

Are GDP and Happiness Related?

A Classroom Activity and Argumentative Performance Task for 10th grade Economics

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Measuring Happiness Classroom Activity

Please read through the entire Classroom Activity before beginning the activity with students to ensure any classroom preparation can be completed in advance.

Resources Needed:

- Oxford Happiness Questionnaire with Scoring Rubric
- Economic Factors Checklist
- Pencil/Pen
 - o Students who need an accommodation may use their preferred tool for writing.
- Classroom Whiteboard/Chalkboard with a blank Economic Factors Chart drawn.

Learning Goals:

- Students will generate interest in the balance between happiness and economic success
 - o Students will understand that there are a variety of factors that determine happiness.

Students will understand the key terms:

- **Inflation** – a sustained increase in the general price level of goods and services in an economy over a given period of time.
- **Unemployment rate**– the percentage of people in the labor force who are willing and able to work but cannot find a job.
- **Gross Domestic Product**- the monetary value of all goods and services produced within a country's borders within a given period of time.

*Note – these definitions are provided for the convenience of the facilitator. Students are expected to understand the key terms in the context of the task, not memorize the definition.

Purpose: The facilitator's goal is to help students generate an argument about the correlation between happiness and economic factors in their lives. This activity will allow students to examine the happiness level of their own lives and identify the building blocks of that happiness. This will prompt classroom discussion that will lead to interest in the Performance Task.

*Note – The following section can be modified to accommodate various teacher/student interaction types such as a teacher led discussion with the students, student Think/Pair/Share, small groups, or a Socratic circle.

Facilitator says: "Today we will prepare for the *GDP Argumentative Performance Task*. First, what is your definition of happiness?"

(Discuss student definitions for happiness. This will generate ideas for the next step.)

Facilitator says: "I would like each person to take 1 minute and think about 5 things that make you happy. Are these things that you have or that you would like to have? Are they things that money can buy? Can someone else give you happiness or must you find it on your own?"

(Pause for 1 minute to allow students time to think about their list.)

Facilitator says: "Now, turn to your partner and share the items on your list. Be sure to listen carefully to your partner and together determine how many of yours answers involved monetary purchases for goods and services."

(Pause for 2 minutes while students discuss. During this time you should pass out the Oxford Happiness Questionnaire with Scoring Rubric and the Economic Factors Checklist.)

Facilitator says: "Stop your discussion but make a mental note of your partner's answers as they may be useful to you later in the lesson. In front of you is a Questionnaire created at Oxford University to determine your level of happiness based on certain criteria. I will read the introduction and Instructions to you.

(Read aloud the opening paragraph and instructions.)

Facilitator says: "Take 3 minutes to answer questions #1-29. I will stop you at the end of 5 minutes."

(Pause for 5 minutes while the students answer the questionnaire. Circulate the room to be sure that all students are on task and to answer any questions the students may have.)

Facilitator says: "Now that you have answered all of the questions in the questionnaire, you are going to calculate your score. I will read the directions for this aloud."

(Read aloud the directions for calculating a score.)

Facilitator says: "You have 5 minutes to calculate your score."

(Pause for 5 minutes while students calculate their score. Circulate the room to help students with any problems.)

Facilitator says: "You now have a score that is designed to determine your overall happiness. Use this knowledge to rank how important each of the economic factors is in deciding your overall level of happiness. Read each of the factors and decide whether the factor is **very important, somewhat important, or not important.**"

(Pause to allow students 3 minutes to rank each determinant.)

Facilitator says: "Turn to the same partner that you used to discuss the *5 Things that Make You Happy* list. For each of the Economic Factors you will need to decide on 1 answer for each. Take the time to discuss each one. If you cannot come to a decision based off of your own opinions, answer the questions based off of what you think the majority of people in the world would say. You have 5 minutes and then you will be recording your answers on the board."

(At this time be sure that you have a blank Ranking Economic Factors Chart drawn on the board. As each group finishes ask them to come to the front and record a check in each box. This consensus will provide talking points by the facilitator. Answers will vary from class to class, but be sure to point out the differences between the importance of factors that affect the student individually and factors that affect the whole economy.)

Facilitator says: "In your Performance Task you will observe the debate over whether Gross Domestic Product is a good stand-alone indicator of the health of the economy. The

lessons you learned in this Classroom Activity will help to prepare you for the research and writing you will be doing in the Performance Task.”

*Note – Facilitator should collect student work and not hand it back.

Oxford Happiness Questionnaire

by Dr. Steve Wright

The Oxford Happiness Questionnaire was developed by psychologists Michael Argyle and Peter Hills at Oxford University. Take a few moments to take the survey. This is a good way to get a snapshot of your current level of happiness. You can even use your score to compare to your happiness level at some point in the future by taking the survey again.

Instructions

Below are a number of statements about happiness. Please indicate how much you agree or disagree with each by entering a number in the blank after each statement, according to the following scale:

- 1 = strongly disagree
- 2 = moderately disagree
- 3 = slightly disagree
- 4 = slightly agree
- 5 = moderately agree
- 6 = strongly agree

Please read the statements carefully, because some are phrased positively and others negatively. Don't take too long over individual questions; there are no "right" or "wrong" answers (and no trick questions). The first answer that comes into your head is probably the right one for you. If you find some of the questions difficult, please give the answer that is true for you in general or for most of the time.

