



# Comparing the Wealth of Nations

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**What is HDI?**

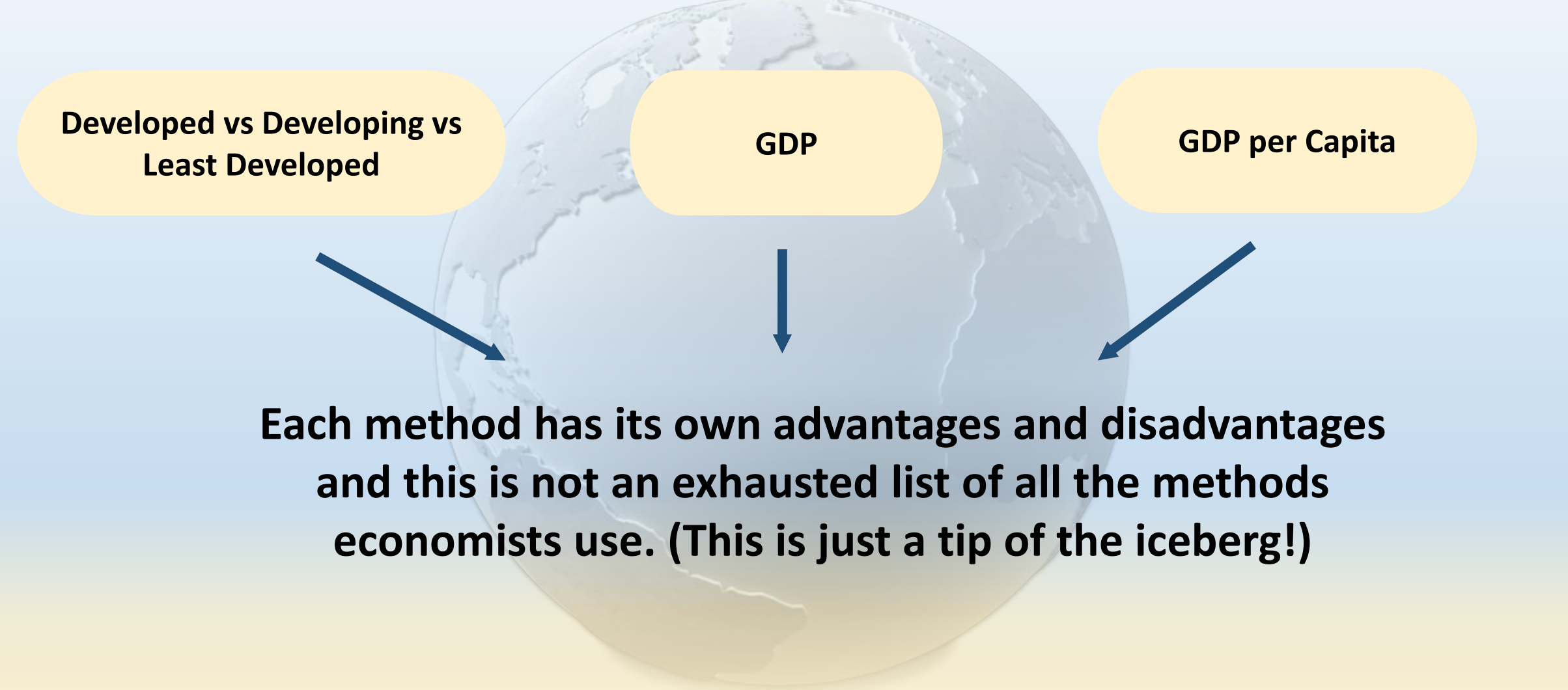
**What is GDP?**

# What are some of the ways to rank countries economically?

Developed vs Developing vs  
Least Developed

GDP

GDP per Capita




Each method has its own advantages and disadvantages and this is not an exhausted list of all the methods economists use. (This is just a tip of the iceberg!)





# **Development of Nations**



**What factors are looked at when ranking nations?**



# **(1) Natural Resources**



Used to create goods  
and services

MAY be used to  
create a healthy  
economy



## **(2) Infrastructure**

The basic structures, systems and facilities needed for a nation to function properly



## (3) Productivity

Amount of goods and services we produce  
with the resources we have

**Higher productivity = wealth**



# Developed Countries

European Union		New EU member states		Other Europe	Other countries	Major Developed economies
Austria	Italy	Bulgaria	Malta	Iceland	Australia	Canada
Belgium	Luxembourg	Croatia	Poland	Norway	Canada	Japan
Denmark	Netherlands	Cyprus	Romania	Switzerland	Japan	France
Finland	Portugal	Czech Republic	Slovakia		New Zealand	Germany
France	Spain	Estonia	Slovenia		United States	Italy
Germany	Sweden	Hungary				United Kingdom
Greece	United Kingdom	Latvia				United States
Ireland		Lithuania				





# Berlin, Germany





# Germany

- GDP : 3.467 trillion (2016) <sup>1</sup>
- GDP per Capita: \$41,936 (2016) <sup>1</sup>
- Natural resources (% of GDP):  
0.1% (2015)<sup>2</sup>



# Developing Countries



## North Africa

Algeria  
Egypt  
Libya<sup>b</sup>  
Mauritania  
Morocco  
Sudan  
Tunisia

## Central Africa

Cameroon  
Central African Republic  
Chad  
Congo  
Equatorial Guinea  
Gabon  
Sao Tome and Principe

## East Africa

Burundi  
Comoros  
Democratic Republic  
of the Congo  
Djibouti  
Eritrea  
Ethiopia  
Kenya  
Madagascar  
Rwanda  
Somalia  
Uganda  
United Republic  
of Tanzania

## West Africa

Benin  
Burkina Faso  
Cabo Verde  
Côte d'Ivoire  
Gambia  
Ghana  
Guinea  
Guinea-Bissau  
Liberia  
Mali  
Niger  
Nigeria  
Senegal  
Sierra Leone  
Togo

