

## Indicators of development

Statistics that allow you to compare social and economic features of different countries and make judgements about how developed a country is.

They also indicate differences in the quality of life and standard of living of the people in those countries.

## Economic indicators

About money, jobs, business, income and the economy = Standard of living

### GNI per capita (best economic indicator)

*Wealth generated by the economy divided by the number of people in the population (\$)*

*Shows size of the economy and how much money **might be available** for development to improve the country*

### Average wage

*Average amount people are paid for particular jobs*

*Rough measure of standard of living*

## Social/population indicators

About living conditions, health, services and education = Quality of life

### HDI – Human development index (best social indicator)

*A combination of GNI, years in schooling and life expectancy. (This is converted to a scale between 0-1)*

*Below 0.5 countries are LIC's, between 0.5-0.8 countries are NEE's, above 0.8 countries are HIC's)*

*Shows size of the economy and how much money **is being spent** on services like education, healthcare and clean water, that allows people to have a longer life expectancy and a better quality of life and standard of living*

### Literacy rate

*Percentage of people that can read and write*

*Shows quality of education provision across a country*

### Infant mortality

*Number of deaths below age of one for every 1000 live births in a country*

*Quality of healthcare, vaccinations and general living conditions*

### Birth rate

*Number of births per 100 people in a population in a year*

*LIC's have high birth rate as rural populations need children support the family. HIC's have a low birth rate as urban populations where many women work choose to manage family size and children are expensive to bring up*

### Life expectancy

*Average number of years people are expected to live. Varies a lot between different parts of a country*

*General measure of health, wealth and living conditions*

Study **Figure 5**, a table showing indicators of development for three countries.

Country	GNI (US\$)	Life expectancy (years)	Adult literacy rate (%)
China	3 650	75	95
Sierra Leone	240	45	43
Italy	35 110	83	99

Explain how one of the indicators of development in Figure 5 shows the difference in the quality of life between the three countries [4 marks]

A life expectancy of 83 shows that people in Italy (a HIC) have a high quality of life because they live the longest because there is good access to high quality healthcare meaning people can get treatment when they are ill preventing early death..

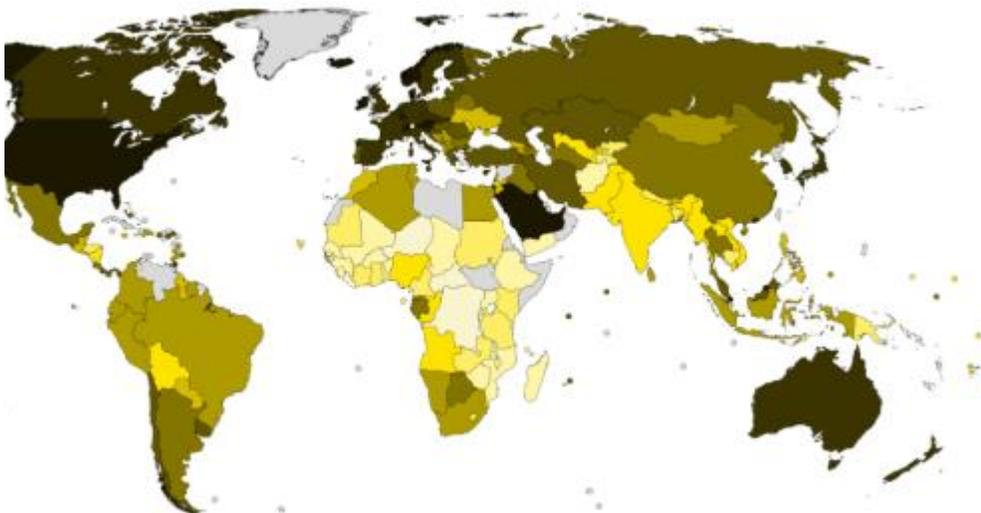
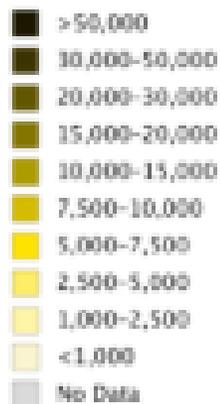
A life expectancy of 45 shows that people in Sierra Leone (an LIC) have a low quality of life because they live the shortest on average.

because there is poor access to high quality healthcare meaning people often don't get the treatment they need so die of preventable illnesses.

