

Transcript

How to compare income across countries

PROFESSOR HANS ROSLING:

Economics. It can be tricky to understand, but I'm going to show you an easy way I use to compare economic levels of countries. I'm going to use my favorite economic indicator, GDP per capita. It's sort of an income per person expressed in dollar.

But I'm also going to show you why you have to be careful with the type of scale you use when you display income data. But first, take a look at this. I'm using income per person to tell the story of every country in the world over the last 200 years.

Ladies and gentlemen, I'm going to give you my all-time favorite graph. I'm going to show you the history of 200 countries during 200 years in less than one minute. I have an axis for income. I have an axis for lifespan.

I start in 1800, and there are all the countries. And back in 1800, everyone was down in the poor and sick corner. Can you see? Low lifespan, little money.

And here comes the effect of the Industrial Revolution. Of course, the countries in West Europe, they are coming to better wealth. But they are not getting much healthier in the beginning. And those under colonial domination don't benefit anything in there. They remain there in the sick and poor corner.

And now, health is improving. Health is slowly improving here. It's getting up there, and we are coming into the new century and the terrible the First World War. And then the economic recession after that, and then the Second World War.

Ooh. And now, independence. And with independence, health is improving faster than it ever did in other countries here.

And now starts the fast economic catch up of China and other Latin American countries. They come on here. And India is following there, and the African countries are also following. It's an amazing change that that happened in the world.