

GDP, Literacy Rate, and Standard of Living in European Countries

Name:

Date:

Per:

T.o.C. #



Warm-Up: How would people in a country that had a strong economy most likely be living?

Literacy is the ability to read and write. High literacy rates are usually found in developed, or industrialized, countries like the United States and most of Europe. Industrialized countries depend more on industry rather than farming for their wealth. Most people in industrialized countries work in manufacturing, communication, or service industries. The increased wealth of these countries allows them to provide education, health care, and access to technology to their citizens. The **standard of living**, or the quality of life that people live, is relatively high.

Developing countries do not have much industry and depend on farming for most of their wealth. There are often fewer people in these countries that can read or write. Education, healthcare, and jobs are not easily available. When education is available, it may be lower quality or restricted to only certain groups. Without the skills of reading or writing, workers cannot get better jobs and therefore the country is often poor.

Russia is somewhat unusual in Europe. It has a high literacy rate, but a lower **Gross Domestic Product (GDP)**. GDP is the total value of the final goods and services produced in a country in one year. Russia's lower GDP is somewhat surprising because it has a similar percentage of people who can read and write than other European countries with higher GDP. The government of Russia has always required education, but it has slowly had to add more manufacturing and communication jobs to the country as it has moved away from a pure command economy. Poverty is declining and Russia's economy is growing.

Review:

1. What is literacy rate?
2. What is standard of living?

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3. Connect: If a country invests in healthcare and education for its citizens, what factor of production are they investing in?

4. What happens when a country cannot invest in healthcare, education, and training for its citizens?

5. What does GDP stand for? What does it mean?

6. Why is Russia's low GDP surprising?

Use the table below for the following multiple-choice questions.

<i>Country</i>	<i>Literacy Rate</i>	<i>Per Person Gross Domestic Product</i>
United Kingdom	99%	\$39,500.00
France	99%	\$40,400.00
Germany	99%	\$45,900.00
Russia	99%	\$14, 600
Italy	98%	\$35,500.00
United States**	98.5%	\$54,600.00

**** U.S. Data shown for comparison**

1. Why does Russia have such a high literacy rate but such a low Gross Domestic Product?
 - a. Russians don't want a high standard of living
 - b. Education is only required for boys, but girls can choose to attend
 - c. There are too many jobs in manufacturing and not enough schools
 - d. The government has always required children to be educated but the economy is not as productive

 2. A literate person in a developed country in Europe is most likely to have all EXCEPT which of the following?
 - a. Health care
 - b. Technology
 - c. A high-paying job
 - d. Uneducated children
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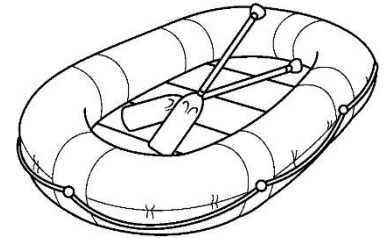
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3. Citizens in a developing country would have...
 - a. The best jobs available
 - b. Little education
 - c. A higher literacy rate
 - d. A high standard of living

4. Connect: What connections, if any, do you see between the type of economy (traditional, market, command, mixed) and the level of GDP per person?

GDP, Literacy Rate, and Standard of Living RAFTS

Directions: Choose TWO of the following RAFTS to complete during this worktime today.



Role: Germany

Audience: Russia

Format: Top secret email

Topic: Why Russia should care about increasing its GDP

Role: Developing country

Audience: Developed European countries (France, UK, Germany, Russia, Italy)

Format: Help Wanted Ad

Topic: How to increase the GDP in their developing country

Role: Government

Audience: Business Owner

Format: Letter

Topic: Ask business owners to invest more in human capital and explain how that could impact GDP

Role: Politician

Audience: Citizens of a country

Format: Speech

Topic: Promise to increase GDP in the country and explain how you plan to do it

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TOTD: Draw arrows to show the relationship between the two items.

Example:



Studying for test = *Grade on test*
(The more you study for your test, the higher your grade will be)

1.

Investment in Human Capital = GDP

2.

Literacy Rate = GDP

3.

GDP = Standard of Living
