Solutions

Marking: **K** knowledge, **App** application to the case, **An** analysis (a developed chain of reasoning), **Ev** evaluation (a justified judgement); calculations earn **M1** for the method and **A1** for the answer.

Each answer shows the steps, then the **result**.

2.1

- $900\,000\,000\,000 \div 60\,000\,000$
- = \$**15 000**

2.2

- **income** (GNI per head); **education** (years of schooling); **health** (life expectancy) (all three B2; two B1)

2.3

any three (1 each):

- GDP per head is an **average**: income may be shared very unequally in one country
- health and education services may differ
- prices differ, so the same income buys different amounts
- pollution, working hours or safety may differ

3.1

D

3.2

(a)

- $(18\,000 - 15\,000) \div 15\,000 \times 100$
- = **20** % higher in A

(b) two reasons, each explained (K + App each):

- it is an **average**: it hides how income is shared
- it ignores **unpaid** work and the hidden economy
- it ignores **quality of life**: pollution, hours worked, health
- price levels differ, so the same income buys different amounts

(c) a developed chain using the data, for example:

- B's life expectancy is 10 years higher (78 against 68): better **health** care and diet (App)
- B's people get 5 more years of schooling: more skills and choices (App)
- A's richest 10 % take 45 % of income, against 25 % in B: income in A is **less equal** (An)
- so most people in A may earn far less than the \$18,000 average (An)
- so the typical person in B may live better, despite B's lower average income (An)

(d) HDI better: (An)

- adds **health** and **education**, which GDP leaves out; the data show they can point the other way from GDP
- closer to what people value: a long, educated life

limits: (An)

- still an average; ignores **inequality** (A's income share), the environment, freedom
- the three parts are weighted equally, which is a choice; data in poor countries may be weak

judgement: (Ev) for example, the HDI is a better single measure because it captures health and education, but neither shows inequality, so both should be used with income-share data.

Level 3 (6–8): both sides analysed and a justified judgement. Level 2 (3–5): one side analysed or both explained. Level 1 (1–2): simple points.