Had a look ☐ Nearly there ☐ Nailed it! ☐

# What is development?

Development is a term that measures how advanced a country is compared to others. It is about the standard of living in a country – whether people can afford the things they need to survive. However, it's not just about money. Development also includes the quality of life within a country.

## Measuring development

The level of development in a country or region can be measured using statistics for **economic indicators** and **social indicators.** Some things such as birth rate are easy to measure but others, such as how safe people feel, are more difficult to quantify but some countries try to do this too. Bhutan measures its Gross National Happiness!

## Some factors to consider when evaluating development

**Economic**
- income
- type of industries
- security of jobs

**Physical well-being**
- diet
- access to clean water
- environment (including climate, hazards, etc.)

**Mental well-being**
- freedom
- security
- happiness

**Social**
- access to education
- access to health care
- access to leisure facilities

## Economic indicators

- **GDP** – **Gross Domestic Product** is the total value of goods and services produced by a country in a year. It's often divided by the population of that country to give GDP per capita.
- **HDI** – the **Human Developement Index** puts together measurements of a country's gross national income per capita (like GDP), life expectancy and years in education to provide a figure that represents the country's development level.

These have limitations because:
- all measures of development show averages only
- data do not show everything and are not always accurate. For example, GDP doesn't include the cash economy.

## Political indicators

Political indicators show what a government is likely to be doing for its country.

- Is it well governed?
- Is there free speech?
- Is there corruption?

## Worked example

Describe **one** example of an economic measure of development. **(2 marks)**

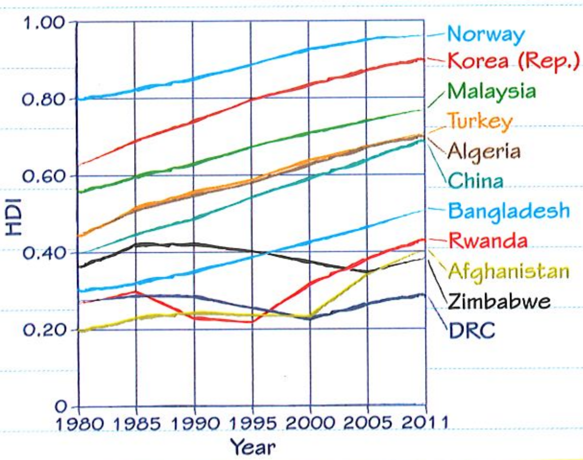
GDP is an economic measure of development. It is the total value of goods and services a country produces in a year.

## Now try this

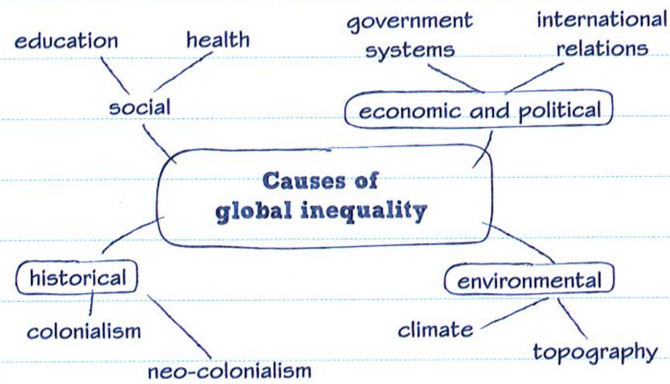
1 Explain some of the problems of **only** using economic measures of development. **(4 marks)**
2 Explain why GDP **per capita** is a better indicator of development than just GDP. **(2 marks)**

# Development differences

Countries at different levels of development have differences in their demographic data. Knowing how to interpret population pyramids is important for this topic.

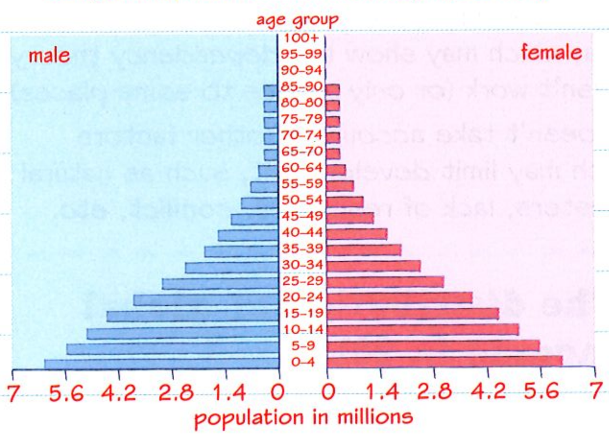



The graph shows that human development is not equal in all countries.
There are many different reasons for inequality.

