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# Contemporary Human Geography, 2e

Lectures

## Chapter 9

Development

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# 9.1 Human Development Index

- Development
  - The process of improving the material conditions of people through diffusion of knowledge and technology

## 9.1 Human Development Index

- Developed country
  - AKA more developed country (MDC)
  - AKA relatively developed country

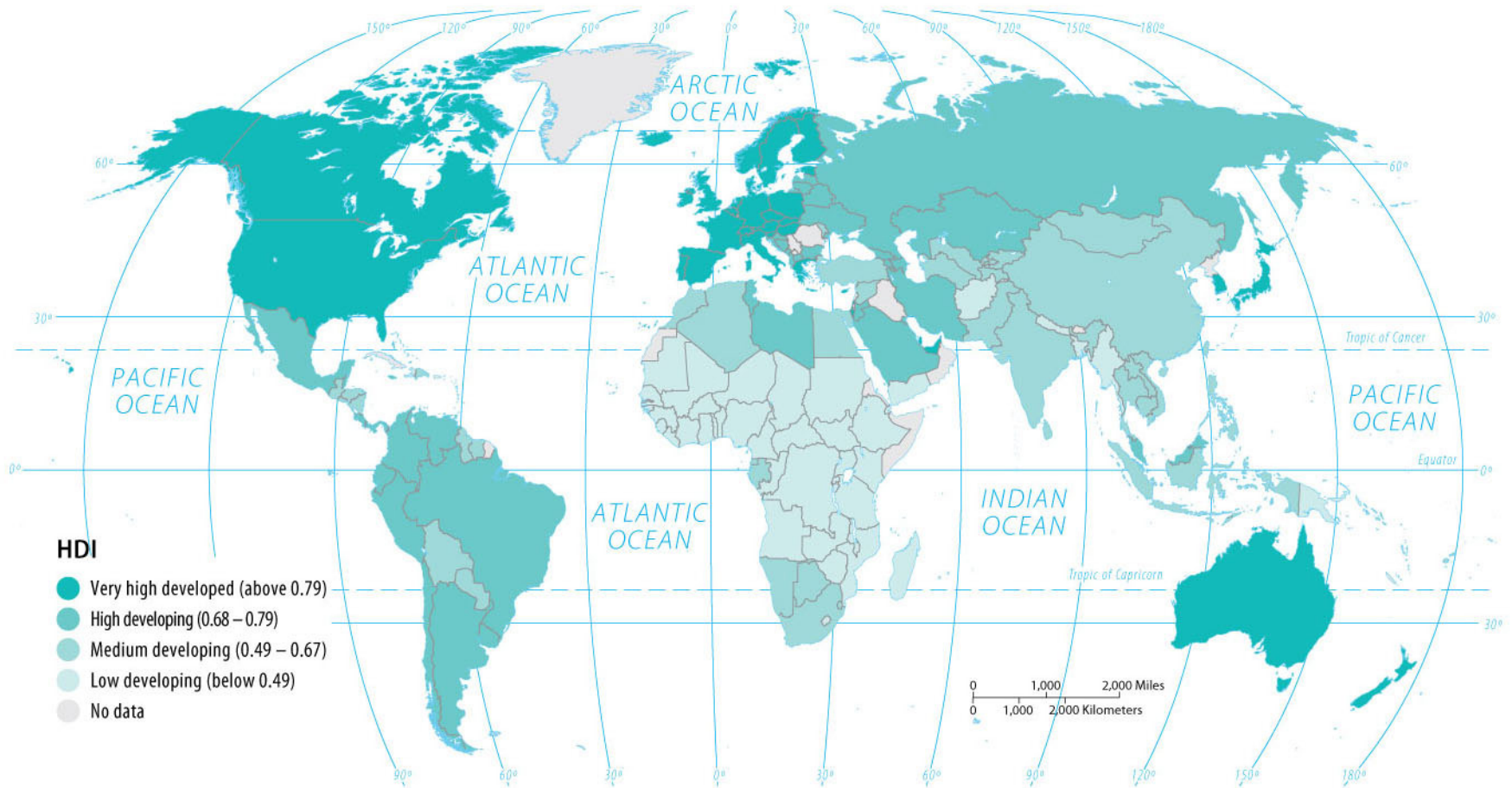
# 9.1 Human Development Index

- Developing country
  - AKA less developed country (LDC)
  - AKA relatively developed country

