

Economic Development: Key Issue 1

Why Does Development Vary Among Countries?

PP. 290-300

1. What three different factors does the UN consider when determining a country's level of development, its HDI (Human Development Index)?

• **ECONOMIC INDICATORS OF DEVELOPMENT**

1a. What is ***gross domestic product*** (GDP)? How is GDP different from Gross National Product (GNP)?

1b. How much does a typical worker in an MDC earn? in an LDC?

1c. What is the annual per capita GDP in an MDC? in an LDC?

1d. What has been happening to the gap between MDCs and LDCs in terms of GDP?

2. Explain this statement: "Per capita GDP measure average (mean) wealth, not its distribution."

2a. Why does China have the second highest GDP in the world, but a very low GDP per capita?

TYPES OF JOBS

3a. What types of jobs comprise the **primary sector** of an economy? **secondary sector**? **tertiary sector**?

3b. How is the % of workers in agriculture different in LDCs and MDCs?

3c. Within MDCs, what is the trend (increasing or decreasing) for each of the sectors?

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	Current Levels (High or Low)		Trends (Increasing or Decreasing)	
	LDCs	MDCs	LDCs	MDCs
Development Level				
Primary Sector				
Secondary Sector				
Tertiary Sector				

PRODUCTIVITY

4. Define each of the following related terms:

- *productivity*
- *value added*

RAW MATERIALS

5a. What is the role of **raw materials** in development?

5b. How did raw materials figure into the trade flows during the **colonial period** of the 19th century?

5b. List 4 countries that have **developed, despite their lack of resources**, through world trade.

CONSUMER GOODS

6a. What three “consumer goods” are considered to be particularly good indicators of development?

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6b. What is the ratio of people to these types of goods in a typical MDC? in a typical LDC?

6c. The people in LDCs who do have access to consumer goods are usually concentrated in what regions?

• **SOCIAL INDICATORS OF DEVELOPMENT**

7a. Quantity of education: How many years of schooling does a person get in an average MDC? LDC?

EDUCATION AND LITERACY

	LDCs	MDCs
Student to Teacher Ratio		
Literacy Rate		
Life Expectancy		
IMR		
NIR		
CBR		

7b. How does gender separate MDCs and LDCs in terms of education?

7c. What is the literacy rate in MDCs? in LDCs?

8. What are three ways in which the level of health and welfare are measured in a country?

DEMOGRAPHIC INDICATORS OF DEVELOPMENT

9. Indicate the statistic for each of the following demographic characteristics.

	MDC	LDC
Life Expectancy		
Infant Mortality Rate		
Natural Increase Rate		
Crude Birth Rate		