The Questionnaire

1. I don't feel particularly pleased with the way I am. (R) _____
2. I am intensely interested in other people. _____
3. I feel that life is very rewarding. _____
4. I have very warm feelings towards almost everyone. _____
5. I rarely wake up feeling rested. (R) _____
6. I am not particularly optimistic about the future. (R) _____
7. I find most things amusing. _____
8. I am always committed and involved. _____
9. Life is good. _____
10. I do not think that the world is a good place. (R) _____
11. I laugh a lot. _____
12. I am well satisfied about everything in my life. _____
13. I don't think I look attractive. (R) _____
14. There is a gap between what I would like to do and what I have done. (R) _____
15. I am very happy. _____
16. I find beauty in some things. _____
17. I always have a cheerful effect on others. _____
18. I can fit in (find time for) everything I want to. _____
19. I feel that I am not especially in control of my life. (R) _____
20. I feel able to take anything on. _____
21. I feel fully mentally alert. _____
22. I often experience joy and elation. _____
23. I don't find it easy to make decisions. (R) _____
24. I don't have a particular sense of meaning and purpose in my life. (R) _____

25. I feel I have a great deal of energy. _____
26. I usually have a good influence on events. _____
27. I don't have fun with other people. (R) _____
28. I don't feel particularly healthy. (R) _____
29. I don't have particularly happy memories of the past. (R) _____

Calculate your score

Step 1. Items marked (R) should be scored in reverse:

If you gave yourself a "1," cross it out and change it to a "6."
Change "2" to a "5"
Change "3" to a "4"
Change "4" to a "3"
Change "5" to a "2"
Change "6" to a "1"

Step 2. Add the numbers for all 29 questions. (Use the converted numbers for the 12 items that are reverse scored.)

Step 3. Divide by 29. So your happiness score = the total (from step 2) divided by 29.

INTERPRETATION OF SCORE

1-2: Not happy. If you answered honestly and got a very low score, you're probably seeing yourself and your situation as worse than it really is.

2-3: Somewhat unhappy.

3-4: Not particularly happy or unhappy. A score of 3.5 would be an exact numerical average of happy and unhappy responses.

4: Somewhat happy or moderately happy. Satisfied. This is what the average person scores.

4-5: Rather happy; pretty happy.

5-6: Very happy. Being happy has more benefits than just feeling good. It's correlated with benefits like health, better marriages, and attaining your goals.

6: Too happy. Yes, you read that right. Recent research seems to show that there's an optimal level of happiness for things like doing well at work or school, or for being healthy, and that being "too happy" may be associated with lower levels of such things.

Reference

Hills, P., & Argyle, M. (2002). The Oxford Happiness Questionnaire: a compact scale for the measurement of psychological well-being. *Personality and Individual Differences*, 33, 1073–1082.

Ranking Economic Factors Chart:

Rank the correlation between your level of happiness and the following economic factors. Put a check in the box that best represents your answer.

Economic Factors	3: Very Important	2: Somewhat Important	1: Not Important
1. Education level			
2. Living situation (home life)			
3. Ability to earn money			
4. Family Income			
5. Wardrobe			
6. Choice in diet			
7. Government support			
8. Type of vehicle			
9. Choice of job			
10. Vacation time			
11. Average level of prices on goods (Inflation)			
12. Number of your friends who have jobs (Unemployment)			
13. How many goods are produced in your state/country (GDP)			

Student Directions

Performance Task

Due to shrinking GDP indicators, a recent study published by top economists predicts a decline in the health of the economy in the coming year. This could in turn cause decreases in individual's happiness or sense of well-being.

The state superintendent of schools just announced that this decrease in economic activity would lead to the elimination of all extracurricular school activities (sports, arts, music, dances, etc.) statewide. Your school has approached the top economic students in each grade to research the issue and find a solution.

As part of your research, you have uncovered four sources about the debate regarding using GDP.

Your Assignment:

In your research you realize that economists are debating the correlation between GDP and economic well-being or happiness. To be sure you are gathering relevant information that will produce an accurate determination, you decide that it is vital to know the importance of GDP when measuring the health of the economy. After sharing this information with your economics teacher, you are writing an argumentative essay on the topic.

Directions for Beginning:

You will now examine several sources. You can re-examine any of the sources as often as you like:

Research Questions:

After examining the research sources, use the remaining time in Part 1 to answer the three questions about them. Your answers to these questions will be scored. Also, your answers will help you think about the research sources you have read and viewed, which should help you write your argumentative essay.

You may refer back to your scratch paper or look at your notes when you think it would be helpful. Answer the questions in the spaces below the items. Your written notes on scratch paper will be available to you in Part 1 and Part 2.

Part 1 - Sources for Performance Task:

Source#1

The following article was published on VOX, CEPR's Policy Portal (Research-based policy analysis and commentary from leading economists) website. February 17, 2014.

Measuring economic progress Diane Coyle

Criticism of Gross Domestic Product (GDP) as an indicator of the health of the economy has grown in recent years, in part because of a new focus on measures of subjective¹ well-being or 'happiness'. This column argues that the debate needs to distinguish between the different purposes of measurement: economic activity, social welfare, and sustainability² are distinct concepts and cannot be captured by a single indicator. There are good arguments for paying less attention to GDP and more to indicators of welfare and sustainability, but it would be a mistake to adjust or replace GDP.