China's life expectancy of 75 is rising as the country develops so people have better access to healthcare so better quality of life due to better overall health.

GNI per capita measures value of all goods and services created in a country divided by the people. A higher GNI per capita usually indicates a wealthier country.

Countries by GNI (PPP) per capita in 2016 (Int\$)



0 2 . 2 Outline **one** disadvantage of using a single measure of development such as income. [2 marks]

Income on its own does not a reliable indicator of development because it is an average figure, so does not show the difference in wealth between the richest and poorest people in a country, which may be very large.

This means there may be many people living in extreme poverty which the indicator doesn't show.

0 2 . 6

Suggest **two** ways that the level of economic development of a country might affect the quality of life of its people.

[4 marks]

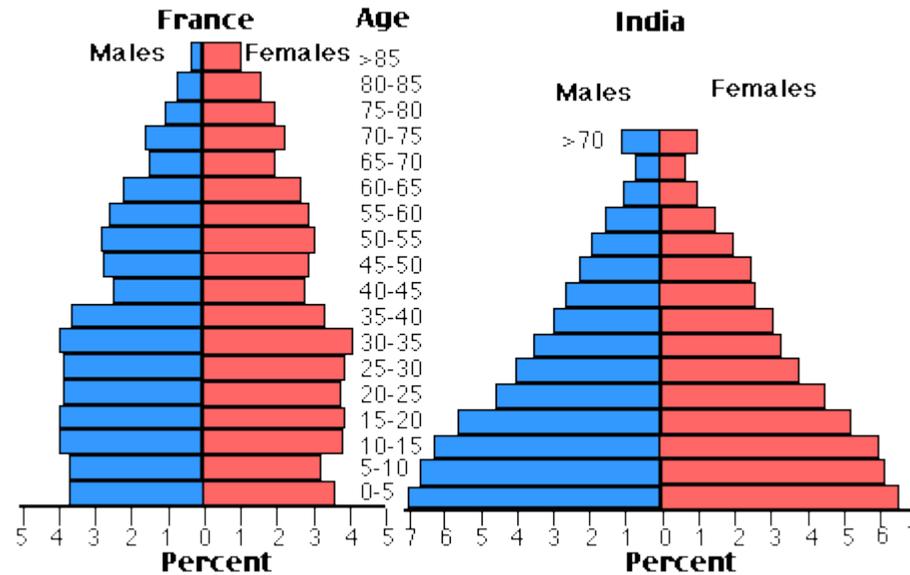
An LIC country with low levels of economic development may not have the wealth to provide a decent healthcare system

This means many people do not get treatment when they need it for preventable illness and disease, lowering their quality of life.

An LIC country with low levels of economic development may not have the wealth to provide a decent education system

This means many children do not receive a decent education so they cannot access decent jobs in later life. A low income and poverty therefore reduces their quality of life.

Population pyramids show the percentage of males and females in different age groups in a population



Explain how the population pyramids show differences in the level of development between the two countries [4 marks]

The French pyramid has a narrower base showing a lower birth rate.

This indicates that France is a more developed HIC because people are choosing to have less children. A reason is that more women work and choose to have families later in life.

The Indian pyramid has less people aged 70+ indicating a lower life expectancy

This indicates that India is a less developed LIC because the country is not able to provide high quality healthcare to all its people leading to more deaths from preventable disease and illness.

0 2 . 2 Suggest one reason why life satisfaction scores vary between countries.

[1 mark]

