The following information corresponds to Chapter 10 in your textbook (pp. 319-338). Note: All of the following information in addition to your reading is important, not just the blanks you fill in, or the specific answers given.

Defining and Measuring Development
- GNP (________ ________ ________) – the total value of all goods and services produced by a country in a single year (includes domestic & ____________).
- GNP does NOT:
  1) include the __________ economy (paid “under the table”);
  2) reflect __________ spinoffs (e.g. resource depletion, pollution, prisons,…);
  3) illustrate the ________ of wealth (UAE = >$17,000 per cap, but this does not reflect the majority).
- Many economists have turned to GNI (________ ________ ________), which calculates the monetary worth of what is produced in a country plus income received from investments _______ the country.
- GNI PPP - ________ _________ _________ w/ __________ _________ (allows for cross-country comparisons of economic aggregates on the basis of physical levels of output, free of price and exchange rate distortions).
- Identify at least three alternative measures to GNP:

Models of Development
- _______ models: 1) assume all countries are capable of developing economically in the _____ way, and 2) disparities b/w countries & regions are the result of ______-_______ inefficiencies in local or regional markets.
- One of the most influential liberal models was Walt Rostow’s ___________ ________ formulated in the 1960s:
  Stage 1:
  Stage 2:
  Stage 3:
  Stage 4:
  Stage 5:
- ___________ models: economic disparities are the result of historically derived power relations w/in the global economic system; cannot be ________ easily (misleading to assume all areas will go through the same process of development).
- The principal structuralist alternative to Rostow’s Model is known as the ___________ Theory: political & economic relationships b/w countries & regions control & limit the ________ possibilities of less well-off areas (e.g., ________ caused colonies to be dependent – this helps sustain the prosperity of dominant areas & poverty of other regions); only at later stages of development does the core have a ________ impact on the periphery (grants, loans, specialized economic zones,…).
- Both models are based on _____________ about economic change – pay little attention to geographical differences in culture, politics, and society.
Core-Periphery Model (again)

- The best known core-periphery model is Immanuel Wallerstein’s _______ ________; dividing the world up into ______-______ - the core, semi-periphery & periphery.
- The reality is – not all countries can be _______ wealthy in the capitalist world-economy.
- Traditionally, countries with high levels of urbanization & industrialization, as well as high standards of living were referred to as _______ countries – in contrast to _________ countries; most leaders of these poorer states have preferred to use the term, __________, instead of underdeveloped.
- MNCs in the core need the periphery if they are to produce goods _______ and generate a ________.
- This model does not assume that change will occur the same way in all places in terms of ____________.
- The core-periphery link can exist at many _______: w/in a region (Los Angeles is a core of S. Cal.), w/in a country (Johannesburg is a core of S. Africa), global (Japan is a core of E. Asia).

- _______ - North-South Line (1st drawn by W. German Chancellor Brandt); shows a map of economic development in the 1960s ...
  - “1st” world (US, Eur, Japan) _______ economies;
  - “2nd” world (USSR & China) traveling down a ______-planned economic path;
  - Dominating the “3rd” world (_________ countries); 1st & 2nd “worlds” sought to increase their influence in the 3rd world during the ________ ________ (roughly spanning the years between 1945 and 1991).

Barriers to Economic Development

- For the following, cite several examples showing the conditions in peripheral nations, who face substantial difficulty in developing into modern economies.

<table>
<thead>
<tr>
<th>Low Levels of Social Welfare:</th>
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<tbody>
<tr>
<td>Foreign Debt:</td>
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<tr>
<td>Political Instability:</td>
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<td>Widespread Disease:</td>
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