## Southern Africa

Angola  
Botswana  
Lesotho  
Malawi  
Mauritius  
Mozambique  
Namibia  
South Africa  
Zambia  
Zimbabwe

# Developing Countries



## East Asia

Brunei Darussalam  
China  
Hong Kong SAR<sup>c</sup>  
Indonesia  
Malaysia  
Myanmar  
Papua New Guinea  
Philippines  
Republic of Korea  
Singapore  
Taiwan Province of China  
Thailand  
Viet Nam

## South Asia

Bangladesh  
India  
Iran (Islamic Republic of)  
Nepal  
Pakistan  
Sri Lanka

## Western Asia

Bahrain  
Iraq  
Israel  
Jordan  
Kuwait  
Lebanon  
Oman  
Qatar  
Saudi Arabia  
Syrian Arab Republic  
Turkey  
United Arab Emirates  
Yemen

# Developing Countries



## Caribbean

Barbados  
Cuba  
Dominican Republic  
Guyana  
Haiti  
Jamaica  
Trinidad and Tobago

## Mexico and Central America

Costa Rica  
El Salvador  
Guatemala  
Honduras  
Mexico  
Nicaragua  
Panama

## South America

Argentina  
Bolivia (Plurinational State of)  
Brazil  
Chile  
Colombia  
Ecuador  
Paraguay  
Peru  
Uruguay  
Venezuela (Bolivarian Republic of)







# NanNing, China



# China

- GDP: \$11.199 trillion(2016)<sup>1</sup>
- GDP per Capita: \$8,123 <sup>1</sup>
- Natural Resources (% of GDP):  
1.3% (2015) <sup>2</sup>

# Least Developed Countries

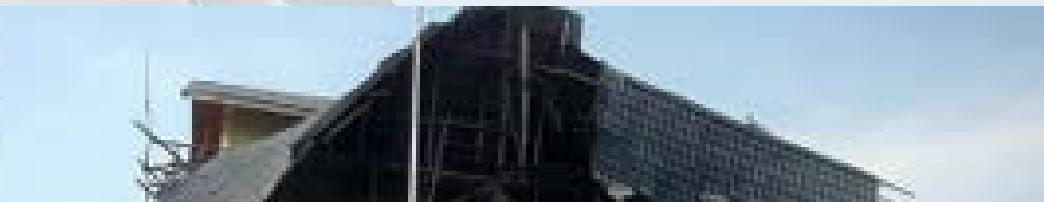
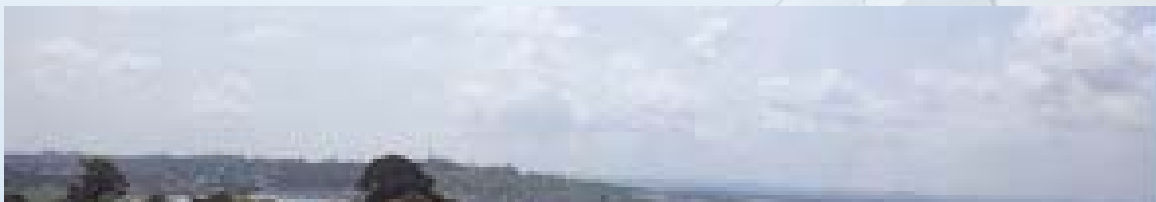
Country	
Afghanistan (1971)	Djibouti (1982)
Angola (1994)	Equatorial Guinea (1982)
Bangladesh (1975)	Eritrea (1994)
Benin (1971)	Ethiopia (1971)
Bhutan (1971)	Gambia (1975)
Burkina Faso (1971)	Guinea (1971)
Burundi (1971)	Guinea-Bissau (1981)
Cambodia (1991)	Haiti (1971)
Central African Republic (1975)	Kirbati (1986)
Chad (1971)	Lao People's Dem Republic (1971)
Comoros (1977)	Lesotho (1971)
Democratic Republic of Congo (1991)	Liberia (1990)

# Least Developed Countries

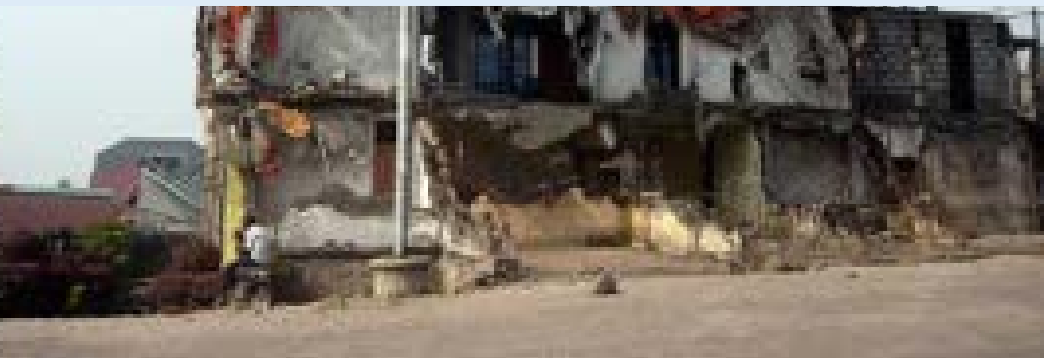
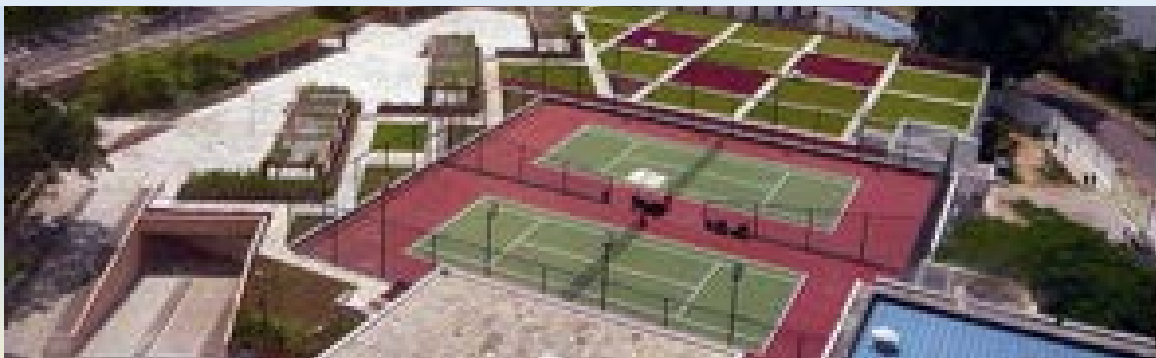
Country	
Madagascar (1991)	Solomon Islands (1991)
Malawi (1971)	Somalia (1971)
Mali (1971)	South Sudan (2012)
Mauritania (1986)	Sudan (1971)
Mozambique (1986)	Timor-Leste (2003)
Myanmar (1987)	Togo (1982)
Nepal (1971)	Tuvalu (1986)
Niger (1971)	Uganda (1971)
Rwanda (1971)	United Republic of Tanzania (1971)
Sao Tome and Principe (1982)	Vanuatu (1985)
Senegal (2000)	Yemen (1971)
Sierra Leone (1982)	Zambia (1991)







