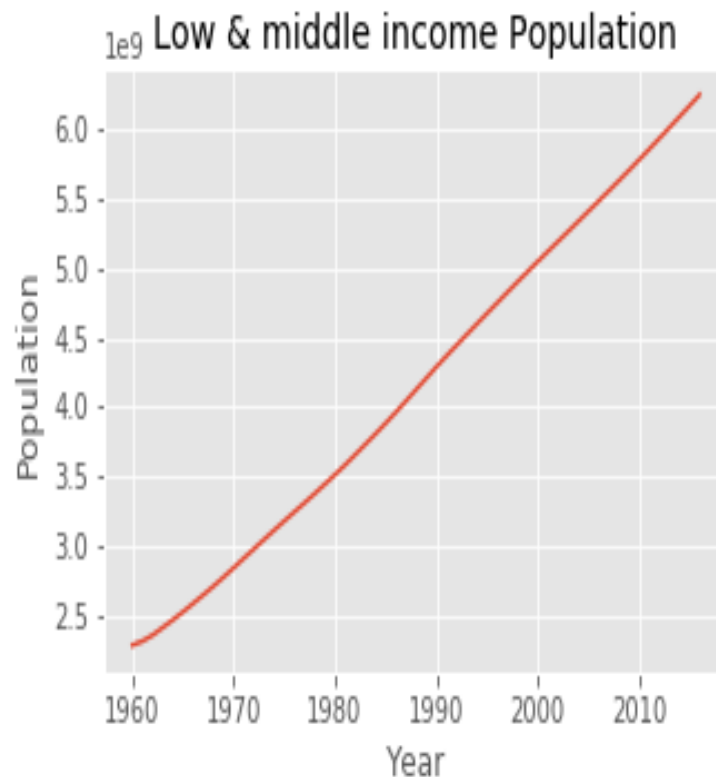


## Low & middle income



A developing country, also called a less developed country or an underdeveloped country, is a nation with a less developed industrial base and a low Human Development Index (HDI) relative to other countries. However, this definition is not universally agreed upon. There is also no clear agreement on which countries fit this category. A nation's GDP per capita compared with other nations can also be a reference point. The term "developing" describes a currently observed situation and not a changing dynamic or expected direction of progress. Since the late 1990s developing countries tended to demonstrate higher growth rates than developed countries. There is criticism for using the term developing country. The term implies inferiority of a developing country or undeveloped country compared with a developed country, which many countries dislike. It assumes a desire to develop along the traditional Western model of economic development which a few countries, such as Cuba and Bhutan, choose not to follow. Alternative measurements such as gross national happiness have been suggested as important indicators. Developing countries include in decreasing order of economic growth or size of the capital market: Newly industrialized countries, emerging markets, frontier markets, least developed countries. Therefore, the least developed countries are the poorest of the developing countries. Developing countries tend to have some characteristics in common. For example, with regards to health risks, they commonly have: low levels of access to safe drinking water, sanitation and hygiene; high levels of pollution (e.g. air pollution, indoor smoke (indoor air pollution), water pollution); high proportion of people with tropical and infectious diseases (neglected tropical diseases); high number of road traffic accidents. Often there is also widespread poverty, low education levels, corruption at all government levels and a lack of good governance. The Sustainable Development Goals were set up to help overcome many of these problems. Effects of global warming (climate change) are expected to impact developing countries more than wealthier countries. Development aid or development cooperation is financial aid given by governments and other agencies to support the economic, environmental, social, and political development of developing countries. == Definitions == Various terms are used for countries not considered a developed country. Terms used include less

