158.2
Federal	329.6	332.2	335.6	340.4
State and local	783.7	795.3	807.7	817.8
Total	10,141.7	10,202.6	10,224.9	10,263.3

Source: U.S. Department of Commerce, Bureau of Economic Analysis.

1. In which quarter was the gross domestic product highest? _____

2. Did nonprofit institutions or the federal government contribute more to the GDP?

3. What was the average GDP for the four quarters of 2001? _____

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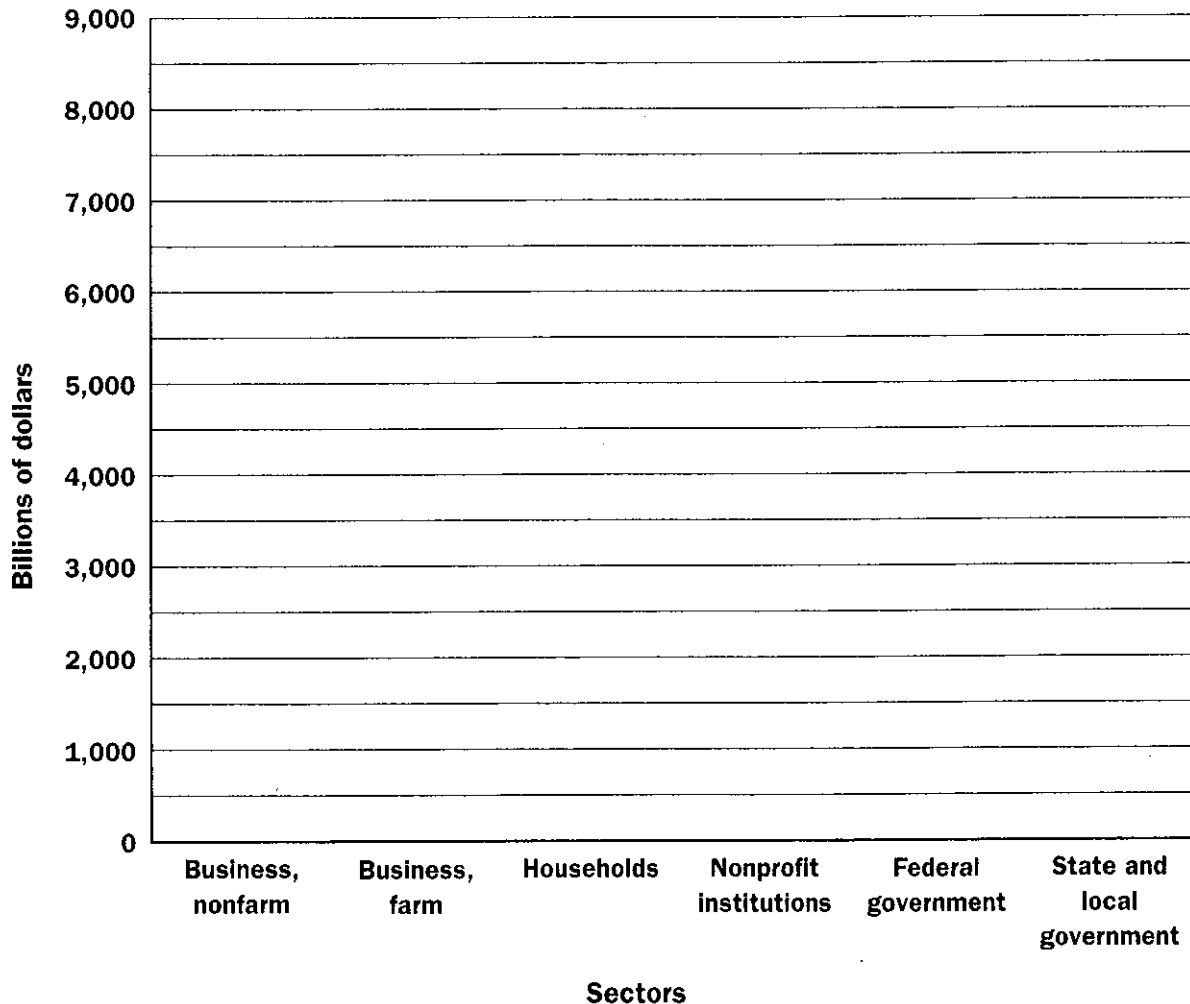
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KEY ECONOMIC INDICATORS *(continued)*

4. What do you think the advantages are of reporting GDP as an annual figure? As a quarterly figure? _____

5. Create a bar graph to show the information from the table for the fourth quarter of 2001.

Fourth Quarter 2001 GDP



THE FOOD AND DRUG ADMINISTRATION

DIRECTIONS: Review the time line and labels below, and answer the questions that follow.