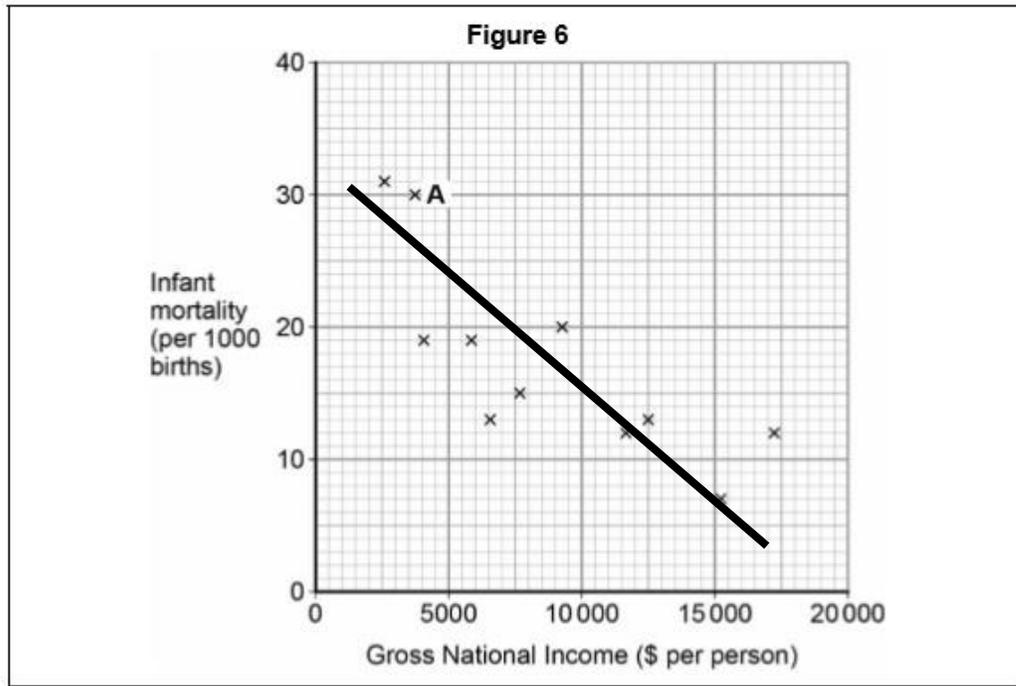
Life satisfaction may vary between countries because some countries are more wealthy or developed so provide better services for the people such as healthcare, making them more satisfied with life

0 2 . 3 Give **one** disadvantage of using a social measure of development such as life satisfaction.

[1 mark]

One disadvantage is that life satisfaction is a score based on peoples opinions. One persons opinion about what affects life satisfaction can easy differ from another's making it difficult to compare scores

Study **Figure 6**, a scattergraph showing the information in **Figure 5**.



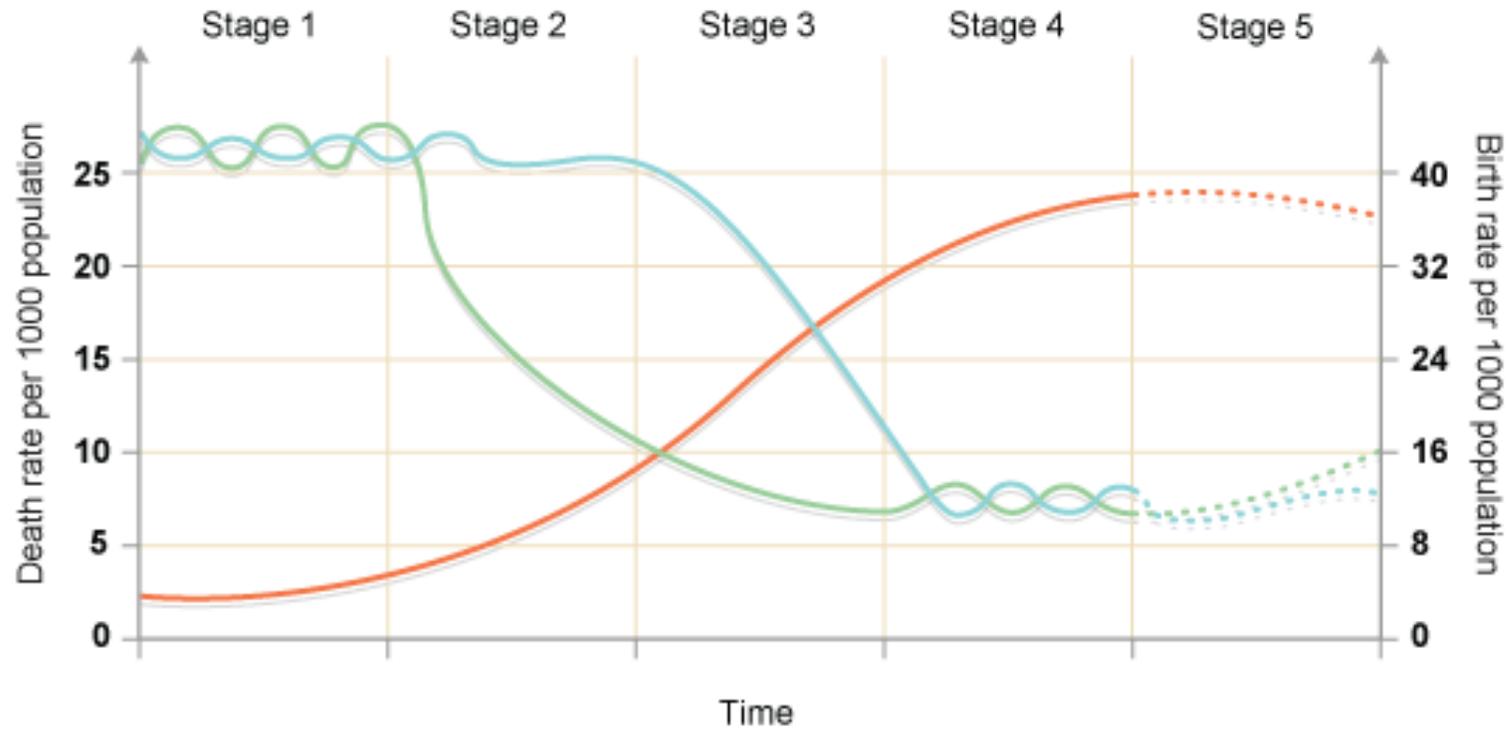
Infant mortality is the number of babies who die below the age of 1 year for every 1000 births

