

Name: _____

Instructor: _____

Rags and Riches: The Dimensions of Development

▶ ACTIVITY 4: ALTERNATIVE INDICATORS OF DEVELOPMENT

The first three activities have examined two models of development, each based on different indicators of development. What other indicators can you think of that might measure a country's success in realizing its full development potential? Look on the Internet to find international development indicators. From the Web Resources list at the end of the chapter, good data can be found at the Central Intelligence Agency, United Nations, U.S. Agency for International Development, U.S. Census Bureau, World Bank, and World Health Organization sites. Search the Web for other databases. Alternatively, go to your library and consult the United Nations' *Human Development Report*; *Demographic Yearbook*; *Compendium of Social Statistics and Indicators*; *2000 World Population Profiles*; and the *Statistical Yearbook*, as well as the World Bank's *World Development Report*. Regional UN reports such as the *2000 Statistical Yearbook for Latin America and the Caribbean* or *Asia and the Pacific* also are useful tools. Do not use any variables from the *Area and Demographic Data* online or on the CD. We want you to develop your Internet and library skills.

- A. Choose four development indicators not used in Activities 1 through 3. Use any sources you wish other than our *Area and Demographic Data*, but be sure to note the sources from which you acquire data. Indicators can be either economic or human welfare in nature. Attempt to measure a different aspect of development with each indicator. Many options are available. Although there are no absolutely correct indicators, there are many incorrect or flawed indicators that you should avoid. These include so-called mass variables that measure the grand total of something in a country, such as total GDP or total number of doctors. Mass variables tend to be large for large countries and small for small countries. *All of your variables should therefore be in the form of a rate, a percentage, or a per capita variable.* Also avoid variables that are determined largely by factors other than development. Inflation rate, oil production, and population density are variables that could easily be very low or very high regardless of a country's level of development. Be able to justify the indicator's importance to development. Choose four new indicators, and record the data for each of the 20 countries on Table 7.4 in *Columns D, F, H, and J*.

If you use multiple sources for a single variable, be sure units of measurement are the same. Beware of metric versus imperial units, rates per 100 versus rates per 1,000, or such things as electricity or energy units that differ. Try to find data for the same year. If you are unable to find data for a variable for one or two countries, leave them blank. If more than two countries are missing, use other sources or choose a new variable.

- B. In *Columns E, G, I, and K*, respectively, rank values from *Columns D, F, H, and J*, respectively. Ranks will be from 1 to 20, and each country

TABLE 7.4 Alternate Indicators

A	B	C	D	E	F	G	H	I	J	K
Country	Economic Development Ranking	Human Welfare Ranking	First Indicator Value	First Indicator Ranking	Second Indicator Value	Second Indicator Ranking	Third Indicator Value	Third Indicator Ranking	Fourth Indicator Value	Fourth Indicator Ranking
United States	19.5									
Singapore	19.5									
Canada	18.0									
Iceland	17.5									
United Arab Emirates	16.0									
Taiwan	15.0									
Argentina	14.0									
Saudi Arabia	13.5									
Mexico	12.0									
Poland	10.5									
South Africa	10.0									
Turkey	8.0									
Morocco	6.5									
Sri Lanka	7.5									
Moldova	6.5									
Cuba	8.0									
Senegal	3.5									
Cambodia	2.5									
Dem. Rep. of the Congo (Zaire)	3.0									
Afghanistan	1.5									

should have a different, whole number ranking (except in the case of ties). The country with the value indicating the highest level of development (relative to that variable) will be ranked 20. The country with the value indicating the lowest level of development (relative to that variable) will be ranked 1. Think carefully about whether a high value of your variable indicates a high level of development. Remember, for example, that *low* infant mortality rates and *high* literacy rates both indicate high development.

4.1. List each of your four variables, how it is measured (if necessary), and where you obtained the data. Give a justification for the choice of each variable as an indicator of development.

Variable 1 (*Column D*):

Source:

Justification:

Variable 2 (*Column F*):

Source:

Justification:

Variable 3 (*Column H*):

Source:

Justification:

Variable 4 (*Column J*):

Source:

Justification:

4.2. How did the rankings for your variables differ from those provided earlier in the exercise? Which countries scored higher? Which scored lower? Why?

► WEB RESOURCES

Central Intelligence Agency: www.cia.gov/cia/publications/factbook/
Engineers Without Borders: www.ewb-usa.org/
Global Trade: www.oneworld.net/campaigns/trade/
Grameen Banking for the Poor: www.grameen-info.org/
Program for Appropriate Technology in Health: www.path.org/index.htm
United Nations Educational, Scientific, and Cultural Organization. Photo Bank: portal.unesco.org/ci/photos/
United Nations Statistics Division: unstats.un.org/unsd/
U.S. Agency for International Development: www.usaid.gov/about_usaid/
U.S. Census Bureau, International Programs Center: www.census.gov/ipc/www/
World Bank. *Data and Statistics*: www.worldbank.org/data/
World Bank. *Economics Research*: econbeta.worldbank.org/
World Health Organization. *World Health Report*: www.who.int/whr/

► ITEMS TO HAND IN

- Activities 1 and 2: • The completed spreadsheets
- Activity 3: • Scatter diagram with points recorded for each of 20 countries
• Questions 3.1–3.4
- Activity 4: • The completed spreadsheet with alternative development indicators
• Questions 4.1 and 4.2