The debate about how best to measure economic activity dates back to well before the 'invention' of GDP by Richard Stone and others during the Second World War (Stone 1947). The earliest attempt was William Petty's 1665 estimate of income and expenditure in England and Wales, followed by a variety of other approaches in the 18th and 19th centuries. By the 1930s, partly in response to the demand from policymakers for a better handle on what was happening in the economy, the current approach to national income was taking shape (Coyle 2014).

One of the key questions debated in the 1930s concerned the aim of a single headline indicator of the economy as a whole. Should it measure social welfare, or should it instead just measure the level of activity? Simon Kuznets, often misleadingly described as the father of GDP, argued in favor of the former, but the needs of wartime production settled the debate in favor of an activity measure: GDP.

Economists have always been aware that GDP does not measure welfare, but in practice its growth has come to be widely used as the general basis for the health of the economy, both in the economic literature and in the media and public policy debate. So it is not surprising that the tension between measuring welfare and measuring economic growth has re-emerged several times over the decades since World War II. James Tobin and William Nordhaus argued in 1972 that maximising the growth of GNP (more commonly used then) was not a proper objective for economic policy (Nordhaus and Tobin 1972). They proposed a Measure of Economic Welfare in its place.

Subsequently others have suggested a number of alternative measures. One of the best-known is the Index of Sustainable Economic Welfare, proposed by Herman Daly and John Cobb in 1989, and its successor the Genuine Progress Indicator (Daly and Cobb 1989). This subtracts a range of 'costs' from GDP, including resource depletion, pollution, and the costs of crime, commuting, and unemployment. By definition, growth in the GPI (or similar indicators) is lower than GDP growth.

However, one flaw of the single alternative indicators is that they all omit³ positive contributions to welfare that are not captured in the GDP statistics either. Despite the

¹ Subjective- based on or influenced by personal feelings, tastes, or opinions.

² Sustainability- the ability to be sustained, supported, upheld, or confirmed.

³ Omit- to leave out; fail to include, or mention.

methods used to capture some of the quality improvements in a range of goods such as computers or housing, GDP understates – probably to a large degree – the increases in consumer welfare due to quality improvements, new goods, and increased choice. Even innovations of little value, such as a novel flavor of breakfast cereal, seem to have led to large gains in consumer welfare (Hausman 1996).

As a measure of economic activity, which is all it was ever intended to be, GDP is imperfect, but no more so than any single indicator of the whole economy. However, public policy debate about the economy is often focused on GDP growth to the exclusion of questions of social welfare and sustainability. This is unlikely to change until there are equally convenient and regular statistics, so the calls for alternatives to GDP are understandable. Many of the proposed alternatives to date have significant flaws, although dashboards⁴ look more promising. Statisticians have a lot of work to do.

Diane Coyle runs the consultancy Enlightenment Economics and has been appointed a Professor of Economics at the University of Manchester.

References

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⁴ Dashboards- key performance indicators relevant to a particular objective.

Source #2

The following article was published in *CentrePiece magazine (Centre for Economic Performance, LSE)* on December 22, 2012.

Hooray for GDP! GDP as a measure of wellbeing Nicholas Oulton

The idea of having GDP growth as the main target of economic policy has been under attack in recent years. This column addresses some of the criticisms and argues that continued GDP growth would be good for the UK and other European countries – and not just in the short term to reduce high levels of unemployment.

The much-loved English poet John Betjeman is reported to have said on his deathbed that the one thing he regretted in his life was not spending enough time with his wife. This provides a seasonally relevant reminder that there is more to life than just buying and consuming stuff. And that is what GDP measures – the output of goods and services on which we collectively spend our income.

Many people today would say that promoting the growth of GDP is undesirable or even irresponsible. Some economists see happiness as 'a more ambitious and laudable policy objective' (see, for example, Graham 2011). In a recent paper submitted as evidence to the LSE's Growth Commission, I consider three common criticisms of GDP as a target of policy and explain why I think they are wrong (Oulton, 2012a):

- The first criticism is that GDP is hopelessly flawed as a measure of human welfare. For example, the argument goes, it takes no account of pollution.
- The second criticism is that GDP ignores distribution. In a rich country like the US, some say, the typical person or family has seen little or no benefit from growth since the 1970s. At the same time, inequality has risen sharply.
- The third criticism is that above a certain level, a higher material standard of living does not make people happier. This view concludes that we should stop trying to raise GDP and look instead for policies that promote happiness.