GNI per person is about the wealth of a country divided by the people

**0 2 . 4** Suggest **one** reason for the relationship between GNI and infant mortality shown on the scattergraph.

**[2 marks]**

As GNI increase the infant mortality rate decrease. This is because wealthier countries usually have a better healthcare system meaning mothers give birth with health professionals in hospitals and infants get specialist care if they are ill. This prevents many early deaths.



## The DTM

Stage 2 countries = LIC  
 Stage 3 countries = NEE  
 Stage 4 and 5 countries = HIC

Stage 2 and 3 = young populations

Stage 4 and 5 countries = ageing populations

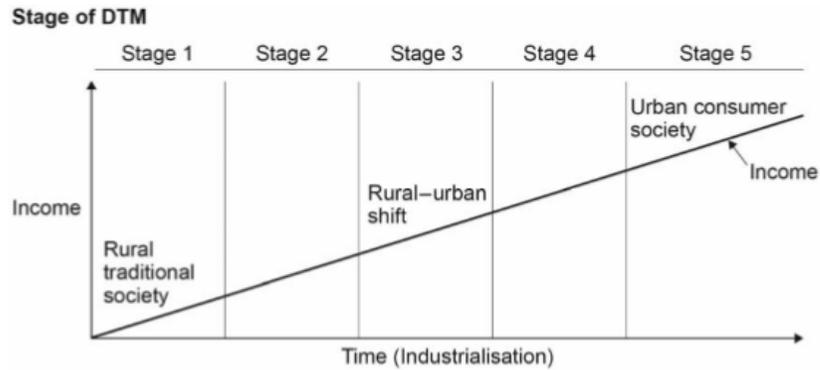
As countries develop **Death rate drops** first due to improved healthcare

As countries develop **Birth rate drops** second due to increased wealth, contraception and rural to urban migration, and change from farming to manufacturing jobs so people want and need less children.

A countries develop **population growth slows down** as birth rates drop

Study **Figure 6**, a simplified model of the link between the Demographic Transition Model (DTM) and economic development.

**Figure 6**



0 2 . 4

Using **Figure 6** and your own understanding, explain the link between the DTM and a country's level of development.

[4 marks]

Stage 1 countries are poorly developed and have little industry so most people live as poor farmers in the countryside.

Birth rates are high because of the need for children to work on farms and death rates are high due to poor healthcare, meaning population growth is slow.

As a country develops economically (stage 2 and 3) it industrialises so people migrate to cities in search of work where most industries locate.

