

## Geography – The Development Gap

### Measuring development

**Development** is the progress in economic growth, use of technology and improving welfare that a country has made. When a country develops it basically gets better for the people living there – their quality of life improves.

Measure of development	What is it?	Measure?	How reliable/effective is it?
<b>Gross National Income (GNI)</b>	Value of goods and services produced by a country, money earned, and paid to, other countries.	Wealth	It misses out informal employment, which can account for a large proportion of national income.
<b>GNI per head/per capita</b>	The GNI divided by the population of a country.	Wealth	Can be unreliable because this is the average of the country, this may be split between the wealthy and poor.
<b>Birth rate</b> (per 1000 per year)	Number of live births per 1,000 of the population per year.	Education	As a country develops, women are likely to become educated and want a career rather than staying at home.
<b>Death rate</b> (per 1000 per year)	Number of deaths per 1,000 of the population per year.	Health	UK, Germany and Japan tend to have older populations and death rates will be high, despite being developed.
<b>Infant Mortality</b> (per 1000 live births per year)	The number of children who die before the age of one per 1000 live births.	Health	Infant mortality rate is a useful measure of a country's health care system.
<b>Number of Doctors</b> (per 1000 people)	The average number of people for each doctor.	Health	Good measure of healthcare as it shows how much money a country has to spend on its healthcare sector.
<b>Literacy Rate</b> (%)	Percentage of people who can read and write.	Education	A rate shows a country has a good education system.
<b>Access to clean/safe water</b> (%)	The percentage of people who can get clean drinking water.	Health	A high percentage shows a country has modern infrastructure such as dams and water treatment plants.
<b>Life expectancy</b>	The average number of years a person is expected to live in a particular place.	Health	Good reflection on the country's healthcare system.

### Human Development Index

**HDI is a social measure** that is expressed in values 0-1, where 1 is the highest. It considers.

1. Life Expectancy at birth
2. Number of years of education
3. GNI per capita

### What are NEEs?

**NEEs are Newly Emerging Economies.**

These are countries which have begun to experience higher rates of economic development, with a rapid growth of industry.

**MINT:** Malaysia, Indonesia, Nigeria, Turkey

**BRICS:** Brazil, Russia, India, China, South Africa

### Limitations

- **Data could be out of date**, unreliable, or hard to collect – government corruption.
- **Economic indicators:** misleading because they are averages and variations within the country don't show up, often misses out informal employment which can account for large proportion of economy, usually measured in US\$ so do not allow for relative spending power of different currencies.
- **Social indicators:** can be misleading if they are used on their own because, as a country develops, some aspects develop before others. These often may also not be as effective as 'hard' data such as GNI because factors such as quality of life are very subjective.

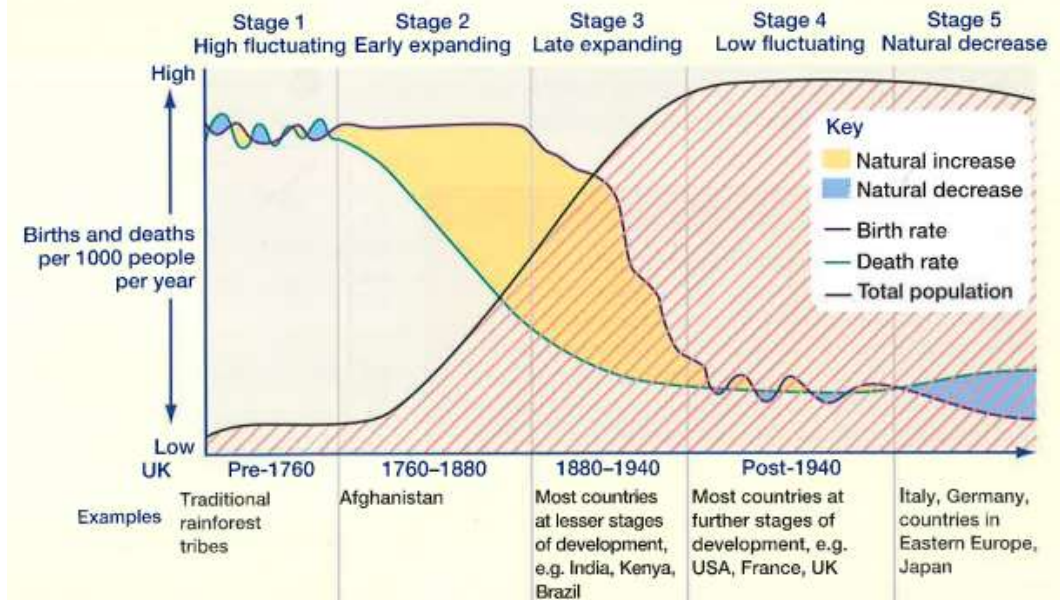
### The Demographic Transition Model

The **Demographic Transition Model (DTM)** shows changes over time in the population of a country. A country moves from Stage 1 to Stage 5 as the country develops.