developed country or less economically developed country, and for the more extreme, least developed country or least economically developed country. Kofi Annan, former Secretary General of the United Nations, defined a developed country as "one that allows all its citizens to enjoy a free and healthy life in a safe environment". According to the United Nations Statistics Division: There is no established convention for the designation of "developed" and "developing" countries or areas in the United Nations system. And it notes that: The designations "developed" and "developing" are intended for statistical convenience and do not necessarily express a judgement about the stage reached by a particular country or area in the development process. The UN also notes, In common practice, Japan in Asia, Canada and the United States in northern America, Australia and New Zealand in Oceania and western Europe are considered "developed" regions or areas. In international trade statistics the Southern African Customs Union is also treated as a developed region and Israel as a developed country. The countries emerging from the former Yugoslavia are generally treated as developing countries and countries of Central Europe and of the Commonwealth of Independent States (code 172) in Europe are not included under either developed. The International Monetary Fund (IMF) did not (before 2004) classify as either developed or developing the following countries: all countries of Central and Eastern Europe (including Central European countries that still belonged to the "Eastern Europe Group" in the UN institutions); the former Soviet Union (USSR) countries in Central Asia (Kazakhstan, Uzbekistan, Kyrgyzstan, Tajikistan and Turkmenistan) and Mongolia. Instead, they were referred to as "countries in transition". The IMF uses a flexible classification system that considers "(1) per capita income level, (2) export diversification—so oil exporters that have high per capita GDP would not make the advanced classification because around 70% of its exports are oil, and (3) degree of integration into the global financial system" In the 2016 edition of its World Development Indicators, the World Bank made a decision to no longer distinguish between "developed" and "developing" countries in the presentation of its data. Since then, the World Bank considers the two-category distinction of "developed" and "developing" outdated. Instead, The World Bank classifies countries into four income groups, based on GNI per capita, re-set each year on July 1. In 2016, the four categories in US dollars were: Low income countries: \$1,025 or less. Lower middle income countries: \$1,026 to \$4,035. Upper middle income countries: \$4,036 to \$12,236. High income countries: \$12,237 and above Along with the current level of development, countries can also be classified by how much their level of development has changed over a specific period of time. === Measure and concept of development === The development of a country is measured with statistical indexes such as income per capita (per person), (gross domestic product) per capita, life expectancy, the rate of literacy, freedom index and others. The UN has developed the Human Development Index (HDI), a compound indicator of some above statistics, to gauge the level of human development for countries where data is available. The UN had set Millennium Development Goals (MDGs) from a blueprint developed by all of the world's countries and leading development institutions, in order to evaluate growth. The MDGs ended in 2015 and a follow-on process are the Sustainable Development Goals. Developing countries are, in general, countries that have not achieved a significant degree of industrialization relative to their populations, and have, in most cases, a medium to low standard of living. There is a strong association between low income and high population growth. The terms utilized when discussing developing countries refer to the intent and to the constructs of those who utilize these terms. Other terms sometimes used are less developed countries (LDCs), least economically developed countries (LEDCs), "underdeveloped nations" or Third World nations, and "non-industrialized nations". Conversely, developed countries, most economically developed countries (MEDCs), First World nations and "industrialized nations" are the opposite end of the spectrum. To moderate the euphemistic aspect of the word developing, international organizations have started to use the term less economically developed country (LEDCs) for the poorest nations—which can, in no sense, be regarded as developing. That is, LEDCs are the poorest subset of LDCs. This may moderate against a belief that the standard of living across the entire developing world is the same. The concept of the developing nation is found, under one term or another, in numerous theoretical systems having diverse orientations — for example, theories of decolonization, liberation theology, Marxism, anti-imperialism, and political economy. Another important indicator is the sectoral changes that have occurred since the stage of development of the country. On an average, countries with a 50% contribution from the Secondary sector of Manufacturing have grown substantially. Similarly countries with a tertiary Sector stronghold also see greater rate of Economic Development. Some researchers in development economics, such as Theodore Schultz who won a Nobel Prize in 1979, have found that literate farmers in developing countries are more productive than illiterate farmers. They therefore recommend investing in human capital (education,