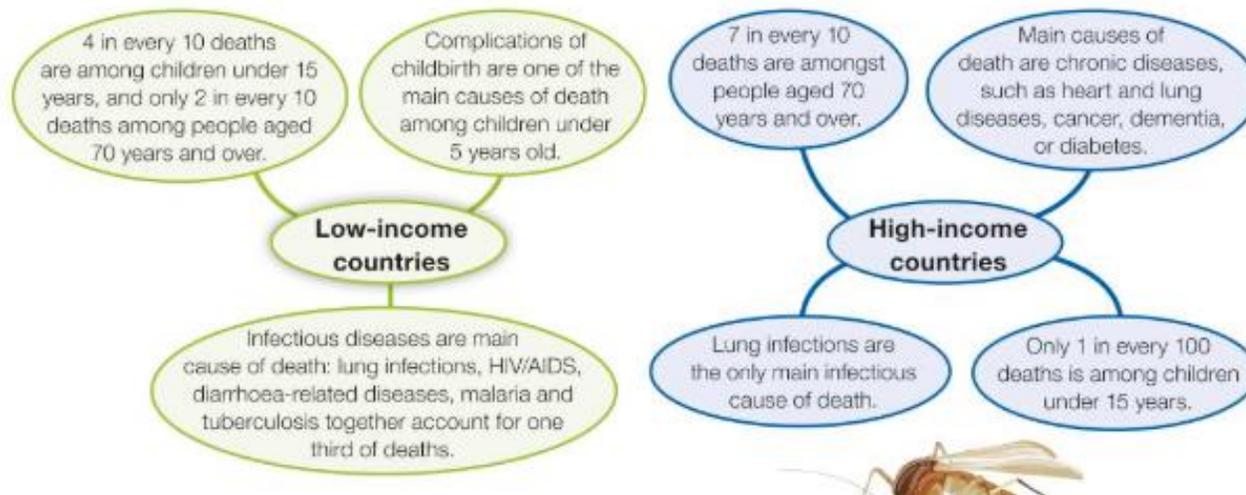
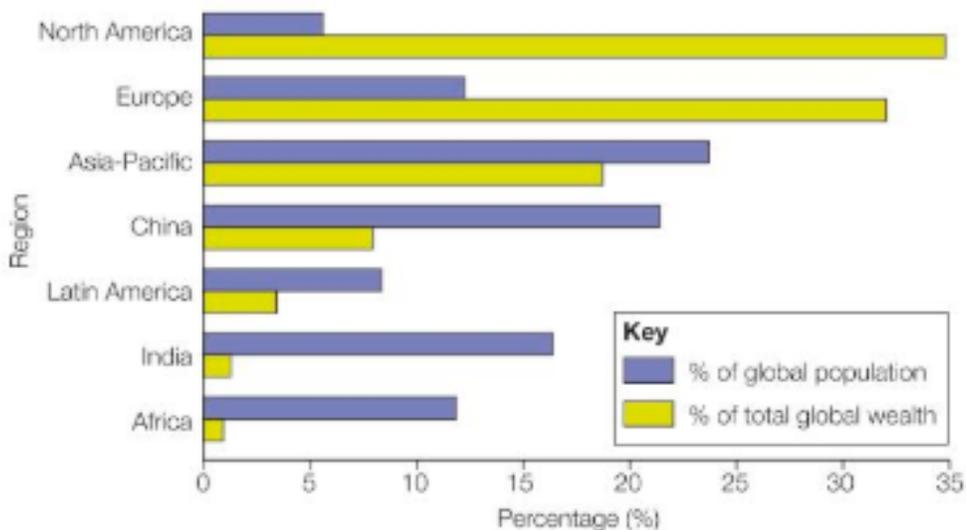
People then earn greater income and become wealthier, improving their standard of living and quality of life. Death rates therefore drop and population rapidly increases.

Stage 4 and 5 countries are the most developed so birth and death rates are low and population increase is slow. Birth rates drop for reasons such as equality in the workplace for women and the use of contraception to plan families

# The development gap

This is the gap in development between the richest (HIC) and poor (LIC) countries in the world or between richer (urban) and poorer (rural) parts of a country

This can be measured using economic (money) and social (quality of life) indicators



HIC's tend to have less of the world's population but most of the world's wealth

NEE's and LIC's tend to have most of the worlds population but a small proportion of global wealth

In HIC's people tend to suffer from chronic diseases related to lifestyle or old age. Most deaths are in the elderly population

In LIC's infectious diseases like Malaria are a major cause of death. A large proportion of deaths are in young people.

