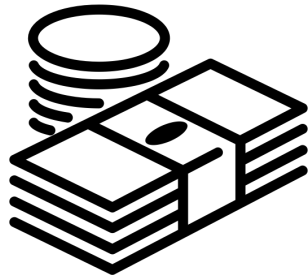


# T6

## Development and resource issues



### Geography Knowledge Organiser

Find a playlist of explainer clips by scanning or clicking the QR code

CLICK ME



SCAN ME

## 6.1.1 - Measuring development

### Measures of development



**Gross domestic product (GDP)** - the total value of all goods and services produced within a country



**Gross National Income (GNI)** - (per capita) average wage per person



**Employment structure** - the type of work people do (for example, primary, secondary, tertiary)



**Poverty** - the % of the population that earn less than \$1.90 a day



### Limitations of these measures

They only measure wealth and not social factors (like life expectancy)

They do not show inequality in country (gap between rich and poor)

They do not show the cost of living (ie. the amount that can be bought with the average wage)

### Development continuum

A development gap exists between richer and poorer countries. The "Brandt" line splits the world into more developed "global north" countries and less developed "global south" countries.



However, the Brandt line is a bit too simplistic. In reality there is a "development continuum". This is a sliding scale from super rich countries to the very poor. The World Bank splits countries into 4 categories based on their Gross National Income (GNI):

**HICs** with GNI of \$12,736 or above

**Upper Middle Countries** with GNI between \$4126 and \$12735

**Lower middle countries** with GNI of \$1046 to \$4125

**LICs** with GNI of \$1045 or less

## 6.2.1 - Uneven development

### Causes of uneven development

Trade involves buying goods from other countries (imports) and selling them (exports). **HICs** generally export valuable goods such as electronics, cars and financial products. They import cheaper primary products like tea, sugar and coffee. **LICs** do the opposite. This means they earn little and remain in poverty

The prices of these products go up and down but HICs tend to have the biggest influence over them. LICs lose out when the price drops, but have little control over it. Increasing this trade and changing the balance of imports/exports is essential for LICs to develop. Some HICs impose tariffs (import costs) and quotas (a limit to the amount of imports) which also affects LICs.

### Multinational corporations (MNCs)

MNCs have grown as a result of globalisation. Often they are free to decide where they locate many aspects of their company. The headquarters if usually found in a global city such as London. However, other parts of the company can be located around the world. Factors like, government incentives, location of raw materials, labour costs and reduced costs for buildings and land make a difference.



### Advantages of MNCs in LICs

Created jobs and improved local skills

Pays higher wages than most local Companies

Helped attract more MNCs

Contributes to tax which helped pay for schools, hospitals etc.

### Disadvantages of MNCs in LICs

Investment could be transferred to other countries quickly

They has large demand for energy/water

They have reputation for workers abuse

They might undermine national culture schools, hospitals etc.

## 6.2.1 - Uneven development

### Tourism

As a result of globalisation the tourist industry has grown rapidly. It now accounts for 1-in-11 jobs worldwide. It is increasingly becoming important for low and middle income countries. Rapid growth is due to:

Early retirement & higher life expectancy mean people can spend time travelling

People earn more so have more disposable income

Modern aircraft make is cheaper and quicker

The internet allows people to research destinations



### Mass tourism

Where tens of thousands of people going to the same resort often at the same time of year



### Enclave tourism

Where tourists pay one price and get all travel, accommodation, food and drink in one place



### Cruise holidays

Cruise ships sell all inclusive packages

### Advantages of tourism in LICs

Employs thousands directly and hundreds of thousands indirectly, bringing billions to the economy

Tourism is encouraging new skills and improving language skills of locals

New services such as transport can be used by tourists and locals

New national parks are being created to protect wildlife and encourage tourism

### Disadvantages of tourism in LICs

Many tourist development are partly owned by foreign companies. Some profits leak (send) overseas

Jobs are seasonal, many people lose their jobs in the wet or winter season

The growth of sex tourism can become an issue in some countries

The arrival of tourists can cause a decline in local cultures, for example loss of language or religious traditions

## 6.2.2 - Managing development

### Aid

Aid is the transfer of resources from a richer country to a poorer country. Different types of aid include:

