Key Issue 1: Why Does Development Vary Among Countries?

Rubenstein, pp. 272-281

Define the following terms (pg 274)

**Development:**

MDC:

LDC:

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

**ECONOMIC INDICATORS OF DEVELOPMENT**

2. What is gross domestic product (GDP)?

3. What is the income difference between those in an MDC and those in an LDC?

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

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

6. Explain this statement: “Per capita GDP measure average (mean) wealth, not its distribution.”

7. Based on the statement above, why might the United States have a very high GDP per capita, but have some very poor people?

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

9. What types of jobs comprise each of the following sectors of an economy?

   Primary:

   Secondary:

   Tertiary:
10. Define each of the following related terms:
   • productivity
   • value added

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

12. The people in LDCs who have access to consumer goods are usually concentrated in what regions of the country?

13. Why would these specific goods contribute to an increase of development for MDCs? Similarly, why would a lack of these goods slow development in an LDC?

14) Compare LDCs and MDCs for the following characteristics:

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<tr>
<th>Characteristics</th>
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15. What "Health and Welfare" advantages do MDCs have over LDCs? Explain (see p. 279)