The federal government has many divisions that monitor public health. The Food and Drug Administration (FDA), an agency of the United States Department of Health and Human Services, monitors the purity and safety of food, cosmetics, and prescription drugs. One role of this agency is to ensure that manufacturers adhere to regulations governing the truthful labeling of products. The FDA requires the food industry to use labels that accurately reflect contents and nutritional value. The following time line shows some important events in the evolution of the FDA.

- 1906 The first Food and Drugs Act becomes law. It says mislabeled and adulterated foods cannot be moved across state lines for sale.
- 1924 The Supreme Court interprets the Food and Drugs Act, saying it bans all misleading statements on food labels.
- 1938 The Federal Food, Drug, and Cosmetic Act becomes law. Included in the new law are standards for marketing new drugs, packaging, and food quality.
- 1966 The Fair Packaging and Labeling Act says that labels must be honest and informative. The FDA enforces these regulations as they relate to food, drugs, and cosmetics.
- 1988 The Food and Drug Administration Act of 1988 further defines the FDA, including powers to enforce regulations.
- 1990 Nutrition Labeling and Education Act defines "low fat" and "light" as well as other health-related terms. Labels must be consistent with terms defined by the Secretary of Health and Human Services.
- 1994 The Dietary Supplement Health and Education Act addresses the labeling and regulation of dietary supplements and ingredients.
- 1997 The Food and Drug Administration Modernization Act brings the biggest changes to the FDA since 1938. The act regulates health claims for foods and advertisements that advocate unapproved uses for approved drugs.

Taking a Closer Look at Labels

The FDA insists that food labels accurately reflect food content. This is not only to protect consumers but also to allow them to make informed decisions about what they eat. The FDA has established recommended guidelines for a healthy diet—called the Reference Daily Intakes (RDI). Food labels are designed to help consumers evaluate how the foods they buy satisfy these requirements.

Look at the labels on the following page. The label on the right appears on a container of yogurt. The label on the left reflects the nutritional content of a fast-food, double cheeseburger. Study the labels, then answer the questions that follow.

OBJECTIVE 9.02

COMPETENCY GOAL ACTIVITY



THE FOOD AND DRUG ADMINISTRATION (continued)

Double Cheeseburger

Light Yogurt

Nutrition Facts		
Servings: 1		
Calories	1010	Calories from fat 600
		% Daily Value
Total Fat	67 g	103%
Saturated Fat	26 g	130%
Cholesterol	180 g	60%
Sodium	1460 mg	61%
Total Carbohydrates	47 g	
Dietary Fiber	3 g	12%
Sugars	8 g	
Protein	55 g	110%

Nutrition Facts		
Servings per container: 1		
Calories	100	Calories from fat 0
		% Daily Value
Total Fat	0	0%
Saturated Fat	0	0%
Cholesterol	<5 mg	1%
Sodium	130 mg	5%
Total Carbohydrates	16 g	5%
Dietary Fiber	0 g	0%
Sugars	10 g	
Protein	8 g	16%
Calcium		20%
Riboflavin		20%
Vitamin B12		15%
Phosphorous		20%

- How much saturated fat and sodium are contained in the double cheeseburger? The yogurt?

- What percent of the calories in the cheeseburger are from fat? In the yogurt?

- Compare the calories and “% Daily Values” of the cheeseburger and yogurt. If you wanted to limit your intake to 2,000 calories per day and adhere to the other recommended intakes, how would eating a cheeseburger affect the rest of the meals you could have that day?

- Why is food labeling important to consumers? _____
- If the government did not regulate food and drug purity, safety, and content, do you think the industries that produce these products would regulate themselves? Why or why not?

- Do you think the Food and Drug Administration should require food labels on fast food? Why?

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OBJECTIVE 9.03

COMPETENCY GOAL ACTIVITY



THE IMPACT OF HUMAN RESOURCES ON THE ECONOMY

DIRECTIONS: The chart below shows the number of people employed and unemployed in the United States from 1900 to 2001. The column on the right of the chart shows the unemployment rate—the percentage of unemployed people in the labor force. The labor force is made up of adults who either have or are seeking jobs. Study the chart and answer the questions that follow.