## 9.1 Human Development Index

- Human Development Index (HDI)
  - Decent standard of living
  - Access to knowledge
  - Long and healthy life

# 9.1 Human Development Index



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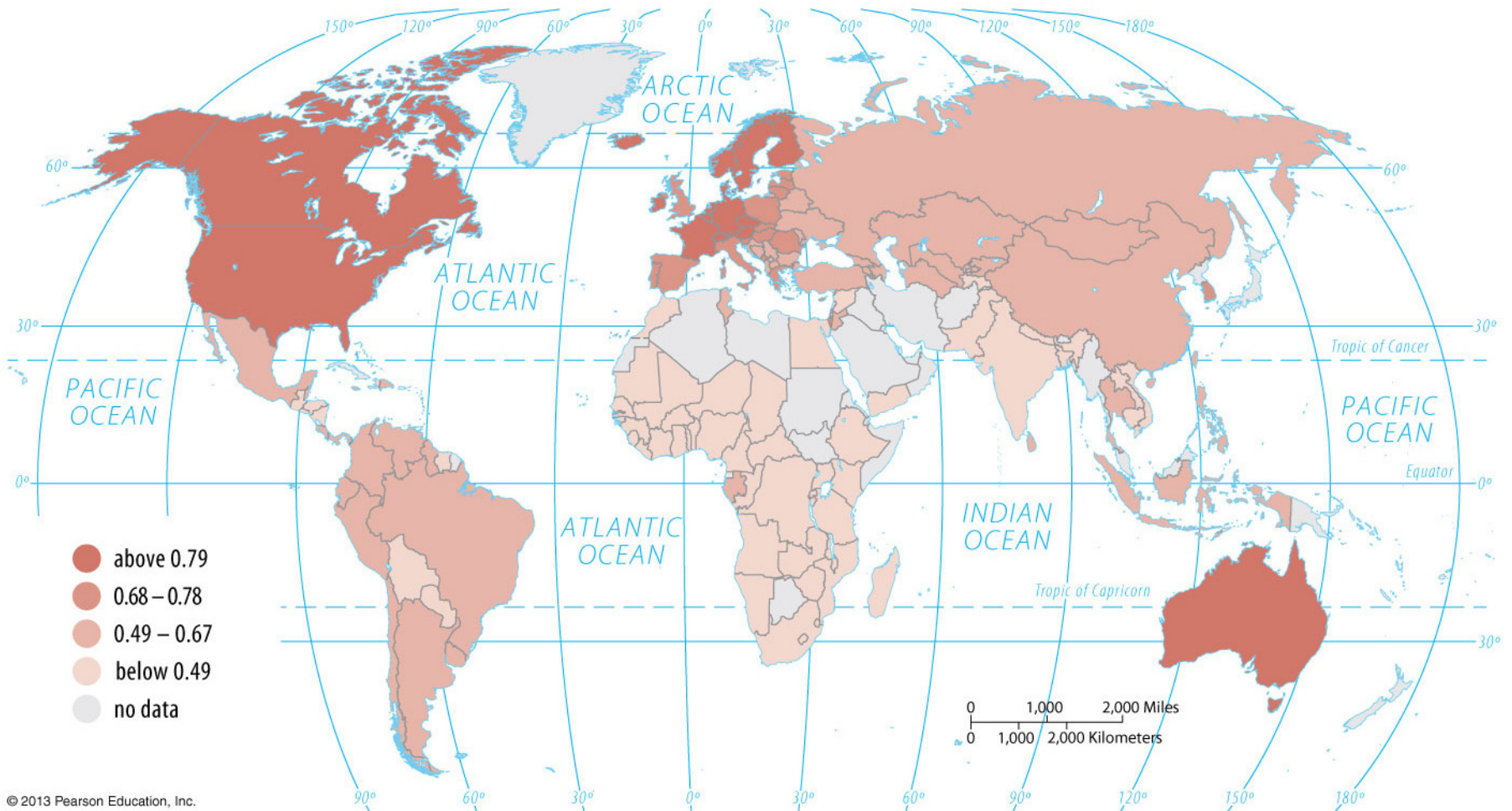
## HDI

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## 9.1 Human Development Index