Stages	Birth rate	Death rate	Overall population	Why?
Stage 1	High	High	Fairly stable	Both fluctuate because of disease, famine, and war. These are <b>tribes</b> .
Stage 2	Remains high	Decreases	Grows	As healthcare quality increases, deaths decrease. These are <b>LICs</b> .
Stage 3	Drops rapidly	Decreases slower	Grows, but not quite as fast	Education quality increases, so more women have careers, infant mortality drops. These are <b>NEEs</b> .
Stage 4	Low, fluctuating	Low	Population steadies	Indicates a good healthcare and educational system. These are <b>HICs</b> .
Stage 5	Very low	Slightly increasing	Decreases (unless immigration)	Countries with aging populations tend to have higher death rates.

**Natural increase** – birth rate is higher than death rate → population increases.

**Natural decrease** – death rate is higher than birth rate → population decreases.



### Population Pyramids and Dependency Ratio

A **population pyramid** is a type of graph which shows the percentage, or number, of males and females in each age group - how many aged 0-4 years, 5-9 years, and so on.

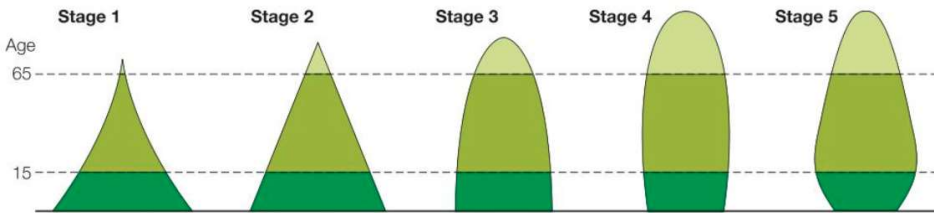
- There are three important age sections: pre-reproductive, reproductive, and post-reproductive.
- They can show important parts of the country's history such as conflict, age policies, genocide...

**Narrowing base** → birth rate declines as women choose to have carers and less children.

**Widening apex** → life expectancy increases as a result of the better healthcare system.

**Dependency Ratio** is the proportion of people below 15 and above normal working age (65+).

- This is calculated by adding together the numbers for both groups, then dividing by the number aged 15-64 (the 'working population') and multiplying by 100.



### Causes of uneven development

Cause	Type	Explanation
Landlocked countries	Physical	Landlocked countries are cut off from seaborne trade, which is important for economic growth. They will struggle to trade goods easily without ports, many of the world's landlocked countries are LIC/NEEs
Climate related diseases	Physical	Climate related diseases and pests affect the ability of the population to stay healthy enough to work.
Natural hazards	Physical	Natural Hazards may limit economic growth as infrastructure will be damaged, limiting industrial output and trade and funds will be needed for repairing damage rather than new development which would allow progress.
Water	Physical	Lack of adequate supplies of clean water can affect farming and the health of workers.
Trade	Economic	<ul style="list-style-type: none"> <li>- HICs and TNCs pay as little as possible for their commodities and raw materials and LICs are further vulnerable to world market fluctuations.</li> <li>- Many LICs are trapped in primary product dependency and rely for a large % of their income on a single primary product e.g. Zambia 60% GDP from copper.</li> <li>- Processing of raw materials takes place in HICs so LIC/NEEs are unable to add value to their products</li> </ul>
Colonialism	Historical	Almost all the wealth produced during the colonial period went to European powers. Since 1950, European colonies have gained independence. This has been difficult, causing civil wars and political struggles for power, which has continued to hold back development

### Migration

It is the movement of people from place to place. It can be voluntary or forced. **International migration** is a consequence of uneven development, as people seek to improve their quality of life.