Civilian Labor Force			
Year	Employed	Unemployed	Unemployment rate (%)
1900	26,956,000	1,420,000	5.0
1905	30,918,000	1,381,000	4.3
1910	34,559,000	2,150,000	5.9
1915	36,223,000	3,377,000	8.5
1920	39,208,000	2,132,000	5.2
1925	43,716,000	1,453,000	3.2
1930	44,183,000	4,340,000	8.9
1935	41,673,000	10,610,000	20.3
1940	47,520,000	8,120,000	14.6
1945	52,820,000	1,040,000	1.9
1950	58,918,000	3,288,000	5.3
1955	62,170,000	2,852,000	4.4
1960	65,778,000	3,852,000	5.5
1965	71,088,000	3,366,000	4.5
1970	78,678,000	4,093,000	4.9
1975	85,846,000	7,929,000	8.5
1980	99,303,000	7,637,000	7.1
1982	99,526,000	10,678,000	9.7
1984	105,005,000	8,539,000	7.5
1986	109,597,000	8,237,000	7.0
1988	114,968,000	6,701,000	5.5
1990	118,793,000	7,047,000	5.6
1992	118,492,000	9,613,000	7.5
1994	123,060,000	7,996,000	6.1
1996	126,708,000	7,236,000	5.4
1998	131,463,000	6,210,000	4.5
2000	135,208,000	5,655,000	4.0
2001	135,073,000	6,742,000	4.8

Source: U.S. Bureau of Labor Statistics.

1. Use the information from the chart to answer these questions.
 - a. Which year had the highest unemployment rate? _____
 - b. Which year had the lowest unemployment rate? _____

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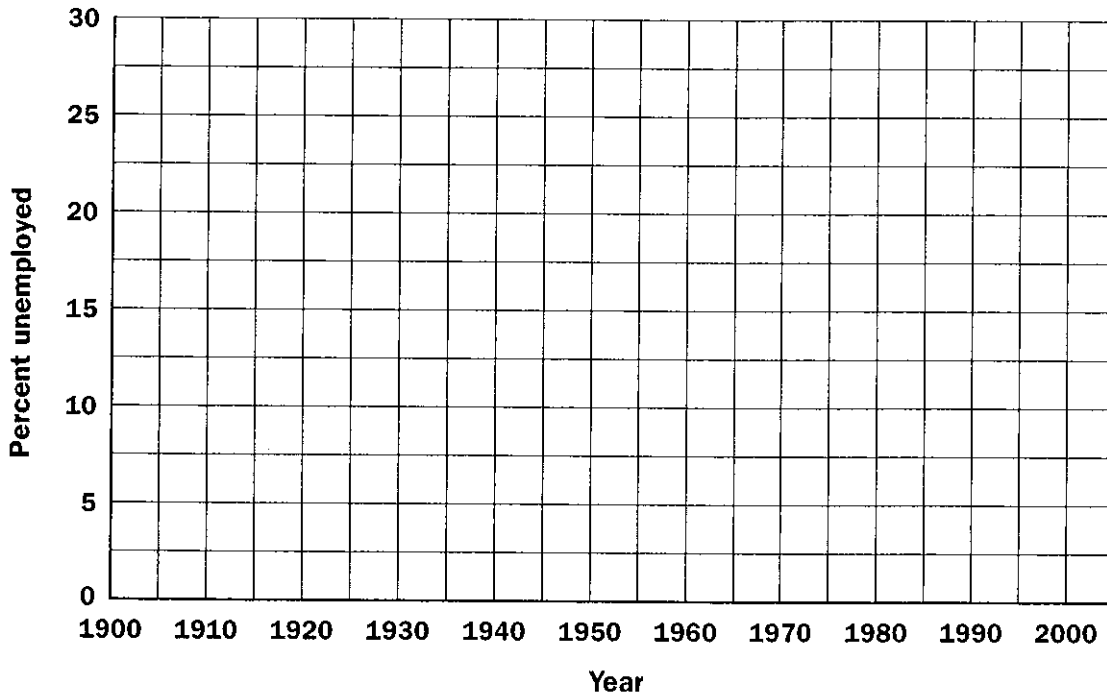
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**THE IMPACT OF HUMAN RESOURCES
ON THE ECONOMY** *(continued)*

- c. Since 1980, which year has had the highest unemployment? _____
 - d. In which year were the most people employed? _____
2. Use the information from the right column of the chart on the previous page to create a line graph of the United States unemployment rate.

