TO THE TEACHER

Economic Cartoons provide high-interest visualization of concepts that you want to teach. These cartoons challenge students to apply what they have learned in the text. Using cartoons also allows students with weaker reading skills to develop higher level critical thinking skills such as:

- Understanding the use of caricature, satire, and irony
- Understanding cause-effect relationships
- Comparing and contrasting
- Writing opinions, creative solutions, and interpretations

You may want to use a cartoon as a beginning class activity, a lesson illustration, a review activity, or follow-up activity. Several cartoons may be chosen for an in-depth lesson on interpreting economic cartoons. Each cartoon activity begins with low level multiple choice questions designed to help students identify the symbols and characters in the cartoon. Critical thinking questions follow, asking students to analyze the cartoon and express their own opinions or to apply what they have learned in creative ways.

CREATING A CUSTOMIZED FILE

The individual booklets in the Teacher’s Classroom Resources provide a wide variety of supplemental materials to help make economics meaningful to students. These resources appear as individual booklets in a carryall file box.

There are a variety of ways to organize Economic Cartoons classroom resources. Three alternatives are given here:

- Organize by category (all activities, all tests, etc.)
- Organize by category and chapter (all Chapter 1 activities, all Chapter 1 tests, etc.)
- Organize sequentially by lesson (activities, quizzes, and other materials for Chapter 1, Section 1; Chapter 2, Section 2, etc.)

Regardless of the organization you choose, you may pull out individual activity sheets from these booklets, or you may photocopy them directly from the booklets and file the photocopies. You will then be able to keep original booklets intact in a safe place.
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ECONOMIC CARTOON 1

CHOICES, CHOICES

Economics is first, and finally, about choices. What to make? What to buy? How much to spend? The way individuals and businesses choose to answer such questions is the stuff of economics. It is also the stuff of political cartoons, since many economic choices are controversial.

Directions: Study the cartoon below. Then answer the questions that follow.

EXAMINING THE CARTOON

Multiple Choice
1. What economic choice or choices are symbolized by the cartoon?
   a. the economic choice to hire cheaper labor
   b. the economic choice to reduce business costs
   c. the economic choice to enhance a company’s image
   d. all of the above

2. Whom do the men with briefcases symbolize?
   a. a particular business
   b. a particular industry
   c. any business
   d. large firms

3. Which word best describes the cartoonist’s view of the choices that big business tends to make?
   a. self-serving
   b. altruistic
   c. careful
   d. rash

Critical Thinking
4. Analyzing the Cartoon How do Santa Claus and the businessmen create a strong contrast?

5. Expressing Your Opinion Do you think the Santa’s workshop idea is effectively used in this cartoon? Why or why not?

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WHO GETS THE CREDIT? WHO TAKES THE BLAME?

The American economy is a unique mix of business activity and government action. The government, simultaneously, tries to help control the economy and to let markets function freely. This “mixed” economic system has proved effective, but the economy isn’t always humming. When there are problems, both the public and private spheres look for someone to blame.

Directions: Study the cartoon below. Then answer the questions that follow.
EXAMINING THE CARTOON

Multiple Choice

1. Who are the people pictured in the cartoon?
   a. fictional business people  
   b. former U.S. Presidents  
   c. symbolic consumers  
   d. ordinary citizens

2. What distinguishes the figures in the foreground from those above and behind?
   a. The figures in the foreground are business people.
   b. The figures in the foreground were alive when the cartoon was published.
   c. The figures in the foreground are government officials.
   d. The figures in the foreground are wealthy.

3. Look at the figure in the upper left. Which is the best interpretation of the significance of where he is pointing?
   a. It establishes that the figure in the lower left is ultimately to blame.
   b. It establishes that none of the figures is willing to accept blame.
   c. It establishes that he is the first figure in the series.
   d. It has no significance in the overall message of the cartoon.

Critical Thinking

4. Analyzing the Cartoon Write a one-sentence summary of the message of this cartoon. Then explain how you could update this cartoon.

5. Expressing Your Opinion Do you think the cartoonist effectively gets his message across? Explain.
ECONOMIC CARTOON 3

PRODUCER PAINS

Ergonomics is the science concerned with human engineering—arranging things in the environment so that people and the things they use interact most efficiently. For example, efficiency in production might be increased by changing the height of a worker’s chair.

Directions: Study the cartoon below. Then answer the questions that follow.

EXAMINING THE CARTOON

Multiple Choice

1. The stars and stripes identify the character riding on business’s shoulders as

2. The cartoonist believes government is often
   a. supportive of business. b. a hindrance to business. c. an enemy of business. d. unaware of business.