**Bilateral aid** – between two countries

**Multilateral aid** – money donated by richer countries via organisations such as the UN

**Short term emergency aid** – immediate relief following a natural disaster

**Long term development aid** – a sustained programme of aid which aims to improve the standard of living

**Debt abolition** – when richer countries cancel debt owed by poorer countries

**Aid from non-governmental organisations (NGO's)** – given through charities such as Oxfam.

### Advantages of aid for LICs

Emergency aid saves lives and reduces misery

Development aid can lead to long term improvements and increase standards of living

Assistance in developing natural resources benefits global economy

Aid for industrial development creates jobs and aid for agriculture increases food supply

Provision of medical training and supplies improves health

### Disadvantages of aid for LICs

Aid can increase dependency on the donor country

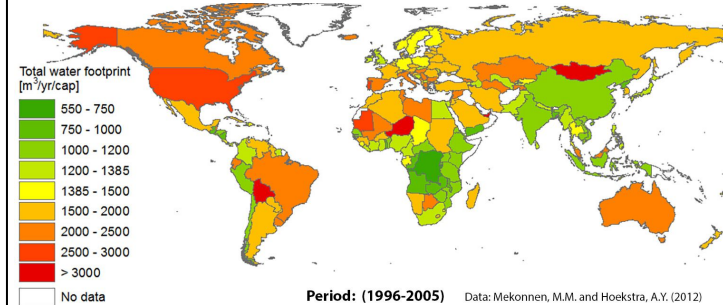
Profits from the large projects can go to multinationals and donor countries

Aid doesn't always reach the people who need it and can be kept by corrupt officials

Aid can be spent on prestige projects in urban areas rather than in the areas of real need

Aid can be used as a weapon to exert political pressure on the receiving country

## 6.3.1 - Water demand



The global consumption of water is rising. This is because:

### Population is rising

**Economic development** - The more developed a nation the more water used

**Increased need by agriculture** - irrigating crops

**Industrial growth** - As more MNCs invest in NICs and LICs the more water needed

**Consumerism** - HICs use appliances like dishwashers and washing machines

### Water footprint - a measure of humanity's use of fresh water and/or polluted

We don't just use water to drink and for hygiene reasons. 70% of our water is used to produce food (crops & animals). Industries use water in 'cooling processes'. Water is need in thing like clothing - fabrics have to be grown.

### Water security - the capacity to safeguard the sustainable availability and access to drinking water

The UK generally have excellent access to water all year round. Some places don't, where water isn't clean or always available. Sometimes it's too expensive to transport or access (economic scarcity) or it's not available due to droughts (physical scarcity).

## 6.3.2 - Water sustainability



**Dams:** Dams block the flow of a river, creating a large reservoir to the rear which can be used all year round. Dams can be expensive to build, and the reservoir may flood local settlements and ecosystems.



**Water transfers:** When water is transferred from an area that has a surplus of water to an area that is experiencing a shortage. This may be conducted within a country, but it can also be conducted from one country to another. For example, Lesotho transfers water to areas of South Africa experiencing physical water scarcity.



**Desalination plants:** Desalination is the process by which salt is extracted from water. At these plants, salt is removed from seawater to make it safe to drink. Such plants are extremely expensive to run.



**Water conservation:** This is when an attempt is made to actually use less water in the first instance. For example, many toilets have dual-flush systems to reduce the amount of water used. In addition, meters may be installed within households so residents can check their water usage

### Over-abstraction of groundwater

India is a country that is over extracting its groundwater (the water table is 4m lower than in 2000)

#### Reasons for this

- Some states like Gujarat have a long dry season
- Surface stores (like reservoirs) are often polluted
- Cheap electricity has encouraged farmers to dig deeper wells

#### Solutions

The government can build more dams (this is an example of top down development) Farmers could be encouraged to conserve water e.g. rainwater harvesting (this is bottom up development)

## 6.4.1 - NIC regional development

### India's regional patterns

Northeast has higher levels of poverty (over 30% of people)

South has the least levels of poverty (less than 10%)

The east generally has lower levels of poverty (around 15%)

### Physical reasons

**Northern India** is more mountainous and dry, so it has poor soil and climate to grow crops. **The south** has a more humid climate with rains.



