**Paper 2 – The Changing Economic World** *– development in Nigeria and the UK*

AT A GLANCE – AQA TOPIC SUMMARIES

**The development gap**

**Development** – progress in economic growth, standard of living and quality of life; a positive change for the better

**HICs** = High Income Countries, e.g. UK, USA, Canada, Australia

**LICs** = Low Income Countries, e.g. Mali, Congo, Ethiopia

**NEEs** = Newly Emerging Economies, e.g. Nigeria

**Measures of development** – things that show how developed a country is, e.g. money, healthcare

**Measure include:**

**GNI/GDP** (Gross National Income/Gross Domestic Product) – a measure of wealth

**Birth rate** – live babies born per 1000 people per year

**Death rate** – deaths per 1000 people per year

**Infant mortality rate** – babies who die under 1 years old per 1000 babies born

**People per doctor** – average people per doctor

**Literacy rate** - % adults who can read/write

**Access to safe water** - % people who can get clean water

**Life expectancy** – average age someone can expect to live to

**HDI** (Human Development Index) – a measure that includes life expectancy, literacy rate, education

**Importance of using a variety of indicators** – using one indicator can be misleading and give an inaccurate idea of development, e.g. a country may appear wealthy but the government may have most of the money (corruption); using a mixture is more reliable, such as the Human Development Index (HDI)



**The Demographic Transition Model** – line graph that shows changes in a population over time; contains data on births, deaths, and total population

**Stage 1** – high births & deaths; poor healthcare, lots of disease, large families needed for farming, no access to contraception

**Stage 2** – high births & decreasing deaths; improving healthcare, large families still needed for farming

**Stage 3** – decreasing births & low deaths; good healthcare, smaller families as more people work in manufacturing, women start to get jobs and education, more access to contraception

**Stage 4** – low births & deaths; good healthcare, high incomes, jobs in industry and services, having children becomes expensive, more women in the workplace

**Stage 5** – higher deaths than births; elderly population, strain on healthcare, not enough young working population to pay taxes, immigrants welcome

**Population pyramids** – show the age and gender structure of a population; help governments to plan for the greatest need, e.g. childcare or elderly healthcare

**Factors affecting development**

**Physical (natural)**

**Poor climate** **and farmland**– droughts, floods, extreme temperatures, diseases and pests – can ruin crops

**Natural hazards** – earthquakes, volcanoes, and hurricanes – can cause deaths and disruption

**Few raw materials** – lack of things such as coal or oil – no source of energy for industry

**Historical**

**Colonisation** – e.g. British Empire, Slave Trade – people/resources taken leaving them poorer

**Conflict** – wars – money spent on weapons and fighting instead of healthcare/education

**Economic**

**Lack of trade** – small/remote countries cannot trade and make money

**Debt** – over-borrowing leaves countries with lots of debts

**Low value goods** – countries with only wood/metal/stone cannot get much money from trade to develop

**Impacts of uneven development**

**Wealth** – a small number of countries hold the majority of the world’s wealth

**Health** – LICs have many more infectious diseases and shorter life expectancies; HICs have more cancers and diabetes but longer life expectancies overall

**Migration** – people move from LICs/NEEs to HICs in search of better jobs, higher wages, and better working conditions, e.g. from Eastern Europe to the UK

**The development gap** – where some countries are more developed than others

**Strategies to reduce the development gap**

**Aid** – given from one country to another, e.g. money, food, doctors

**Debt relief** – money owed is cancelled and forgotten about

**Fair Trade** – farmers in LICs get a fair price for their goods, e.g. bananas

**Investment** – where people or companies in one country buy property or set up business in another

**Industrial development** –governments put money into industry, e.g. oil

**Using technology** – e.g. installing solar energy in remote areas helps people see to work or study and increases their life chances

**Tourism** – gives local people jobs and income

**Microfinance loans** – small loans given to small businesses to get them started

**Example – Tourism in Jamaica**

**Location** – Caribbean, warm climate, beaches, lots of hotels, water sports, easy access from the USA

**Benefits to economy** – 24% of Jamaica’s income in 2014 was from tourism; tourists spend money which goes to the locals directly and also to the government in taxes

**Benefits to infrastructure** – new roads, railways, ports and airports have been built

**Benefits to environment** – conservation and landscaping projects provide job opportunities and keep the area looking nice so people will want to visit



**Nigeria**

**Location & climate** – W. Africa, close to equator, long dry season inland (north), hot humid climate on coast (south)

**Importance** – fast growing economy, one of richest countries in Africa, 12th largest global oil producer

**Context (political, social, cultural and environmental):**

**Political**: gained independence from UK in 1960; civil wars followed; first free & fair elections held in 2011 & 2015

**Social**: contains a mixture of ethnic tribal groups and religions; tensions sometimes rise because of this, e.g. Boko Haram; wealth is much greater in urban than rural areas