Critical Thinking

3. Analyzing the Cartoon What is the irony illustrated by the two statements?

4. Expressing Your Opinion Write a short paragraph agreeing or disagreeing with the point of view of the cartoonist.
Demand is a fundamental concept in economics. It is perhaps best defined as what people in the marketplace want to buy and at what price. But demand can get complicated. To truly understand demand, one needs also to understand the law of demand, quantity demanded, the demand curve, the elasticity of demand, and many other concepts. An imperfect understanding of demand can lead to some interesting results, as you shall see.

Directions: Study the cartoon below. Then answer the questions that follow.
EXAMINING THE CARTOON

Multiple Choice
1. The boy in the cartoon is named Calvin. What role does Calvin claim to play in his lemonade business?
   a. owner          b. president and CEO       c. employee       d. all of the above
2. Which group of people does the cartoon NOT indict?
   a. workers       b. stockholders       c. regulators       d. business people
3. What is ironic about the statement “Caveat emptor [let the buyer beware] is the motto we stand behind!”?
   a. Caveat emptor is a motto of consumer caution—not something for a business to “stand behind.”
   b. Caveat emptor is a motto for huge, multinational firms—not a lemonade stand.
   c. Caveat emptor is a nonsense term—something a small child would make up.
   d. Caveat emptor is a Latin phrase—it has nothing to do with business.

Critical Thinking
4. Analyzing the Cartoon Identify at least five different political statements this single cartoon makes.

5. Expressing Your Opinion Which political statements identified in your answer to question 4 do you agree with? Explain why you think each one is fair or not.
EXAMINING THE CARTOON

Multiple Choice

1. This cartoon can be read and enjoyed on several levels. Which statement best captures the economic message of the cartoon?
   a. “Materialism increases the quantity demanded.”
   b. “Consumer demand is elastic.”
   c. “Monopolies negatively affect consumers.”
   d. “Supply is related to demand.”

2. What is economically wrong about the interpretation the boy makes in the last panel?
   a. Santa Claus doesn’t really exist.
   b. Santa Claus does have competition.
   c. Santa Claus is not a manufacturer.
   d. Santa Claus does not charge for goods.

3. Assume the assessment of Santa Claus the boy makes in the last panel is correct. How would competition make him less “sloppy”?
   a. Competition forces suppliers to improve service.
   b. Competition has a direct effect on the quantity supplied.
   c. Competition increases the elasticity of supply.
   d. Competition creates supply.

Critical Thinking

4. Analyzing the Cartoon What can you infer about the boy from the third panel of the cartoon?

5. Expressing Your Opinion Identify and explain what you think is the central message of the cartoon.
VALUE OR STATUS? WHY PEOPLE BUY WHAT THEY DO

The U.S. economy has a circular flow: income flows continuously between businesses and consumers. Income flows from businesses to consumers in the form of wages, interest, and profits. Income flows from consumers to businesses in the form of payments for consumer services and goods. What consumers choose to buy, therefore, is a fundamental part of the economy. Such buying decisions are influenced by many factors: price, quality—and status. One observer of the American economy has identified the role of status in a cartoon about ramen noodles—an inexpensive Asian food that comes in small, meal-sized packages.

Directions: Study the cartoon below. Then answer the questions that follow.
EXAMINING THE CARTOON

[Multiple Choice]

1. Who got more ramen noodles for his money?
   a. the man on the left
   b. the man on the right
   c. they both got the same deal
   d. it is impossible to tell

2. Why is the man on the left panel excited?
   a. He has discovered a new food.
   b. He has increased his income.
   c. He has benefited from a sale.
   d. He has outdone the other man.

3. How would you characterize the other man’s response?
   a. friendly
   b. frustrated
   c. excited
   d. snobbish

[Critical Thinking]

4. Analyzing the Cartoon Why would the second man feel superior for paying more for the product? Explain.

5. Expressing Your Opinion Do you think snobbery or value plays a bigger role in most consumer buying decisions? Explain your answer.
LET THE BUYER BEWARE

The Latin phrase caveat emptor means “let the buyer beware” or “buy at your own risk.” Consumers are wise to keep it as their motto. After all, those who market goods are working in their self-interest to sell them. The relationship between selfish business interests and victimized consumers is a favorite topic of cartoonists.

Directions: Study the cartoon below. Then answer the questions that follow.

EXAMINING THE CARTOON

☐ Multiple Choice
1. What does the “rolls a little rough” statement about a rock that is obviously flat on the bottom imply about this salesperson’s attitude toward consumers?
   a. They really need this product.  
   b. They need encouragement to make the decision.  
   c. They are very gullible.  
   d. They can’t afford anything better.
2. What message does the “prehistoric” setting of the cartoon convey?
   a. Consumers have always been victimized.  
   b. Transportation has always been a need.  
   c. People have always bought and sold things.  
   d. Civilization has made great advances.