# Kinshasa, Dem. Rep. of Congo



# Dem. Rep. of Congo

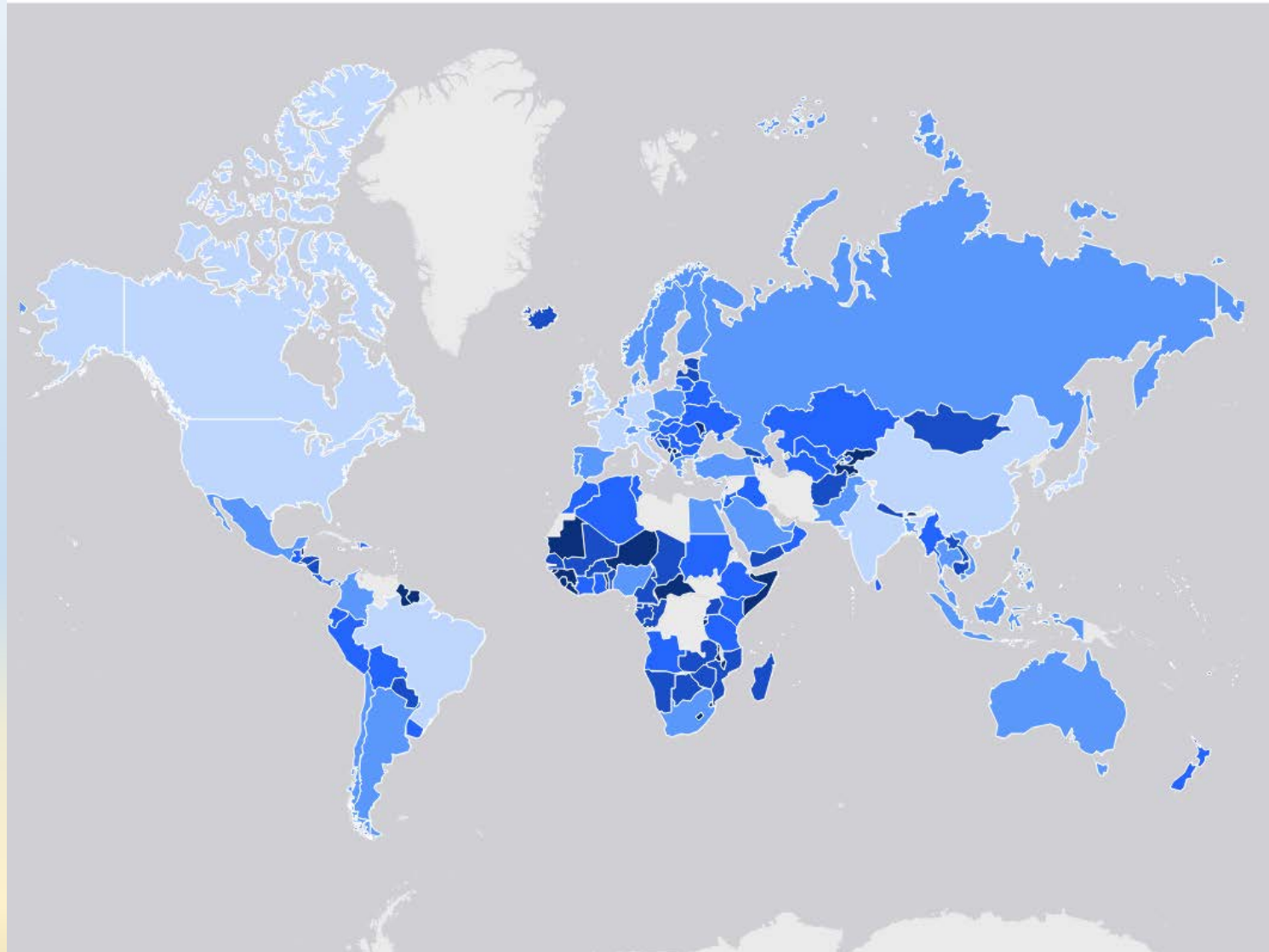
- GDP: 34.99 billion (2015)<sup>1</sup>
- GDP per capita: \$444.5<sup>1</sup>
- Natural resources (% GDP):  
34% (2015)<sup>2</sup>