- **IMMIGRANT** – a person who moves into a country.
- **EMIGRANT** – a person who moves out of a country.
- **ECONOMIC MIGRANT** – a person who moves voluntarily to seek a better life, such as a better-paid job.
- **REFUGEE** – a person forced to move from their country of origin, often as a result of civil war or a natural disaster.
- **DISPLACED PERSON** – a person forced to move from their home but who stays in their country of origin.

#### Examples

1. Since 2004, over 1.5 million economic migrants have moved to the UK. Two-thirds of whom are Polish, where wages are one fifth of those in the UK.
2. Over 130,000 people move each year from Mexico to USA legally, and many thousands illegally.
3. **Middle East refugee crisis:** The Syrian civil war since 2011, caused many millions to flee as refugees to Turkey, Jordan, and Lebanon. EU and Turkey set agreement that it will benefit economically for taking in migrants.

Pros	Cons
Willing to do manual work that UK workers don't want to do.	They put extra pressure on services such as health and education.
Most migrants pay tax, which is good for the UK economy.	Rapid overpopulation in countries, decline in health and education.
It often enables these people to live a better quality of life, where they can support their loved ones at home.	Money is often sent home to friends and relatives ( <b>remittances</b> ), so migration doesn't benefit the UK
Many parts of the UK benefit from being multicultural	Some migrants don't pay tax.

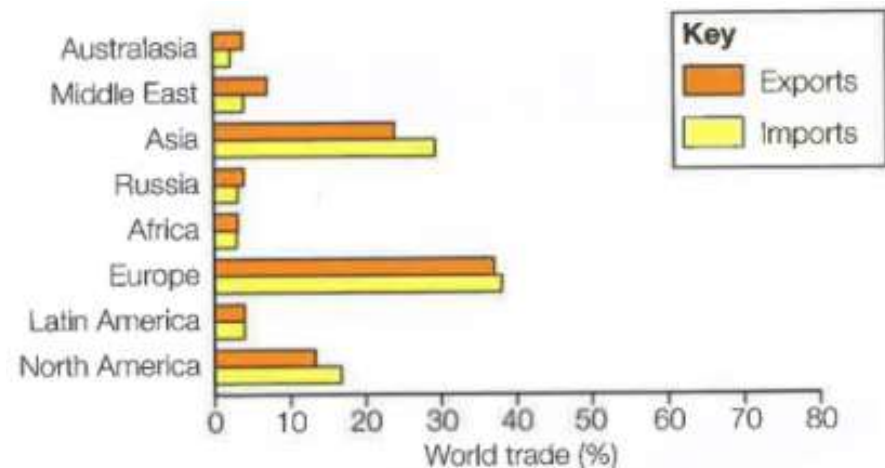
### Disparities in Wealth and Health – between countries and within countries

#### Wealth:

1. Higher income e.g., GNI per capita is 40 times higher in UK than in Chad.
2. Uneven spread of GNI in country e.g. richest 10% of Kenya earned 23 times more than poorest 10%
3. Africa's share of global wealth remains very small (about 1%)

#### Health:

1. People in HICs live longer e.g. UK's life expectancy is 81, but Chad is 53 years.
2. Infant mortality rate is higher in LICs e.g., 73 per 1000 births in Chad, 3.7 per 1000 births in UK.
3. People die from diseases in LICs that could be more easily treated in HICs e.g., diarrhoea, HIV and Malaria.



