

How do we measure the standard of living in a country?

- **We can look at a number of key measurements:**
 - **Average income**
 - **Quality of healthcare**
 - **Level of education**
 - **Level of nutrition**
 - **Life expectancy**
 - **Social safety net**
 - **Status of women**
 - **Status of children**

How do we measure the standard of living in a country?

□ The United Nations tries to do this by publishing the **Human Development Report every year.**

□ The HDR or HDI (index) measures three indicators of living conditions:

Human Development Index:

Adult Literacy

- % of adults who can read

- % of children enrolled in school

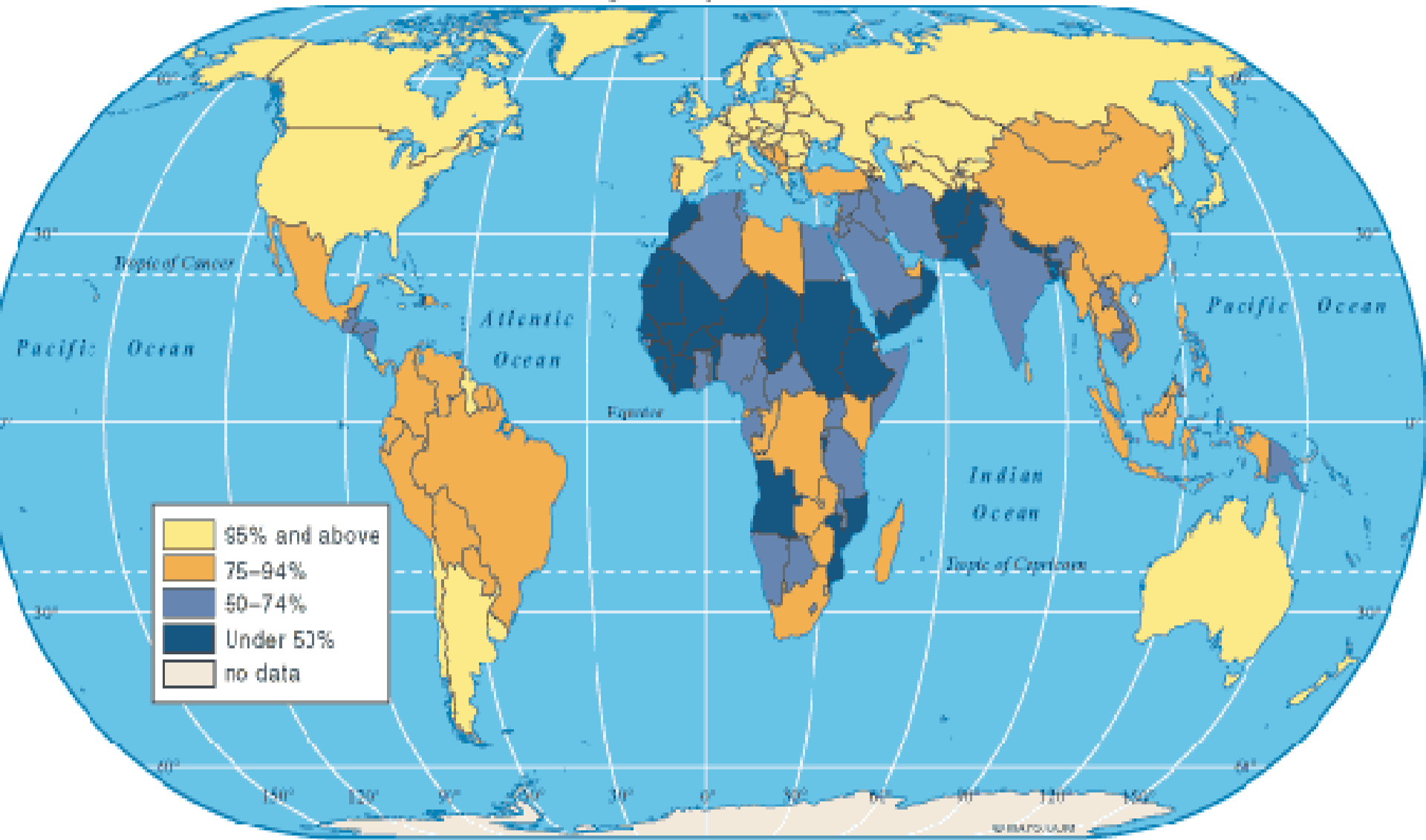
Life expectancy

- How long people in a country are expected to live

Per capital GDP

- The average amount of money earned in one year by each person living in the country.

