



Why are some countries poor?

Reading Test

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Student

Time: *Approximately 1hour*

Two types of lesson

Lesson#1: [Easy] ***** [B2/C1]

1. Predict the content of the text & write down the key terms & ideas.
2. Read the text. Check words & meanings with a dictionary.
3. Answer the questions.
4. Check your answers (pass mark is 70%).

Lesson #2: [Hard] ***** [C1]

1. Read text – no dictionary.
2. Answer the questions.
3. Check your answers (pass mark is 70%).

Teacher

Two types of lesson

Lesson#1: [easy] ***** [B2/C1]

1. Distribute **text 1 (without reference words underlined)** a week before the test. Students read, check vocabulary & meanings.
2. Test day. Distribute **text 2 (with reference words underlined)** & the **questions** (no dictionary or notes).
3. Set 1 hour to read the text & answer the questions.
4. Take in & correct or go through answers in class (pass mark is 70%).
5. Extra activity. Students write the *summary (add 30 minutes to the test).

Lesson #2: [hard] ***** [C1]

1. Test day. Distribute **text 2 (with reference words underlined)** & the **questions**.
2. Set 1 hour to read the text & answer the questions.
3. Take in & correct or go through answers in class (pass mark is 70%).
4. Extra activity. Students write the *summary (add 30 minutes to the test).

*Summary writing: <https://www.academic-englishuk.com/summary>

Why are some countries poor? (Text 1)

by H. Kennedy (2020)

To be able to define how 'rich' a country is, Gross Domestic Product (GDP) is used to estimate its wealth and growth. GDP can be defined "the final goods and services produced in an economy in a given year" (Wolla, 2017, p.1). This value is then divided by the population of that country to estimate the average wealth of each individual living there. Most economists agree that the most effective way to compare living standards across the globe. Thus for a country to grow its economy, (Goldin, 2017) explains, this growth is dependent on three main factors: labour, capital, and natural resources. The greater the inputs of TFP, the greater the output of GDP.

Most experts in the field agree that governments and institutions directly influence how wealthy a country is. Azel (2016) asserts that policies made by those in power. These choices are known as 'extractive' as the aim is to solely benefit the ruling elite. This is echoed by Goldin (2017) who states that both policy makers in poorer countries and developed nations. Furthermore, Acemoglu and Robinson (2014) argue that actions taken by powerful organisations cannot be reversed in the short moment, but their decisions can have lasting consequences for the times ahead. Put simply, institutions and governments are crucial to the current and future state of a nation's economy.

Another impact on a nation's wealth is trade. International trade can and should benefit both parties, yet developed nations often do not. As stated by both Wolla (2017) and Goldin (2017), trade barriers and quotas can have a detrimental impact on poorer nations. While developed countries profit more from these measures, farmers in poorer countries are not only given fewer opportunities to export their crops they are also often forced to grow less profitable crops (Goldin, 2017). For this reason, Goldin (2017) advocates fairer and more equal trade so that the benefits be at least halved (Wolla, 2017).

The geography of a country can also determine how wealthy it is. Nations that have access to a coast, developed nations, while countries that are landlocked, as are the majority of developing countries (Goldin, 2017). Moreover, tropical nations often suffer a detrimental impact on its agriculture. As Goldin (2017, p. 16) points out, "a hectare of land in the tropics [yields] on average around one-third of the yield in temperate zones". Tropical nations are more susceptible to diseases. More specifically, a minimum of five simultaneous diseases can affect a nation's agricultural output (School of Life, 2014). Nevertheless, Acemoglu and Robinson (2014) claim that the geography has very little impact. They believe that the conditions set by the government that farmers have to live under have more of an impact. Plus, their example of Nogales, a city half in Arizona and half in New Mexico with the same climate but different government policies proves that further.

As the gap between [redacted] is more important than ever that solutions are sought. On the one hand, there exists the belief that poorer nations are capable of [redacted] shifted over time (Goldin, 2017). Stewart (2018) also refers to the suggestion that “poor countries should ‘develop’ their way out of poverty” She further explains that this [redacted] wages, lowering prices and producing higher quality goods. In addition, Cohen (2016) claims that prosperity is linked more to [redacted] innovative technology, which suggests that this gap is due to countries not sufficiently investing [redacted], as we are living in an ever-increasingly globalised world, we all have a responsibility to “help [redacted] 2017, p.27). Thus, if we want underdeveloped countries to become developed countries, we must be more aware of how our actions can affect others. Finally, the success of China has [redacted], poorer nations can escape poverty if their economy becomes more inclusive (Acemoglu & Robinson, 2014). [redacted] argues, “without changes in the political institutions, there is little chance that economic growth will be inclusive”.

