

Worksheet 3: Disparities in wealth and development

The impact of globalisation on the development gap

1 Study Figure 3.1.

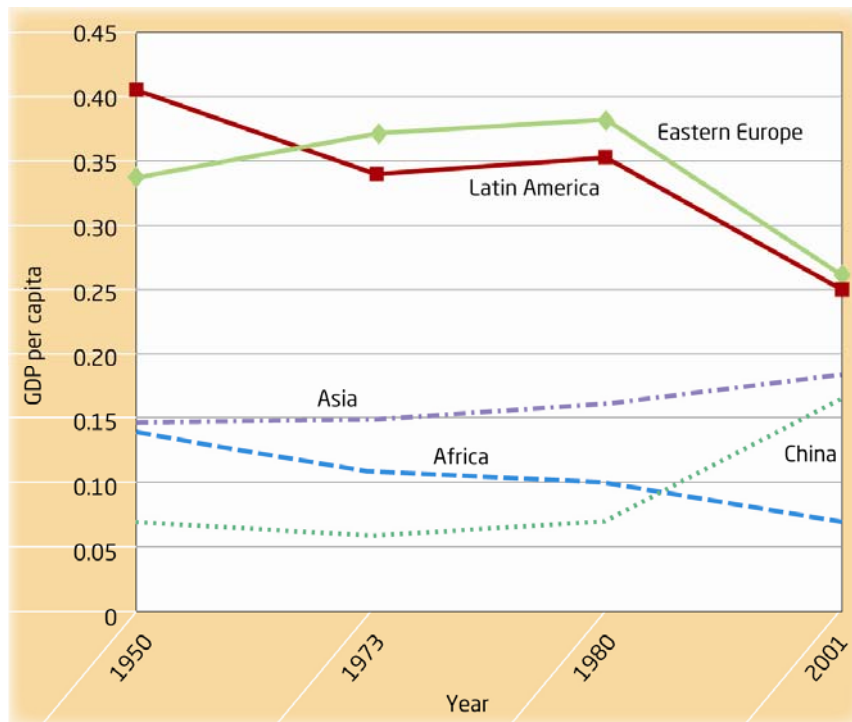


Figure 3.1 GDP per capita in selected developing regions and China relative to that in the developed world, 1950–2001.

(Source: United Nations)

- a Which regions/countries have narrowed the gap in GDP per capita with the developed world since 1950?
- b Using data from the graph, describe the extent of this process.
- c For which regions did the gap with the developed world widen?

- d Using data from the graph, describe the extent of this process.

2 Study Figure 3.2.

Overall, inequality has been getting worse, though trends in inequality are complicated. Basically:

If you compare *individuals* – average incomes per head of the world's richest and poorest people – the gap has narrowed, largely because China and India have made immense reductions in poverty.

If you compare *countries* – the average income of one country and another – the gap has widened: more countries are lagging behind the rich nations than are catching up.

If you compare incomes *within countries* – between the richest people and the poorest – then again the gap is widening: from within China to the USA, the rich are pulling away from the poor.

One review of the literature looked at inequality from a variety of angles. It concluded that people round the centre of the income distribution worldwide have been drawing together to some extent, yet the extremes have been flying apart.

The gap between the richest and the poorest has been widening, but income difference for those in the middle has slightly narrowed. 'There is no sign at all that either the extreme impoverishment at the bottom or the extreme enrichment at the top of the world distribution are coming to an end.'

Figure 3.2 Globalisation – will the gap between the rich and poor countries narrow?

(Source: The Tomorrow Project)

- a Overall, has global inequality been getting better or worse?
- b Explain why trends in inequality are described as 'complicated'.
- 3 The United Nations identifies those countries with the very lowest incomes as the least developed countries (LDCs). With reference to www.unctad.org, conduct a group research project to answer the following questions:
- a Describe the geographical distribution of LDCs.



b Discuss the criteria used to identify LDCs.

c Examine the major problems of LDCs.