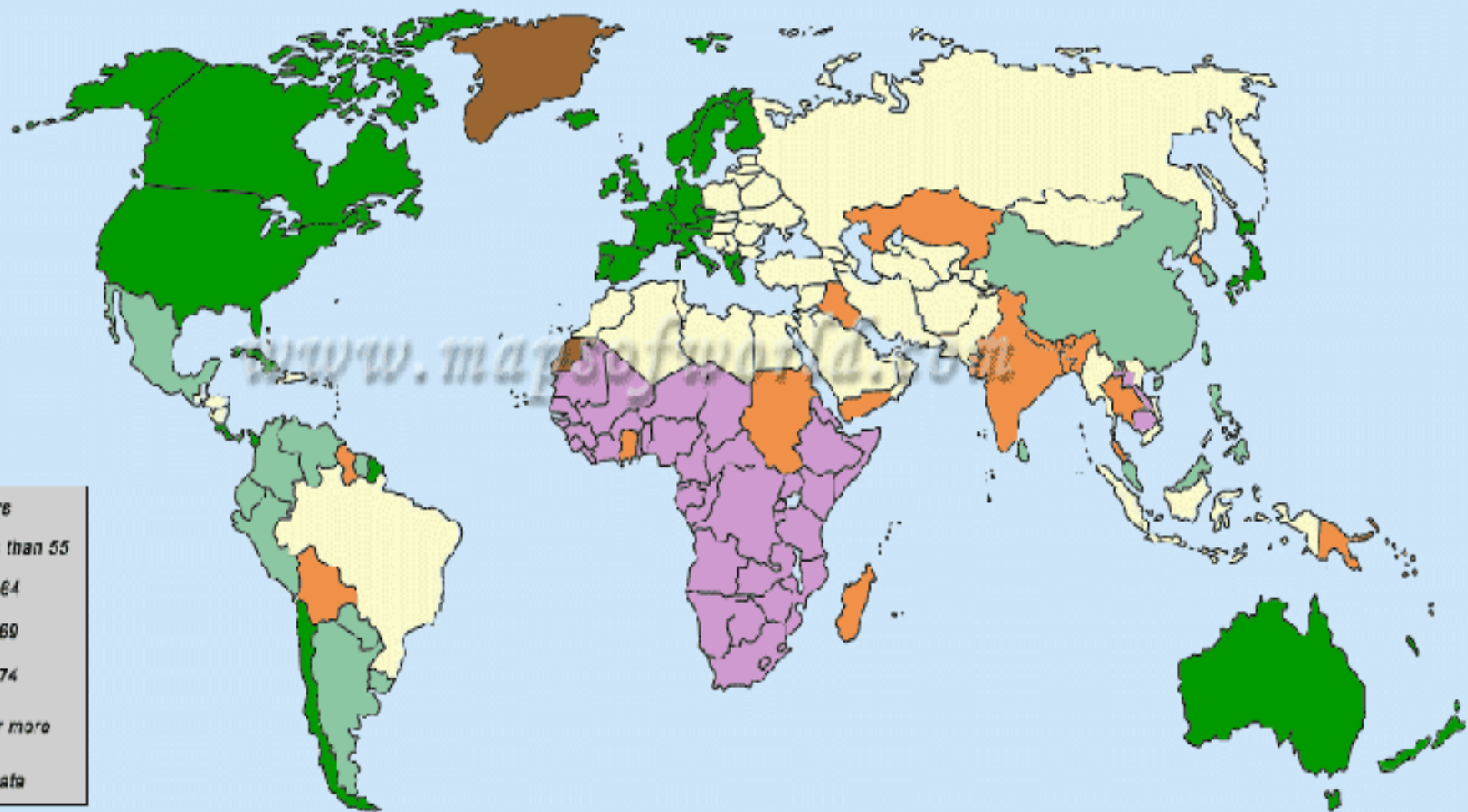
Percentage of Population Literate



Eckert Equal-Area Projection

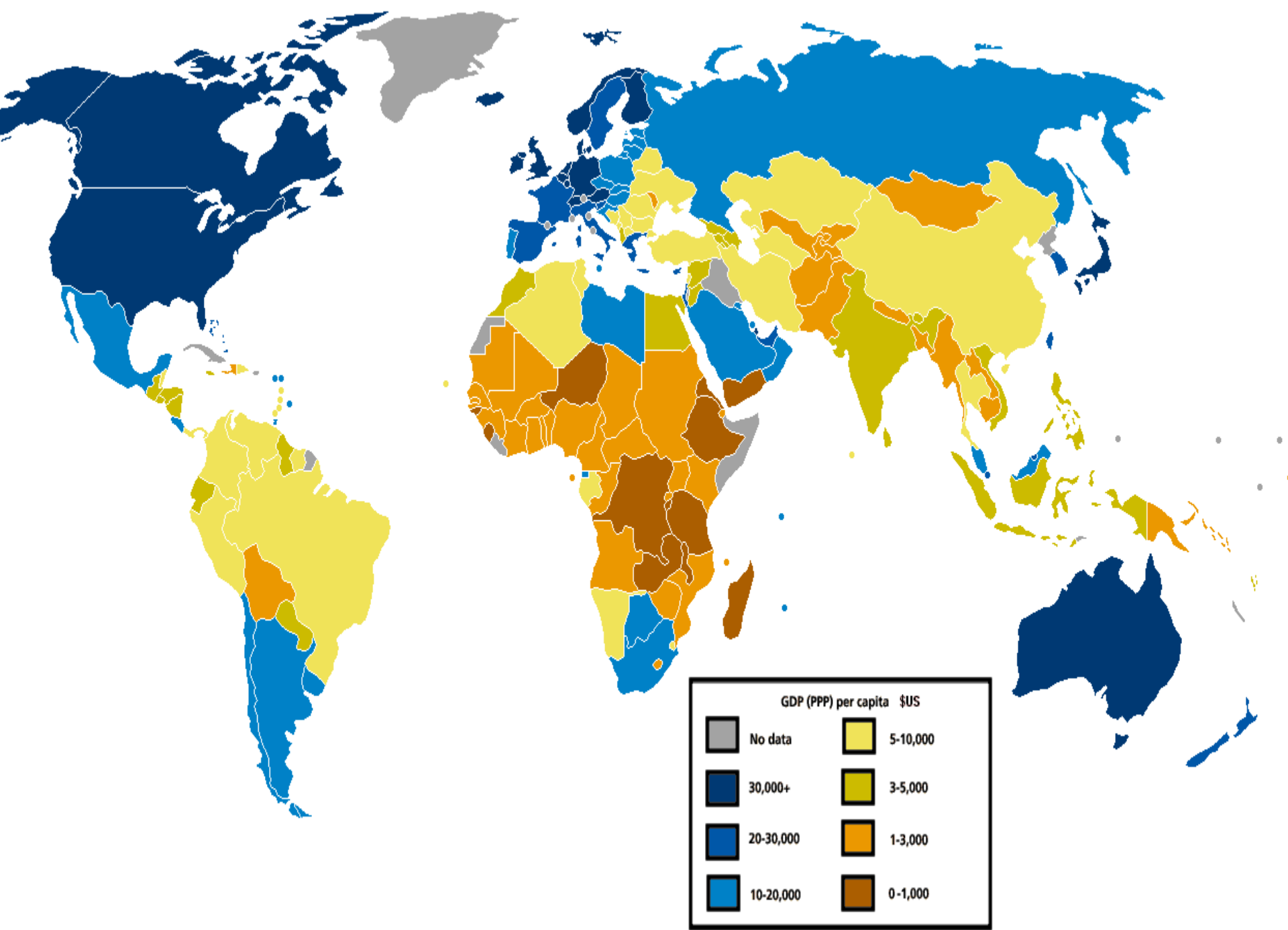


Life expectancy at birth



www.mapsofworld.com

Years	
Less than 55	Purple
55 - 64	Orange
65 - 69	Yellow
70 - 74	Light Green
75 or more	Dark Green
No data	Brown



Current HDI Rankings (2010)

1 Norway 0.938

2 Australia

3 New Zealand

4 USA

5 Ireland

6 Leichtenstein

7 Netherlands

8 Canada

9 Sweden

10 Germany 0.885

160 Mali 0.309

161 Burkina Faso

162 Liberia

163 Chad

164 Guinea Bissau

165 Mozambique

166 Burundi

167 Niger

168 Congo

169 Zimbabwe 0.140

Even after looking at all of these indicators, it is still difficult to have a true understanding of every country's level of development.

❑ Developing countries have many **people who make goods at home and trade them with their neighbours. This type of activity cannot be measured by the government.**

❑ Governments of **developing countries cannot afford complex accounting systems required to get accurate data.**

❑ Measuring the **average income does not reflect the income of the majority.**

❑ Example: The 200 richest people in the world have more money than the 41 poorest countries!

