**Broad Social Goals**

Read the broad social goals below and be sure you understand what each means as you will be tested on them later in the unit. **After you have a good understanding of each goal, list the goals in order of importance IN YOUR OPINION.**

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1. **Economic Efficiency**
   * Refers to how well scarce productive resources are allocated to produce the goods and services people want and how well inputs are used in the production process to keep production costs as low as possible.
     + Allocative Efficiency means making the right stuff. It means we are using our inputs (resources/FoP) to make the things that society wants the most.

VS

* + - Productive Efficiency means making stuff the right way. It means we are creating outputs (goods and services) using the fewest number of inputs or at the lowest cost.

1. **Economic Equity**
   * Means what is “fair.” Economic actions and policies have to be evaluated in terms of what people think is right or wrong. This usually deals with questions of income and wealth.
     + Equal outcomes means people finish at roughly the same place so there are small or no gaps between rich and poor.

VS

* + - Equal opportunities means people all start at roughly the same place.

1. **Economic Freedom**
   * Refers to things such as the freedom for consumers to decide how to spend and save their incomes, the freedom of workers to change jobs and join unions, and the freedom of individuals to establish new businesses and close old ones.
2. **Economic Growth**
   * Refers to increasing the production of goods and services over time.
3. **Economic Security**
   * Refers to protecting consumers, producers, and resource owners from risks that exist in society. Each society must decide from which uncertainties individuals can and should be protected and whether individuals, employers, or the government should pay for this protection.
4. **Economic Stability**
   * Getting smooth and steady growth over time with low unemployment and inflation.

Now read “The Miracle and Morality of the Market” by Richard Ebeling at the link below. As you read, answer the following questions in a few brief sentences on your own sheet of paper:

1. How are we able to get the things we need so easily despite understanding very little about how they are produced?
2. What about markets does Ebeling consider moral (give a short list)?
3. What order of importance do you think Ebeling would list the social goals?

LINK TO ARTICLE: <https://fee.org/resources/the-miracle-and-morality-of-the-market/>

Next, listen to the “Revisionist History” Podcast by Malcolm Gladwell. The episode is titled “Carlos Doesn’t Remember” (approximately 35 minutes). The link is below. As you listen, answer the following questions in a few brief sentences on your own sheet of paper.

1. Would Gladwell agree with the following statement, “The freedom and efficiency in our economic system allows those who are determined to rise to the top of society”? Why or why not?
2. What order of importance do you think Gladwell would list the social goals?

LINK TO PODCAST: <http://revisionisthistory.com/episodes/04-carlos-doesnt-remember>

Finally, reconsider the order you listed the broad social goals at the beginning of this activity. Would you reorder them after reading the Ebeling article and listening to Gladwell? Be prepared to discuss your order in class and defend it.