☐ Critical Thinking
3. Analyzing the Cartoon How do the hanging flags enhance the point of the cartoon?

☐ Expressing Your Opinion Do you think this cartoon qualifies as an editorial, or is it only intended to make people laugh? Explain.
REAL GAME OF MONOPOLY?

Microsoft Corporation is a computer industry giant. Its operating systems run more than 90 percent of the personal computers in the world. When Microsoft integrated its newest operating system with its own Internet software, other software firms cried foul. They claimed that Microsoft was seeking to use its control of operating system software to gain control of the market for application programs. Was Microsoft becoming a monopoly? The Justice Department and many states filed antitrust suits against Microsoft. Cartoonists took note.

Directions: Study the cartoon below. Then answer the questions that follow.

EXAMINING THE CARTOON

☐ Multiple Choice

1. What does the cartoon imply about the outcome of the Justice Department’s lawsuit against Microsoft?
   a. that they are doomed to failure
   b. that they will succeed
   c. that it will be difficult for them to win
   d. all of the above

2. A reasonable interpretation of the cartoon would be that the government
   a. should not try to interfere in the economy.
   b. has difficulty controlling such a powerful company.
   c. is not competent enough to regulate the economy.
   d. is supportive of big business.

☐ Critical Thinking

3. Analyzing the Cartoon Create an appropriate title or caption for the cartoon.

4. Expressing Your Opinion Do you think the cartoon is effective in making its point without text? Explain.
CONSUMER: A TOUGH ROLE

The role of the consumer is a tough one to play. The scenery consists mostly of advertisements, the other actors are often fast-talking salespeople, and the audience confers status on the basis of what one buys. Cartoonists have become some of the most effective critics of this materialistic play-acting.

Directions: Study the cartoon below. Then answer the questions that follow.
EXAMINING THE CARTOON

Multiple Choice

1. What is the cartoonist indicting?
   a. the lack of support for recycling  
   b. a materialistic culture  
   c. excessive advertising  
   d. any or all of the above

2. The figure in the cartoon might represent all of the following except
   a. consumers.  
   b. people who recycle.  
   c. ordinary people.  
   d. business owners.

3. What market failure is illustrated by this cartoon?
   a. the creation of large amounts of waste  
   b. inadequate public transportation  
   c. the creation of an underclass  
   d. insufficient social services

Critical Thinking

4. Analyzing the Cartoon The figure in the cartoon is free to recycle; no one would prevent him. Why, then, is he sighing?

5. Expressing Your Opinion Explain why you agree or disagree with how the cartoonist has depicted the consumer culture in the United States.
A NATION ON CREDIT

At the close of the twentieth century, credit card use in the United States reached an all-time high. Millions of people, whose parents and grandparents believed in “living within your means” and “paying as you go,” made a different economic choice: to “buy now and pay (with interest) later.” These people were often enticed by credit card companies, who made it easy to get a credit card with a high credit limit (the amount of money one can charge to a card).

Directions: Study the cartoon below. Then answer the questions that follow.

EXAMINING THE CARTOON

Multiple Choice

1. What is the most shocking information in the woman’s statement?
   a. that the mail is on time  
   b. that there is so little mail  
   c. that the credit limit is so high  
   d. that there are only two bills

2. Why did the cartoonist not put an exclamation point after the ridiculously high credit limit?
   a. to convey the idea that high credit limits are becoming customary
   b. to show that the woman does not understand credit
   c. to raise doubts about this couple’s credit
   d. to support the idea of high credit limits

Critical Thinking

3. Analyzing the Cartoon How does the cartoonist use exaggeration to make the point?
BUYING A HOME

For many Americans, owning their own home is more than meeting a basic need; it is the fulfillment of the American dream. One common sticking point in the home buying process is escrow (also referred to as closing or settlement): the depositing of a sum of money with a third party (the escrow agent) who sees that the transfer of funds from the seller to the buyer takes place once all the terms of the contract have been agreed upon and fulfilled. Coming up with escrow money, agreeing on the terms of its release, and completing the mountains of paperwork involved has frustrated thousands of home buyers.

Directions: Study the cartoon below. Then answer the questions that follow.

EXAMINING THE CARTOON

Multiple Choice

1. Who does the person under the boulder represent?
   a. an escrow agent  b. a home buyer  c. a real estate agent  d. a home seller

2. What message does the “prehistoric” setting of the cartoon convey?
   a. that there has always been a housing shortage  b. that buying a home today is complicated  c. that shelter has always been a necessity of life  d. that civilization has made great advances

3. What do you think is the purpose of this cartoon?
   a. to make a complex policy argument  b. to change escrow laws  c. to make people laugh  d. to criticize a political party

Critical Thinking

4. Analyzing the Cartoon Do you think the cartoonist had a particular audience in mind for this cartoon? Explain.

5. Expressing Your Opinion Evaluate this cartoon. Do you think it makes an important point? Is it amusing? Is it effective? Explain why you think it does or does not qualify as a good economic cartoon.
WO LITTLE WORDS: DOT COM

The phrase “dot com”—a typical Internet address suffix—has become a part of the American lexicon. It has an especially sweet sound to many investors, who view the growth of the Internet as a once-in-a-lifetime opportunity to grow their money. However, many financial analysts think that the potential of “dot com” companies are greatly exaggerated, and that their stocks have been overpriced.