**Cultural**: rich and varied culture with ‘Nollywood’ cinema and sporting events such as the African Cup of Nations

**Environmental**: dry Sahara to the north; tropical rainforest and mangroves to the south

**Changing industrial structure** – used to rely on agriculture & fishing (primary industry); now balances agriculture with industry and services; investment of oil has helped to make this change



**TNCs** – Trans National Corporations; large companies that operate in several countries

**Shell** – large oil company; heavily invested in oil in the Niger delta; has helped Nigeria make the most of its natural resources

**Advantages of Shell** – helps Nigeria to make money via taxes and selling oil; makes jobs for 65,000 workers; gives contracts to Nigerian companies; trains workers to make them skilled employers; builds schools and hospitals to help look after people

**Disadvantages of Shell** – oil spills have caused water pollution & soil degradation reducing the ability to farm; oil flaring sends toxic fumes into the air; militant groups cause disruption; oil theft and sabotage cost lots of money

**Changes in trading relationships** – Nigeria exports (sells) oil, gas, rubber, cocoa and cotton; it imports cars, telephones, rice and wheat; it mainly exported oil to the USA but India is now its main customer

**Environmental impacts** – industry has created water pollution, air pollution, problems of waste and litter, oil spills, and the development of squatter settlements

**Aid/help for Nigeria** – receives money from The World Bank, charities (UNICEF), and countries, e.g. UK and USA; this is spent on health programmes, mosquito nets (Nets for Life), and supporting businesses; corruption can stop money getting to where it needs to be

**Changes to quality of life** – some improvements including job security, access to healthcare, training, electricity supply etc.; but not everyone has benefitted and there are still a lot of poor people

**The UK**

**Changing industrial structure** – industrial revolution in the 1800s caused a shift from manual labour (primary) to machinery/factory jobs (secondary); people moved from rural areas to urban areas

**De-industrialisation** – a decline in manufacturing (secondary) industry; caused by machinery taking the jobs of people, cheaper labour abroad, and the cost of machinery here being too high

**Globalisation** – helped the development of tertiary and quaternary industries, e.g. retail (shops), technology, research

**Influence of government policies**

**1945-1979**: focus on state-run industries, e.g. British Rail and British Steel Corporation

**1979-2010**: focus on privatisation (selling off state-run industries)

**2010 onwards**: balanced approach; focus on transport (e.g. CrossRail & HS2) and more investment in manufacturing

**The UK’s post-industrial economy** – **developments have happened in the following ways:**

**Development of IT** – highly developed technology, fast internet access, new businesses in manufacturing and designing software

**Service industries and finance** – increasing jobs in healthcare, education, engineering, banking, insurance & security

**Research** – universities, the NHS, Environment Agency, the BBC

**Science parks** – group of science & technology-based businesses located on a single site; close to universities; attractive locations; good transport links

**Business parks** – area of land occupied by a cluster of businesses; usually found on cheaper land on the edge of town; close to transport links; businesses benefit by being close to one another



**Impacts of industry on the environment**

**Impacts** – risk of water and air pollution; waste products go to landfill; noise pollution from industry

**Sustainable modern development**, e.g. Sheffield – used to be polluted from the steel industry; clean up works have enabled wildlife such as otters to return to the rivers in the city centre; factories can be fined for polluting or made to clean emissions before released to the atmosphere

**Changes to UK rural landscapes**

**Rural growth**, e.g. Cambridge; GOOD – brings in workers and helps to keep rural areas going;

BAD – pushes house prices up and increases traffic on the roads

**Rural decline**, e.g. Outer Hebrides; GOOD – less people to pay to support in a remote area and fishing & tourism have increased; BAD – governments have to pay a lot to keep a small area going, younger people keep moving away which makes it hard to keep farming & fishing industries alive

**Improvements in transport**

**Road** – 2014 Road Investment Strategy (£15 billion); 100 new roads by 2020; A303 ‘Super Highway’ linking London to the south-west; roads from this will link to other cities/towns, e.g. Portsmouth and Southampton

**Rail** – HS2 (high speed railway) linking north to the south; Crossrail linking east to west London

**Ports** – Liverpool2 (new container terminal) to increase capacity & help it compete with other ports

**Airports** – expand Heathrow (new runway) to bring goods & people in; controversial due to noise

**The North-South divide**

**The divide** – north has lower population, more upland land, lower house prices, more jobs in primary & secondary industry; south has higher population, lowland, high house prices, & tertiary/quaternary sectors

**Strategies to reduce the divide** – financial investment (e.g. car factories such as Nissan and Mitsubishi); transport improvements (HS2, Liverpool2); Local Enterprise Partnerships (help local businesses); Enterprise Zones (help businesses set up with fast broadband and financial allowances)

**The UK in the wider world**

**Links** – trade (of goods); culture (BBC, Notting Hill Carnival); transport (Heathrow, Channel Tunnel); electronic communication (trans-Atlantic high power cables; project Arctic Fibre)

**Commonwealth** – group of 53 countries working for human rights, social/economic development

**The EU** – trading group of 28 countries; enabled goods to move freely between countries and supported weaker countries; UK is now leaving so its links with EU countries is uncertain