**GDP**



# 2016 GDP of the World

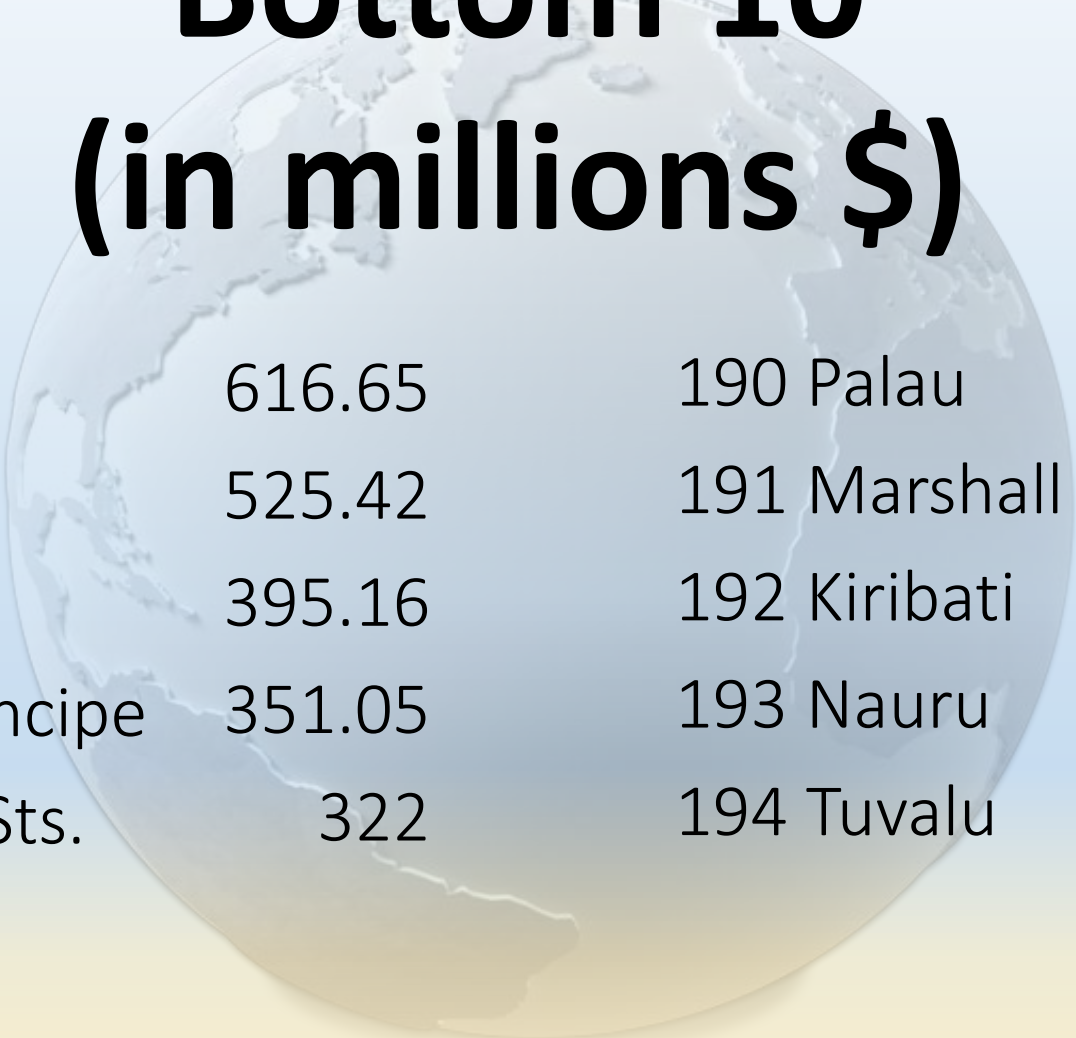


# Top 10 GDPs of the World in 2016 (in trillions \$)



1 United States	18.56	6 France	2.47
2 China	11.19	7 India	2.26
3 Japan	4.94	8 Italy	1.85
4 Germany	3.47	9 Brazil	1.79
5 United Kingdom	2.62	10 Canada	1.53

# Bottom 10 (in millions \$)



185 Comoros	616.65	190 Palau	293
186 Dominica	525.42	191 Marshall Islands	183
187 Tonga	395.16	192 Kiribati	165.77
188 Sao Tome and Principe	351.05	193 Nauru	102.06
189 Micronesia, Fed. Sts.	322	194 Tuvalu	34.22