United States Unemployment Rate



3. List three reasons why there might be high unemployment in any given year.
- _____
- _____
- _____
4. Should the U.S. government try to help lower the unemployment rate? Explain your answer.
- _____
- _____
- _____

OBJECTIVE 9.05

COMPETENCY GOAL ACTIVITY

GOAL 9

INTERNATIONAL TRADE AND THE ECONOMY

DIRECTIONS: The table on this page shows the United States's three top trading partners. Refer to the table to answer the questions that follow.

Top Three U.S. Trading Partners – 2001 (in millions of dollars)						
Commodity	Canada		Mexico		Japan	
	Export	Import	Export	Import	Export	Import
Food and animals	8,077	10,419	5,335	4,527	8,584	312
Beverages and tobacco	409	951	139	1,410	1,673	71
Unfinished materials (cork, raw cotton, etc.)	4,382	10,786	3,012	752	3,185	242
Fuels and lubricants	3,768	34,258	3,288	10,210	519	324
Fats and waxes	183	293	273	26	57	23
Chemicals	15,857	12,001	8,526	1,810	6,510	6,679
Manufactured goods by material	21,951	32,136	13,756	8,730	2,940	6,928
Machinery and vehicles	85,559	85,810	51,437	78,265	23,467	94,258
Misc. manufactured goods	17,423	14,237	11,466	19,924	9,309	13,783
Other	6,115	16,078	4,277	5,779	1,396	3,982
Total	163,724	216,969	101,509	131,433	57,640	126,602

Source: U.S. Census Bureau, Foreign Trade Statistics.

- For these trading partners, which is greater, U.S. exports or imports? _____
- From which country did the U.S. import the greatest value of miscellaneous manufactured goods? _____
- What category of commodity has the greatest value of total trade? Give three examples of items you might find in that category. _____
- In which categories did U.S. exports exceed imports? _____
- What was the total U.S. trade deficit with these three countries in 2001? _____

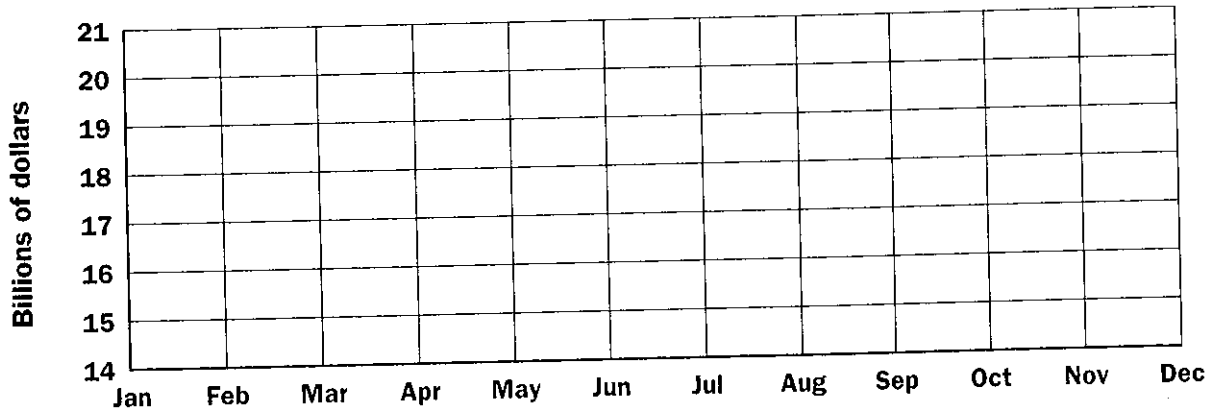
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COMPETENCY GOAL ACTIVITY

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INTERNATIONAL TRADE AND THE ECONOMY (continued)

Exports and Imports of Advanced Technology Products		
Year 2001	Exports (millions of dollars)	Imports (millions of dollars)
January-December	200,107	195,266
January	18,402	17,668
February	18,132	16,158
March	20,611	18,563
April	16,622	16,180
May	17,225	15,264
June	17,705	16,587
July	15,072	16,510
August	15,738	15,208
September	14,768	14,968
October	15,699	16,927
November	14,973	16,195
December	15,160	15,038



- Use the statistics to draw a double line graph showing total exports and imports of advanced technology products from January to December 2001. Be sure to label the import and export lines appropriately.
- In general, did exports and imports increase or decrease during 2001? _____
- In what month were exports and imports at their lowest? What event might have been responsible for the decrease? _____

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