

A Level Economics *Activity 3*

Useful key terms:

GDP

- Economists measure the size of an economy by calculating the *Gross Domestic Product (GDP)*. This places a financial value on all of the products produced within a country within a year. For example in 2021 the GDP for the UK Economy was \$2.83 trillion, which places a financial value on all of the products produced by the 67.22 million people who live within the UK.
 - GDP can therefore be used to measure how economies perform over-time, but also to make comparisons between different economies

GDP per capita

- To then give an indication of living standards, we can divide GDP by the population (GDP per capita). This gives us an indication of average incomes across the economy.

Economic growth

- This measures the increase in GDP over time.

Questions:

1. Who do you believe are the 10 largest economies by GDP?
2. Once you have completed question 1 please use the link below to mark your answers - <https://www.worldometers.info/gdp/gdp-by-country/>
3. Now research and write down the answers to the following <https://www.worldometers.info/gdp/gdp-per-capita/> :
 - a. Top 5 economies by GDP per capita
 - b. Poorest 5 economies by GDP per capita
4. Now please watch the following video to help you answer the next questions [https://www.gapminder.org/tools/#\\$chart-type=bubbles&url=v2](https://www.gapminder.org/tools/#$chart-type=bubbles&url=v2) :
 - a. What is the correlation between incomes and life expectancy?
 - b. Explain why this correlation exists.
 - c. Why do you think some countries are richer than others?
 - d. Based off of your research why do you believe we want economies to grow?