# Reasons for the development gap

## Physical

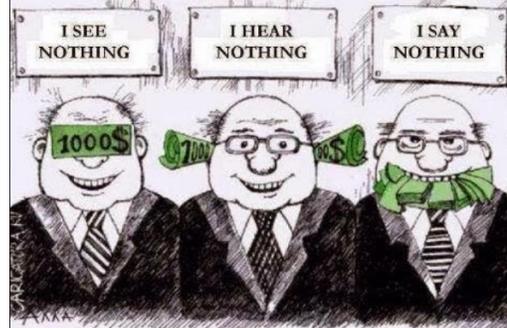


**Climate** - Drought = difficulty growing food = starvation and low productivity.

**Disease** – Tropical diseases = ill populations and animals = low productivity

**Extreme weather** = Huge death and damage = cost of repairs

## Political



**Colonised in the past** - Poor infrastructure and leadership = slow development

**Corrupt Governments** – Steal money and resources = slow development

**War** – Civil war = death and destruction = no development

## Trade



**Landlocked** – No access to coastlines = difficulty exporting goods

**Export raw materials** – low profits = little money for development

**Trade barriers** – Tariffs and quotas = difficulty exporting valuable manufactured goods

# Assess the extent to which physical reasons are the main cause of uneven global development

## Physical reasons are a major factor in uneven global development

Drought = crop failure = starvation so workforce are unable to be productive

Tropical diseases like Malaria = unproductive workforce

Extreme weather like hurricanes and drought = cost of repair or crop failure

## However there are other important human factors

Colonisation in Africa = countries have corrupt tribal Governments and little industry

Landlocked countries in Africa = difficult to trade

Trade = Poor countries export low value primary goods so earn little money

Trade tariffs and quotas = Rich countries prevent poor countries selling goods in their markets

Overall physical factors are important but human factors, particularly the way richer countries treat poorer countries is equally important

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The development gap can be reduced in a number of different ways

International sustainable AID e.g. Goat AID

Intermediate technology AID e.g. Water AID

Fair trade – giving farmers a fair price for their products

Industrial development e.g. Transnational corporations, manufacturing or tourism

Microfinance e.g. small loans to start a business

Debt relief – Wiping out the debt of poor countries owed to rich countries

02.6 Suggest **one** way microfinance loans can help to reduce the development gap. [1 mark]

Microfinance can reduce the development gap because small loans allow people to start small businesses and earn greater income, improving their standard of living.

02.8 Outline **one** way that Fairtrade helps to deal with the problems of unequal development. [2 marks]

Fair trade gives producers a better price for their products.

This raises their income, giving them money to spend on better possessions and services like healthcare, raising their quality of life and standard of living

02.9 Suggest **one** reason why Fairtrade schemes are not always successful. [2 marks]

Fair trade schemes are not always successful because products are often more expensive in the shops than non fair trade items.

This means less people buy them so less profit is made by the producer

## AID and Intermediate technology

Intermediate technology is technology provided by NGOs (charities) in poor countries that improves lives of ordinary people and communities and is useable and repairable by them.

Usually focussed on health, farming or water based projects



Water AID

Easily repairable water pumps

Fresh, clean and reliable water in villages

Reduces illness like Cholera

People more productive (women and children as not collecting water all day



Goat AID

Very hardy animal so easily looked after

Easy to breed new animals to sell

Good source of milk and meat

Provide food and income

Explain how debt relief can help to reduce the development gap [2 marks]

Debt relief means that poorer LIC countries do not use their limited wealth to pay off expensive loans to HIC countries.

Instead they can use the income for development projects such as improved water supply or healthcare, improving the quality of life of its people.

Use an example to outline how intermediate technology can reduce the development gap [4 marks]

Intermediate technology is simple technology projects appropriate to the needs and skills of local people, often linked to farming, water or health, and designed to improve quality of life and standard of living.

An example is water AID who provide and install simple to repair rope pumps in villages in many African countries.

This provides villagers with clean, sustainable water which improves health. Less time is spent collecting water so people can do more productive jobs to earn income and improve standard of living

Pumps are easy to repair so if broken the villagers have the skills to repair them.

