

## What is development?

Development is an improvement in living standards through better use of resources.

<b>Economic</b>	This is progress in economic growth through levels of industrialisation and use of technology.
<b>Social</b>	This is an improvement in people's standard of living. For example, clean water and electricity.
<b>Environmental</b>	This is advances in the management and protection of the environment.

## Measuring development

There are used to compare and understand a country's level of development.



### Economic indicators examples

<b>Employment type</b>	The proportion of the population working in primary, secondary, tertiary and quaternary industries.
<b>Gross Domestic Product (GDP) per capita</b>	This is the total value of goods and services produced in a country per person, per year.
<b>Gross National Income (GNI) per capita</b>	An average of gross national income per person, per year in US dollars.

### Social indicators examples



<b>Infant mortality</b>	The number of children who die before reaching 1, per 1000 babies born.
<b>Literacy rate</b>	The percentage of population over the age of 15 who can read and write.
<b>Life expectancy</b>	The average lifespan of someone born in that country.

### Indices (multiple indicators combined into 1 measure)

<b>Human Development Index (HDI)</b>	Based on life expectancy, education level and GNI. Fairer picture. Higher score = more developed.
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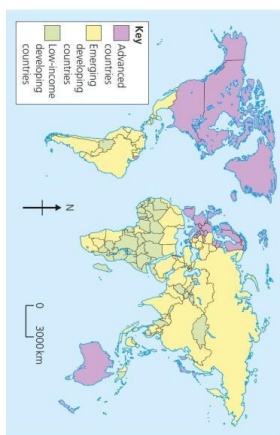
## Five stages of economic development.

Rostow's model predicts how a country's level of economic development changes over time. The model also shows how people's standard of living improves.

<b>1. Traditional society</b>	<b>2. Preconditions for take-off</b>	<b>3. Take-off</b>	<b>4. Drive to maturity</b>	<b>5. Mass Consumptions</b>
Subsistence based. i.e. farming, fishing and little trade.	Manufacturing starts to develop with better infrastructure.	Rapid growth with large-scale industrialisation.	Economy grows so people get wealthier & have higher standards of living	Lots of trade with a high level of consumption.

## Variations in the level of development

<b>LDCs</b>	Poorest countries in the world. GNI per capita is low and most citizens have a low standard of living.
<b>EDCs</b>	These countries are getting richer as their economy is progressing from the primary industry to the secondary industry. Greater exports leads to better wages.
<b>ACs</b>	These countries are wealthy with a high GNI per capita and standards of living. These countries can spend money on services.



## Uneven development

Development is globally uneven with most ACs located in Europe, North America and Oceania. Most EDCs are in Asia and South America, whilst most LDCs are in Africa. Remember, development can also vary within countries too.

## Topic 6

# Dynamic Development

## Physical factors affecting development

<b>Natural Resources</b> <ul style="list-style-type: none"> <li>Fuel sources such as oil.</li> <li>Minerals and metals for fuel.</li> <li>Availability of timber (construction)</li> <li>Access to safe water.</li> </ul>	<b>Natural Hazards</b> <ul style="list-style-type: none"> <li>Risk of tectonic hazards.</li> <li>Benefits from volcanic material and floodwater.</li> <li>Frequent hazards undermines redevelopment.</li> </ul>
<b>Climate</b> <ul style="list-style-type: none"> <li>Reliability of rainfall to benefit farming.</li> <li>Extreme climates limit farm yields and affects food security &amp; health.</li> <li>Climate can attract tourists.</li> </ul>	<b>Location/Terrain</b> <ul style="list-style-type: none"> <li>Landlocked countries may find trade difficult.</li> <li>Mountainous terrain makes farming difficult.</li> <li>Attractive scenery attracts tourists.</li> </ul>

## Human factors affecting development

<b>Politics</b> <p>*Aid can help some countries develop key services and infrastructure faster. *Too much reliance on aid might stop other trade links becoming established *Some Governments are corrupt - \$ doesn't get spent on the right priorities, so the gap between rich and poor widens.</p>	<b>Trade</b> <ul style="list-style-type: none"> <li>Countries that export more than they import have a trade surplus. This can improve the national economy.</li> <li>Having good trade relationships.</li> <li>Trading goods and services is more profitable than raw materials.</li> </ul>
<b>Education</b> <p>*Education creates a skilled workforce meaning more goods and services are produced. *Educated people earn more money, meaning they also pay more taxes. This money can help develop the country in the future. *Educating &amp; empowering women boosts the work force &amp; the economy</p>	<b>Health</b> <ul style="list-style-type: none"> <li>Lack of clean water and poor healthcare means a large number of people suffer from diseases.</li> <li>People who are ill cannot work so there is little contribution to the economy.</li> <li>More \$ spent on healthcare means less spent on development.</li> </ul>
<b>Aid</b> <ul style="list-style-type: none"> <li>Corruption in local and national governments</li> <li>The stability of the government can effects the country's ability to trade.</li> <li>Ability of the country to invest into services and infrastructure.</li> </ul>	<b>History</b> <ul style="list-style-type: none"> <li>Colonialism has helped Europe develop, but slowed down development in many other countries.</li> <li>Countries that went through industrialisation a while ago, have now develop further.</li> </ul>

## Consequences of Uneven Development

Levels of development are different in different countries. This uneven development has consequences for countries, especially in wealth, health and education.

<b>Wealth</b>	People in more developed countries have higher incomes than less developed countries.
<b>Health</b>	Better healthcare means that people in more developed countries live longer than those in less developed countries.
<b>Education</b>	More developed countries have better standards of education available than those in less developed countries. This helps provide skilled workforces.



