

WELCOME TO ECONOMICS CLASS

SUBJECT : ECONOMICS

CHAPTER: DEVELOPMENT

PERIOD: 3

**SUB-TOPIC: HOW TO COMPARE DIFFERENT COUNTRIES AND STATES?
STD-X**

CHANGING YOUR TOMORROW

WHAT WE EXPECT TO LEARN?

At the end of the class the students will understand

1. What are the different strategies to compare the individual and country or the state?
2. What are the other components used rather than income to compare the countries or states?
3. They will realise that per capita/average income is not the real criterion to measure the country's development.
4. They will come to know the limitation of the use of per capita income/average income.

Recapitulation of the previous class

1. Name the basic criterion that is used by World Bank for comparison of countries on the basis of development.
2. Which criterion is used in World Development Report in classifying countries?
3. Why is per capita income counted in dollar rather than our rupee?
4. Write one example of inequality in urban areas.
5. Countries with higher income are----- than others with less income.
6. Total income of the country divided by its total population is known as-----
7. Give four examples where an average is used for comparing situation.
8. Classify the country on the basis of per capita income.

Useful ways to compare countries

- Population
- GDP / GDP per capita
- Trade Balance
- Human Development Index
- Demographic Transition Model



HOW TO COMPARE DIFFERENT COUNTRIES/STATES?

Comparing U.S. States to Entire Countries by GDP



Article & Sources:
<https://howmuch.net/articles/comparing-us-states-to-entire-countries-by-gdp-2019>
GDP by U.S. State - Bureau of Economic Analysis - <https://www.bea.gov>
GDP by Country - International Monetary Fund - <https://www.imf.org>

- AVERAGE INCOME- Total income of the country/total population
- The average income also called PER CAPITA



RICH VS POOR

Limitation of average income

Comparison of two countries

| MONTHLY INCOMES OF CITIZENS (in rupees) | | | | | | | |
|---|------|-------|------|-------|-------|--------|---------|
| Country | I | II | III | IV | V | Total | Average |
| country A | 9500 | 10500 | 9800 | 10000 | 10200 | 50,000 | |
| Country B | 500 | 500 | 500 | 500 | 48000 | 50,000 | |

THANKING YOU
ODM EDUCATIONAL
GROUP

