



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

LIC – Low-income country

HIC – High-income country

NEE – Newly Emerging Economy

Development gap – the gap between rich and poor countries.

Measuring development

Economic indicators include Gross National Income per capita - An average of gross national income per person, per year in US dollars.

Social indicators include Literacy rate, Life expectancy, Infant mortality.

Mixed indicators include HDI - A number that uses life expectancy, education level and income per person.

Causes and consequences of the development gap

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

Physical factors affecting uneven development

Natural resources - Fuel sources such as oil. Minerals and metals for fuel. Access to safe water.

Natural Hazards - Risk of tectonic hazards. Benefits from volcanic material and floodwater.

Frequent hazards undermines redevelopment.

Climate - Reliability of rainfall to benefit farming. Extreme climates limit industry and affects health. Climate can attract tourists.

Location/Terrain - Landlocked countries may find trade difficulties. Mountainous terrain makes farming difficult. Scenery attracts tourists.

Human factors affecting uneven development

Aid - Aid can help some countries develop key projects for infrastructure faster. Aid can improve services such as schools, hospitals and roads. Too much reliance on aid might stop other trade links becoming established.

Trade - Countries that export more than they import have a trade surplus. This can improve the national economy. Having good trade relationships. Trading goods and services is more profitable than raw materials.

Education - 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.

Health - Lack of clean water and poor healthcare means a large number of people suffer from diseases. People who are ill cannot work so there is little contribution to the economy. More money on healthcare means less spent on development.

Politics - Corruption in local and national governments. The stability of the government can affect the country's ability to trade. Ability of the country to invest into services and infrastructure.

History - Colonialism has helped Europe develop, but slowed down development in many other countries. Countries that went through industrialisation a while ago, have now develop further.

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

Reducing the development gap

Microfinance Loans - This involves people in LICs receiving small loans from traditional banks.

Foreign-direct investment - This is when one country buys property or infrastructure in another country.

Aid - This is given by one country to another as money or resources.

Debt Relief - This is when a country's debt is cancelled or interest rates are lowered.

Fair trade - This is a movement where farmers get a fair price for the goods produced.

Technology - Includes tools, machines and affordable equipment that improve quality of life.

Tourism – can trigger the multiplier effect providing an economic boost through jobs and tourist spending.

CASE STUDIES: India (NEE) and UK