

Attachment A: Developed v. Developing Nations – Class Notes

- I. Industrial hierarchy
 - A. Primary industries
 - 1. Make direct use of natural resources
 - 2. Examples – mining, farming, and logging
 - B. Secondary industries
 - 1. Take goods from primary industries and turn them into consumer goods
 - 2. Examples – dairy, clothing, furniture
 - C. Tertiary industries
 - 1. Provide services to primary and secondary industries, communities, and individuals
 - 2. Examples – plumbers, truckers, bakers, banking
 - D. Quaternary industries
 - 1. Composed of professionals who provide specialized skills
 - 2. Examples – information research, management, and administration
- II. Developed nations
 - A. All industrial levels, especially tertiary and quaternary
 - B. Economic development
 - 1. Gross National Product (GNP)
 - a. GNP consists of total value of goods and services produced in and outside of a country.
 - b. American industries that have overseas factories are counted.
 - 2. Gross Domestic Product (GDP) – consists only of goods and services produced within a country's borders
 - 3. Per Capita GDP – GDP divided by total number of citizens
 - C. Characteristics
 - 1. High literacy rate (80% and up)
 - 2. Strong infrastructure
 - 3. Rapid telecommunications
 - 4. High per capita GDP (\$16,000 and up)
 - 5. Strong education system
 - 6. Good health care (Life expectancy of 74 years and up)
 - 7. More urban than rural population
 - 8. Low population growth
 - 9. Low birth rate, infant mortality rate, and death rate
 - D. Government and economic systems
 - 1. Free enterprise
 - 2. Democracy
 - 3. Stability
- III. Developing nations
 - A. Mainly primary and secondary industries
 - B. The direct opposite of characteristics listed for developing nations, but improving
 - C. Government and economic systems
 - 1. Command economy
 - 2. Communism
 - 3. Unstable military or dictatorial government
 - D. Characteristics
 - 1. Literacy rate (60% - 80%)
 - 2. Per capita GDP (\$1,001 - \$15,999)
 - 3. Life expectancy (55 – 73 years)

- IV. Undeveloped nations
 - A. Only primary industry
 - B. Lowest of all characteristics listed above.
 - C. Characteristics
 - 1. Literacy rate (Less than 50%)
 - 2. Per capita GDP (Less than \$1,000)
 - 3. Life expectancy (Less than 55 years)