References

Acemoglu, D. and Robinson, A. (2014). *Why Nations Fail: The Origins of Power, Prosperity and Poverty*. [Amazon Kindle Paperwhite]. London: Profile Books Limited. [Viewed 29 March 2020]. Available from: <https://www.amazon.com/>

[redacted] *Nations Are Rich and Others Poor*. [Viewed 27 March 2020]. Available from: <https://panampost.com/jose-azel/2016/09/07/the-real-reason-why-some-nations-are-rich-and-others-poor/>

Cohen, S. I. (2016). [redacted] *Rich and Poor Countries: A SAM Analysis*. [Viewed 30 March 2020]. Available from: <https://ssrn.com/abstract=2741638>

Goldin, I. (2017). *Why Do [redacted] Not?* [Viewed 27 March 2020]. Available from: https://link.springer.com/chapter/10.1007/978-3-030-11361-2_2

The School of Life. (2014). *Why Some Countries Are Poor and Others Rich* [online]. YouTube. [Viewed 27 March 2020]. Available from: <https://www.youtube.com/watch?v=9-4V3HR696k&t=369s>

Stewart, M. (2018). *Redistribution Between Rich and Poor Countries*. [Viewed 30 March 2020]. Available from: <https://taxpolicy.crawford.anu.edu.au/publication/ttpe-working-papers/12281/redistribution-between-rich-and-poor-countries>

[redacted] *and Others Poor?* [Viewed 27 March 2020]. Available from: <https://research.stlouisfed.org/publications/page1-econ/2017/09/01/why-are-some-countries-rich-and-others-poor/>

Comprehension Questions

1. Headings – choose a subheading for each paragraph – one title is not needed

1	<i>D (Example)</i>	A	The influence of governments on its wealth.
2		B	How the [redacted] can determine how wealthy it is.
3		C	Why GDP is not an accurate indicator of wealth.
4		D	How to estimate the wealth of a nation.
5		E	How [redacted] at a disadvantage.
		F	Why poor and rich nations are equally responsible for helping countries escape poverty.

___ / 4

2. Open answer questions.

Paragraph 1		
i.	What [redacted] GDP and TFP?	a.
Paragraph 2		
ii.	What is an 'extractive' policy?	a.
Paragraph 3		
iii.	What are the two consequences of [redacted] poorer nations?	a.
		b.
Paragraph 4		
iv.	How does a yield in a tropical climate compare [redacted] one?	a.
Paragraph 5		
v.	What does the example of China demonstrate?	a.

___ / 6

3. Multiple Choice

i. GDP is ... (choose only one answer)

a	the cause of higher TFP.
b	is [redacted] resources.
c	the only way to determine a nation's wealth.
d	is ca [redacted].

___ / 1

ii. **Most developing countries ...** (choose only one answer)

a	have access to a body of water.
b	have a [redacted].
c	do not need a coastline.
d	are [redacted] countries.

___ / 1

4. **True / False / Not Given** – one question per paragraph

		T / F / NG
Paragraph 1		
i.	GDP considers [redacted] country.	
Paragraph 2		
ii.	Corruption only exists in developing countries.	
Paragraph 3		
iii.	Developed [redacted] trade.	
Paragraph 4		
iv.	The majority of developed countries have a tropical climate.	
Paragraph 5		
v.	The idea that [redacted] free of poverty is a very new concept.	

___ / 5

5. **In-text citation matching** – connect the research to the source.

	Source		
i.	<i>Acemoglu and Robinson (2014).</i>	A	Fair trade could reduce the gap between rich and poor by 50%.
ii.	<i>Azel (2016).</i>	B	All poor [redacted] minimum of five diseases simultaneously.
iii.	<i>Cohen (2016).</i>	C	Poor countries do not have to depend on others to help them escape poverty.
iv.	<i>Goldin (2017).</i>	D	Countries [redacted] are more likely to be poorer.
v.	<i>Stewart (2018).</i>	E	Agriculture in poorer nations is more influenced by the government than the geography.
vi.	<i>Wolla (2017).</i>	F	External [redacted] a country's wealth as much as internal ones.
vii.	<i>The School of Life (2014).</i>	G	Landlocked [redacted] disadvantage.

i.	E	ii		iii.		iv.		v.		vi.		vii.	
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6. Reference Words

Explain what these reference words connect to: (underlined in the text)

Paragraph	Word	Connection
1	<u>it</u>	
2	<u>these</u>	
2	<u>this</u>	
3	<u>these</u>	
3	<u>they</u>	
4	<u>that</u>	
5	<u>which</u>	

___ / 7

7. Author's stance?

Which factor does the author believe most influences how wealthy a country is and why?

___ / 2

8. Critical thinking

Find two points in the text that you question.

i.	
ii.	

___ / 2

9. Vocabulary

Key language – search for the word in the paragraph that means:

Paragraph	Explanation	Word
1	changed; modified	<i>Adjusted (example)</i>
2	argues	
2		
3	having more advantages than others	
3	is in favour of; supports	
4		
4	a country bordered by others on all sides	
5	looked for	
5		

___ / 8

Overall Total: ___ / 42

Comprehension Questions **ANSWERS**

1. Headings – choose a subheading for each paragraph – one title is not needed

1	<i>D (Example)</i>	A	The influence of governments on its wealth.
2	<i>A</i>	B	How the climate and location of a country can determine how wealthy it is.
3	<i>E</i>	C	Why GDP is not an accurate indicator of wealth.
4	<i>B</i>	D	How to estimate the wealth of a nation.
5	<i>F</i>	E	How trade policies put poor nations at a disadvantage.
		F	Why poor and rich nations are equally responsible for helping countries escape poverty.

___ / 4

2. Open answer questions.

Paragraph 1		
i.	What is the relationship between GDP and TFP?	a. <i>The more TFP, the more GDP.</i>

ALL ANSWERS ARE INCLUDED IN THE PAID VERSION...