# **GDP per Capita**

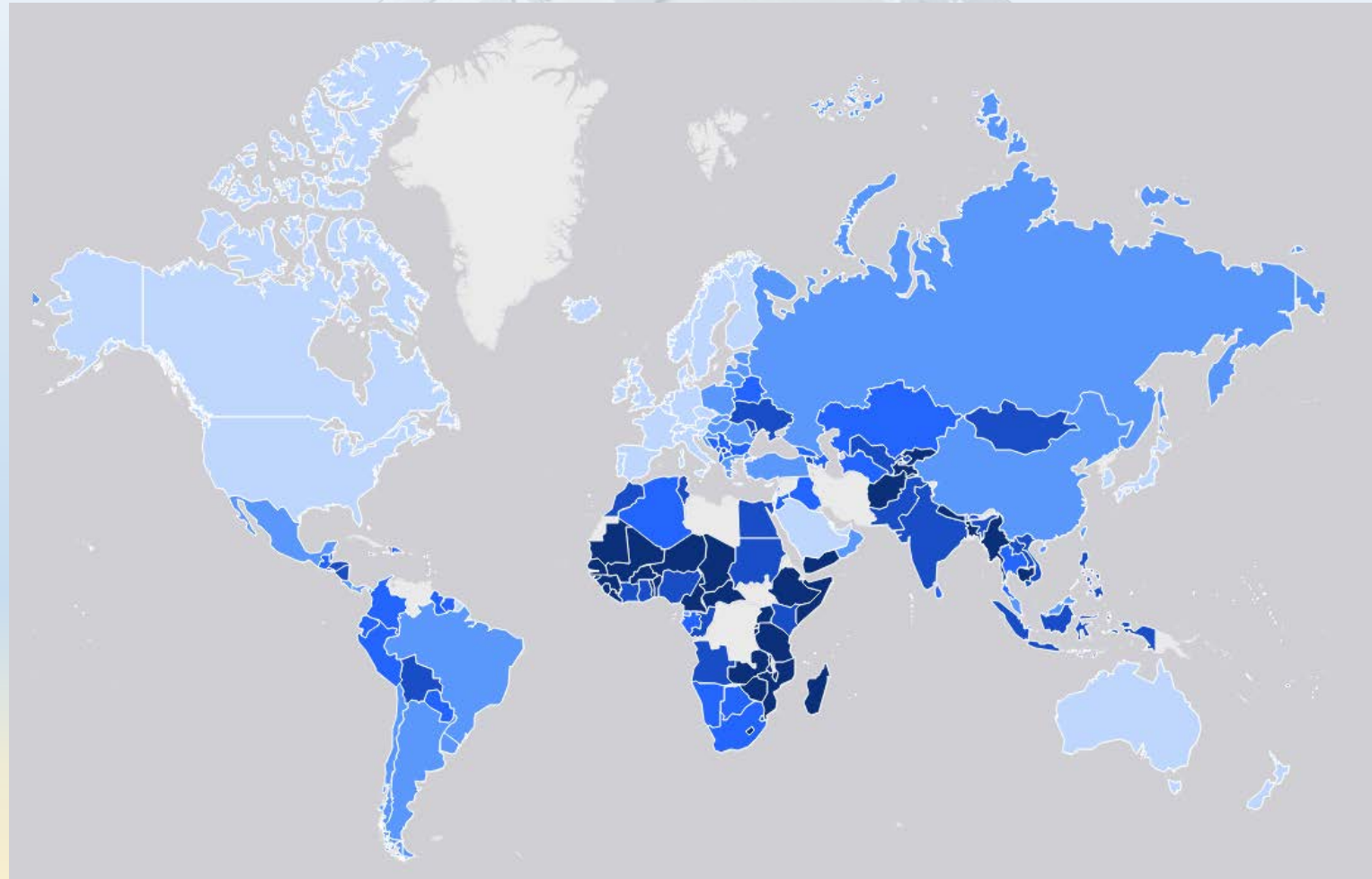


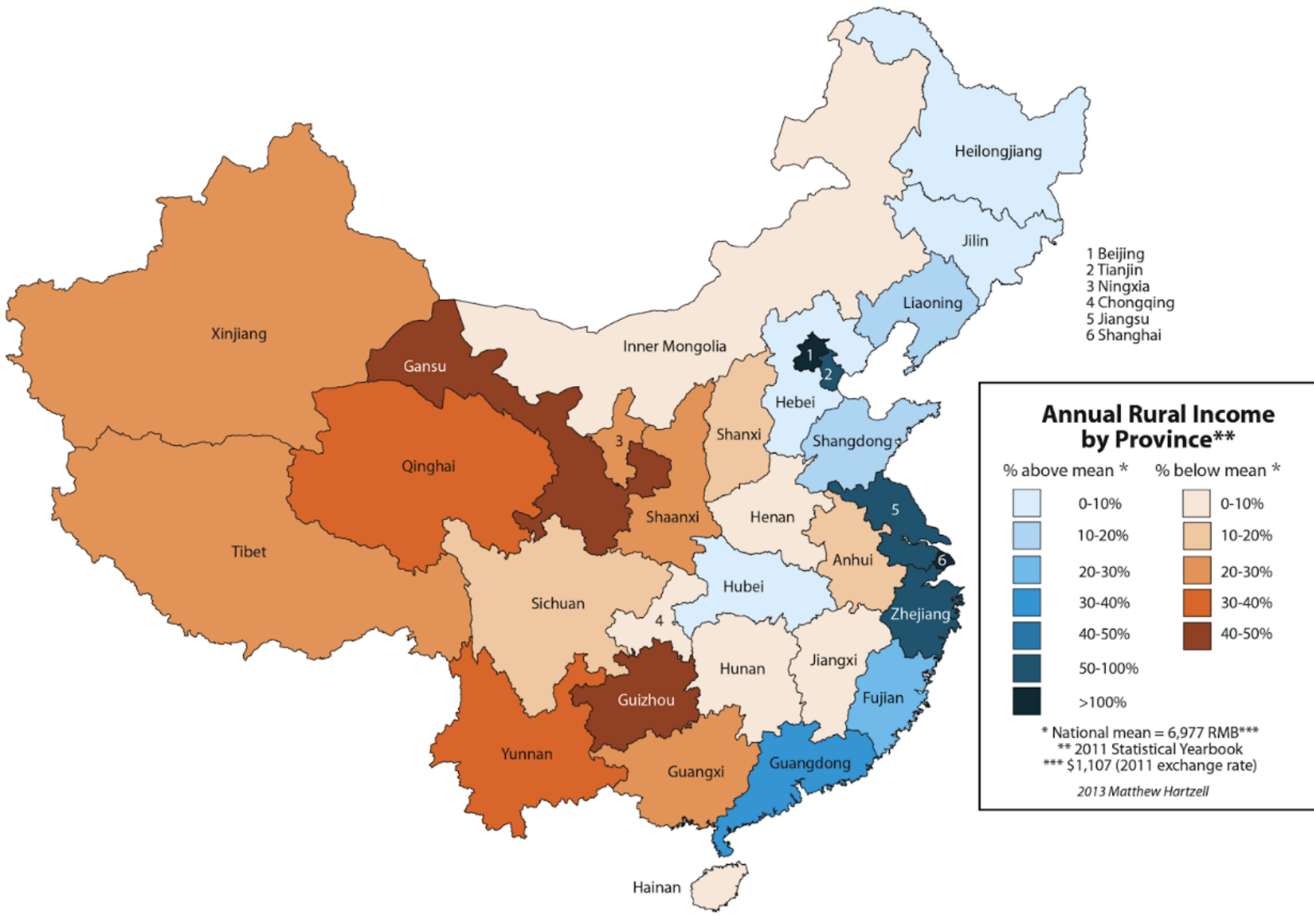
# GDP per capita



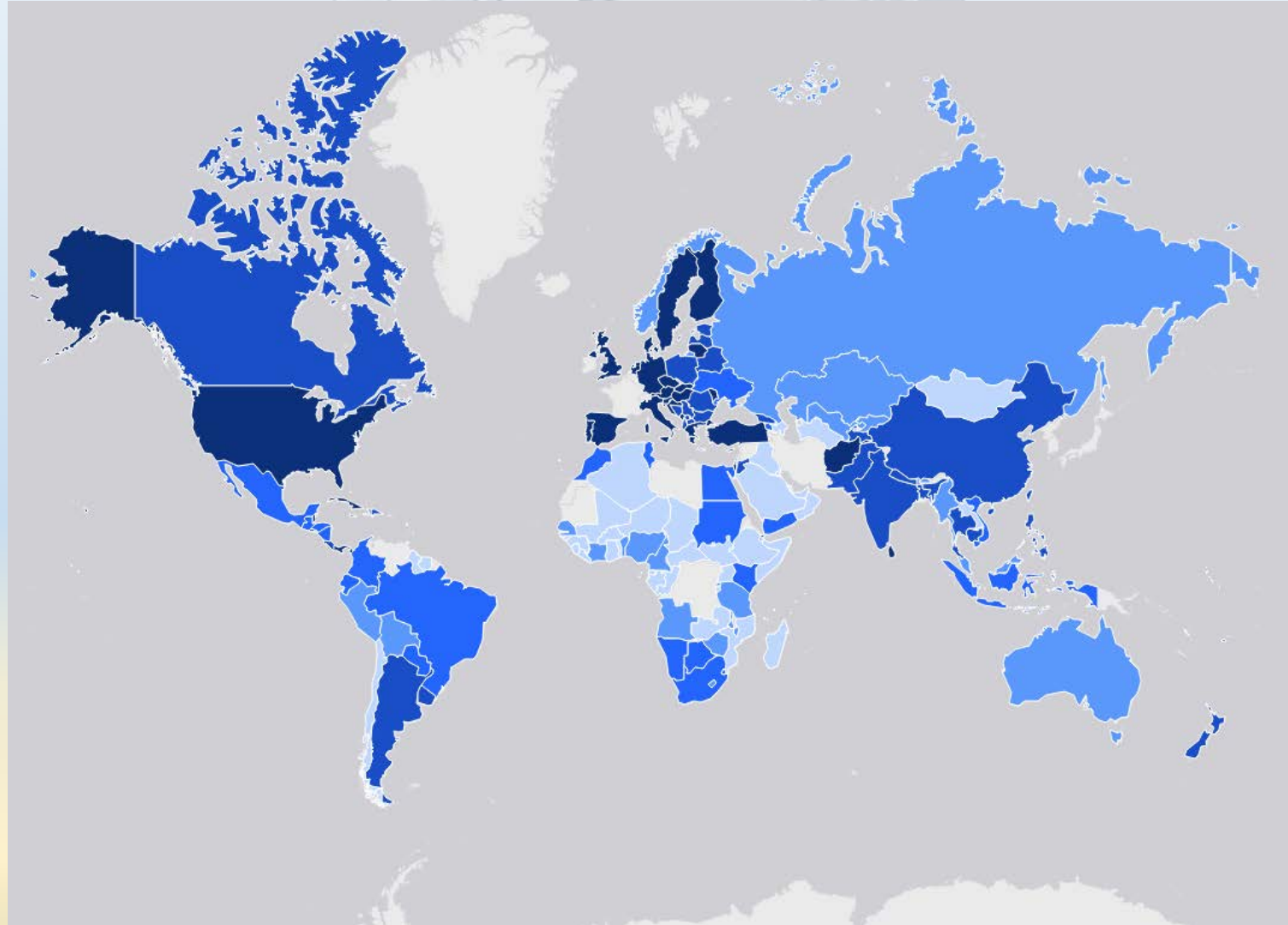
- Gives us a better view about individuals' economic statuses
- Shows the distribution of income

# 2016 GDP per capita





# 2015 Natural Resources Rents





# Are the patterns accidental?



- Where are the countries with the highest and lowest GDP concentrated at?
- Do you see a pattern of high natural resources export and low GDP per capita?



# Case Studies



# Case Study: Venezuela

Food shortages

Why?

- Lack of foreign investments
- 40% drop of oil export income in 2015
- Corrupt public and private sectors

<http://www.cnn.com/videos/world/2016/06/21/venezuela-food-protests-blamed-for-fatalities-rafael-romo.cnn>

# Sustainable Development Goals

Should developed countries help other countries?