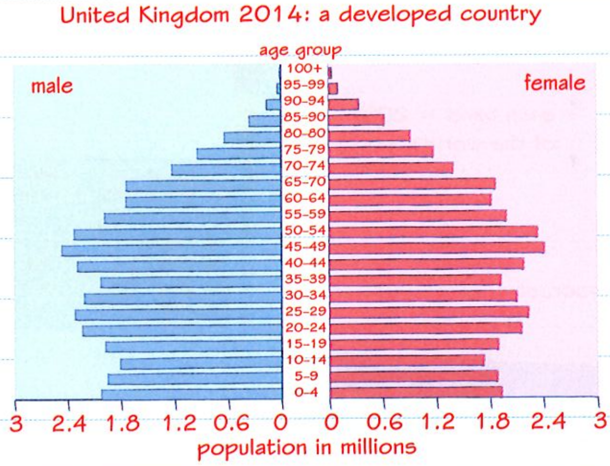



HDI scores each country between 0 and 1.
- 0.80 and over = high development
- 0.50–<0.80 = medium development
- <0.50 = low development

Congo (Kinshasa) 2014: a developing country




United Kingdom 2014: a developed country




## Population pyramids

- Emerging countries have high **fertility rates** – which gives their pyramids a broad base.
- Developed countries have lower fertility rates – a narrower base than sides. Emerging countries have a **youthful** population: most people are under 30.
- Developed countries have an **ageing** population: fewer young people, and increasing **life expectancy**.

### Worked example

Explain why infant mortality rates vary between countries. **(4 marks)**

If there is not enough money to pay for medical care, infant mortality will be higher than where healthcare is well funded. If new mothers have not been educated about baby hygiene, infant mortality will be higher than where they have.

Environmental reasons may also be involved. For example, in tropical climates diseases like malaria cause many infant deaths.

### Now try this

Explain **two** ways in which population structure can influence social issues. **(4 marks)**

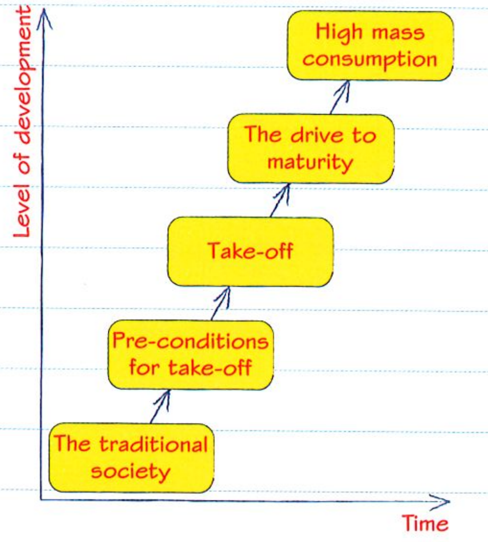
# Theories of development

There are many different theories to explain why societies develop. One of these is Rostow's **modernisation theory** and another is Frank's **dependency theory**.

## Rostow's modernisation theory

**Problems**

- It assumes that all countries start at the same level of development.
- It doesn't consider the quality or quantity of a country's resources, population or climate/natural hazards.
- It's out of date and based on the 18th- and 19th-century development of European countries.
- It fails to consider that European development came at the expense of other countries (colonisation).




## Frank's dependency theory

This is the idea that developing countries can't develop because they are dependent on developed countries. The most developed countries have the economic and political power to exploit less developed countries and impose trade barriers and conditions for loans that hinder development.

## Problems

- It was written in the 1950s so is outdated – today, some less developed countries are developing very quickly, e.g. China and India, which may show the dependency theory doesn't work (or only applies to some places).
- It doesn't take account of other factors which may limit development, such as natural disasters, lack of resources, conflict, etc.

