32 Living standards

1 Which factor is **not** an indicator used to measure poverty within a country?

A high cost of living

B high mortality rates

C homelessness and inadequate housing

D hunger and malnutrition

2 Which is a limitation of using real national income per capita as a measure of standards of living in a country?

A It does not account for inflation over time.

B It does not consider income earned in every industry.

C It does not consider the size of the population.

D It does not reflect the distribution of income and wealth.

3 Which is **not** part of the Human Development Index (HDI)?

A education

B environmental issues

C healthcare

D income levels

4 From the limited data below, which country is most likely to have the highest standard of living?

Country	GDP ($ billion)	Population (million)
A	129.7	18.5
B	153.6	150.0
C	43.2	15.2
D	89.9	9.2

A Country A

B Country B

C Country C

D Country D

5 Which is **not** a direct criticism of using the Human Development Index (HDI) to classify countries?

A Inequalities in income and wealth are ignored.

B Longevity, education and income are not the only factors that affect human development.

C The components of the HDI are indiscriminately weighted equally.

D The definitions of economic development and standards of living are subjective.

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6 Explain **two** reasons for differences in income distribution within countries. *[4 marks]*

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7 Dhaka in Bangladesh is rated by the Economics Intelligence Unit as one of the least liveable cities in the world. Explain **two** reasons why this might be the case. *[4 marks]*

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8 Explain **two** reasons why an increase in real GDP per capita may not result in a rise in living standards in a country. *[4 marks]*

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9 Economic growth is associated with an improvement in living standards.

a Define what is meant by *living standards*. *[2 marks]*

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b Analyse **two** ways that a government can improve the living standards in its country. *[6 marks]*

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c Discuss whether or not economic growth in a country always results in higher living standards for its people. *[8 marks]*

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10 Discuss which of the two countries below is most likely to have lower living standards based on the economic development indicators given in the table. *[8 marks]*

Country	GDP per capita ($)	Life expectancy (years)	Expected years of schooling	Mean years of schooling
Guinea	508	59	8.8	2.6
Sierra Leone	496	51	9.3	3.3

Source: World Bank (GDP per capita), UNDP (other data)

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33 Poverty

1 Which is least likely to be an indicator of poverty in an economy?

A homelessness and inadequate housing
B hunger and malnutrition
C inadequate income
D unemployment

2 What exists when there is extreme outright poverty in an economy, i.e. average income is equal to or less than $1.25 per day?

A absolute poverty
B poverty line
C poverty trap
D relative poverty

3 What is experienced by those who have a lower standard of living in comparison to the average member of society?

A absolute poverty
B poverty line
C poverty trap
D relative poverty

4 Which is **not** a United Nations Sustainable Development Goal (SDG)?

A clean water and sanitation
B reduce, reuse, recycle
C reduced inequalities
D zero hunger

5 Which is **least** likely to be a cause of poverty?

A high public debt
B high rates of tax
C low GDP per capita
D low literacy rates

6 Use an example to explain the meaning of relative poverty. *[2 marks]*

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7 Study the data below and answer the questions that follow.

Income ($ per year)	Tax paid per year ($)		
	Tax A	Tax B	Tax C
10 000	1000	650	500
15 000	1650	650	750
20 000	2400	650	1000
25 000	3250	650	1250

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a Explain which tax (A, B or C) is progressive. *[2 marks]*

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b Explain which tax (A, B or C) is proportional. *[2 marks]*

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c Explain the difference between a regressive and a proportional tax. *[2 marks]*

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8 According to the World Bank, the GDP per capita in Mozambique was $392 in 2016 (just over $1 per day). Explain why poverty is a concern for the Mozambican government. *[4 marks]*

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9 Explain any **two** causes of poverty. *[4 marks]*

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10 Explain any **two** policies that can be used to alleviate poverty. *[4 marks]*

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34 Population

1 Which factor is most likely to raise the average age of a population?

A a higher birth rate

B a higher death rate

C improved health technologies

D net migration

2 Which factor is likely to increase the population in a country?

A greater female participation in the workforce

B higher cost of living

C higher fertility rates

D increased education expenditure

3 The net migration rate is calculated by the formula

A birth rate – death rate

B death rate – birth rate

C number of emigrants – number of immigrants

D number of immigrants – number of emigrants

4 Which statement about population distribution is correct?

A Low-income countries generally have a lower average age than high-income countries.

B Most countries are experiencing ageing populations.

C Poorer countries tend to have lower dependency ratios.

D The gender split is uneven in most countries with more females being born.

5 The median age of the UK population was 35.4 years in 1985 and is projected to be 42.2 by the year 2035. What does this suggest about the population in the UK?

A It has a declining birth rate.

B It has a declining death rate.

C It has a positive population growth rate.

D It has an ageing population.

