# 6.6 Sustainable development and measuring development

Name: _____ Class: _____ Date: _____ **Total: 30 marks**

**KEY WORDS** sustainable development • Human Development Index • composite indicator • purchasing power parity • Gross National Income • Sustainable Development Goals

## Objective

Build the skills to answer exam questions on **sustainable development** and on **measuring development**: the Sustainable Development Goals, single and composite indicators, and their limits.

**You must be able to:**

- define sustainable development and outline the Sustainable Development Goals (SDGs)
- explain the links between poverty, environment and sustainability
- compare single indicators (GDP or GNI per capita, health, education) with composite indicators
- explain the Human Development Index and other composite indicators
- explain why GNI and GDP per capita can differ, and how inequality-adjusted measures change rankings

## 1 Key knowledge and worked examples

### ■ Sustainable development and measuring development

**Economic development** is a broad rise in living standards: less poverty, better health and education, more freedom and choice. **Economic growth** (more real GDP) can help but is not the same thing.

**Sustainable development** is "development that meets the needs of the present without compromising the ability of future generations to meet their own needs" (Brundtland Report, 1987). The UN's **17 Sustainable Development Goals** (adopted 2015, target year 2030) include no poverty, zero hunger, good health, quality education, gender equality, clean water, affordable clean energy, decent work and climate action.

**Poverty and the environment:** poor households may over-use common resources (firewood, soil, fish) to survive; environmental damage (droughts, floods, polluted water) hits the poor hardest. So the two must be tackled together.

**Single indicators**

| indicator | strength | limit |
|---|---|---|
| **GDP or GNI per capita (PPP)** | easy to compare; PPP adjusts for local prices | ignores distribution, unpaid work, the environment |
| **life expectancy, infant mortality** | show health | one dimension only |
| **literacy, years of schooling** | show education | quantity, not quality |

**Composite indicators**

- **Human Development Index (HDI):** combines **health** (life expectancy at birth), **education** (mean and expected years of schooling) and **standard of living** (GNI per capita, PPP). Scale 0 to 1.
- **Inequality-adjusted HDI (IHDI):** lowers the HDI for unequal distribution in each dimension.
- **Gender Inequality Index (GII):** reproductive health, empowerment and labour-market gaps between women and men.
- **Multidimensional Poverty Index (MPI):** deprivations in health, education and living standards.
- **Happy Planet Index** and the **OECD Better Life Index** add well-being and sustainability.

A country can rank higher on GNI per capita than on the HDI (income not turned into health and education) or the other way round.

**AHL: GNI** = GDP + net income from abroad, so a country with much foreign-owned production (profits sent abroad) has GNI below GDP. When inequality is high, the IHDI falls well below the HDI and the country's ranking drops.

**Answer shapes:** define the measure → read the data → compare indicators → explain why rankings differ → judge which measure is more useful.

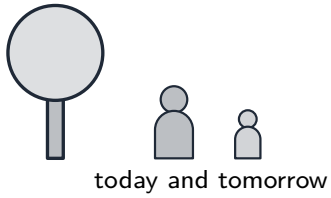




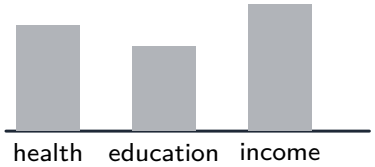
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## 2 Practice

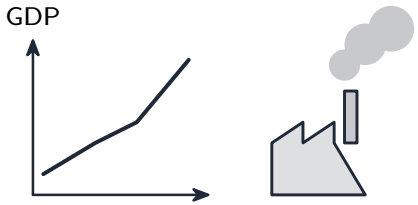
**2.1** Define **sustainable development**. [2]




**2.2** State the **three** dimensions measured by the Human Development Index. [2]

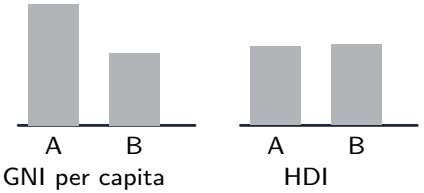



**2.3** Explain **two** limitations of GDP per capita as a measure of development. [4]

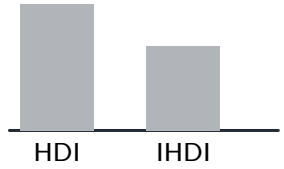





**2.4** Country A has GNI per capita (PPP) of $30,000 and an HDI of 0.78. Country B has GNI per capita of $18,000 and an HDI of 0.80. Explain **one** reason for this difference. [3]




**2.5** Explain why a country's inequality-adjusted HDI may be much lower than its HDI. [3]

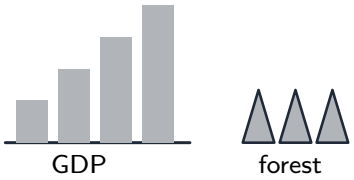





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## 3 Exam-style questions

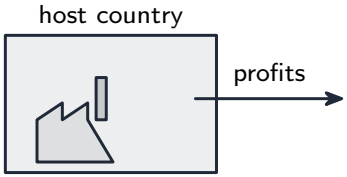
**3.1** A country's GDP per capita has grown fast for 20 years, but forests have been cut down and rivers polluted.




Evaluate the view that economic growth always leads to sustainable development. [10]



**3.2** A small economy has GDP of \$50 bn and GNI of \$42 bn. Most of its mines and factories are foreign-owned.




Explain the difference between GDP and GNI here, and discuss which is the better measure of the living standards of residents. [6]



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