Per Capita GDP Does Not Tell the Whole Story Per capita GDP is an average, which assumes that a country's wealth is divided equally among its citizens. In reality, however, some people may be extremely rich, whereas many of their fellow citizens remain quite poor. Accordingly, per capita GDP doesn't always reflect the general well-being of the people of a country.

Another method of measuring how well people are living in a country is the United Nations' Human Development Index (HDI). As you read in Chapter 9, the HDI examines a country's per capita GDP along with other factors that reflect the general quality of life. One of these factors is life expectancy. Another significant factor is education. How many of the people are literate—that is, how many know how to read? How many of the children have received a high school education? When these numbers are evaluated, countries are ranked from best to worst, with 1 being best.

Based on the HDI, Bahrain is third in Southwest Asia in terms of living well. Although Bahrain does not have the most oil or the highest per capita GDP in Southwest Asia, the country does use its wealth to educate its population. Almost all of its young people, both boys and girls, attend school. Bahrain also invests in health care. The infant mortality rate in Bahrain is one of the lowest in Southwest Asia. As you have read, the infant mortality rate is the number of deaths of babies under age one that occur for every 1,000 births in a year.

Oil Has Not Improved Life for All Money from selling oil hasn't eliminated poverty in Southwest Asia. Yemen, for example, remains one of the 60 poorest countries in the world. Although its population is approximately 80 percent of the population of Saudi Arabia, its oil reserves are only about 1 percent the size of those in Saudi Arabia. This means that the amount of oil produced by Yemen each year has not been sufficient to pull its people out of poverty.

Other Southwest Asian countries have made considerable money from oil, but they have not used that money to improve people's lives. For example, Iraq has the second-largest oil reserves in the region, but from 1979 to 2003, a dictator named Saddam Hussein controlled Iraq's oil income. He spent most of Iraq's oil wealth building an army, buying weapons, and fighting wars. Very little of the money went to make life better for ordinary Iraqis.

HDI Ranks in Southwest Asia, 2008

Country	World Rank
Kuwait	29
United Arab Emirates	31
Bahrain	32
Qatar	34
Oman	53
Saudi Arabia	55
Iran	84
Syria	105
Yemen	138

Source: *HDR 2004*, "Human Development Reports."

Measuring Well-Being

The Human Development Index measures the well-being of a country's people. This table shows the ranks of most of the oil-rich countries in Southwest Asia. Note that Bahrain ranks third in this region but 32nd in the world. Iraq is missing from this list because of the lack of data needed to rank it.