

Key concepts – Economic development



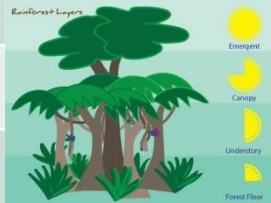
Year 9



Should we build more roads into the Malaysian rainforest?

Development Indicators

GNI per capita	The total amount of goods and services in a country (US\$) per person.
Literacy rate	The % of people over 14 years old that can read and write
Life expectancy	The average age people can expect to live to
Human Development Index	The best way to measure development! GNI per capita, life expectancy and literacy rate.
Infant mortality rate	The number of infants before the age of 1 who die per 1000 population



The **multiplier effect** shows the consequences (positive or negative) of something and can help you explain your point in detail.
 For example, a poor climate can mean that crops can't grow - therefore people have less to eat - therefore they may get malnutrition - therefore they find it difficult to work - therefore they suffer from low incomes, etc..



There are a range of biomes around the world and these are characterised by the climate in their location. You should be able to describe the location of each biome using the acronym TEA. E.g. Tropical rainforests are located between the tropics, for example the Amazon rainforest in Brazil. An anomaly is the rainforest in western China.

Factors Causing Uneven Development

Physical Environment

- Soil erosion, desertification, climate (and climate change), overgrazing and infertile soils affect farming.
- Areas without fertile land, natural resources, water and energy suffer.
- Natural hazards make little progress with development e.g. Haiti.
- Poor climate leads to poor crop yields

Trade

- Trade blocs favour member states.
- Primary products sold by LICs are sold for cheap prices that can fluctuate. HICs make more expensive products so earn more.
- Poor infrastructure or conflict means some people cannot sell their goods at all.

Health

- Diseases can make people too weak to work or go to school.
- 80% of all developing world disease is water-related. 2 million die a year.
- LIC's are unable to invest in good quality health care

History

- Colonialism: Many countries in Asia, South America and Africa have spent a lot of time and money on civil wars and political struggles for power since being made separate from European superpowers.
- Many LICs haven't had time to develop fully.



How can we reduce the development gap?

- Aid
- Debt reduction
- Economic investment
- Fir trade
- Microfinance loans
- Intermediate technologies



Key Terms	
Development	Development is a process of change that affects people's lives. It may involve an improvement in the quality of life.
Sustainable development	Development which meets the needs of the present and future.
Quality of life	A social measure of well-being.
Standard of living	An economic measure of a persons daily life.
Correlation	The relationship between two variables.
Multiplier effect	The consequences of an event. See example to the left.
Biome	A geographic area unique to the ecosystems living there.
Climate	The long term pattern of weather in an area.
Exploit	The use of natural resources for economic growth. Usually at the expense of the environment.
Deforestation	The clearing of forested land.
Ecotourism	A sustainable development which aims to reduce the impact of tourism on the environment.
Development gap	The widening difference in levels of development between the worlds wealthiest and poorest countries.
Investment	Countries (usually HICs) invest money/businesses into an LIC to support economic growth.
Aid	The giving of money/resources/shelter from one country or charity to another.

Opportunities for development in the TRF

- Logging** - tropical rainforests are cut down so that valuable trees like mahogany can be accessed and sold for timber to make furniture.
- Mining** - the Amazon Basin is rich in natural resources such as iron ore, copper, tin, aluminium, manganese and gold.
- Hydroelectric power (HEP)** - The rainforest can be cleared to create the reservoirs and dams.
- Medicines** – Medicine such as Cortisone can be taken from plants and sold.

Challenges for development in the TRF

- Deforestation leads to **soil erosion** where the top soil is worn away. This removes nutrients from the soil to prevent future growth.
- Indigenous people lose their homes. They are forced to relocate to urban areas but they are not skilled for work there.
- Climate change – releasing CO2 when they're cut down, through fires (slash and burn) and through increased farming and methane.
- Wildlife habitats are lost which can reduce biodiversity.