# Evaluate whether AID or Trade is the best way to reduce the development gap [9 marks]

**On the one hand AID is a good way to reduce the development gap because**

Emergency AID = reduces famine or starvation and helps countries recover from natural hazards

Intermediate technology = Improves conditions in small communities for individuals e.g. Water AID

Financial AID = provides funds for a Government to improve services e.g. health and education

**However there are problems with AID because**

Emergency AID = once AID is used up you are back where you started

Emergency AID = People become reliant on AID and don't help themselves

Financial AID = Corrupt Governments often steal it

**Improving trade has many advantages**

Develops industry and economy – Creates jobs improving standard of living

Develops industry and economy – Creates tax for Government to spend on services

Develops industry and economy – Creates a multiplier effect generating more wealth

**Overall, both have a role to play in reducing the gap but trade and economic growth bring greater improvements in standard of living in the long term for the whole country**

Using an example of a LIC or NEE country assess the extent to which tourism can reduce the development gap [6 marks]

On the one hand tourism can reduce the development gap. In Jamaica .....

Contributes 24% to GDP (US\$ 2 billion) = Tax to Government used to invest in services like healthcare

200 000 jobs = Income, improves standard of living

200 000 jobs = Multiplier effect - Income causes spending which helps growth of different industries e.g. shops

Improved infrastructure = Tourist areas have better roads and services

However the development gap may be large between different parts of the country. In Jamaica .....

Infrastructure = Roads and services are poor in inland areas away from tourist centres

Jobs = There are fewer jobs away from tourist areas so people remain very poor

Also tourist tastes change and different locations go out of fashion, meaning increased unemployment

Overall, tourism has contributed massively to Jamaica's economic development, ensuring improved quality of life and standard of living for many people

0 2 . 10 'Transnational corporations (TNCs) only bring advantages to the host country.'

Do you agree with this statement?

Yes  No

Justify your decision.

[9 marks]

See case study revision cards for Transnationals in Nigeria e.g. Shell

## Advantages

Multiplier effect

Jobs and income

Tax to Government

Improved skills

Better infrastructure

## Dis-advantages

Low wages

Environmental damage

Profits leave country

Poor treatment of workers

Overall they bring more advantages than disadvantages because they stimulate economic growth leading the **multiplier effect** and to greater development

## In Africa

Population of 180 million =  
Huge market for African goods

Rapidly growing  
manufacturing economy =  
market for raw materials from  
other African countries

Member of West African  
trading group = can protect  
other countries from  
exploitation by HIC's

## Importance of Nigeria

## In World

Supplies 2.7% of worlds oil =  
Importance for global energy  
supply

Nigeria has 'sweet oil' = can  
be refined to petrol

5<sup>th</sup> biggest contributor to UN  
peace keeping forces' = big  
role in global peace

Rapidly growing economy = big  
market for global goods

Rapidly growing economy =  
important location for  
transnational corporations

0 2 . 7

Outline **one** way the political **or** trading relationship of a named LIC/NEE country with the wider world has changed.

**[2 marks]**

Before independence in 1960 Nigeria was a colony of the British Empire so was ruled from the UK.

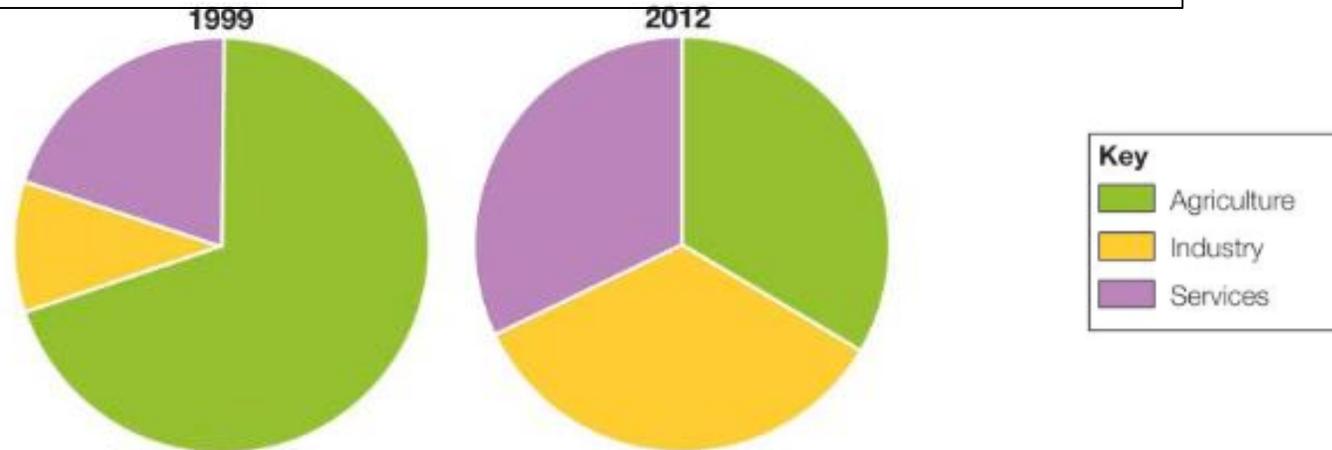
After independence Nigeria became a member of the Commonwealth and now has equal political status as an independent country from the UK and has a strong political role in Africa.