## Worked example

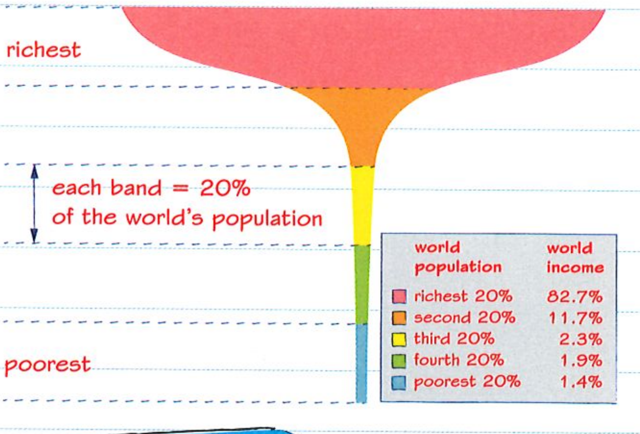
Study the diagram opposite, which represents how global income is divided between five equal shares of the world's population.

Explain one way that Frank's dependency theory could help explain this unequal distribution of global income. **(4 marks)**

The quintile of the richest 20 per cent owns over 80 per cent of global wealth according to this diagram, which dependency theory would explain as being due to the 'core' of richest countries exploiting their control of the world market system to keep poorer countries in the position of supplying raw materials which are then used to make the richest 20 per cent even richer.

**Quintiles** divide a total into five equal shares: a good term to use in this answer.

## The distribution of global income in 2013




## Now try this

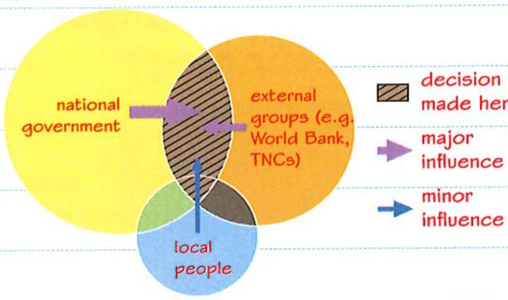
1 Identify two problems with Rostow's modernisation theory. **(2 marks)**

2 Explain why the dependency theory assumes that 'developing' countries will never become developed countries. **(4 marks)**

# Types of development

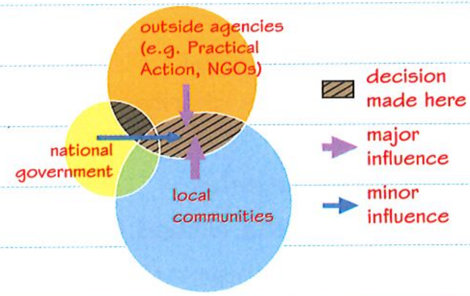
You need to know about differences between top-down and bottom-up development, about **globalisation** and its differing impacts on development.

## Top-down development




- Large-scale projects that aim at national-level or regional-level development.
- Very expensive projects often funded by international development banks.
- Sophisticated technology that needs experts to install and maintain.

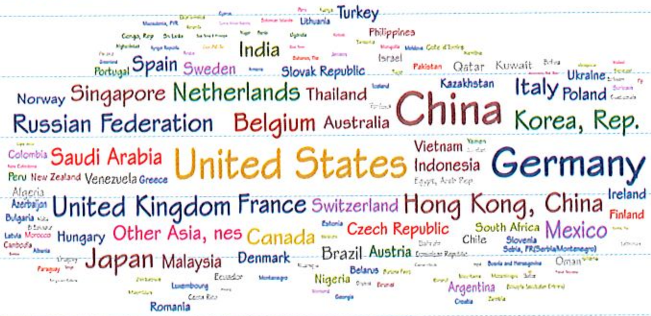
## Bottom-up development




- Local-scale projects that aim to benefit a village or small group of communities.
- Very cheap compared to top-down, but usually funded by the village itself.
- Straightforward technology that local people can learn to operate and repair.

## Globalisation – what is it?

Economic interests and a desire to make profits have encouraged companies from developed countries to produce in countries where labour is cheap and then to sell the products all over the world. → This pulls countries together in a global economy (globalisation). → Trade connections between countries has led to **interdependence** between them. Countries trade because one country has something the other country doesn't.




This word cloud shows exporting countries in 2014.

This answer identifies that processes boost global economic development while also increasing inequality between countries. Globalisation.

### Worked example

Study the word cloud. The size of a country's name represents the amount they export. Explain why some countries have a bigger share of global trade than others. **(4 marks)**

One reason is that most developing countries export raw materials. **Transnational corporations (TNCs)** buy raw materials cheaply from developing countries, and use them to make manufactured products in other countries. Manufactured products can be exported for more money.