'GDP is a flawed measure of human welfare'

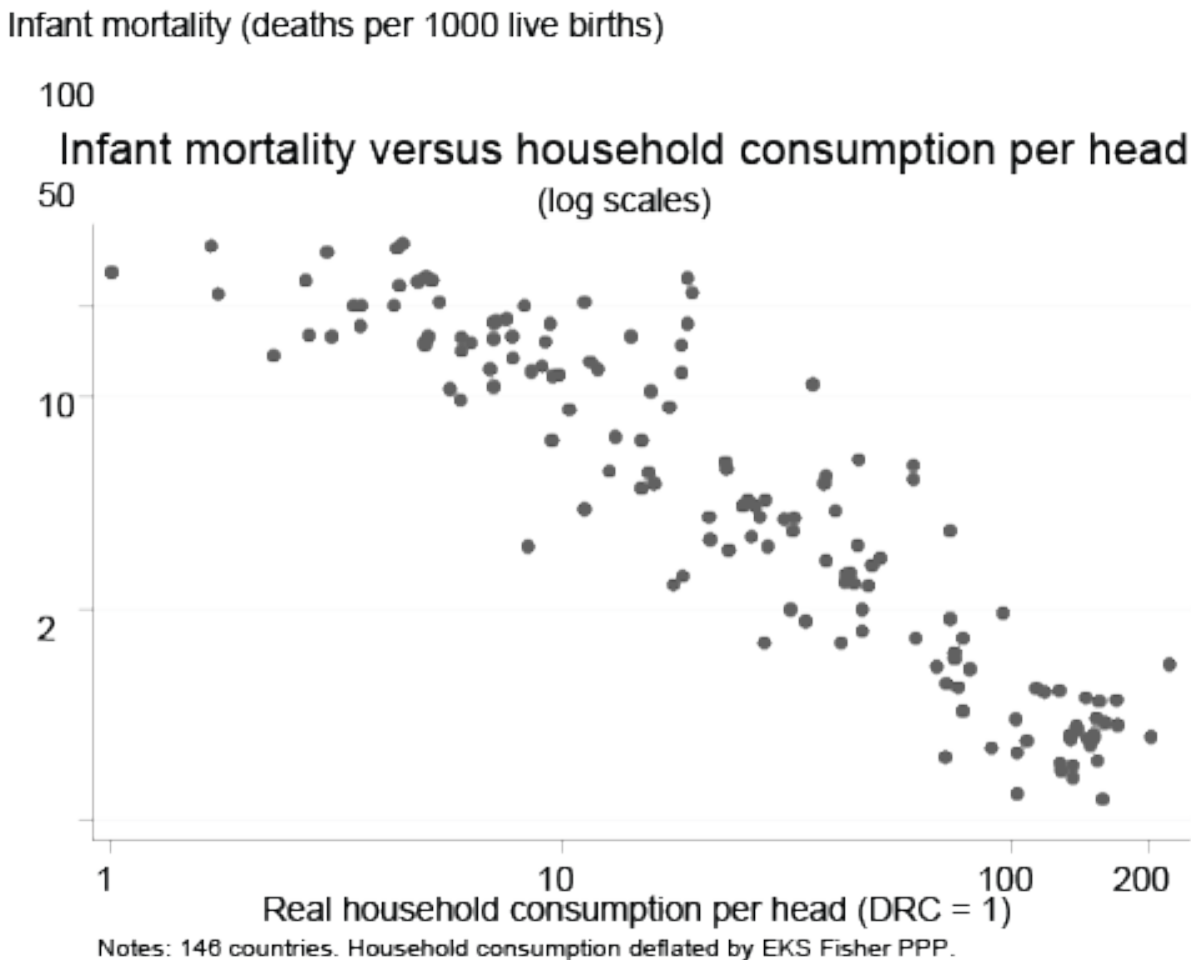
GDP has always been a measure of *output*, not of welfare. Using current prices, it measures the value of goods and services produced for final consumption, private and public, present and future. (Future consumption is covered since GDP includes output of investment goods.) Converting to constant prices makes it possible to calculate the growth of GDP over time or the differences between countries across space.

But although GDP is not a *measure* of human welfare, it can be considered a *component* of welfare. The volume of goods and services available to the average person clearly contributes to welfare in the wider sense, though of course it is far from being the only component. So it is possible to imagine a social welfare function that has GDP as one of its components alongside health, equality, human rights, etc.

GDP is also an *indicator* of human welfare. In cross-country data, GDP per capita is highly correlated with other factors that are important for welfare. In particular, it is positively correlated with life expectancy and negatively correlated with infant mortality and inequality. Since parents naturally feel grief for children they have lost, infant mortality might be thought of as an indicator of happiness.

