

AS Macro: National Income and the Standard of Living

This assignment looks at aspects of national income and the measurement of changes in the standard of living for different countries over time. Answers should be written neatly on these sheets. Total mark = 30

1/ Define **gross domestic product** (GDP) (2)

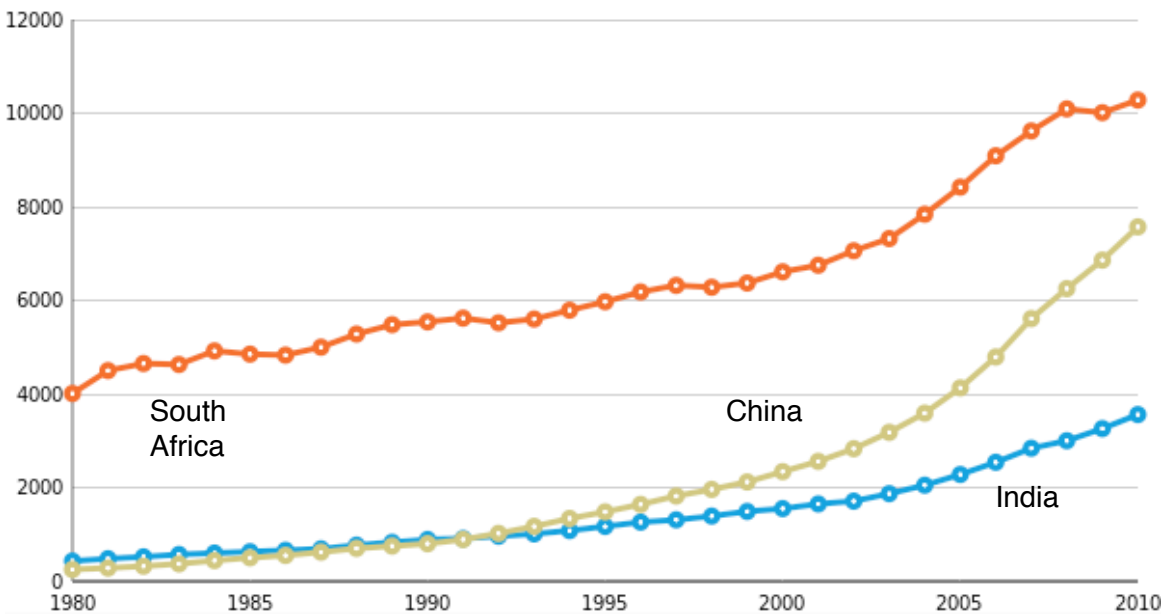
2/ How does **gross national income** (GNI) differ from GDP? (2)

3/ What is the difference between absolute poverty and relative poverty? (2)

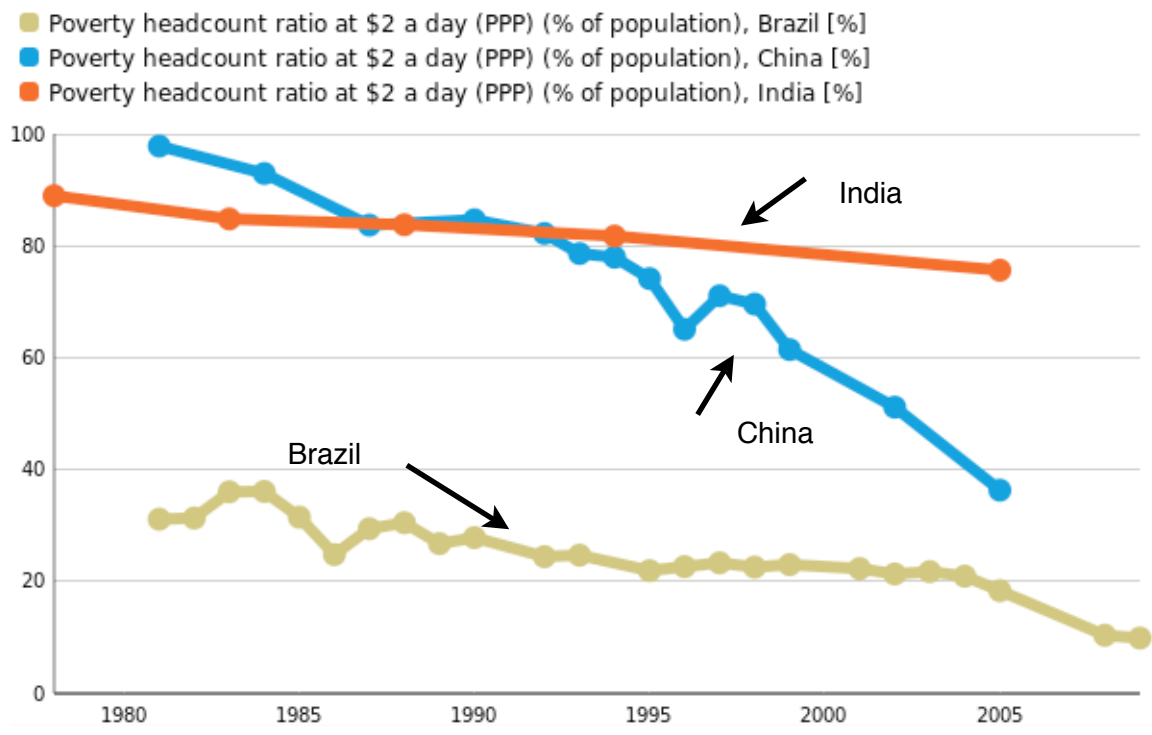
4/ Describe **two significant features** of the data shown in the data shown in the chart below (5)