Directions: Study the cartoon below. Then answer the questions that follow.

EXAMINING THE CARTOON

Multiple Choice

1. Why does the man on the right have the most money?
   a. because he made a sign
   b. because he added “.com” to his sign
   c. because he is an investor
   d. because he is a venture capitalist

2. Who or what is the cartoonist poking fun at?
   a. poor people who don’t work
   b. people who give to charity
   c. investors in Internet stocks
   d. rich business owners

3. What might another message of the cartoon be?
   a. Poor people do not deserve charity.
   b. Poor people have good business sense.
   c. Poor people should work for a living.
   d. Poor people are excluded from the high-tech economy.

Critical Thinking

4. Analyzing the Cartoon Write a one-sentence summary of the message of the cartoon.

5. Expressing Your Opinion Do you think some people might find this cartoon offensive? Explain.
QUESTION OF ECONOMIC EQUALITY

Achieving equal wages has been a long-term battle for women. Today, on average, women doing the same job as men still make less money. Moreover, a disproportionate number of high-level jobs still go to men. This situation makes an easy target for a savvy editorial cartoonist.

Directions: Study the cartoon below. Then answer the questions that follow.

EXAMINING THE CARTOON

Multiple Choice

1. What American tradition is the basis for the cartoon?
   a. striving to achieve a white-collar job
   b. framing the first dollar one ever earns
   c. taking pride in one’s work
   d. doing the best job one can

2. What is the relationship between the jobs of the two people?
   a. They are in equivalent jobs.
   b. The woman has a higher level job than the man.
   c. The man has a higher level job than the woman.
   d. There is no relationship between their jobs.

3. Which economic concept is illustrated by the cartoon?
   a. equilibrium
   b. comparable worth
   c. circular flow of income
   d. comparative advantage

Critical Thinking

4. Analyzing the Cartoon What two points about the job market is the cartoonist making?

5. Expressing Your Opinion Do you think this cartoon has the power to change a reader’s mind? Explain.
FLIGHT OF THE IRS

The Internal Revenue Service (IRS), charged with collecting taxes, is quite possibly everyone’s least favorite government agency. Under fire in recent years for using bullying tactics it’s no wonder that the IRS is a favorite target of political cartoonists.

Directions: Study the cartoon below. Then answer the questions that follow.

EXAMINING THE CARTOON

Multiple Choice

1. What movie does the cartoon allude to?
   a. Gone With the Wind   b. The Wizard of Oz
   c. Casablanca   d. The Phantom Menace

2. Where are the flying monkeys going?
   a. to collect taxes
   b. to report to Congress
   c. to audit taxpayers
   d. to pay for government programs

Critical Thinking

3. Analyzing the Cartoon What is the significance of the witch’s words to the monkeys?

4. Expressing Your Opinion Do you think the commentary by the small characters in the lower left adds to or detracts from the cartoon? Why?
THE SHIRT OFF LINCOLN’S BACK

In the late 1980s the federal government began to spend what would eventually total about 200 billion dollars of taxpayer money to bail the savings and loan industry out of a financial crisis of its own making. The move was widely viewed as a benefiting the rich at the expense of the poor and middle class.

Directions: Study the cartoon below. Then answer the questions that follow.

EXAMINING THE CARTOON

Multiple Choice

1. What is the setting of this cartoon?
   a. Washington Monument
   b. White House
   c. Capitol
   d. Lincoln Memorial

2. What is the cartoonist’s attitude toward the bailout of the savings and loan industry?
   a. He is supportive.
   b. He opposes it.
   c. He is ambivalent.
   d. He views it as a necessary evil.

Critical Thinking

3. Analyzing the Cartoon What about the setting of this cartoon makes it especially effective?

4. Expressing Your Opinion Do you think the federal government should help businesses overcome their financial mistakes? Explain.
EVERYBODY’S DOING IT

From time to time, a new dance becomes wildly popular all across the country. One dance that was very popular in the late 1990s was the Macarena. It consisted mostly of a series of arm gestures and placements.

Directions: Study the cartoon below. Then answer the questions that follow.

