

Comparing GDP



How helpful is this number in the analysis of a country?

The Top Ten

Find the top ten economies (country) by size (nominal GDP). What are they? Then, find the GDP per capita for each (use PPP), what do you notice about what changes? What are the top ten now?

Volunteering

The global value of volunteerism has been placed at \$1.348 trillion (~2.4% of the entire global economy), but volunteerism doesn't count towards GDP. Should it? Examine the [link here](#) and comment on how GDP figures might be significantly altered globally if volunteerism was counted as part of annual production.

Limitations

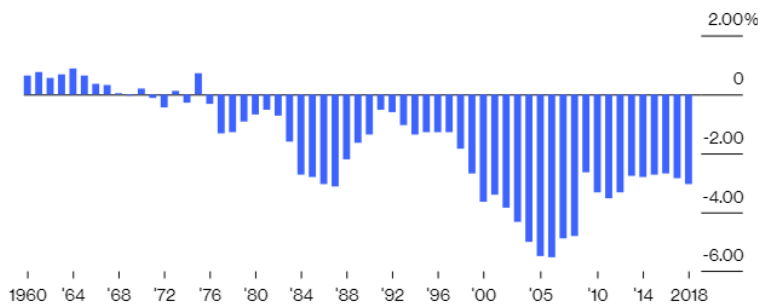
GDP has many limitations as a measurement (some were mentioned in the lecture, others not). Which limitation appears to be the most difficult to overcome?

GNP vs. GDP

Naturally, the primary reason GDP was established in the 1980s was that the interconnectedness of the economies around the world had grown substantially from the 1930s. Global trade has boomed, and 1975 was the last time that the US had a trade surplus... however as seen below, one of the most important things to consider is deficit in comparison to GDP. Based on what you are reading, how serious is the trade deficit situation?

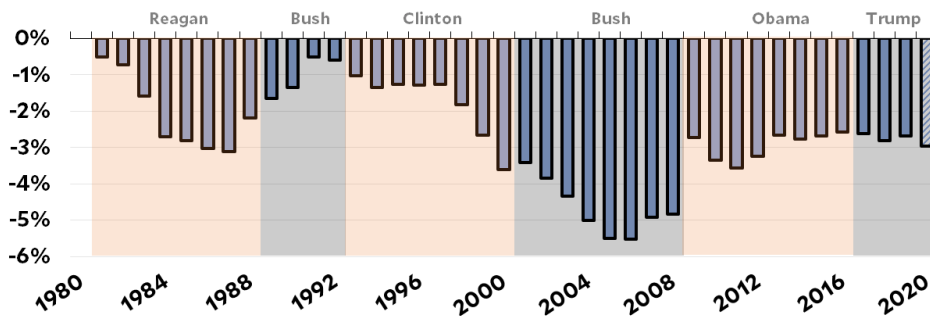
The Overall Trade Deficit Has Been Much Bigger

U.S. goods and services trade balance as a percentage of GDP



Source: U.S. Bureau of Economic Analysis

Trade Deficit in Goods and Services As % of GDP



Source: Bureau of Economic Analysis

Mother Jones

Solutions for Trade Deficits?

President Trump stated he'd end trade deficits. Did he? Will Biden?

