

# 5.1 Living Standards

## Question Paper

Course	CIEIGCSE Economics
Section	5. Economic Development
Topic	5.1 Living Standards
Difficulty	Medium

**Time allowed:** 20  
**Score:** /14  
**Percentage:** /100

### Question 1

Why is the Human Development Index (HDI) a better indicator of comparative living standards than Gross Domestic Product (GDP) per head?

- A. It includes international trade.
- B. It includes more measures of living standards.
- C. It is measured in money terms.
- D. It is more directly linked to economic growth.

[1 mark]

### Question 2

The Human Development Index (HDI) ranks human development in countries from 0 (lowest) to 1 (highest). What does the calculation of HDI **not** take into consideration?

- A. estimate of life expectancy at birth
- B. information on the number of years of schooling
- C. regional inequalities of investments in human capital
- D. standard of living linked to income per head

[1 mark]

### Question 3

Which combination of changes is **most** likely to result in a fall in living standards in a country?

	GDP	inflation	population
A	fall	fall	rise
B	fall	rise	rise
C	rise	fall	fall
D	rise	rise	fall

[1 mark]

#### Question 4

Why was the Human Development Index (HDI) introduced as a measure of the standard of living?

- A. Education and healthcare are important contributors to the standard of living.
- B. GDP per head only measures development.
- C. Inequality can only be measured by HDI.
- D. Literacy rates are not an effective measure of the standard of living.

[1 mark]

#### Question 5

What is included in the Human Development Index (HDI) of a country?

- A. level of net immigration
- B. life expectancy at birth
- C. population size
- D. rate of population growth

[1 mark]

#### Question 6

Why is the Human Development Index (HDI) a better measure of living standards than GDP per head?

- A. It takes into account changes in output.
- B. It takes into account changes in population.
- C. It takes into account health and education data.
- D. It takes into account inflation.

[1 mark]

### Question 7

One of the indicators of living standards is the Human Development Index (HDI).

What is **not** taken into consideration when calculating the HDI?

- A. education
- B. income per head
- C. level of savings
- D. life expectancy

[1 mark]

### Question 8

What are the components of the Human Development Index (HDI)?

- A. life expectancy at birth, expected years of schooling, GDP
- B. life expectancy at birth, expected years of schooling, GDP per head
- C. population growth, adult literacy rate, GDP per head
- D. population size, expected years of schooling, number of doctors per head

[1 mark]

### Question 9

Which indicator would be included in the Human Development Index (HDI) for a country?

- A. adult literacy rate
- B. doctors per 1000 people
- C. unemployment rate
- D. years spent in education

[1 mark]

**Question 10**

Why might GDP per head be underestimated in a developed economy?

- A. It does not account for changes in population.
- B. It does not include financial services output.
- C. It does not include the hidden economy.
- D. It does not take into account the primary sector.

[1 mark]

**Question 11**

What is included in the Human Development Index (HDI)?

- A. gender inequality
- B. life expectancy at birth
- C. political freedom
- D. the impact of pollution

[1 mark]

**Question 12**

Given the following information, which country is most likely to have the highest standard of living?

		birth rate	death rate	life expectancy	infant mortality rate
<b>A</b>	Bangladesh	27	10	58	93
<b>B</b>	Bhutan	36	14	53	107
<b>C</b>	Botswana	31	21	40	57
<b>D</b>	Brunei	25	5	72	22

[1 mark]

### Question 13

What would **not** increase the Human Development Index (HDI) of a country?

- A. an increase in the level of car ownership
- B. an increase in life expectancy at birth
- C. a rise in the GDP per head
- D. a rise in the number of years of schooling

[1 mark]

### Question 14

The table shows some economic indicators.

Which combination of indicators is most likely to represent a developed country?

	size of primary sector (% of GDP)	birth rate (births per 1000)	literacy rate (% of population)
<b>A</b>	3	10	98
<b>B</b>	3	22	65
<b>C</b>	27	32	56
<b>D</b>	33	35	70

[1 mark]