Strategies	Example	What?	How does it reduce the development gap?	Problems/Criticisms
Aid	In Nigeria, Aid from the USA helps to protect people against the spread of AIDS/HIV.	Giving assistance or funding, often in the form of money, for projects.	<ul style="list-style-type: none"> <li>• Money spent developing schools or hospitals → Long term improvements in skills, literacy, and life expectancy → Improves quality of life, creates a more skilled workforce, and helps people to live and work longer → They pay taxes for longer and rely less on the government for welfare.</li> <li>• Money spent on improving water access and sanitation → Improves people's health and reduces the spread of avoidable diseases → This strengthens the workforce, reduces infant mortality, and improves life expectancy.</li> <li>• Aid can also provide stability for the recipient government because the population is less inclined to unrest if their needs are being met.</li> </ul>	<ul style="list-style-type: none"> <li>• Recipient countries may become reliant on aid.</li> <li>• Donor countries may impose conditions that benefit the donor more than the recipient.</li> <li>• Aid in the form of loans may be difficult to pay back, especially where high interest rates exist. This can lead the recipient into further debt and prevent development.</li> <li>• Corrupt governments may not spend aid as intended, meaning that money is siphoned off to powerful individuals while the neediest receive no benefit</li> </ul>
Debt relief	Zambia was cleared of \$4b and could create free healthcare system in 2006	When some or all of a country's debt is cancelled, or interest rates on their loans are lowered.	<ul style="list-style-type: none"> <li>• A country can invest in development projects such as in healthcare and education because it no longer needs to meet increasing interest rates.</li> <li>• Money spent developing schools or hospitals → Long term improvements in skills, literacy, and life expectancy → Improves quality of life, creates a more skilled workforce, and helps people to live and work longer</li> <li>• They pay taxes for longer and rely less on the government for welfare.</li> </ul>	<ul style="list-style-type: none"> <li>• Debt relief often involves strict conditions that can prevent development. For example, in some cases, to receive debt reduction recipient governments have had to agree to sell their natural resources to foreign countries, or to remove subsidies that they give to farmers, meaning that their farmers cannot compete internationally.</li> <li>• Recipient countries may become reliant on debt relief, getting into more debt.</li> </ul>
Fair Trade	Kuapa Kukoo in Ghana uses Fairtrade to provide cocoa beans to divine chocolate	An organisation that ensures farmers get a fair price for their produce.	<ul style="list-style-type: none"> <li>• Farmers get sufficient and stable income → They can spend more money on food, shelter, water → Increased disposable income means can spend money on better clothing and home → Better QoL</li> <li>• Farmers receive a premium, which is invested in the local community → More money spent on improving healthcare and education → People are more qualified for high-paid work and are healthy enough to work → Escape cycle of poverty</li> <li>• Farming is done in environmentally friendly way. Product gains stronger position in global market. Bans child labour, so that children can go to school instead of working.</li> </ul>	<ul style="list-style-type: none"> <li>• Most of the profits go to retailers rather than the producers.</li> <li>• It can be difficult to monitor the work conditions of Fair Trade-approved organisations, which can mean that in some cases employers do not abide by expectations.</li> <li>• Recent research has also shown that while the producers may benefit from Fair Trade, employees do not necessarily receive better treatment from FT employers than non-FT employers.</li> </ul>
Industrial Development	Rapid industrial development in Malaysia since 1970 has helped it to exploit and manufacture natural resources	This is when factories are built in a country to stimulate the positive multiplier effect.	<ul style="list-style-type: none"> <li>• It diversifies the economy, meaning that the economy now relies on more than one main industry. → This provides more financial stability and develops the training and skills of the workforce.</li> <li>• Industries such as manufacturing generate more money than primary sectors such as farming → Increasing the revenue that is earned from exports. → Governments have more funds with which to invest into social development such as health, education, and housing.</li> </ul>	<ul style="list-style-type: none"> <li>• Building lots of factories causes air pollution and poor building regulations. Poor working conditions means that employees are put at risk, especially with manual labour, increased amount of work-related illnesses.</li> </ul>
Investment	China invests in many African countries, railway construction in Sudan, powerplant in Zimbabwe	TNCs or governments give money or start projects in other countries to increase profits.	<ul style="list-style-type: none"> <li>• Governments receive increased revenue, mainly from the taxes paid by foreign companies.</li> <li>• Jobs are generated by investing companies, which can improve employment options and wages for workers, which may improve quality of life. → People have increased disposable income and spend more in the local economy → Growing home market → Locally owned businesses benefit</li> </ul>	<ul style="list-style-type: none"> <li>• Foreign multinational companies are often allowed to get away with poor treatment of workers (e.g. harsh conditions and low wages) and environmental harm.</li> <li>• Also, most of the profits flow out of the country and back to the 'headquarter' country, causing economic leakage.</li> </ul>
Microfinance	Grameen Bank gives loans to women in Bangladesh to buy phones to promote their businesses	When banks give small loans to individuals in LICs to start small-scale businesses.	<ul style="list-style-type: none"> <li>• Poor people who wouldn't ordinarily qualify for loans from big banks because they have no assets tend to benefit most from microfinance. This can give the opportunity to develop their own businesses. Families can benefit because their overall household income may improve. Increased disposable income and better QoL</li> </ul>	<ul style="list-style-type: none"> <li>• Microfinance has not been proven to help development on a national scale.</li> <li>• Often, better-educated communities tend to receive the loans while less-educated or less literate communities miss out because they cannot lobby as effectively for microfinance loans. This can mean that the quality of life of the neediest does not improve.</li> </ul>
Tourism	Growth of tourism in Bhutan has improved infrastructure and QoL	More tourists visit a country leading to a wide range of economic and social benefits for the country.	<ul style="list-style-type: none"> <li>• Tourism brings in enormous amounts of money, and foreign currency can strengthen a poor country's economy. → More money to spend on infrastructure and other development projects → Increased employment opportunities → Attracts TNCs to locate there and more inward FDI</li> </ul>	<ul style="list-style-type: none"> <li>• Tourism can often leave the environment vulnerable, for example as tourists extend into ever more remote regions, leave rubbish behind, cause erosion etc.</li> <li>• Tourism can also turn indigenous cultures into tourist attractions.</li> <li>• Much of the money is never seen by the host country as it goes to the travel company and is therefore lost in leakage</li> <li>• Many tourist resorts are 'all inclusive' so the tourists do not spend money in the wider economy outside the resort</li> <li>• Much of the employment available is low skilled and low paid.</li> <li>• The demands of tourists can influence existing industries negatively</li> </ul>
Intermediate technology	Hippo Rollers is an organisation based in South Africa that help families transport water	Specific, sustainable technologies given to local communities that are appropriate to their wealth and skill.	<ul style="list-style-type: none"> <li>• Individuals and communities (often the neediest) benefit from intermediate technologies because they are cheap, easy to maintain and provide an improved quality of life.</li> <li>• Governments also benefit because they are not necessarily investing in hugely expensive infrastructure but are still helping communities to develop.</li> </ul>	<ul style="list-style-type: none"> <li>• This does not benefit a country nationally because it is focussing on individual communities</li> </ul>