## Barriers to ending Poverty

<b>Debt</b> 	<p>Many LIDCs have huge national debts from borrowing from wealthy countries and organisations. With high interest rates, these debts are difficult to wipe out and can lead to a spiral of decline. This situation makes it difficult for these countries to invest in services and infrastructure.</p>
<b>Trade</b> 	<p>Countries with a negative balance of trade, import more than they export make development difficult. Also ACs have TNCs that operate in LIDCs. These companies take profits away from LIDCs to ACs where their headquarters are.</p>
<b>Political unrest</b> 	<p>Widespread dissatisfaction with the government can be caused by political unrest, corruption and a lack of investment and attention into services (i.e. education and healthcare).</p>

## Breaking out of Poverty

Countries can try various ways to reduce poverty and increase development. These often involve different types of aid that can either be short term or long term strategies.

<b>Top Down</b>	<p>These are large scale, government led and expensive schemes involving money borrowed from wealthier countries. There is little community involvement. Benefits not always felt by the poor.</p>
<b>Bottom Up</b>	<p>These are small scale, local led and less expensive schemes. They involve communities and charities developing local businesses and housing. Sustainable <input checked="" type="checkbox"/></p>
<b>Short term</b>	<p>This aid is sent to help countries cope with emergencies such as natural disasters.</p>
<b>Long term</b>	<p>This is aid given over a long period to help countries develop through investing in projects such as education and healthcare.</p>
<b>Trade</b>	<p>Fair trade can allow for fair wages. Grouping with other countries in the form of trading blocs can increase links and increase the economy.</p>
<b>Debt Relief</b>	<p>Wealthier countries can cancel debts of countries that have borrowed money.</p>


## Positives and Negatives of Aid

<b>Positives</b> 	<b>Negatives</b> 
<p>Allows for immediate or long-term investment into projects that can develop a country's prospects.</p>	<p>Local people might not always get a say. Some aid can be tied (conditions applied by the donor country).</p>

## Are LIDCs likely to stay poor? Case Study: Zambia

**Location & Background**





Located in central southern Africa. A **landlocked** country surrounded by eight countries. Population = **14.5 million**. The capital is **Lusaka** (population of 1.8 million).



**Current level of development**

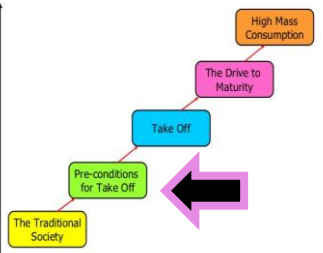
- GNI per capita: **\$3070** (world average is **\$10,858**)
- High birth rate (43) & lowering death rate (13) = growing population.
- A long history of **disease, poverty** and **political unrest**.
- HDI of **0.435** with **low life expectancy of 52 years**.
- Is **reliant on copper (64% of all exports)** and **agriculture**
- Adult Literacy rate – 80%**

## Influences upon Zambia's development (1964-present day)

<b>Political</b> 	<b>Social</b> 	<b>Physical</b> 	<b>Economic</b> 
<ul style="list-style-type: none"> <li>Gained independence from GB in 1964 was named Rhodesia until then</li> <li>Government couldn't afford to subsidise food prices in the 1990s so people rioted</li> </ul>	<ul style="list-style-type: none"> <li>HIV and AIDS spread across Africa in 1980s – DR in Zambia increased and life expectancy dropped – impact on workforce and economy = 😞</li> </ul>	<ul style="list-style-type: none"> <li>Zambia has large reserves (stocks) of copper</li> <li>The Kariba Dam is built so HEP can be generated to power the copper industries</li> <li>2010 Zambia begins to develop tourism (tertiary) – safari trips are popular</li> </ul>	<ul style="list-style-type: none"> <li>Reliant on copper and cotton exports. Copper prices fell in 1970s and stayed low for 30 years. 2000 it began to rise.</li> <li>Food prices rose in the 1990s.</li> <li>In 2006 the IMF cancelled Zambia's debt so it could then spend \$ on developing health &amp; education</li> </ul>

## Zambia & Rostow's Model of economic development


- Despite the large primary industry (copper), Zambia has improved education and healthcare due to investments from TNCs. As a result, Zambia is at stage 2.
- Better technologies & quality of life is allowing for pre Take off to emerge.



## Millennium Development Goals

Targets set by the UN in 2000 to reduce poverty.

+ On track with 2,3,6,8  
 - Behind schedule with 4, 5, 7  
 = Getting there with 1



## Investment by a TNC in Zambia

**ABF (Association of British Foods) operates in Zambia at a primary and secondary level.**

+ **Investment in infrastructure is helping tourism.**

+ **Increases employment levels and people receive fair wages.**

+ **Taxes help Govt fund services.**

+ **produces cheaper goods, locals can also buy**

- **Some wages are low; working conditions are poor.**

- **TNCs don't pay full taxes**

## Aid & Debt relief

**Types of aid**

**Bi-lateral – one country to another**

**Multi-lateral – ACs donate to World Bank who distribute the \$**

**Tied –aid – aid with 'conditions attached**

**Debt relief** given to Zambia by IMF in 2006 (\$6.5 million) Less debt repayments has meant **more reinvestment.**

**Development strategies for Zambia**

Bottom-up	Top-down strategies
<p>Led by local people with help from NGOs; are known as 'grassroots' projects. Room 2 Read</p> <p>+ getting girls reading and into school – qualifications &amp; jobs😊; reading passed down through families = sustainable</p> <p>Success? Yes BUT small scale scheme</p> <p>- depends on volunteers; stop when \$ runs out</p>	<p>This is large scale investment at a national level eg Kariba Dam (1950s)</p> <p>+ reliable enviro-friendly source of energy. Spin off industries developed</p> <p>- 57 000 Local farmers were evicted from dam area; lack of flooding affected crop yields. Dam unsafe now 3.5 million lives at risk</p>