health, etc.) as an effective tool for economic development. Others, such as Mohammed Tamim, believe that economic development is measurable in educational level from primary school to the university. They noticed that wherever the educational level is raised, the level of development is also raised. They conclude that the percentage of the schooled population is proportional to the economic growth rate and inversely proportional in the demographic growth rate. The Take-Off of Walt Whitman Rostow can start in a country if its population is completely schooled. It is therefore necessary for the organization of a worldwide education program, itself conditioned by another worldwide program of birth control and the establishment of a worldwide organization for the implementation of this development strategy. === Terms used to classify countries into levels of development === There are several terms used to classify countries into rough levels of development. Classification of any given country differs across sources, and sometimes these classifications or the specific terminology used is considered disparaging. Use of the term "market" instead of "country" usually indicates specific focus on the characteristics of the countries' capital markets as opposed to the overall economy. Developed countries and developed markets Developing countries include in decreasing order of economic growth or size of the capital market: Newly industrialized countries Emerging markets Frontier markets Least developed countries Developing countries can also be categorized by geography: Small Island Developing States Landlocked Developing Countries Other classifications include: Heavily indebted poor countries, a definition by a program of the IMF and World Bank Transition economy, moving from a centrally planned to market-driven economy Multi-dimensional clustering system: with the understanding that different countries have different development priorities and levels of access to resources and institutional capacities and to offer a more nuanced understanding of developing countries and their characteristics, scholars have categorised them into five distinct groups based on factors such as levels of poverty and inequality, productivity and innovation, political constraints and dependence on external flows. === Previously used terms === ===== Third World ===== Over the past few decades since the fall of the Soviet Union and the end of the Cold War, the term Third World has been used interchangeably with developing countries, but the concept has become outdated in recent years as it no longer represents the current political or economic state of the world. The three-world model arose during the Cold War to define countries aligned with NATO (the First World), the Communist Bloc (the Second World, although this term was less used), or neither (the Third World). == Criticism == There is some criticism of the use of the term "developing country". The term implies inferiority of a "developing country" or "undeveloped country" compared with a "developed country", which many countries dislike. It is criticized for being too positive and too negative. It assumes a desire to "develop" along the traditional Western model of economic development, which a few countries, such as Cuba and Bhutan, choose not to follow. The concept of "development" rests on the assumption that Modernization theory holds. Modernization theory, as the dominant development theory of the late 19th and 20th centuries, has largely contributed to the definition of "development". In short, it argues that there is only one way to achieve "modernity" and "development" - that of "Western" nation-states. Largely challenged today, modernization theory still holds an important role in defining "development". The term "developing" implies mobility and does not acknowledge that development may be in decline or static in some countries, particularly in southern African states worst affected by HIV/AIDS. In such cases, the term "developing country" may be considered a euphemism. The term implies homogeneity between such countries, which vary widely. The term also implies homogeneity within such countries when wealth (and health) of the most and least affluent groups varies widely. Similarly, the term "developed country" incorrectly implies a lack of continuing economic development/growth in more-developed countries. In general, development entails a modern infrastructure (both physical and institutional), and a move away from low value added sectors such as agriculture and natural resource extraction. Developed countries, in comparison, usually have economic systems based on continuous, self-sustaining economic growth in the tertiary sector of the economy and quaternary sector of the economy and high material standards of living. However, there are notable exceptions, as some countries considered developed have a significant component of primary industries in their national economies, e.g., Norway, Canada, Australia. The USA and Western Europe have a very important agricultural sector, and are major players in international agricultural markets. Also, natural resource extraction can be a very profitable industry (high value added), e.g., oil extraction. An alternative measurement that has been suggested is that of gross national happiness, measuring the actual satisfaction of people as opposed to how fiscally wealthy a country is. During the late 20th century, and with the advance of World-systems theory, the notions of "developed country" and "developing country" have started to slowly be replaced by the less-controversial, trade-based,

notions of "core country", "semi-periphery country" and "periphery country". Other authors such as Walt Whitman Rostow suggest that developing countries are in transition from traditional lifestyles to the modern lifestyles which began in the Industrial Revolution in the 18th and 19th centuries. ===

**Alternative proposals** === The Global South is a term that has been emerging. It can also include poorer "southern" regions of wealthy "northern" countries. The Global South refers to these countries' "interconnected histories of colonialism, neo-imperialism, and differential economic and social change through which large inequalities in living standards, life expectancy, and access to resources are maintained". ==

**Common challenges** == Most developing countries have these criteria in common: High levels of poverty – measured based on GNI per capita averaged over three years. For example, if the GNI per capita is less than US \$1,025 (as of 2018) the country is regarded as a least developed country. Human resource weakness (based on indicators of nutrition, health, education and adult literacy; for example low literacy levels). Economic vulnerability (based on instability of agricultural production, instability of exports of goods and services, economic importance of non-traditional activities, merchandise export concentration, handicap of economic smallness, and the percentage of population displaced by natural disasters). ===

**Urban slums** === According to UN-Habitat, around 33% of the urban population in the developing world in 2012, or about 863 million people, lived in slums. The proportion of urban population living in slums was highest in Sub-Saharan Africa (61.7%), followed by South Asia (35%), Southeast Asia (31%), East Asia (28.2%), West Asia (24.6%), Oceania (24.1%), Latin America and the Caribbean (23.5%), and North Africa (13.3%). The UN-Habitat reports that 43% of urban population in developing countries and 78% of those in the least developed countries are slum dwellers. Slums form and grow in different parts of the world for many different reasons. Causes include rapid rural-to-urban migration, economic stagnation and depression, high unemployment, poverty, informal economy, forced or manipulated ghettoization, poor planning, politics, natural disasters and social conflicts. In some cities, especially in countries in Southern Asia and sub-Saharan, slums are not just marginalized neighborhoods holding a small population; slums are widespread, and are home to a large part of urban population. These are sometimes called "slum cities". ===

