

# 7.3 Measures of Development

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Name: \_\_\_\_\_ Class: \_\_\_\_\_ Date: \_\_\_\_\_

Total: 10 marks

## Objective

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Build the skills to answer exam questions on **measures of development** 发展指标.

You must be able to:

- define **GDP per capita** 人均国内生产总值 and **GNI** 国民总收入
- explain the **Human Development Index** 人类发展指数 (HDI)
- explain the **Gender Inequality Index** 性别不平等指数 (GII)
- distinguish the **formal** 正规经济 from the **informal economy** 非正规经济

## 1 Worked examples

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Study these first. Each one shows the method for a task used later.

### ■ Economic measures

**GDP per capita** is a country's output divided by its population—a rough measure of average wealth. **GNI** adds income from abroad.

### ■ Composite measures

The **HDI** combines income, education, and life expectancy into one score (0-1), giving a fuller picture than money alone. The **GII** measures gender inequality.

### ■ Formal vs informal

The **formal economy** is taxed and recorded; the **informal economy** (street vendors, unregistered work) is not, so official figures can understate real activity.

## 2 Practice

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2.1 Explain why the HDI is a better development measure than GDP per capita alone.[2]

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2.2 State the difference between the formal and informal economy. [2]

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**2.3** Country X has a high GDP per capita but low life expectancy and schooling.

(a) State what its HDI would likely show compared with GDP. [1]

(b) Explain why the two measures differ. [1]

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### 3 Exam-style questions

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**3.1** The Human Development Index combines income, education, and [1]

- **A** life expectancy
  - **B** the sex ratio
  - **C** population density
  - **D** trade volume
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**3.2** A street vendor who pays no tax and is not officially recorded works in the [1]

- **A** formal economy
  - **B** informal economy
  - **C** quaternary sector only
  - **D** primary sector only
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**3.3** Two countries have equal GDP per capita but very different HDI scores.

(a) State what causes the HDI gap. [1]

(b) Explain why HDI gives a fuller picture. [1]

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### 4 Go further

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- work through the **7.3 Measures of Development** lesson on the **Learn** page;
  - read the **Industrial and Economic Development** section of the AP Human Geography handout on the **Know** page.
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## Solutions

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**2.1** GDP shows only average income; HDI also includes education and life expectancy, giving a fuller picture of wellbeing.

**2.2** formal = recorded and taxed work; informal = unregistered, untaxed work (e.g. street vending).

**2.3** (a) a lower HDI than its GDP alone suggests. (b) HDI also counts poor health and education, not just income.

**3.1 A.** HDI = income + education + life expectancy.

**3.2 B.** unregistered, untaxed work = informal economy.

**3.3** (a) differences in education and/or life expectancy. (b) it measures wellbeing (health, education), not just money.