Subject: Economic Ideas 110G

Response Paper #2

Your paper should be about 2-3 pages, double-spaced.

What is GDP?  How is it measured?  Look up on the web GDP per capita by country.  How does the US rank?  What are the lowest and highest ranking countries?

One of the problems with GDP per capita as a measure of well-being is that it tells us nothing about income distribution. Explain.

The gini index is a measure of income distribution, with lower numbers indicating more equal distribution of income in a country. Look up the Gini index by country. Which countries have the lowest and highest indices? How does the US rank?

Sources of data are the World Bank, the International Monetary Fund (IMF), and the Central Intelligence Agency (CIA).

Response Paper #3

Please write an essay of 2-3 pages addressing the following topic. Based on the **chapters 12 and 13** from **Economics Explained**, discuss **the ways in which markets can fail to allocate resources in a socially desirable manner**.

(Readings will be attached in a separate file for this question.)

Homework Paper #4

Using data from the website **inequality.org** on **wealth and income distribution** **in the US over time**, discuss **how income distribution and wealth distribution have changed since the end of WWII to the present**.

Answers should be around three pages. Use citations and provide actual numbers.