or

Before the discovery of oil in the 1950's Nigeria mainly exported primary agricultural goods such as oil palm and cocoa.

Since independence and with more stable government, Nigeria is now a major world oil exporter and has developed its manufacturing sector .

## Changes in Nigeria's employment structure



### Explain why employment structure changes as a country economically develops

In 1999 Nigeria had a high proportion of people working in agriculture (70%) because there was little industry so few secondary jobs. Nigeria mostly exported agricultural products e.g. oil palm. Services were a small sector (20%) because most people couldn't afford services, and the Government did not have enough income to provide widespread healthcare or other important services like schools.

As Nigeria developed economically there are more secondary jobs in manufacturing e.g, processed foods so people moved away from agriculture towards these better paid jobs so the sector grows. (33% in 2012)

People became wealthier so could afford more services and Government earned more income through tax to pay for better services, increasing employment opportunities in this sector. E.g. retail

## Industrial development and the multiplier effect



**0 2 . 8** Using a case study of a LIC/NEE country, explain how manufacturing industry can encourage economic development.

**[6 marks]**

In recent years Nigeria has developed its manufacturing sector, which now accounts for 10% of GDP. Particular industries include processed foods, textiles, leather items and cars. This is because Nigeria has a home market of 180 million people and also has strong trade links with the EU, India, the US and other countries. This brings many economic benefits

More jobs and income = more spending in other industries so they grow e.g. cars and electrical goods

Growth of supply industries = other industries grow to supply the manufacturers with materials

Multiplier effect = More jobs creates more spending so more industries grow employing more people

Foreign investment = A strong economy attracts investment from abroad, creating more jobs

Tax to Government = can be invested in services like education which employ more people and make the population more skilled and productive

## Negative environmental impacts caused by economic growth in Nigeria

### Industrial growth



10 000 illegal small scale industries cause major environmental problems

Harmful chemicals released in-to water supplies in Lagos damaging habitats and health

Fumes from industrial chimneys pollute the air and affect human health in Lagos

### Urban growth



Rapid growth of squatter settlements in Lagos create sewage and waste pollution

Massive traffic congestion in Lagos creates air pollution affecting public health

### Farming/deforestation



Pollution of water supplies due to use of chemical fertilizers in commercial farming e.g. oil palm and cotton for export

Deforestation for farming has wiped out Cheetahs, Giraffes and 500 species of plants

### Oil extraction



Oil spills in the Niger delta damage habitats, farmland and fish stocks. E.g. Bodo oil spill disaster

Illegal petrol refining pollutes water supplies with oil and chemicals

Oil flares on oil wells create toxins that affect human health

## Using a case study of an NEE or LIC explain how economic growth can benefit people but at a cost to the environment [6 marks]

Nigeria is rapidly developing its economy in order to develop as a country and improve the standard of living of its people.

Growth in manufacturing such as processes foods, and the development of oil exploration in the Niger delta have created thousands of jobs for Nigerians. Shell alone employs 65000 people directly and supports another 225 000 related jobs.

People earn income which improves their standard of living but also pay tax which the Government can use to invest in improved services like healthcare, education and water. This improves standard of living and quality of life, and also creates a multiplier effect in other businesses who benefit from more customers or work supplying industry

However, many industrial activities heavily pollute the environment, for example chemicals from manufacturing are released into water supplies, damaging habitats and reducing bio-diversity. Another example is the Bodo oil spill where millions of gallons of crude oil leaked from pipes polluting a vast amount of waterways, killing fish and aquatic life and ruining fishing livelihoods.

A final example is deforestation for commercial farming like oil palm for export. This has resulted in loss of habitats which have wiped out Cheetah and Giraffe populations in Nigeria.