EXAMINING THE CARTOON

☐ Multiple Choice

1. What is the name of the “dance” in the cartoon?
   a. the ATM   b. the Bank Dance   c. the Surcharge   d. the Repeat

2. What is the significance of the first two moves in the dance?
   a. They are just fancy dance moves.   b. They show support of the bank.
   c. They signify a lost ATM card.   d. They indicate money spent on surcharges.

3. What emotion does the last move in the dance signify?
   a. happiness   b. excitement   c. disgust   d. exasperation

☐ Critical Thinking

4. Analyzing the Cartoon Write a one-sentence analysis of this cartoon.

5. Expressing Your Opinion A typical surcharge for making a withdrawal through an ATM is $1.50. Do you think it is a fair fee? Explain.
DAY TRADING—BIG WINNINGS, BIG LOSSES

Using high-speed Internet connections, day traders, for a fee, can buy and sell stocks on a moment’s notice. A sophisticated trader can make a great deal of money by taking advantage of small variations in stock prices. The danger is that most day traders are not so sophisticated and lose a great deal of money.

Directions: Study the cartoon below. Then answer the questions that follow.

EXAMINING THE CARTOON

Multiple Choice

1. What becomes of the man shining shoes in the first panel?
   a. He turns to day trading.
   b. He becomes wealthy.
   c. He loses his money in the stock market crash.
   d. It is impossible to tell.

2. What does the cartoon imply will happen to the man in the second panel?
   a. He will become a professional broker.
   b. He will lose his money.
   c. He will invest in Internet stocks.
   d. It is impossible to tell.

Critical Thinking

3. Analyzing the Cartoon What is significant about “1929”?

4. Expressing Your Opinion Do you think day trading should be legal? Explain.
“Leading economic indicators” are the best tools we have to evaluate the current state of the economy and to predict what is likely to happen in the future. The way economic indicators are calculated is often a subject of debate, however, since so much can ride on measurements such as the Consumer Price Index (CPI).

**Directions:** Study the cartoon below. Then answer the questions that follow.

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**EXAMINING THE CARTOON**

**Multiple Choice**

1. What is the CPI supposed to reflect?
   - a. the cost of living
   - b. unemployment
   - c. American exports
   - d. the national debt

2. Why does the man in the cartoon decide not to challenge the CPI?
   - a. because he agrees it is properly calculated
   - b. because adjusting it would cost him
   - c. because it is a government figure
   - d. because the official and actual CPIs coincide

**Critical Thinking**

3. **Analyzing the Cartoon** Whom do you think the man in the cartoon is supposed to represent? Explain.

4. **Expressing Your Opinion** Do you think the attitude of the man in the cartoon reflects the attitude of most Americans? Why or why not?
The late twentieth century was marked by many paradoxes in the American economy. One was the layoff of tens of thousands of white-collar workers in the midst of an economic boom. Many were middle-aged and were forced, late in life, to change jobs and even careers to find work in what was called “the new economy.”

Directions: Study the cartoon below. Then answer the questions that follow.

![Cartoon: Corporate Layoff Retraining Center](image)

**EXAMINING THE CARTOON**

**Multiple Choice**

1. What is the speaker training the audience to do?
   a. regain their jobs  
   b. improve their attitudes  
   c. work in a fast-food restaurant  
   d. collect unemployment

2. What is the attitude of the speaker?
   a. glib  
   b. frustrated  
   c. helpful  
   d. indifferent

**Critical Thinking**

3. **Analyzing the Cartoon** What is ironic about the “service” that the corporation seems to be offering to its employees?

4. **Expressing Your Opinion** Do you think that corporations have a responsibility to find jobs for the people they lay off? Explain your position.
WHEN GREENSPAN SPEAKS . . .

As chairman of the Federal Reserve Board, Alan Greenspan is often referred to, after the President, as the most powerful person in Washington. He has virtual power to raise or lower interest rates, and investor responses to his comments often move the stock market up or down.

Directions: Study the cartoon below. Then answer the questions that follow.

EXAMINING THE CARTOON

☐ Multiple Choice

1. What do the stocks listed on the board have in common?
   a. They are all medicines.  
   b. They are all treatments for symptoms of anxiety.  
   c. They are all increasing in value.  
   d. all of the above

2. What can you infer about “Greenspan’s comments”?
   a. They were positive observations about the economy.  
   b. They encouraged investment in drug companies.  
   c. They were considered bad news by investors.  
   d. They discouraged investors from panicking.

☐ Critical Thinking

3. Analyzing the Cartoon Do you think the cartoonist is approving, disapproving, or neutral toward Greenspan’s influence? Explain.

