

Place your name on the back of this sheet of paper and nowhere else. Staple your answers on the front of this sheet of paper. Failure to follow these directions will cost you 1 point. Your assignment will be typed, except graphs can be drawn by hand and mathematical equations can be done by hand. Failure to type it will cost you 10 points. If you use double-sided printing or print on the back of scrap paper, I will give you one additional point.

- 1) (20 points) What is included in the calculation of the HDI? Why is that a better measurement of development than GDP per capita?
- 2) (25 points) Why do most developing countries have a problem with a high birth-rate? What can the government do to reduce that? How would your proposal work?
- 3) (15 points) How does gender disparity affect development? Why does it have that effect?
- 4) (15 points) Why do most developing countries have a low savings rate? Why is that bad for development? (What does that say about the USA who's savings rate was negative in 2006 and 2007? Do not answer the question in parentheses.)
- 5) (25 points) Why do most developing countries have low literacy rates? What can governments do about that? How would that reduce the problem?