

Answer on Question #38306 – Economics – Macroeconomics

Per capita income is often used as average income, a measure of the wealth of the population of a nation, particularly in comparison to other nations. Per capita income is often used to measure country's standard of living. It is usually expressed in terms of a commonly used international currency such as the Euro or United States dollar, and is useful because it is widely known, easily calculated from readily-available GDP and population estimates, and produces a useful statistics to compare the wealth among sovereign territories. This helps the country to know their development status.