4. Expressing Your Opinion How firmly based in reality do you think this cartoon is? Explain your opinion.
EXAMINING THE CARTOON

Multiple Choice

1. What is the basic message of the cartoon?
   a. Wal-Mart has taken over Woolworth’s business.
   b. Discount chains are winning in the marketplace.
   c. Americans no longer value the five-and-dime.
   d. all of the above

2. Which economic concept or concepts are illustrated by the cartoon?
   a. supply and demand
   b. risk and competition
   c. capitalism and economic choices
   d. all of the above

Critical Thinking

3. Analyzing the Cartoon Imagine that the cartoon includes a person looking in through the store window. Write an appropriate comment for that character to make.

4. Expressing Your Opinion Do you think America has benefited or suffered from the growth of huge discount chains like Wal-Mart? Explain.
**EXAMINING THE CARTOON**

**Multiple Choice**

1. Who is the boy bringing China home to the United States?
   - a. American businessmen
   - b. President Clinton
   - c. Taiwan
   - d. Congress

2. Why is China portrayed as a giant?
   - a. because it is a Communist country
   - b. because it has a history of human rights abuses
   - c. because it is very populous
   - d. because it has a powerful military

**Critical Thinking**

3. **Analyzing the Cartoon** What is the significance of the fact that China is “stained”? What does this say about the cartoonist’s view of China?

4. **Expressing Your Opinion** Do you think the United States should maintain trade relations with a country that has a bad human rights record? Explain.

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**GUESS WHO’S COMING TO DINNER**

About 1.4 billion live in China. American business people read such numbers like a marketing report and get dollar signs in their eyes. But the future of Sino-American trade is fraught with problems. China, although instituting more capitalistic practices, maintains an authoritarian Communist government.

**Directions:** Study the cartoon below. Then answer the questions that follow.
ALL ABOARD CHINA’S ECONOMY

Today, many formerly Communist countries are painfully transforming themselves into countries with democratic governments and capitalistic economies. Communist China, in contrast, is maintaining its authoritarian government while it slowly embraces capitalism. It is a strange mix of political bondage and economic freedom, and many analysts think it is doomed to failure.

Directions: Study the cartoon below. Then answer the questions that follow.

EXAMINING THE CARTOON

Multiple Choice

1. What does what is happening to the train signify about China’s economy?
   a. It is derailing; China’s economy is crashing.  
   b. It is leaving the track; China’s economy is taking off.  
   c. It is accelerating; China’s economy is speeding up.  
   d. It is changing tracks; China’s economy is changing.

2. Who does the engineer of the train represent?
   a. Chinese dissidents  
   b. Chinese businessmen  
   c. American traders  
   d. Chinese rulers

Critical Thinking

3. Analyzing the Cartoon How could any problems with China’s economy be the “fault” of dissidents?

4. Expressing Your Opinion The cartoon treats a serious subject in a humorous way. Is this appropriate?
PYRAMID SCHEME

About three out of every four people in the world today live in developing countries. Located mostly in Africa, Asia, and Latin America, these countries have tried many programs to improve their economies, with varying degrees of success.

Directions: Study the cartoon below. Then answer the questions that follow.

EXAMINING THE CARTOON

Multiple Choice

1. What has the artist chosen the pyramid to represent?
   a. corrupt rulers  
   b. elaborate attempts at economic improvement  
   c. all ancient monuments  
   d. complex and well-planned building projects

2. Who is the cartoon criticizing?
   a. Arabs  
   b. tourists  
   c. Egyptians  
   d. developers

Critical Thinking

3. Analyzing the Cartoon Imagine a similar cartoon that pictured another famous monument in its setting—like the Eiffel Tower or Taj Mahal. How would this change the point of the cartoon?

4. Expressing Your Opinion Do you think tourist attractions can help developing nations? Why or why not?
THE GLOBAL ECONOMY: HANGING TOGETHER

Perhaps the most significant trend of the twentieth century was globalization. Near the end of the twentieth century people began to speak of “the global economy,” as international trade reached record levels. Asian economic troubles caused stock markets around the world to tumble in 1997. Although the United States economy remained strong, this cartoon reflected the concern of many economists at the time.

Directions: Study the cartoon below. Then answer the questions that follow.

![Cartoon Image](image)

Steve Lindstrom

EXAMINING THE CARTOON

Multiple Choice

1. What does the cartoon imply about the Asian economy?
   a. that it is dependent on the European economy
   b. that it is crashing
   c. that it is prospering
   d. that it is stagnant

2. What might the rope symbolize?
   a. economic ties, like trading
   b. political ties, like treaties
   c. social ties, like travel
   d. geographic ties, like shared borders

3. What view of the global economy does the cartoonist express?
   a. that Americans are opposed to it
   b. that it can be dangerous
   c. that most countries benefit from it
   d. all of the above

Critical Thinking

4. Analyzing the Cartoon What is the significance of the fact that each walking figure is both holding the rope and has it around his neck?