**Violence against women** === Several forms of violence against women are more prevalent in developing countries than in other parts of the world. For example, dowry violence and bride burning is associated with India, Bangladesh and Nepal. Acid throwing is also associated with these countries, as well as in Southeast Asia, including Cambodia. Honor killing is associated with the Middle East and South Asia. Marriage by abduction is found in Ethiopia, Central Asia and the Caucasus. Abuse related to payment of bride price (such as violence, trafficking and forced marriage) is linked to parts of Sub-Saharan Africa and Oceania. Female genital mutilation is another form of violence against women which is still occurring in many developing countries. It is found mostly in Africa, and to a lesser extent in the Middle East and some other parts of Asia. Developing countries with the highest rate of women who have been cut are Somalia (with 98 percent of women affected), Guinea (96 percent), Djibouti (93 percent), Egypt (91 percent), Eritrea (89 percent), Mali (89 percent), Sierra Leone (88 percent), Sudan (88 percent), Gambia (76 percent), Burkina Faso (76 percent), and Ethiopia (74 percent). Due to globalization and immigration, FGM is spreading beyond the borders of Africa and Middle East, to countries such as Australia, Belgium, Canada, France, New Zealand, the U.S., and UK. The Istanbul Convention prohibits female genital mutilation (Article 38). As of 2016, FGM has been legally banned in many African countries. ===

**Public health** === People in developing countries usually have lower a life expectancy than people in developed countries. Undernutrition is more common in developing countries. Certain groups have higher rates of undernutrition, including women—in particular while pregnant or breastfeeding—children under five years of age, and the elderly. Malnutrition in children and stunted growth of children is the cause for more than 200 million children under five years of age in developing countries not reaching their developmental potential. About 165 million children were estimated to have stunted growth from malnutrition in 2013. In some developing countries, overnutrition in the form of obesity is beginning to present within the same communities as undernutrition. The following list shows the further significant environmentally-related causes or conditions, as well as certain diseases with a strong environmental component: Illness/Disease (malaria, tuberculosis, AIDS, etc.): Illness imposes high and regressive cost burdens on families in developing countries. Tropical and infectious diseases (neglected tropical diseases) Unsafe drinking water, poor sanitation and hygiene Indoor air pollution in developing nations Pollution (e.g. Air pollution, water pollution) Road traffic accidents Unintentional poisoning Non communicable diseases and weak healthcare systems. ===

**Water, sanitation, hygiene (WASH)** === Access to water, sanitation and hygiene (WASH) services is at very low levels in many developing countries. In 2015 the World

Health Organization (WHO) estimated that "1 in 3 people, or 2.4 billion, are still without sanitation facilities" while 663 million people still lack access to safe and clean drinking water. The estimate in 2017 by JMP states that 4.5 billion people currently do not have safely managed sanitation. The majority of these people live in developing countries. About 892 million people, or 12 percent of the global population, practiced open defecation instead of using toilets in 2016. Seventy-six percent (678 million) of the 892 million people practicing open defecation in the world live in just seven countries. India is the country with the highest number of people practicing open defecation, around 525 million people. Further countries with a high number of people openly defecating are Nigeria (47 million), followed by Indonesia (31 million), Ethiopia (27 million), Pakistan (23 million), Niger (14 million) and Sudan (11 million). Sustainable Development Goal 6 is one of 17 Sustainable Development Goals established by the UN in 2015. It calls for clean water and sanitation for all people. This is particularly relevant for people in developing countries.

=== Energy === In 2009, about 1.4 billion of people in the world lived without electricity, and 2.7 billion relied on wood, charcoal, and dung (dry animal dung fuel) for home energy requirements. This lack of access to modern energy technology limits income generation, blunts efforts to escape poverty, affects people's health, and contributes to global deforestation and climate change. Small-scale renewable energy technologies and distributed energy options, such as onsite solar power and improved cookstoves, offer rural households modern energy services. Renewable energy can be particularly suitable for developing countries. In rural and remote areas, transmission and distribution of energy generated from fossil fuels can be difficult and expensive. Producing renewable energy locally can offer a viable alternative. Renewable energy can directly contribute to poverty alleviation by providing the energy needed for creating businesses and employment. Renewable energy technologies can also make indirect contributions to alleviating poverty by providing energy for cooking, space heating, and lighting. Kenya is the world leader in the number of solar power systems installed per capita.

