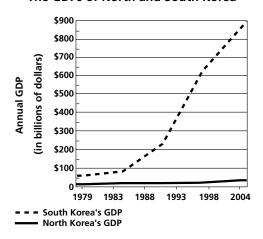
Economic Development in North Korea and South Korea

One way to determine a country's economic development is to look at its **gross domestic product**, or GDP. A country's GDP is the total value of all goods and services produced in the country during the year. Goods include manufactured items, crops and other farm produce, as well as production from natural resources, and mining, logging, and fishing. Services are work that is performed for pay. The following line graph compares the GDPs of North Korea and South Korea over a 20-year period. Use the graph to answer the questions below.

The GDPs of North and South Korea



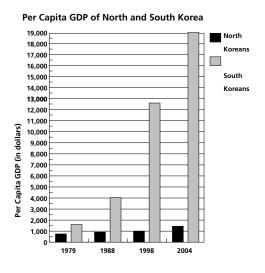
- **1.** What were the approximate GDPs of North Korea and South Korea in 1983? What were they in 1988?
- **2.** Between what two years on the graph did South Korea's GDP grow the most? By about how much did it increase?
- **3.** How might the fact that South Korea has more industry and people than North Korea help explain the difference in the value of their GDPs?

Name	Class	Date

Economic Development, continued

Critical Thinking

When comparing the GDPs of countries, geographers often use a measurement called the **per capita GDP**. This figure is calculated by dividing a country's total GDP by its population. The result is the amount of production for each person who lives in a country. This number takes into account that countries with many people will often have larger GDPs than countries with small populations. Using the per capita GDP allows geographers to better compare the economies of countries. Per capita GDP can show how efficient a country's economy is. It also helps geographers compare the standard of living in different countries. The bar graph compares the per capita GDPs of North and South Korea. Use the graph to answer the questions that follow.



- **4.** In what year did North Korea and South Korea have the closest per capita GDPs? What was each country's per capita GDP in that year?
- **5.** In which period shown on the graph was North Korea's rate of economic growth the slowest? How can you tell?
- **6.** From the information on this graph, what judgments can you make about the standard of living for most North Koreans and South Koreans, and how their standard of living has changed since 1979?