China is an emerging country with a very big share of global exports because TNCs in developed countries have moved manufacturing there to benefit from cheaper wages.

### Now try this

Explain **one** way that governments contribute to globalisation. **(2 marks)**

# Approaches to development

You need to know advantages and disadvantages of **three** different approaches to development: NGO-led intermediate technology, IGO-funded large infrastructure, and investment by TNCs.

### Definitions

**NGO** – Non-governmental organisation (e.g. the charity Action Aid)

**IGO** – Intergovernmental organisation (e.g. the United Nations)

**intermediate technology** – simple technology that local people can operate and maintain themselves

**TNC** – Transnational corporation

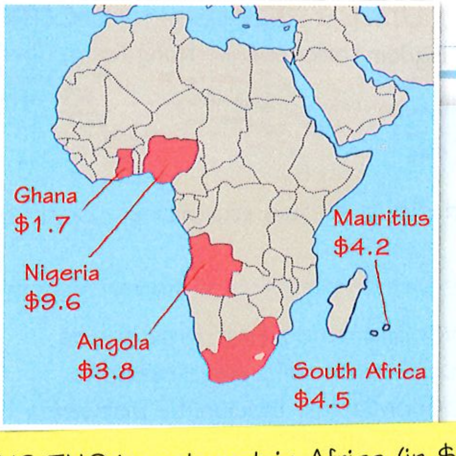
### Solar cooking – an example of intermediate technology


### NGO-led intermediate technology

- 👍 Targeted at specific needs of local people (e.g. supply of clean water from a new well)
- 👍 Generates jobs among local people (e.g. repairing technology, training users)
- 👎 Governments often rely on NGOs instead of developing their own systems to help their people
- 👎 Lack of data about how successful NGO schemes really are; not as **accountable** as IGOs

### IGO-funded large infrastructure

- 👍 Can access very large sums of money from IGOs like the World Bank
- 👍 Large infrastructure developments can benefit hundreds of thousands of people
- 👎 High-tech solutions can be costly to maintain, and may fail if funds run out
- 👎 Many local people may not actually benefit (e.g. if they have to move because a major new dam project will flood their area)




US TNC investment in Africa (in $ billions)

### Worked example

Study the map opposite, which shows investment in selected African countries from US TNCs.
Explain **one** reason why US TNCs might want to invest in African countries. **(3 marks)**

Countries like Nigeria and South Africa have valuable resources – for example, oil and diamonds. TNCs based in the USA can invest in these countries in order to get access to these resources.

### Now try this

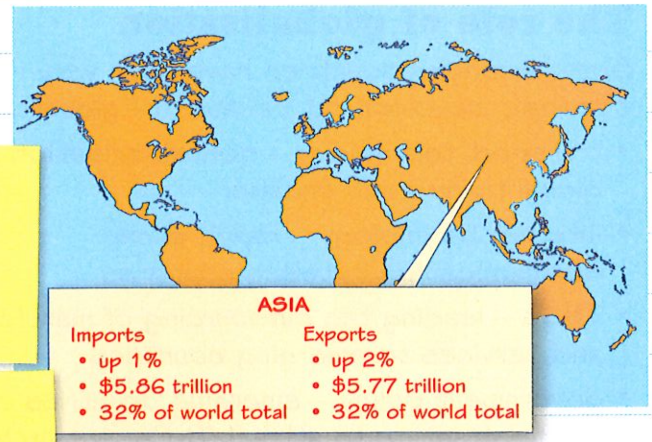
Explain the disadvantages of TNC investment in developing or emerging countries. **(4 marks)**

# Location and context

Case study

You will have studied one emerging country in terms of how it is managing to develop. There are some key facts you need to know about your emerging country.

You need to know about where your country is and reasons why it is **significant** in its region and in the world.




Countries can be significant for lots of reasons – for example, they might have world-famous cultural treasures, like the Great Wall of China. For development, a country's economic and political significance are very important.

This map has a trade summary for Asia. How does the location of your emerging country influence its trade with the world and its region?

## Key facts

You need to know some key facts about what your country is like: what sort of political system it has, what its culture is like, what it is like in terms of physical geography.

