

# 7.3 Measures of Development

Name: \_\_\_\_\_ Class: \_\_\_\_\_ Date: \_\_\_\_\_ **Total: 10 marks**

**KEY WORDS** human development index 人类发展指数 • formal 正规经济  
• gdp per capita 人均国内生产总值 • informal economy 非正规经济 • gni 国民总收入

## Objective

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

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

**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

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

- |   |   |
|---|---|
| A | B |
| C | D |
- A life expectancy  
B the sex ratio  
C population density  
D trade volume

**3.2** A street vendor who pays no tax and is not officially recorded works in the [1]

- |   |   |
|---|---|
| A | B |
| C | D |
- A formal economy  
B informal economy  
C quaternary sector only  
D primary sector only

**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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