5. Expressing Your Opinion Do you agree with the cartoonist’s opinion of the global economy? Explain.
EXAMINING THE CARTOON

Multiple Choice

1. What is the basic message of the cartoon?
   a. E-commerce is growing rapidly.
   b. Governments have little relevance in the twenty-first century.
   c. Governments are untroubled by the growth in e-commerce.
   d. E-commerce growth is costing governments tax revenue.

2. Why might the cartoonist have chosen to portray e-commerce as spaceships?
   a. to indicate its futuristic nature
   b. to indicate the power of the technology involved
   c. to contrast it with “tax-paying” land vehicles
   d. all of the above

Critical Thinking

3. Analyzing the Cartoon Write a comment that the toll-booth operator might make to underscore the message of this cartoon.

4. Expressing Your Opinion Do you think that Internet sales should be taxed? Why or why not?
ANSWER KEY

Cartoon 1

Multiple Choice
1. d
2. d
3. a

Critical Thinking
4. Answers will vary, but students should note the contrast between the altruism of Santa Claus and the selfishness of the businessmen.
5. Answers will vary, but students should support their opinions. Most students will probably feel that the idea of a business having to use elf labor shows how serious the corporations believe the issue of cheap overseas labor to be. It also gives the cartoon an imaginary and ironic tone that helps to make the point.

Cartoon 2

Multiple Choice
1. b
2. b
3. a

Critical Thinking
4. The cartoon establishes that Presidents tend to blame the previous administration for any current economic problems. The cartoon could be updated by adding pictures of the presidents after Reagan, each pointing to the previous one, and by having Washington point at the current president.
5. Answers will vary, but students should support their opinions.

Cartoon 3

Multiple Choice
1. c
2. b

Critical Thinking
4. The businessman is complaining about a pain in the neck caused by a government which is announcing plans to alleviate such pains through ergonomic standards.
4. Answers will vary, but students should support their opinions.

Cartoon 4

Multiple Choice
1. d
2. c
3. a

Critical Thinking
4. The cartoon criticizes businesses for overcharging, stockholders, executives, and employees for greed, businesses for rationalizing low-quality products and for irresponsibility toward the environment, conservatives for attacking any criticism of business, and the hypocrisy of business interests in seeking subsidies.
5. Answers will vary, but students should support their opinions.

Cartoon 5

Multiple Choice
1. c
2. d
3. a

Critical Thinking
4. Answers will vary, but students should note that the boy, who alludes to “page 12” and “loot,” is materialistic.
5. Answers will vary, but students should support their opinions. The message seems to be the materialism of the boy, or of children in general these days.

Cartoon 6

Multiple Choice
1. a
2. c
3. d
Critical Thinking

4. Answers will vary, but students should allude to the ironic snobbishness of consumers who take pride in paying more for an equivalent good, status-seeking, materialism, and the like.

5. Answers will vary, but students should support their opinions. Snobbery or status can certainly be a force in buying decisions.

Cartoon 7

Multiple Choice

1. b
2. a

Critical Thinking

3. Answers will vary, but students should note the prevalence of such flags at modern car dealerships.

4. Answers will vary, but students should support their opinions. The cartoon is humorous, but it was created as a commentary on the subject, and not just to entertain.

Cartoon 8

Multiple Choice

1. c
2. b

Critical Thinking

3. Answers will vary, but students should demonstrate an awareness of the message of the cartoon. Sample answer: “The Big-Game Hunters”

4. Answers will vary, but students should justify their opinions.

Cartoon 9

Multiple Choice

1. d
2. d
3. a

Critical Thinking

4. Answers will vary, but students should note that in such a materialistic, where there is so much pressure to consume, recycling is a never-ending process.

5. Answers will vary, but students should support their opinions.

Cartoon 10

Multiple Choice

1. c
2. a

Critical Thinking

3. The “$3.2 million” credit limit is an exaggeration that highlights how credit card companies tempt consumers.

Cartoon 11

Multiple Choice

1. d
2. b
3. b

Critical Thinking

4. Answers will vary, but students might suggest that the cartoon would appeal to anyone who has felt frustration over the complexity of the home-buying process.

5. Answers will vary.

Cartoon 12

Multiple Choice

1. b
2. c
3. d
Critical Thinking

4. Answers will vary, but students should demonstrate that they understand the high expectations investors have for Internet stocks.

5. Answers will vary, but students should support their opinions. Some people might be offended by the stereotypical presentation of poor people.

Cartoon 13

Multiple Choice
1. b
2. c
3. b

Critical Thinking

4. Answers will vary, but students should express an understanding that women are often underpaid compared with men and do not have equal access to high-level jobs.