- GNI per capita, PPP (current international \$), South Africa [current international \$]
- GNI per capita, PPP (current international \$), India [current international \$]
- GNI per capita, PPP (current international \$), China [current international \$]



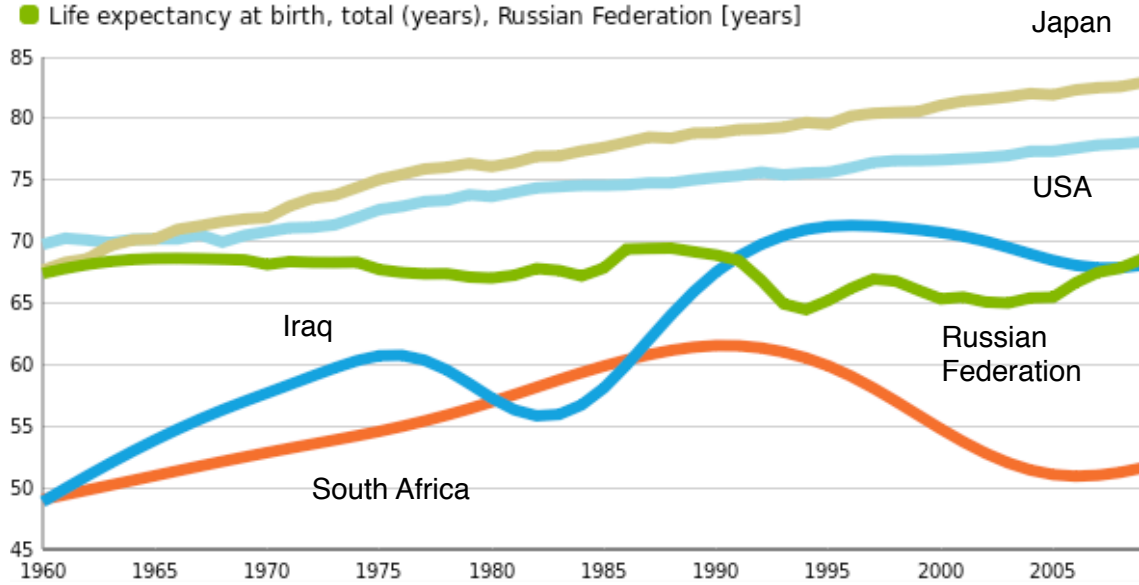
5/ Describe **two significant features** of the data shown in the chart below (5 marks)



6/ Describe **two significant features** of the data shown in the chart below (5 marks)



- Life expectancy at birth, total (years), South Africa [years]
- Life expectancy at birth, total (years), Iraq [years]
- Life expectancy at birth, total (years), United States [years]
- Life expectancy at birth, total (years), Japan [years]
- Life expectancy at birth, total (years), Russian Federation [years]



7/ Comparative Economic Indicators for Four Emerging Economies

Indicator	South Africa	China	India	Mexico
GDP, \$billion, 2008	276.4	4,327	1,159	1,088
GDP per head \$billion, PPP, 2008	10,120	5,970	2,950	14,570
Human Development Index	68.3	77.2	61.2	85.4
Life Expectancy (men)	51.8	72.3	63.7	74.9
Median age of population (years)	24.9	34.2	25.0	27.6
GDP per head PPP (% of USA level)	21.8	12.9	6.4	31.4
Cost of living (New York =100)	76	89	48	75
Health spending (% of GDP)	8.6	4.3	4.1	5.9
Labour participation rate, female (% of female population ages 15+)	47	67	33	43
Average annual growth of GDP (2003-08)	4.9%	10.9%	8.7%	3.4%
Consumer spending (% of GDP)	60.0%	34.0%	54.0%	66.0%
Exports (% of GDP)	35.0%	37.0%	23.0%	28.0%
Farming (% of labour force)	8%	41%	not available	14%
CO2 emissions (metric tons per capita)	9.0	5.0	1.1	4.3

The data in the table above comes from the World Bank database and is for 2008 unless stated. For the countries shown in the table above please answer the following questions

Which country has the youngest population?	
Which country has the highest dependence on overseas trade?	
Which country has the biggest economy by total size?	
True or False: Higher GDP per head is always associated with a higher life expectancy	
Which country has a level of consumer prices closest to those of people living in New York?	
Which country has the lowest average rate of economic growth?	
True or False: Higher GDP per head is always associated with higher carbon emissions per head of population?	
In which country are females least likely to be employed in paid work?	
In which country does household spending on goods and services make the smallest contribution to annual gross domestic product?	