### Political reasons

**Kerala (in the south)** funds education and encourages families to have fewer children = better quality of life (less pressure on resources)

**Kashmir (in the north)** has seen conflicts/wars and is in a mountainous area = not very populated, poor access, dry climate.

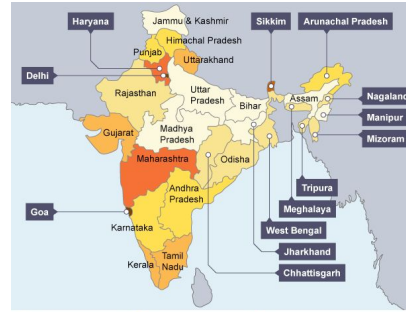
**Maharashtra (in the east)** has the capital city and attracts lots of industries like manufacturing and has ports for trade



### Cultural reasons

India had a **caste system** (some people had more rights than others). Although it's illegal now it still has an impact on people today with types of jobs people can do.

**Girls and women are discriminated** against particularly in rural areas



## 6.4.2 - UK regional development

### UK's regional patterns

There is a north-south divide in the UK for development. The divide recognises the social and economic differences between Southern parts of the UK (more developed) and the rest of the UK (less developed).



### Economic reasons

With the **largest markets located in the south-east**, which also includes **good access to European markets**, companies have greatest potential to **maximise profits by locating in the south**.



### Social reasons

With over 20 million people of the UK's population living within a one hour commute of London, many **businesses prefer to locate themselves close to their customers**, and within **commuting distance of their staff**. **Many universities are in the south** of the UK, including Oxford and Cambridge, which provide many workers - who **employers may perceive as being most skilled** and desirable.



### Political reasons

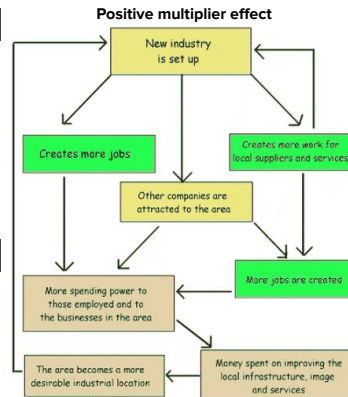
**Many large companies have headquarters (HQ) in the south-east**, making it easier to make crucial decisions. Even though government policy has tried to encourage investment in other parts of the UK it is **still more convenient for other smaller businesses to start up where there is already infrastructure** to support.



## 6.4.3 - Managing UK development

### Positive multiplier effect

Regional inequality can be reduced by investment in deprived areas of the UK. Various strategies have been used in the past which usually includes investing in infrastructure in an area which is deprived to try and promote a **positive multiplier effect**. However, when industries close there is also a **negative multiplier effect**.



### Local strategies (Newcastle)

### National strategies

**Giving power to local authorities** e.g. regional mayors (Manchester/Leeds)

The **creation of the "Northern Powerhouse"** which is a proposal to boost economic growth in the North of UK, this would attract investment and create skilled jobs in the area

The **improvement of transport links** to the Northern places in the UK. This improves accessibility, attract new investment and therefore may create a positive multiplier effect (eg. HS2)

**Relocation of major business and offices**, sometimes head offices in other parts of the UK, such as Manchester. This encourages other businesses to invest in the areas

**Newcastle Enterprise Package** - supporting new business

**Newcastle Science City** - a partnership between Newcastle University, Newcastle City Council and the European Regional Development Fund supporting the innovation and technology sectors

**The Millennium Bridge** - crossing the river Tyne

## Home study questions

### DEVELOPING

**Outline** the measures of economic development [3 marks]

**Give** three reasons why LICs receive less money from international trade [3 marks]

### SECURING

**Analyse** the pattern of global water usage (water footprint) (6.3.1) [6 marks]

**Describe** what a water footprint is [2 marks]

### MASTERING

**Evaluate** which factor/reason (social, economic or political) is the most significant cause of UK regional inequality [8 marks]

**Decided** whether foreign aid is overall a good or bad thing for LIC development [8 marks]

### CHALLENGE

**Create** a concept map to show how MNCs and tourism are linked and how these are also linked to uneven development in LICs/NICs

**Research** how the High Speed railway 2 (HS2) project will have benefits for the north of England

