**Literacy Rate and Standard of Living**

**Literacy rate** is the amount of people in a country who can read and write. High rates of literacy are often found in developed or industrialized countries like the US and most of Europe. Industrialized countries depend more on manufacturing than farming for their wealth. Most people in industrialized countries work in manufacturing, communication, or service industries. The increased wealth of these countries allows them to provide education, health care, and access to technology to their citizens.

**Gross domestic product (GDP)** is the total value of goods and services produced in a country. Gross domestic product per capita (GDP per capita) is the total of the goods and services produced in a country divided by the number of people in the country. GDP per capita gives an idea of the **standard of living**, or how well people live in that nation. GDP per capita is often thought of as the average income of the people in the country. Remember, it is an average, with some people far above the average, and many people below it.

Countries with a **high literacy rate** usually have a **high GDP per capita**. Nations with low GDP frequently have lower literacy rates since the people in that country have less access to education, and children often have to work to help support the family. There are exceptions to this rule, like Russia. Russia has a high literacy rate, but roughly half of the GDP of most Western European nations.

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| Country | Population | Life Expectancy | Literacy Rate | GDP per capita |
| Russia | 142,423,773 | Male: 66  Female: 76 |  |  |
| United Kingdom | 64,088,222 | Male: 79  Female: 83 |  |  |
| Germany | 80,854,408 | Male: 79  Female: 83 |  |  |
| France | 66,553,766 | Male: 79  Female: 85 |  |  |
| Italy | 61,855,120 | Male: 80  Female: 85 |  |  |
| United States | 321,368,864 | Male: 77  Female: 81 |  |  |

1. What does GDP stand for and represent?
2. What does “per capita” mean?
3. A country that has a high GDP can provide what for its citizens?
4. Why do you think Russia has such a low GDP?
5. How does a country’s literacy rate affect standard of living?