

Macroeconomics Activity

The following macroeconomics activity is taken from the Instructor's Manual to Accompany "Teaching Tools for Microeconomics from John Stossel -- College edition" by James Gwartney, John Morton, Mark Schug, and Joseph Calhoun. The accompanying Stossel DVDs may be purchased at: AbcNewstore.com

Activity: Wonderful Trends of the Past 100 Years

Common Sense Economics

Part II: Introduction or conclusion activity

Key Economic Words and Concepts: Technological advancements, Economic Prosperity

The following statistics are from Stephen Moore and Julian L. Simon, "The Greatest Century That Ever Was: 25 Miraculous Trends of the Past 100 Years," Policy Analysis, Cato Institute, Dec. 15, 1999.

25 Wonderful Trends of the 20 th Century		
Trend	1900-1920	1995-98
Life expectancy (years)	47	77
Infant mortality (deaths per 1,000 live births)	100	7
Deaths from infectious diseases (per 100,000 population)	700	50
Heart disease (age-adjusted deaths per 100,000 population)	307 (1950)	126
Per capita GDP (1998 dollars)	\$4,800	\$31,500
Manufacturing wage (1998 dollars)	\$3.40	\$12.50
Household assets (trillions of 1998 dollars)	\$6 (1945)	\$41
Poverty rate (percent of U.S. households)	40	13
Length of workweek (hours)	50	35
Agricultural workers (percent of workforce)	35	2.5
TV ownership (percent of U.S. households)	0	98
Homeownership (percent of U.S. households)	46	66

Electrification (percent of U.S. households)	8	99
Telephone calls (annual per capita calls)	40	2,300
Cars for transportation (percent of U.S. households)	1	91
Patents granted	25,000	150,000
High school completion (percent of adults)	22	88
Accidental deaths (per 100,000 population)	88	34
Wheat price (per bushel in hours of work)	4.1	0.2
Bachelor's degrees awarded to women (percent of degrees)	34	55
Black income (annual per capita, 1997 dollars)	\$1,200	\$12,400
Resident U.S. population (millions)	76	265
Air pollution (lead, micrograms per 100 cubic meters of air)	135 (1977)	4
Computer speed (millions of instructions per second)	0.02 (1976)	700
Computer ownership (percent of U.S. households)	1 (1980)	44

Questions for discussion or written response

1. In your view, which three of the above statistics indicate the most important advancements? Why?
2. The authors of the study say, "A central message of this study is that the fruits of a free society are prosperity, wealth, and better health." Do you agree or disagree? Why?
3. Are there any other statistics that you would want to see before concluding that life is better today?" If so, what would they be? (Points to Consider: According to the study's authors, "there have been worrisome increases in family breakup, abortions, illegitimate births, and teen suicide." Violent crime increased in the twentieth century before declining.)
4. Are there other major advancements not included in the trends listed above that you think should be? If so, what are they?