### Reducing the gap: Tourism in Bhutan (CASE STUDY)

Type	Pros	Cons
Economy	Tourism makes up <b>10% of the GDP</b> of Bhutan.	Not a sustainable source of income, rapid increase in tourists from <b>300 to 120,000 per year</b> . No limit → overpopulation or stress on services.
Employment	Only allowing <b>booking only through Bhutanese agencies</b> creates jobs → This means that more people can earn a steady income	
Investment and publicity	Tourist revenue increasing from <b>£32 m in 2009 to £62 m in 2012</b> . → more transnational companies will look at Bhutan as a worthwhile investment.	It makes Bhutan <b>very reliant on tourism</b> . This means that in circumstances when tourism is not possible, 10% of the GDP is lost.
Quality of Life	A <b>minimum daily package</b> of which <b>£45 goes to the sustainable tourism royalty</b> → cultural areas are preserved and not overcrowded → locals can still enjoy cultural traditions while at the same time benefiting economically.	Build new and modern infrastructure as a part of the tourist strategy's economic development sector → small villages or <b>local areas will be cleared</b> , and cultural traditions lost.
The environment	£45 per person per day is spent on GNH principles → <b>preservation of mountainous biodiversity</b> further increases the positive effect of tourism as more people come to visit Bhutan.	Increase of tourists from <b>300 to 120,000 per year</b> → cultural areas and environmentally biodiverse areas could suffer → tourism may begin to decline, causing an economic strain.

Challenges: **25% live in poverty, 10% do not work**

**Unreliable weather:** no steady income from agriculture, periods of drought and flooding that make it difficult to grow sufficient food supplies.

**Poor Infrastructure:** difficult to transport goods, little villages are cut off from healthcare that lie mostly in urban areas, preventing Bhutan from developing economically.

**No fossil fuels:** must import oil, especially for the growing demand for cars and this is expensive since it is landlocked, alternative energy resources are also expensive, fossil fuel prices are fluctuating, making it an unreliable import, other countries may overcharge and exploit Bhutan's lack of fossil fuels.

### Key Words

**Development** – Development means the change of people's standard of living and quality of life in a positive way.

**Global development gap** – The development gap is the difference in the spectrum of development between the richest and the poorest in society.

**Demographic Transition Model** – shows change over time in the population of a country, responding to variation in birth and death rates (natural change).

**Dependency Ratio** – is the proportion of people below 15 and above normal working age (65+).

**Reducing Development Gap** – Methods that can decrease the economic gap between the wealthiest and poorest between or within countries.