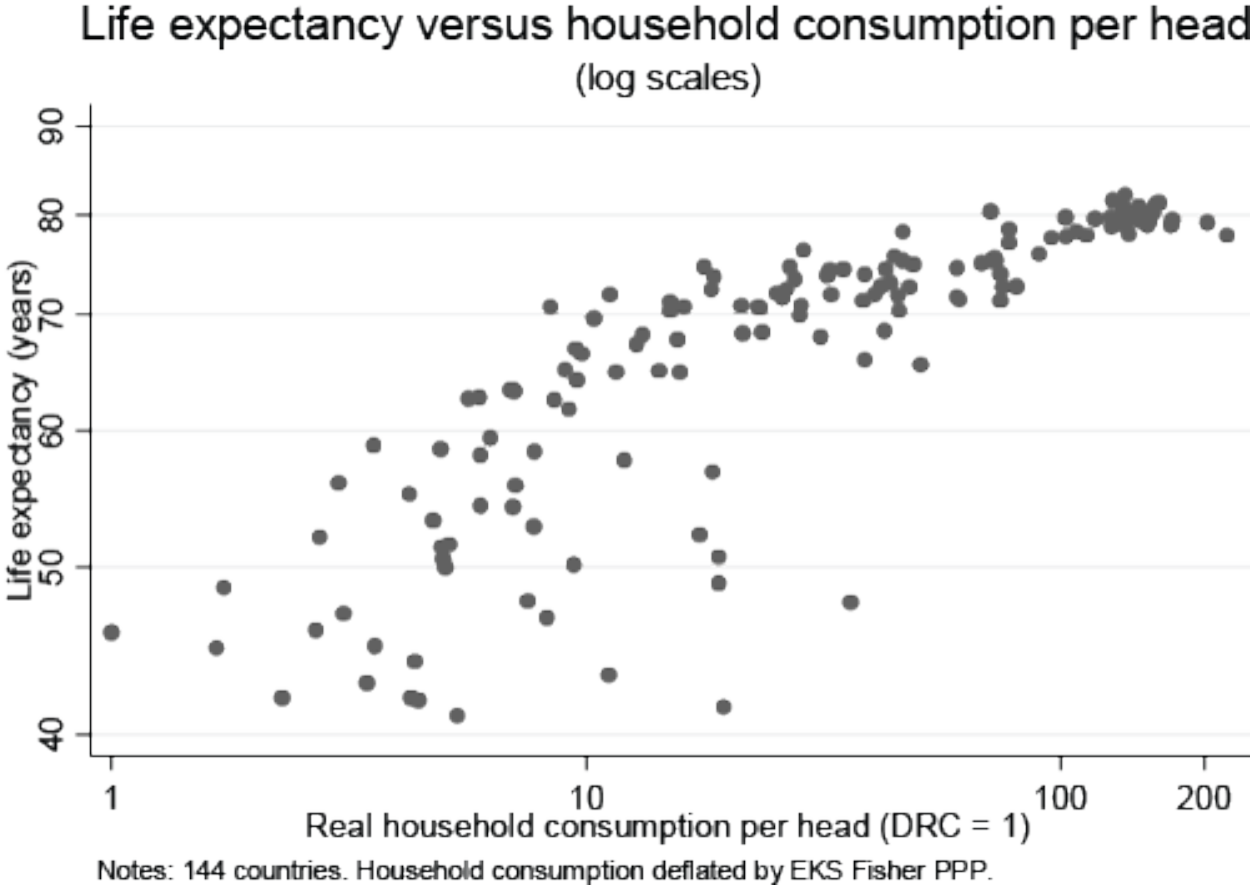
Figures 1-3 illustrate these facts for large samples of countries, plotting household consumption per capita (which closely tracks GDP per capita) against three measures of human welfare. They show that richer countries tend to have greater life expectancy, lower infant mortality and lower inequality. Of course, correlation is not necessarily causation, although there is a strong case for the view that higher GDP per capita leads to improved health (Fogel 2004).

Figure 1 The relationship between a country's household consumption per head and its rate of infant mortality



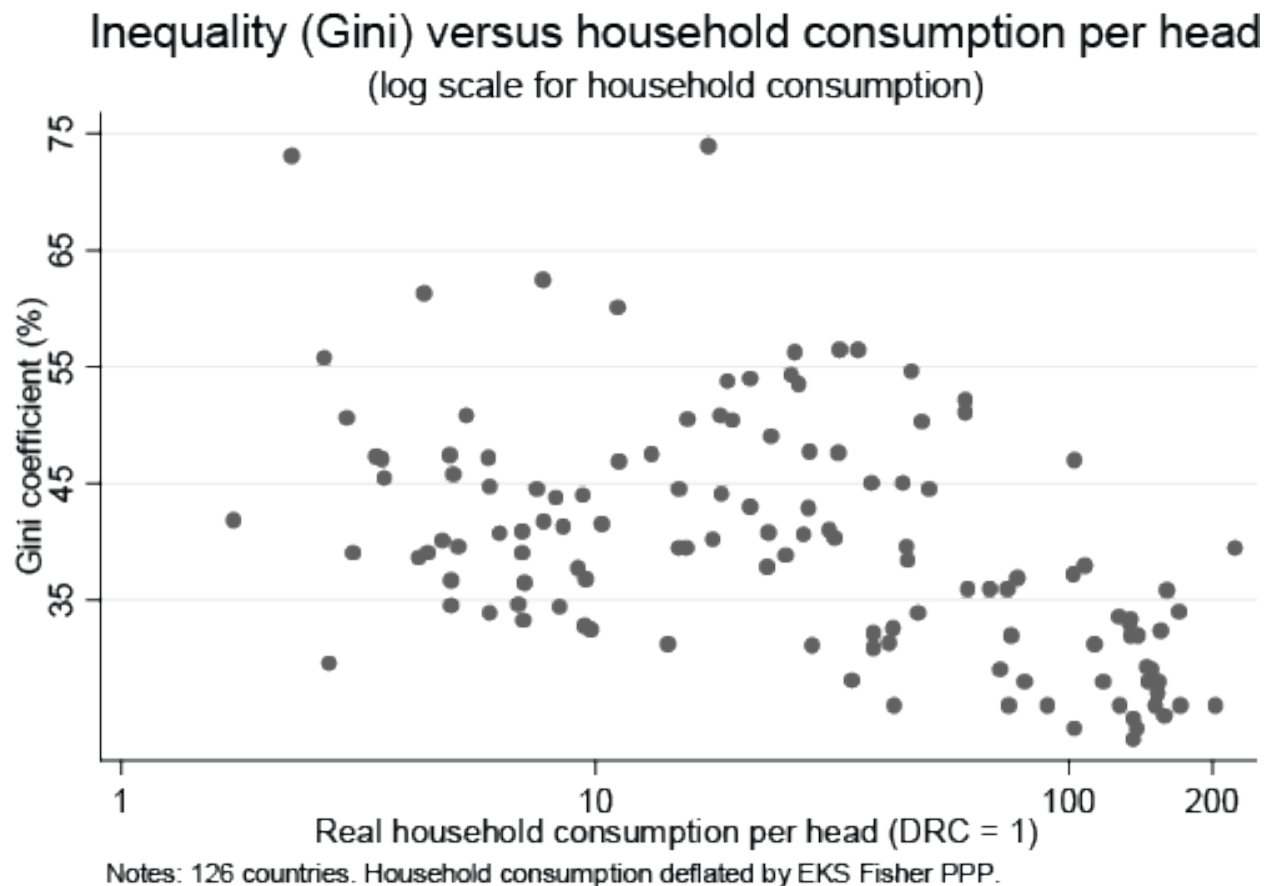
Source: Oulton (2012b).