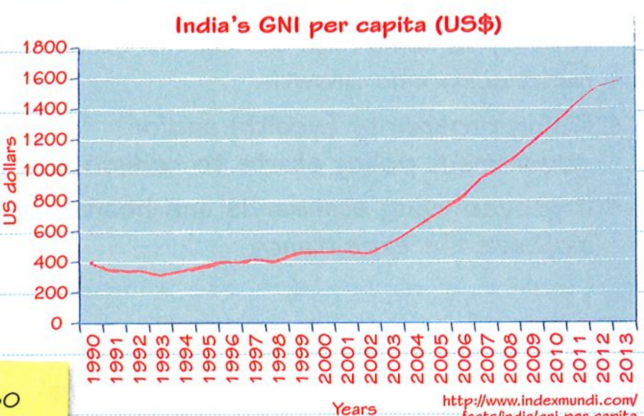
You do not need to know this **contextual information** in huge detail. You'll be using this information to help explain *how your country is developing*.

India is an emerging country with a world-famous cinema industry. Bollywood makes 1600 films a year, seen in total by 2.7 billion people. What do you know about the culture of your emerging country?

## Economic facts

You need to know key economic facts about your country, including how the following have changed since 1990:

- GDP and per capita **gross national income (GNI)**
- economic sectors (how they have changed)
- imports and exports
- **foreign direct investment (FDI)** – what sorts of TNCs are investing in your country.




GNI per capita is usually measured in US dollars so that one country can be compared with another. It is GNI divided by the number of people in the country.

Make sure you know the percentage change in GDP and GNI per capita for your country between 1990 and now.

## Now try this

Put together a fact file of information about your case study emerging country. Try to fill one side of A4 paper with information about its geography and key economic facts. Practise using these details in exam questions for this part of your course.

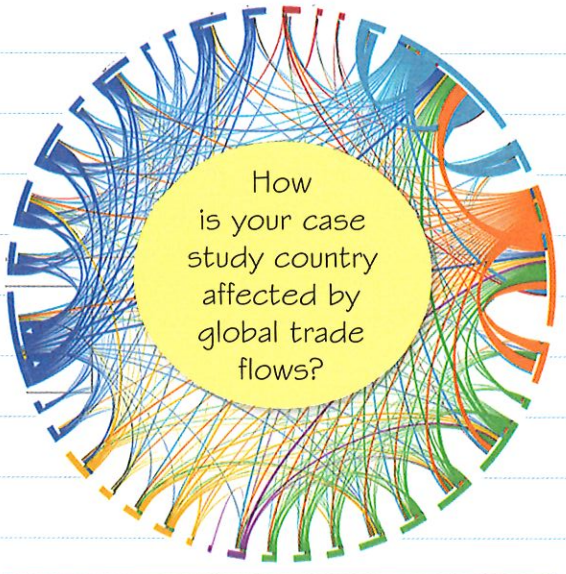
# Globalisation and change

Case study — For your case study of an emerging country you need to know how globalisation and rapid economic change have affected your country.

## The role of globalisation

Some emerging countries have seen very rapid economic development because of globalisation:

- transport technology – **containerisation** made global trade much cheaper
- internet technology – rapid, cheap **communication** between countries
- **TNCs** – leading the outsourcing of manufacturing and services to emerging countries
- government policy – emerging countries invested in infrastructure to attract TNCs, set up low-tax, low-regulation enterprise zones: encouraging FDI.



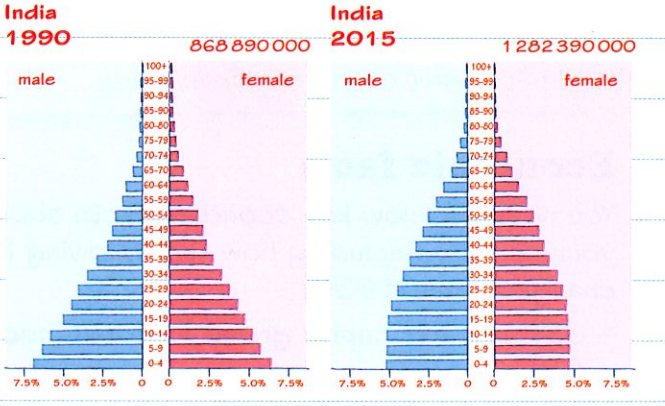

Key: European Union; South America; North America; China; Asia; Australasia; Eastern Europe, Middle East and Africa

You should be able to describe how these globalisation processes affected the development of your emerging country.