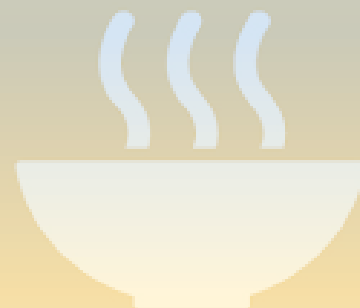
**8** DECENT WORK AND  
ECONOMIC GROWTH



**9** INDUSTRY, INNOVATION  
AND INFRASTRUCTURE




**2** ZERO  
HUNGER



**10** REDUCED  
INEQUALITIES





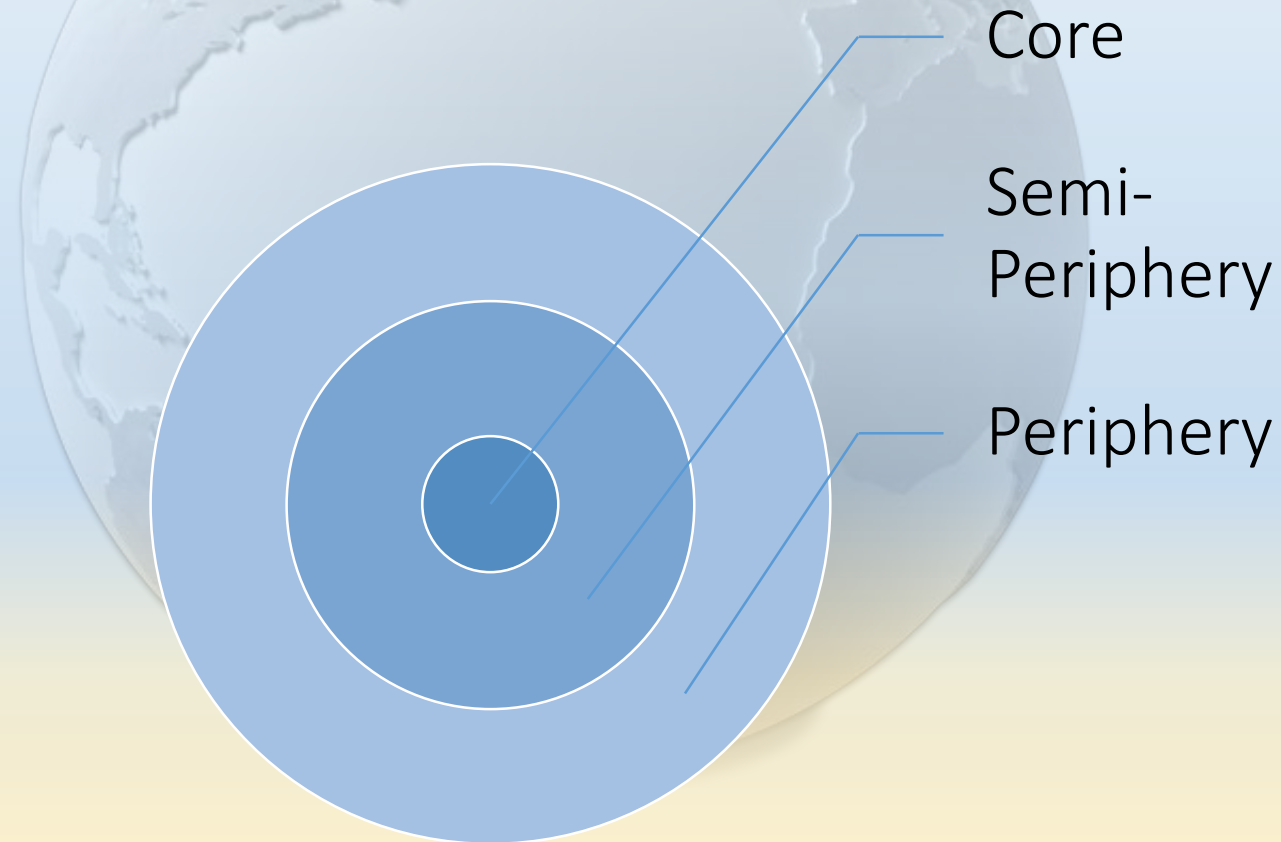


**How do scholars from around the world view the division of other countries?**

# World Systems Theory

- Sociologist Immanuel Wallerstein

How we can understand the global economy and society in relation to each other.



# Core Countries



Characteristics:

- Have strong military power and capitalist societies with **developed economies**.
- Able to obtain **cheap raw materials** from peripheral countries and **cheap manufactured goods** from semi-peripheral countries.

# Peripheral Countries



Characteristics:

- Economy is **dependent** on **raw material** exports, **cheap labor**, and **agricultural production**.