6 Define the term *dependency ratio*. *[2 marks]*

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7 Explain **two** factors that affect the rate of population growth. *[4 marks]*

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8 Explain the difference between underpopulation and overpopulation. *[4 marks]*

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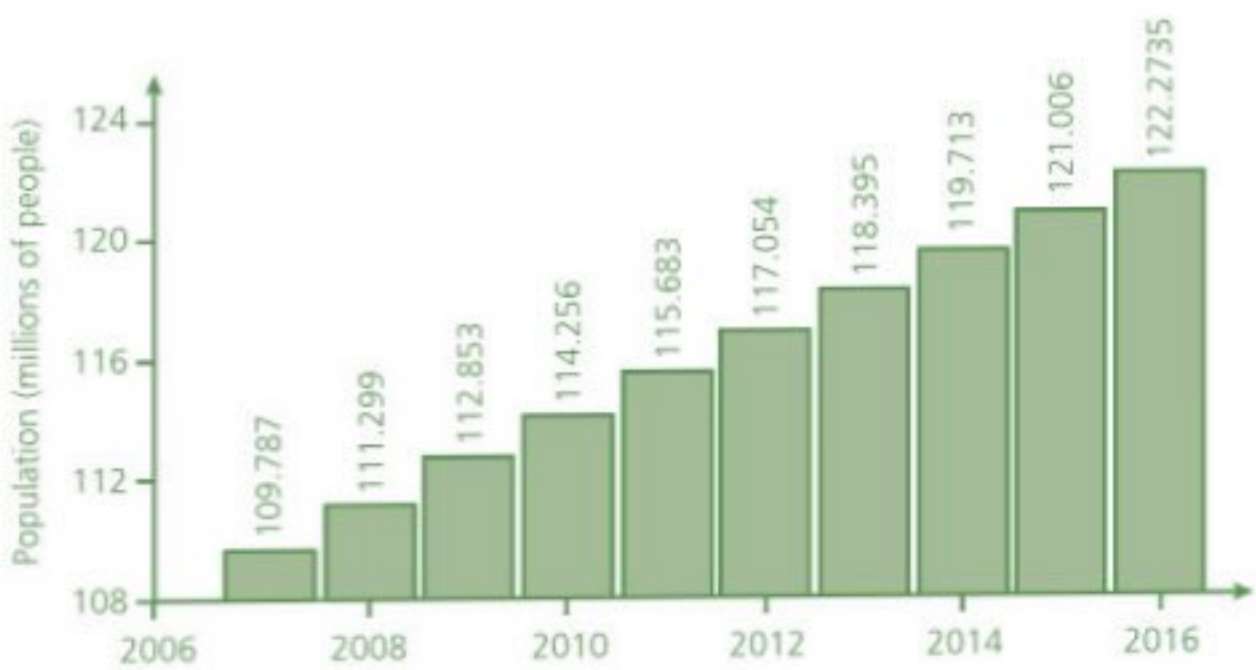
9 The chart below illustrates the growth in Mexico's population between 2006 and 2016.



Mexico's population, 2006–2016

Source: Trading Economics

a Explain what has happened to Mexico's population in the time period shown. *[2 marks]*

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b Explain **two** economic problems which could be associated with the continual rise in the size of Mexico's population. *[4 marks]*

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c Discuss whether or not the population growth will bring about negative consequences for the government and natural environment. *[8 marks]*

10 Japan has an average age of 46.7 years whereas it is only 28.3 in Indonesia. The fertility rate is 1.42 in Japan and 2.42 in Indonesia. (Source: www.worldometers.info/world-population/)

a Define what is meant by an *ageing population*. *[2 marks]*

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b Define what is meant by an *optimum population*. [2 marks]

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c Analyse the impact of a high median age and low fertility rate on Japan's population structure. [6 marks]

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d Analyse the impact of the low median age on Indonesia's dependency ratio. [6 marks]

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35 Differences in economic development between countries

1 Which refers to an increase in the economic wellbeing and standard of living within a country?

A economic development
B economic growth
C gross domestic product
D production possibility frontier

2 Which factor does **not** account for differences in the economic development of countries?

A exchange rate fluctuations
B investment in education and healthcare
C population growth
D productivity levels

3 Which is least likely to be an indicator of economic development?

A gender equality
B greater self-esteem
C higher interest rates
D political freedom

4 Which sector of the economy do most people in less economically developed countries (LEDCs) tend to work in?

A primary
B public
C secondary
D tertiary

5 Attracting foreign direct investment (FDI) will enable a country to enjoy higher levels of what?

A imports
B productivity
C savings
D unemployment

6 Define the term *economic development*. *[2 marks]*

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7 With reference to investment in the economy, explain the importance of savings. *[2 marks]*

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8 Explain how differences in population growth between countries have an impact on their level of economic development. *[4 marks]*

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9 As an economy develops, there tends to be a shift away from reliance on primary and secondary sector production. Explain why this is the case. *[4 marks]*

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10 Analyse how healthcare and education have a direct impact on a country's economic development. *[6 marks]*

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