=== Pollution === Indoor air pollution Indoor air pollution in developing nations is a major health hazard. A major source of indoor air pollution in developing countries is the burning of biomass. Three billion people in developing countries across the globe rely on biomass in the form of wood, charcoal, dung, and crop residue, as their domestic cooking fuel. Because much of the cooking is carried out indoors in environments that lack proper ventilation, millions of people, primarily poor women and children face serious health risks. Globally, 4.3 million deaths were attributed to exposure to IAP in developing countries in 2012, almost all in low and middle income countries. The South East Asian and Western Pacific regions bear most of the burden with 1.69 and 1.62 million deaths, respectively. Almost 600,000 deaths occur in Africa. An earlier estimate from 2000 but the death toll between 1.5 million and 2 million deaths. Finding an affordable solution to address the many effects of indoor air pollution is complex. Strategies include improving combustion, reducing smoke exposure, improving safety and reducing labor, reducing fuel costs, and addressing sustainability.

==== Water pollution ==== Water pollution is a major problem in many developing countries. It requires ongoing evaluation and revision of water resource policy at all levels (international down to individual aquifers and wells). It has been suggested that water pollution is the leading worldwide cause of death and diseases, and that it accounts for the deaths of more than 14,000 people daily. India and China are two countries with high levels of water pollution: An estimated 580 people in India die of water pollution related illness (including waterborne diseases) every day. About 90 percent of the water in the cities of China is polluted. As of 2007, half a billion Chinese had no access to safe drinking water. Further details of water pollution in several countries, including many developing countries:

=== Others === Over the last few decades, global population growth has largely been focused in developing countries (which often have higher birth rates (higher fertility rate) than developed countries). As populations expand in poorer countries, rural people are moving to cities in an extensive urban migration that is resulting in the creation of slums. Migration related to climate change is likely to be predominantly from rural areas in developing countries to towns and cities. In the short term climate stress is likely to add incrementally to existing migration patterns rather than generating entirely new flows of people. Increased and intensified industrial and agricultural production and emission of toxic chemicals directly into the soil, air, and water. Unsustainable use of energy resources. Climate change and global warming-related health impacts leading to the loss of biodiversity and affecting the ecosystem. High dependency on natural resources for livelihood, leading to unsustainable exploitation or depletion of those resources Child Marriage Political instability Political corruption == Factors stimulating growth == Human Capital Trade Policy: Countries with more restrictive policies have not grown as fast as countries with open and less distorted trade policies. Investment: Investment has a positive effect on growth. Education == Country lists == === Developing

countries according to International Monetary Fund === The following are considered developing economies according to the International Monetary Fund's World Economic Outlook Report, April 2015. === Countries that are graduated developed economies === The following, including the Four Asian Tigers and new Eurozone European countries, were considered developing countries until the '90s, and are now listed as advanced economies (developed countries) by the IMF. Time in brackets is the time to be listed as advanced economies. Hong Kong (since 1997) Israel (since 1997) Singapore (since 1997) South Korea (since 1997) Taiwan (since 1997) Cyprus (since 2001) Slovenia (since 2007) Malta (since 2008) Czech Republic (since 2009, since 2006 by World Bank) Slovakia (since 2009) Estonia (since 2011) Latvia (since 2014) Lithuania (since 2015) Chile (since 2016) Argentina (since 2017) Three economies lack data before being listed as advanced economies. Because of the lack of data, it is difficult to judge whether they are advanced economies or developing economies before being listed as advanced economies. San Marino (since 2012) Macau (since 2016) === BRICS countries === Five countries belong to the "emerging markets" groups and are together called the BRICS countries: Brazil, Russia, India, China and South Africa. == See also == Civil service reform in developing countries Colonialism Debt of developing countries Dependency Theory Financial deepening Land Reform in Developing Countries List of countries by wealth per adult Globalization Multinational corporation Neo Colonialism Women migrant workers from developing countries == References == == Cited sources == IPCC SAR WG2 (1996), Watson, R.T.; Zinyowera, M.C.; Moss, R.H., eds., Climate Change 1995: Impacts, Adaptations and Mitigation of Climate Change: Scientific-Technical Analyses, Contribution of Working Group II to the Second Assessment Report of the Intergovernmental Panel on Climate Change, Cambridge University Press, ISBN 0-521-56431-X, archived from the original on 2015-09-24 (pb: 0-521-56437-9) pdf.