

CHAPTER 35 DIFFERENCES IN ECONOMIC DEVELOPMENT BETWEEN COUNTRIES

Macroeconomics - year11

Agenda

Drive growth of monthly sales volume of purchases

- Multiple choice
- Essay

Be the most desirable brand



RECAP

1. **Economic development** refer to an improvement in the economic well-being and quality of life for individuals in a country.
2. **Characteristics of developed countries:** high income per capita, low birth rates, low death rates, long life expectancy, high levels of literacy and education provision, and low proportion of the labor force in the primary sector and a high proportion in the tertiary sector.
3. **Characteristics of developing countries:** low income per capita, high birth rates, high death rates, short life expectancy, low levels of literacy and education provision, and high proportion of the labor force in the primary sector and a low proportion in the tertiary sector.

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4. Policies to promote economic development include

- Investment in infrastructure
- Providing education and skills development
- Support MNCs and entrepreneurs,
- Social welfare programs
- Access to finance

Part1-Multiple choice

1. A country is classified as a developing economy if it typically has:

- A) A high level of industrialization
- B) Low GDP per capita and high poverty rates
- C) A strong and stable financial sector
- D) A low birth rate and aging population

Part1-Multiple choice

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- C) A strong and stable financial sector
- D) A low birth rate and aging population

Answer: B) Low GDP per capita and high poverty rates

Part1-Multiple choice

2. Which of the following is a potential advantage of foreign direct investment (FDI) in developing countries?

- A) It increases dependence on international organizations
- B) It can lead to exploitation of workers
- C) It helps transfer technology and create jobs
- D) It reduces the country's exports

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Answer: C) It helps transfer technology and create jobs

Part1-Multiple choice

3. Why do landlocked countries often face greater difficulties in economic development?

- A) They rely heavily on tourism
- B) They have restricted access to international trade routes
- C) They are often richer in natural resources
- D) They face high inflation

Part1-Multiple choice

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Answer: B) They have restricted access to international trade routes

Part1-Multiple choice

4. Why might high population growth be a barrier to economic development?

- A) It leads to an increase in per capita income
- B) It reduces the demand for resources
- C) It can strain healthcare, education, and infrastructure
- D) It guarantees a higher level of human capital

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Answer: C) It can strain healthcare, education, and infrastructure

Part1-Multiple choice

5. Which of the following government policies is most likely to improve a country's level of human capital?

- A) Reducing corporate tax rates
- B) Increasing investment in education and healthcare
- C) Raising import tariffs
- D) Expanding military spending

Part1-Multiple choice

5. Which of the following government policies is most likely to improve a country's level of human capital?

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Answer: B) Increasing investment in education and healthcare

Part1-Multiple choice

6. Which economic structure is most commonly found in developing countries?

- A) High dependence on manufacturing and exports
- B) A large agricultural sector and informal economy
- C) A focus on high-tech industries
- D) High levels of financial services and banking

Part1-Multiple choice

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Answer: B) A large agricultural sector and informal economy

Part2-Essay

1 (b) Explain two benefits of employment in the tertiary sector compared to the primary sector. [4]

2 Identify and explain two characteristics of developed and developing countries [4]

3 (d) Assess whether government policies are always successful in promoting economic development. [8]

Part2-Essay

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The End