Figure 2 The relationship between a country's household consumption per head and its life expectancy



Source: Oulton (2012b).

Figure 3 The relationship between a country's household consumption per head and its inequality



Source: Oulton (2012b).

'Most people don't benefit from GDP growth'

Many people assert that the typical US household's living standards have stagnated since the 1970s, despite the relatively rapid growth of labor productivity and GDP per capita. But while it is uncontroversial that US income inequality has been rising for decades, does this mean that the typical household has received no benefit from growth? The results of a comprehensive recent examination of these issues reveal quite a different picture (Wolff et al, 2012).

Table 1 Real income measures, per capita and per household, in the United States: annual percentage rates of growth, 1959-2007

	1959-72	1972-82	1982-89	1989-2000	2000-04	2004-07	1959-2007
Equivalent media LIMEW	0.94%	-0.13%	3.22%	0.97%	0.84%	0.42%	1.01%
Equivalent mean LIMEW	1.11%	0.14%	3.27%	1.94%	0.10%	0.93%	1.31%
GDP per capita	2.73%	1.34%	3.37%	2.03%	1.26%	1.58%	2.18%

Sources: Wolff et al (2012) and US National Income and Products Accounts.

Notes: LIMEW (Levy Institute Measure of Economic Wellbeing) is defined as income minus taxes plus cash and non-cash benefits plus individual public consumption plus household production, with property income valued on an annuity basis, per household.

'Equivalent'; means that household income is measured after adjusting for household size and composition.

'GDP growth doesn't make people happier'

Surveys of wellbeing or happiness repeatedly find that in any given country at any point in time, richer people report themselves to be happier than poorer people do. But when the same survey is repeated in the same country over time, there is no rise in the average level of happiness, despite the fact that per capita income has gone up. Most of this time series evidence (which is disputed by Stevenson and Wolfers 2008) is for the US and the result is known as the 'Easterlin paradox' (Easterlin 1974).

The most common explanation for the paradox, suggested by Richard Easterlin himself, is that at least above a certain level of income, people care more about their relative position in the income scale than they do about their absolute position. They are motivated less by pure desire for stuff and more by envy, by the pressure of 'keeping up with the Joneses' and by the satisfaction of looking down on the less successful.

References

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Source #3

The following is an article published on August 23, 2011.

GDP Is a Lie – It's Time for a New Measure of Economic Growth

By Martin Hutchinson, Global Investing Specialist, Money Morning

Gross domestic product (GDP) is the most commonly used measure of economic growth. But GDP isn't just inaccurate and misleading – it's the contrivance of Keynesian economists⁵ seeking to push their own, big-government agenda.

That's right. GDP is a financial ruse – the biggest of the past half-century. And it's time to move past it to another, more accurate measure of economic growth.

Keynesian economist Simon Kuznets designed GDP at the height of the New Deal era. Kuznets first revealed the measure in a report to Congress in 1934. GDP takes into account consumption, investment and government expenditure to create a measure of economic growth.

But the Keynesians employed some chicanery, or sleight-of-hand, to generate this statistic. A close look reveals the dirty little secret about GDP: It intentionally overplays the importance of government spending – and in doing so inflates the role that Washington plays in each of our lives.

And it's been doing this for 77 years ...

The Biggest Lie of the 20th Century

Gross domestic product is supposed to be a measure of all the goods and services produced here at home.

But there's a discrepancy.

You see, private-sector output is measured by the price people are prepared to pay for it. But government output is fudged: It's measured by its cost.

That means GDP increases any time the government spends money. It doesn't matter if that money is actually put to productive use or not – GDP rises nonetheless.

The bureaucrat devising regulations that damage business? His salary increases GDP. The \$300 million Alaskan "bridge to nowhere" of a few years back? That was \$300 million added to GDP. The jet-fighter project that costs billions, and is plagued by huge overruns that lead to its cancellation? Those billions add to GDP.

Even public-spending "stimulus" programs, however foolish, are always effective according to the GDP definition, because their cost is simply added to output.

It's obvious why big-government Keynesians would like this calculation: It substantiates their claim that government spending stimulates economic growth.