## Demographic change

The rapid economic development of emerging countries leads to the following:

- Rapid population growth.
- Improved medical technology and health education lower infant mortality.
- Fertility remains high during the country's rapid economic growth.
- Rising prosperity (wealth) and/or government policy starts to reduce fertility.
- Improved living standards and healthcare increase life expectancy.




India's population has increased by 48 per cent since 1990. Do you know the population increase for your case study country?

## Regional changes

Rural-urban migration has caused regional changes in many emerging countries – how about in yours?

- Rural–urban migration causes rapid city growth with young populations.
- Rural–urban migration leaves old people in the countryside.
- Regions remote from rapid industrialisation and urbanisation may be much poorer.

### Now try this

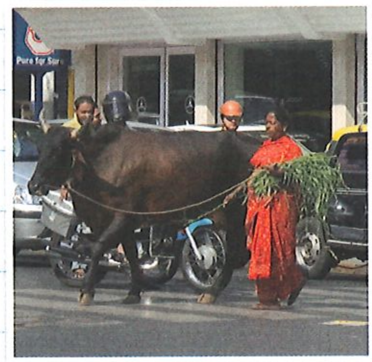
Find a graph of population growth for your emerging case study country for the last 30 years or so (try the Index Mundi website). Sketch it or print it out (with room to annotate around it) and add as many labels as you can to describe the causes and consequences of this demographic change.

# Economic development

Case study

For your case study of an emerging country, you need to know about the positive and negative impacts of economic development and globalisation on people and on the environment.

Rural-urban migrants are mainly young men. → Economic development increases GNI per capita. → But a GNI average hides the growing inequality between rich and poor. → Women and old men are left in the countryside. → Rural-urban migrants are mainly young men.



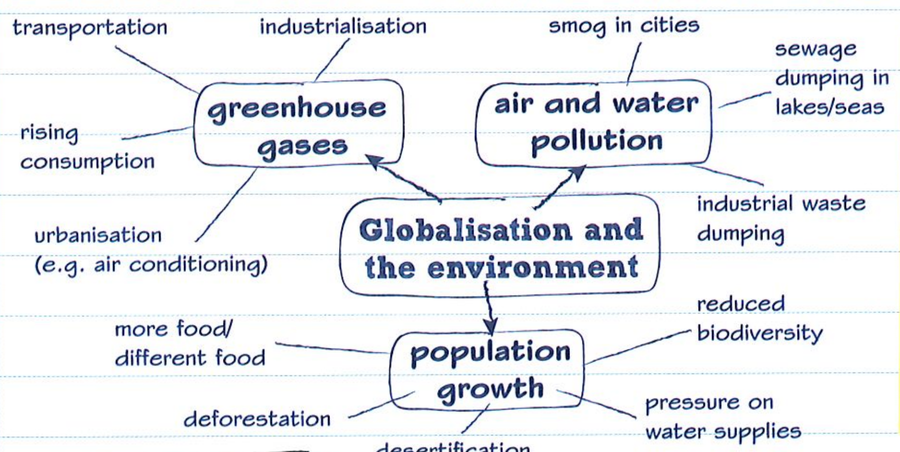
There are positive and negative impacts on different age groups and for men and for women.

## Positive impacts

- New jobs and skills (brought in by TNCs) especially benefit young migrants.
- Reduced poverty worldwide – in the last 20 years, nearly 1 billion people have been lifted out of extreme poverty (mostly in China).
- New technologies (e.g. 'green revolution') can reduce workload for rural women.

## Negative impacts

- TNCs may decide to pull out of a region or country, causing unemployment.
- Economic development has increased inequality between the very rich and the very poor in many emerging countries.
- Pace of change is very rapid, leaving old people feeling lost and out of place.




You need to know about the impacts of economic development and globalisation on the environment in your emerging country – for example, details on pollution and greenhouse gas emissions and how these affect human health (e.g. smog in big cities and increased death rates).

## Now try this

Create a table with the title 'Economic development and globalisation' with two columns: Positive impacts and Negative impacts. Fill in specific examples from your case study notes. Two positive impacts and two negative impacts on people, and two positive impacts and two negative impacts on the environment would be ideal.