

Reducing the Global Development Gap

Microfinance Loans

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

- + Loans enable people to begin their own businesses
- Its not clear they can reduce poverty at a large scale.



Foreign-direct investment

This is when one country buys property or infrastructure in another country.

- + Leads to better access to finance, technology & expertise.
- Investment can come with strings attached that country's will need to comply with.



Aid

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

- + Improve literacy rates, building dams, improving agriculture.
- Can be wasted by corrupt governments or they can become too reliant on aid.



Debt Relief

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

- + Means more money can be spent on development.
- Locals might not always get a say. Some aid can be tied under condition from donor country.



Fair trade

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

- + Paid fairly so they can develop schools & health centres.
- Only a tiny proportion of the extra money reaches producers.



Technology

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

- + Renewable energy is less expensive and polluting.
- Requires initial investment and skills in operating technology



CS: Reducing the Development Gap In Jamaica



Location and Background

Jamaica is a LIC island nation part of the Caribbean. Location makes Jamaica an attractive place for visitors to explore the tropical blue seas, skies and palm filled sandy beaches



Tourist economy



- In 2015, 2.12 million visited.
- Tourism contributes 27% of GDP and will increase to 38% by 2025.
- 130,000 jobs rely on tourism.
- Global recession 2008 caused a decline in tourism. Now tourism is beginning to recover.

Multiplier effect

- Jobs from tourism have meant more money has been spent in shops and other businesses.
- Government has invested in infrastructure to support tourism.
- New sewage treatment plants have reduced pollution.

Development Problems

- Tourists do not always spend much money outside their resorts.
- Infrastructure improvements have not spread to the whole island.
- Many people in Jamaica still live in poor quality housing and lack basic services such as healthcare.

Geography - Reducing the Global Development Gap (2 of 2)

Case Study: Economic Development in Nigeria



Location & Importance

Nigeria is a NEE in West Africa. Nigeria is just north of the Equator and experiences a range of environments. Nigeria is the most populous and economically powerful country in Africa. Economic growth has been based on oil exports.

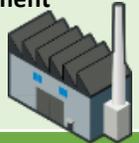


Cultural

Nigeria's **diversity** has created rich and varied **artistic culture**. The country has a **rich music, literacy and film industry** (i.e. Nollywood). A successful national football side.

Industrial Structures

Once mainly based on agriculture, **50% of its economy is now manufacturing and services**. A thriving manufacturing industry is **increasing foreign investment and employment opportunities**.



The role of TNCs

TNCs such as **Shell** have played an important role in its economy.
 + Investment has **increased employment and income**.
 - **Profits move to HICs**.
 - **Many oil spills have damaged fragile environments**.



Changing Relationships

Nigeria plays a leading role with the **African Union and UN**. **Growing links with China** with huge investment in infrastructure. Main import includes petrol from the EU, cars from Brazil and phones from China.

Influences upon Nigeria's development

Political

Suffered **instability** with a **civil war** between 1967-1970. From 1999, the country became **stable** with **free and fair elections**. Stability has **encouraged global investment** from China and USA.

Social

Nigeria is a **multi-cultural, multi-faith society**. Although mostly a strength, diversity has caused **regional conflicts** from groups such as the Boko Haram terrorists.

Environmental Impacts

The 2008/09 oil spills **devastated swamps** and its **ecosystems**. Industry has caused **toxic chemicals** to be discharged in open sewers - **risking human health**. **80% of forest** have been **cut down**. This also increases **CO² emissions**.

Aid & Debt relief

+ Receives **\$5billion** per year in aid.
 + **Aid groups** (ActionAid) have improved health centres, provided anti-mosquito nets and helped to protect people against AIDS/HIV.
 - **Some aid fails to reach the people who need it due to corruption**.

Effects of Economic Development

Life expectancy has increased from 46 to 53 years. 64% have access to safe water. Typical schooling years has increased from 7 to 9.