⁵ Keynesian Economists- followers of John Meynard Keynes' economic philosophy that demand drives markets, therefore increased government spending will in-turn increase consumer demand.

In the real world, however, this makes no sense. Indeed, none of the examples above actually add to economic welfare.

Don't misunderstand – some government output is very valuable. We could not exist in a free society without a court system that protects our property rights and a national defense that protects our borders. In most other cases, however, if government output were truly cost effective, the private sector would've already taken the initiative (and probably done so at lower cost and greater impact).

So how can you get an accurate measure of economic growth?

Arithmetically, there's a simple solution: You take Line 1, "**Gross Domestic Product**," in the Bureau of Economic Analysis' GDP Table and subtract from it Line 21, "**Government Consumption Expenditures and Gross Investment**."

That gives you a net number, which we can call "gross private product," or GPP. It's a measure of all the output produced by the private sector. In general, it will underestimate national "welfare" unless government is *really* bad. But it will give you a much better idea of the output the market economy is producing.

Indeed, looking at GPP's past performance helps to explain some things that GDP doesn't.

Keynesians like to proclaim that World War II got America out of the Great Depression: Thus, if you make stimulus big enough, it will solve economic problems.

This is the biggest lie of the 20th century.

A New Measure of Economic Growth

If you look back through history, and look only at GDP, it seems correct. After all, GDP did increase sharply during World War II.

But if you look at GPP, the real story becomes quite clear.

GPP declined somewhat more than GDP at the beginning of the Depression, as U.S. President Herbert Hoover threw money about in a futile attempt to stop the horrific downturn.

Then it increased somewhat more slowly than GDP during the 1930s, falling back in 1937-38. GPP really took off after that, rising at more than 9% per annum in 1938-40. New Dealer losses in the midterm elections of November 1938 had put an end to some of the group's spending and most of their meddling.

When war came, GPP collapsed while GDP rose. By 1944, GPP was down to half its 1940 level, and 25% below where it was in 1932 at the trough of The Depression. Then when war ended, it took off. In 1946, while GDP fell, GPP more than doubled, as the economy was converted to peacetime. Overall, however, the GPP level in 1946-48 was about 10% to 12% lower than it would have been had the 1938-40 recovery continued – or had the economy continued steady growth after 1929.

By the GPP measure, the U.S. economy was recovering quickly by 1940. The war caused a huge downturn, but postwar reconstruction saw it bounce back, although not quite to the level it would have reached had the war not happened.

That narrative makes far more sense than the conventional Keynesian fable – that the manufacture of guns, tanks, uniforms and other instruments of war alone led to an economic revival.

The ultimate fallacy of Keynesian analysis was demonstrated last weekend, when Nobel Prize-winning economist Paul Krugman claimed that an excellent solution to our economic problems would be to stage an imaginary invasion by space aliens.

Under Keynesian analysis, all the money spent making weapons and munitions to fend off aliens would boost the economy, as it allegedly did during World War II.

But by using GPP analysis, we can be smarter than that. We know a major anti-alien war effort would damage private output, and potentially push the U.S. Treasury into bankruptcy.

The private sector creates jobs, and pays for government. We need to keep track of its output through GPP, and run the economy to put GPP on a healthy long-term growth path.

No alien invasion, real or imaginary, is called for.

