

Do not write your name on the assignment. Write your name only on the back of this sheet of paper and staple your answers on the front of this sheet of paper. Failure to follow these directions will cost you 1 point on the assignment.

The assigned countries are: Japan - Adam and Brad; Germany - Sharon and Noyan; Russia - Mitsuru and Sharon; Poland - Yosuke and Adam; China - Brad and Noyan; and India - Yosuke and Mitsuru.

1) (35 points) The USA has been moving away from a purely capitalistic country in the past two decades. What evidence do we have to support this observation? There are both positive and negative aspects to this move. Do you feel that it results in a net gain or a net loss? Explain your logic.

2) (15 points) The current Bush administration has been weakening laws that protect the natural environment. What is the economic logic for having laws protecting the natural environment?

3) (35 points) Look at table 3-8 on page 59. Comparing 1970 and 1996, do you think the country has improved? Explain your logic. Look at table 3-9 on page 59. Comparing 1970 and 1996, do you think the country has improved? Explain your logic. Given your two answers, explain a problem with using the quintiles to evaluate an economy.

4) (15 points) Income inequality in the USA has increased over the past few decades. Do you feel that will help or hurt the USA in the future. Explain your logic.