5. Answers will vary, but students should support their opinions. Political cartoons can influence public opinion.

Cartoon 14

Multiple Choice
1. b
2. c

Critical Thinking

4. Answers will vary, but students should show that they understand it depicts customer exasperation over paying large numbers of and amounts in surcharges.

5. Answers will vary, but students should support their opinions. ATM fees have been widely criticized.

Cartoon 15

Multiple Choice
1. d
2. b

Critical Thinking

3. Answers will vary, but students should allude to Lincoln as an honest “man of the people” and to the Lincoln Memorial as a “sacred” public place; both facts stand in contrast to the firms that benefited from the savings and loan industry bailout.

4. Answers will vary. Some students may feel that it is the government’s responsibility to help save major businesses if it affects jobs, investors, or the national economy. Others may feel that businesses must suffer for their own mistakes and not be saved with taxpayers’ money.

Cartoon 16

Multiple Choice
1. c
2. d
3. d

Critical Thinking

4. Answers will vary, but students should show that they understand it depicts customer exasperation over paying large numbers of and amounts in surcharges.

5. Answers will vary, but students should support their opinions. ATM fees have been widely criticized.

Cartoon 17

Multiple Choice
1. c
2. b

Critical Thinking

3. Answers will vary, but students should show that they understand that (amateur) investor optimism was misplaced in the time just before the 1929 stock market crash, and that day traders are likely to suffer the same fate.

4. Answers will vary, but students should support their opinions. Many people have called for the abolition of day trading, while others view it as an individual’s right.
Cartoon 18

Multiple Choice
1.  a
2.  b

Critical Thinking
3.  Answers will vary, but students should explain their answers. The man is a symbol of people who criticize politics but hypocritically want it to serve their own interests.
4.  Answers will vary, but students should support their opinions.

Cartoon 19

Multiple Choice
1.  c
2.  a

Critical Thinking
3.  Answers will vary, but students should demonstrate that they understand that the corporation is helping employees find new jobs, but that the new jobs are not of the quality of the old ones, so it is not really help at all.
4.  Answers will vary. Some students may feel that it is the responsibility of the company to help workers find new jobs; others may feel that the company does not owe former employees any assistance.

Cartoon 20

Multiple Choice
1.  d
2.  c

Critical Thinking
3.  Answers will vary, but students should explain their interpretations. The cartoonist is at least taking note of Greenspan’s influence.
4.  Answers will vary, but students should support their opinions. The reflection of Greenspan’s influence is realistic, especially his ability to affect the stress levels of investors; his effect on particular drug stocks is highly doubtful.

Cartoon 21

Multiple Choice
1.  d
2.  d

Critical Thinking
3.  Answers will vary, but students should demonstrate an understanding of the basic message of the cartoon. Sample answer: “I never thought I’d see the day.”
4.  Answers will vary. Some students may argue that large chains offer lower prices and one-stop shopping. Others may feel that stores like Wal-Mart kill competition, erode community centers, and negatively affect the landscape.

Cartoon 22

Multiple Choice
1.  b
2.  c

Critical Thinking
3.  Answers will vary, but students might indicate that the cartoonist views closer ties to China as a dangerous policy given the stains on China’s record.
4.  Answers will vary. Some students may feel that the US should maintain trade relations with China because it is a large market and a powerful country. Others may feel that the US should not maintain trade with a country with a poor human rights record and which has stolen military secrets.

Cartoon 23

Multiple Choice
1.  a
2.  d
Critical Thinking

3. Answers will vary, political activists in China have often been maltreated by the government, which has led to international sanctions for human rights violations and a delay in China’s acceptance into organizations like the IMF.

4. Answers will vary, but students should support their opinions. Dark humor is a well-established means of making a point.

Cartoon 24

Multiple Choice

1. b
2. d

Critical Thinking

3. Answers will vary, but students should demonstrate an understanding of the basic point of the cartoon: that current economic development projects are being juxtaposed with a huge ancient building project.

4. Answers will vary. Some students may feel that tourist attractions may help an area by bringing in people who will spend money; others may feel that spending money on elaborate and expensive projects when people don’t have adequate necessities of life is wasteful.

Cartoon 25

Multiple Choice

1. b
2. a
3. b

Critical Thinking

4. Answers will vary, but students might note that holding the rope represents voluntary participation in the global economy, while the position of the rope around each figure’s neck represents the possibility of hanging, or suffering from the voluntary participation.

5. Answers will vary, but students should support their opinions.

Cartoon 26

Multiple Choice

1. d
2. d

Critical Thinking

3. Answers will vary, but students should demonstrate an awareness of the basic message of the cartoon. Sample answer: “Business sure is slow today.”

4. Answers will vary. Some students feel that the Internet should not or even cannot be regulated; others may believe that allowing untaxed sales on the Internet undermines traditional commerce and amounts to stealing revenue from the government.