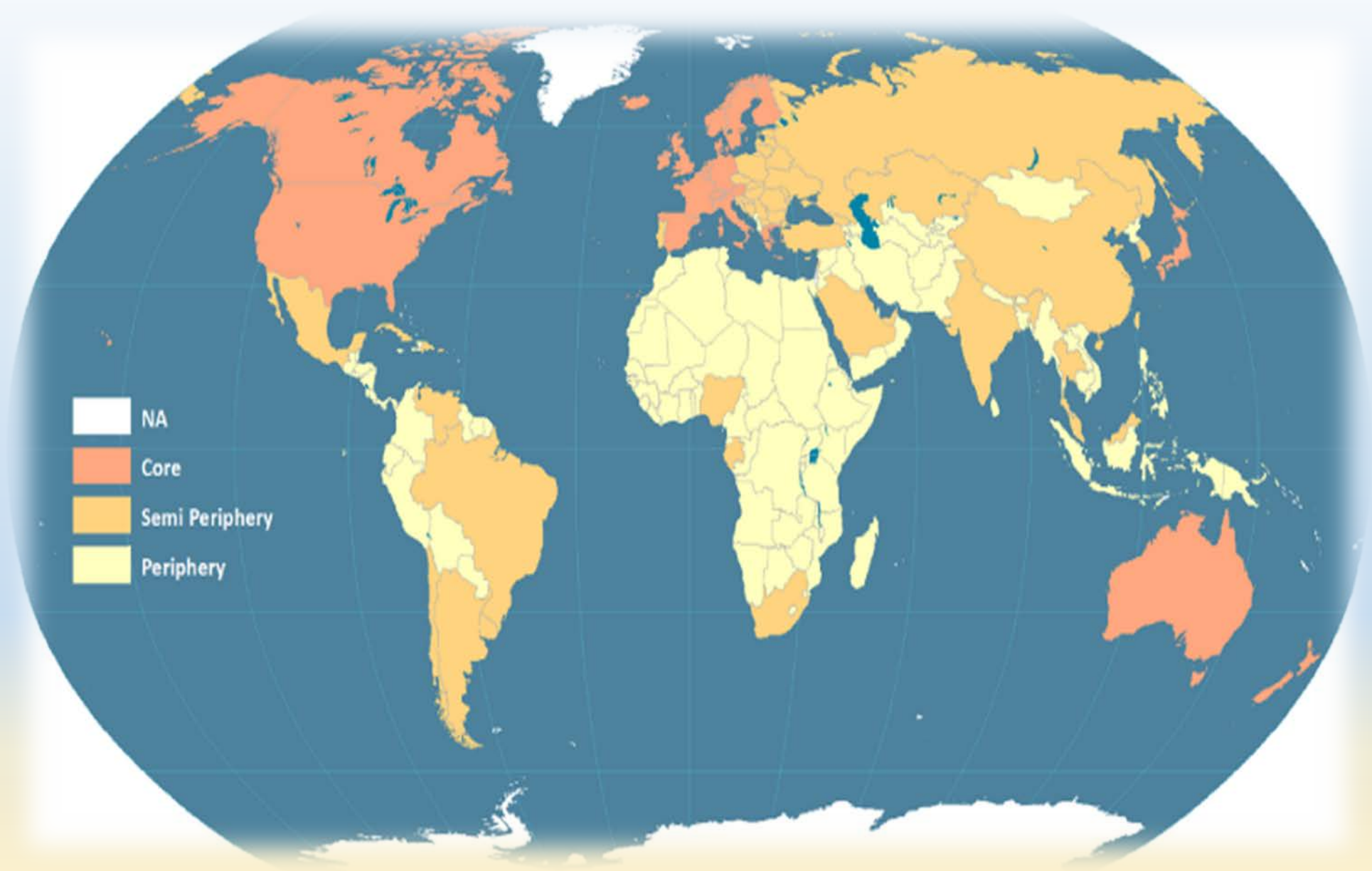
# Semi-Peripheral Countries

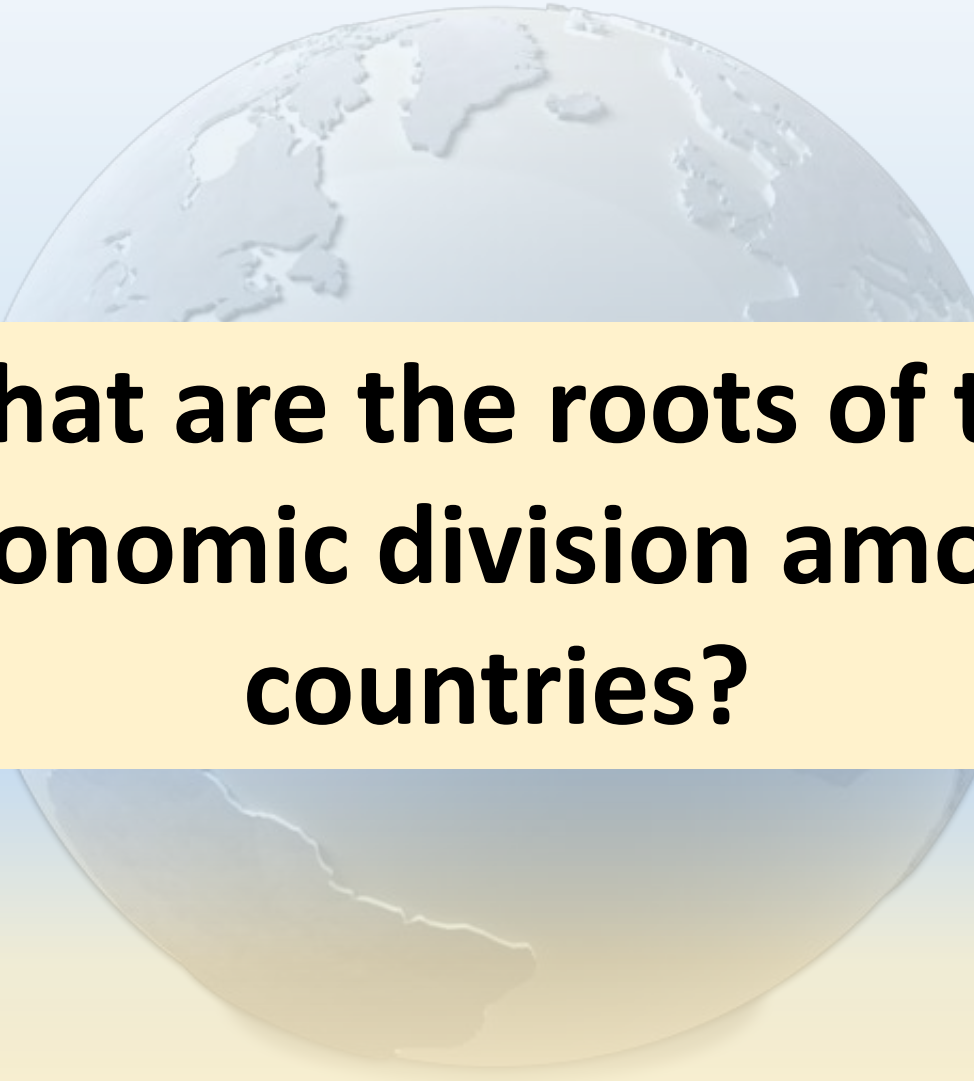


Characteristics:

- Share characteristics of both core and peripheral countries
- **Import raw material** from peripheral countries
- **Export manufacture goods** to the core countries







**What are the roots of the economic division among countries?**