Source #4

Images published by Bob Willard. Mar 8th, 2011

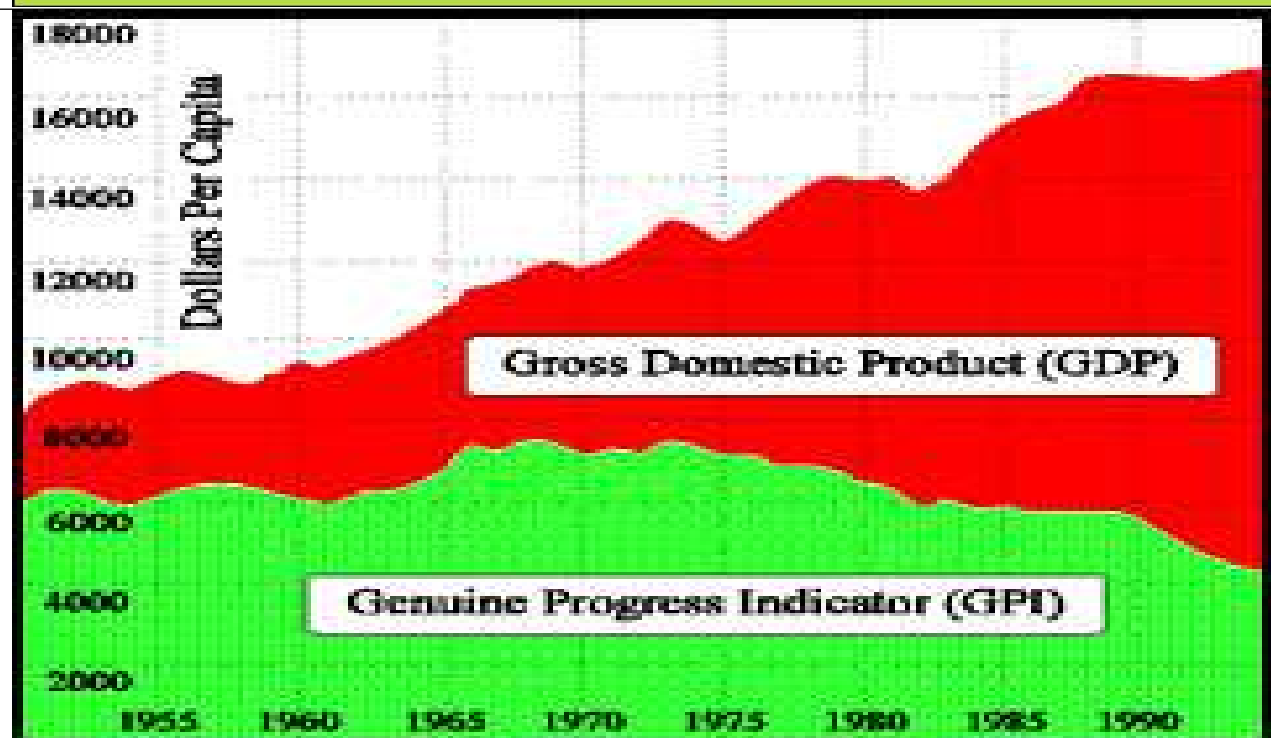
Alternatives to GDP

GDP was never intended to measure national well-being

Joseph Stiglitz, the Nobel Prize- winning economist, urged world leaders to drop a “fetish” obsession with GDP and focus more on broader measures of prosperity (Oct 2009)

- **Genuine Progress Indicator (GPI):** Includes income distribution, value of household and volunteer work, and subtracts factors such as the costs of crime and pollution.
- **UN Human Development Index:** Combines GDP, health, life-expectancy, and education
- **Gross National Happiness:** Used by Bhutan
- **Canadian Index of Wellbeing (CIW):** Proposed; would include health, education, and environmental quality
- **Vital Signs:** Measures Canadian community vitality; done by Community Foundations of Canada

Kurt Kleiner, “Is Life Getting Better?” UofT Magazine, Winter 2010



Research Questions

1. The author in Source #1 asks the question, “should it [GDP] measure social welfare, or should it instead just measure the level of activity?” Explain how the author of Source #2 would answer this question. Justify your answer and support it with **two** details from the source.

2. You have joined a group that will be lobbying to congress in support of keeping GDP as a major indicator of the health of the economy. Which source would most likely be relevant to support your argument? Justify your answer with **two** pieces of evidence from the source.

3. Look at the claims in the table. Decide if the information in Source #1, Source #2, Source #3, or Source #4 supports each claim. Put a check in the box that identifies the source that supports each claim. Some claims will have more than one box selected.

Claim	Source #1: Measuring Economic Progress	Source #2: Hooray for GDP! GDP as a measure of wellbeing	Source #3: GDP Is a Lie – It’s Time for a New Measure of Economic Growth	Source #4: Alternatives to GDP
Economists can find more successful measurements of the health of the economy than GDP.				
One flaw of the single alternative indicators is that they all omit positive contributions to welfare.				
GDP per capita is closely tied to factors important for human welfare.				
GDP substantiates the claim that government spending stimulates economic growth.				

Student Directions

Argumentative Performance Task

Part 2

You will now review your notes and sources, and plan, draft, revise, and edit your writing. You may use your notes and refer to the sources. Now read your assignment and the information about how your writing will be scored; then begin your work.

Your Assignment:

After a long discussion with your economics teacher you have decided to write an argumentative essay that addresses the issues surrounding the use of GDP as a key economic indicator. Your essay will be read by the governor, school officials, and economists statewide.

Your assignment is to use the research sources to write a multi-paragraph argumentative essay either for or against the continued use of GDP as a key indicator of the health of the state economy. Make sure you establish an argumentative claim from the sources you have read. Develop your ideas clearly and use your own words, except when quoting directly from the sources. Be sure to reference the sources by title or number when using details or facts directly from the sources.

Argumentative Essay Scoring:

Your argumentative essay will be scored using the following:

1. How well did you state your claim, address opposing claims, and maintain your claim with a logical progression of the ideas from beginning to end? How well did your ideas thoughtfully flow from beginning to end?

Organization/purpose:

Goal	Yes	No
1. State your claim:		
2. Address opposing claims:		
3. Maintain your claim with a logical progression of the ideas from beginning to end:		
4. Ideas thoughtfully flow from beginning to end using effective transitions:		
5. Create an effective introduction and conclusion:		

Evidence and Elaboration:

Goal	Yes	No
1. Integrate relevant and specific information from the sources:		
2. Elaborate your ideas:		
3. Clearly state ideas in your own words using precise language that is appropriate for your audience and purpose:		
4. Reference the sources you use by title and number:		

Conventions:

Goal	Yes	No
1. Follow the rules of grammar usage, punctuation, capitalization, and spelling:		

Now begin your work on your argumentative essay. Manage your time carefully so that you can

- plan your multi-paragraph argumentative essay,
- write your multi-paragraph argumentative essay,
- revise and edit the final draft of your multi-paragraph argumentative essay.

For Part 2, you are being asked to write a multi-paragraph argumentative essay, so please be as thorough as possible. Write your response on lined paper and be sure that your writing is legible.

Remember to check your notes and your prewriting/planning as you write and then revise and edit your argumentative essay.