When we compare standards of living, we can use four terms to help us classify countries.

❑ Developed Country

❑ Wealthy country (Canada)

❑ Newly Industrialized Country

❑ Country that is building up its resources and industry (China and India)

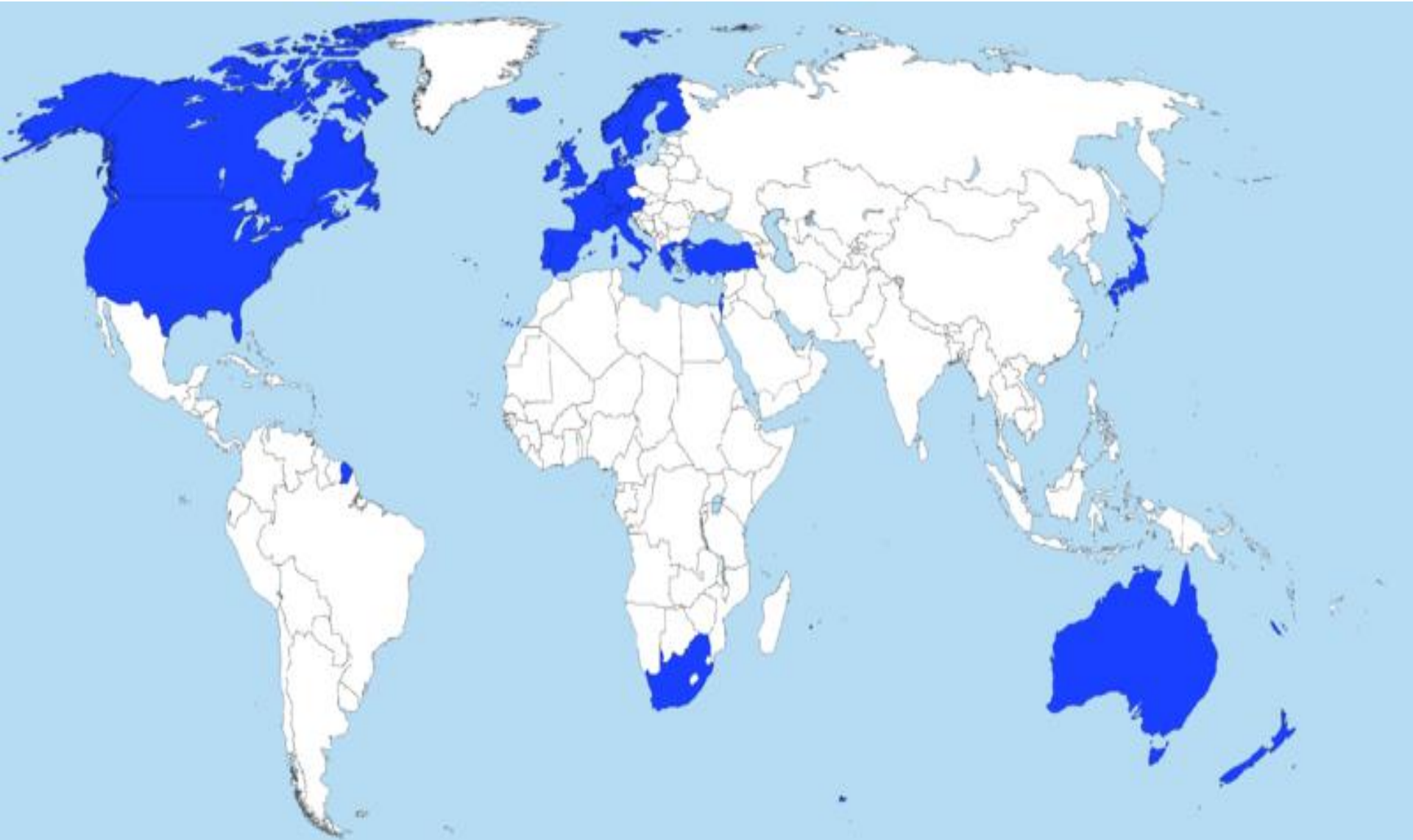
❑ Developing Country

❑ Country that lacks modern industries and infrastructure

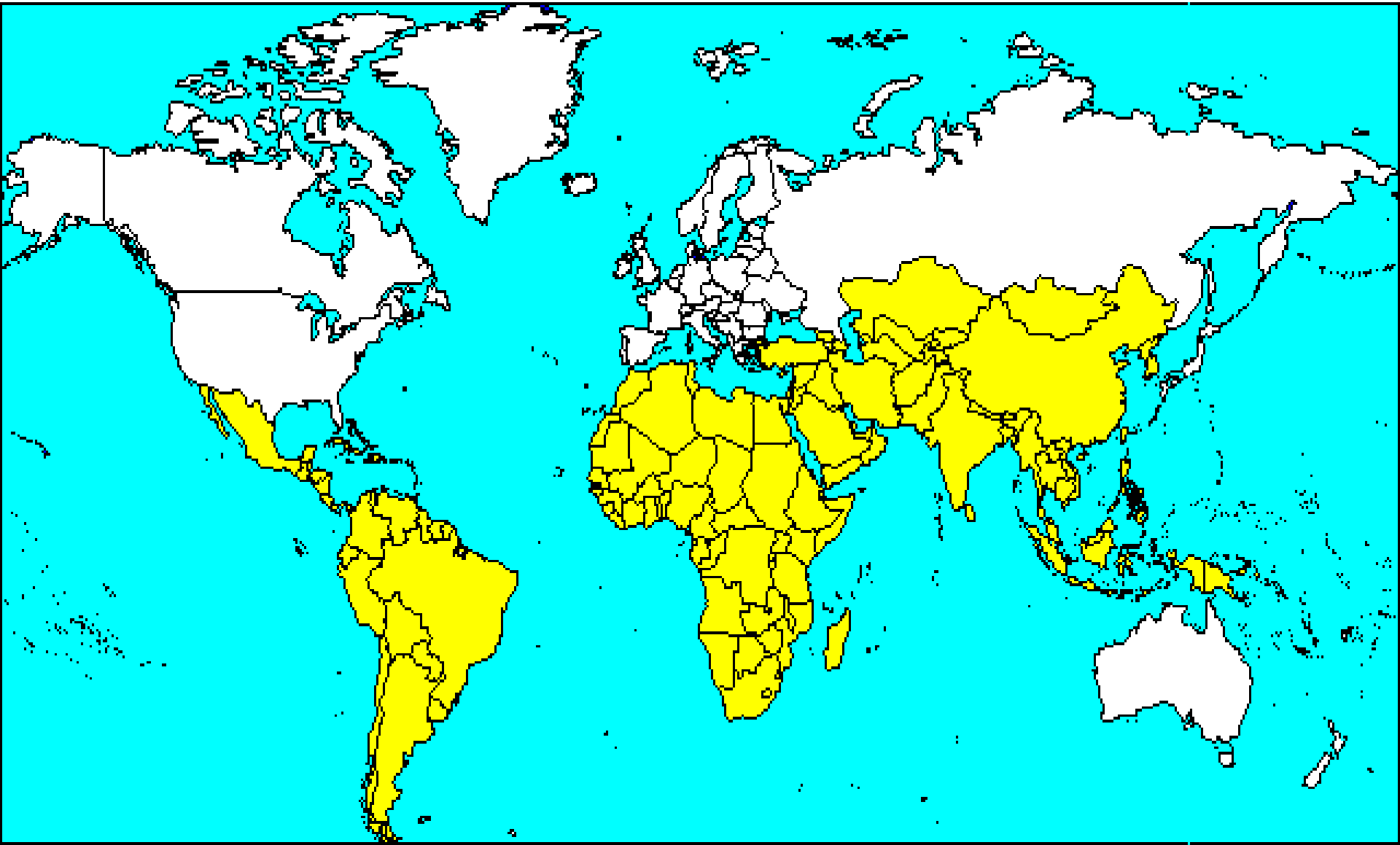
❑ Highly Indebted Poor Country

❑ Developing country with a large debt to developed countries (Many African countries)

Developed World



Developing World



All of this information leads to the following question:

How can we help poor countries improve their standards of living?

- This is difficult to do because poverty is the result of a cycle known as the “**Poverty Trap**” or “**Poverty Cycle**”.
- Study the Poverty Trap on page 404 in your textbook.
- **ESSAY Q COMING UP:** Explain what stage of the poverty trap you think intervention would be most effective in. Provide a list of reasons to defend your answer.

Baby born to malnourished mother



Baby's development is slowed



Poor nutrition and medical care slow development



Poor performance in school



Low literacy = low likelihood of economic success



Limited diet and poor health



Marry young, have few job prospects



Family in debt