- Inequality-Adjusted Human Development Index (IHDI)
  - A comparative measure against the HDI
  - The greater the difference between HDI and IHDI, the greater the inequality

# 9.1 Human Development Index



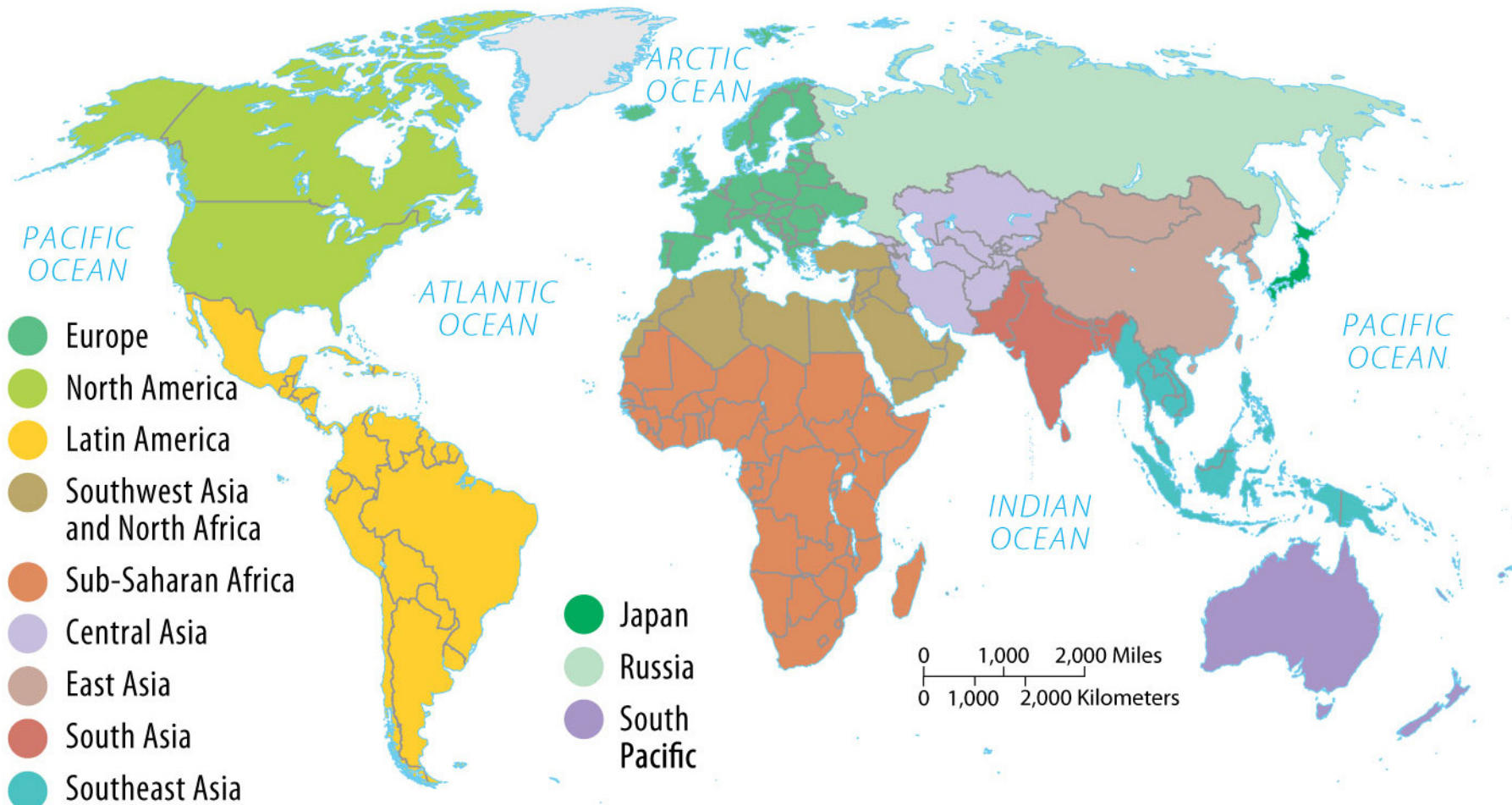
## INEQUALITY-ADJUSTED HDI



## 9.1 Human Development Index

- Focus on world regions
  - Nine world regions based on physical, cultural, and economic features

# 9.1 Human Development Index



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## NINE WORLD REGIONS

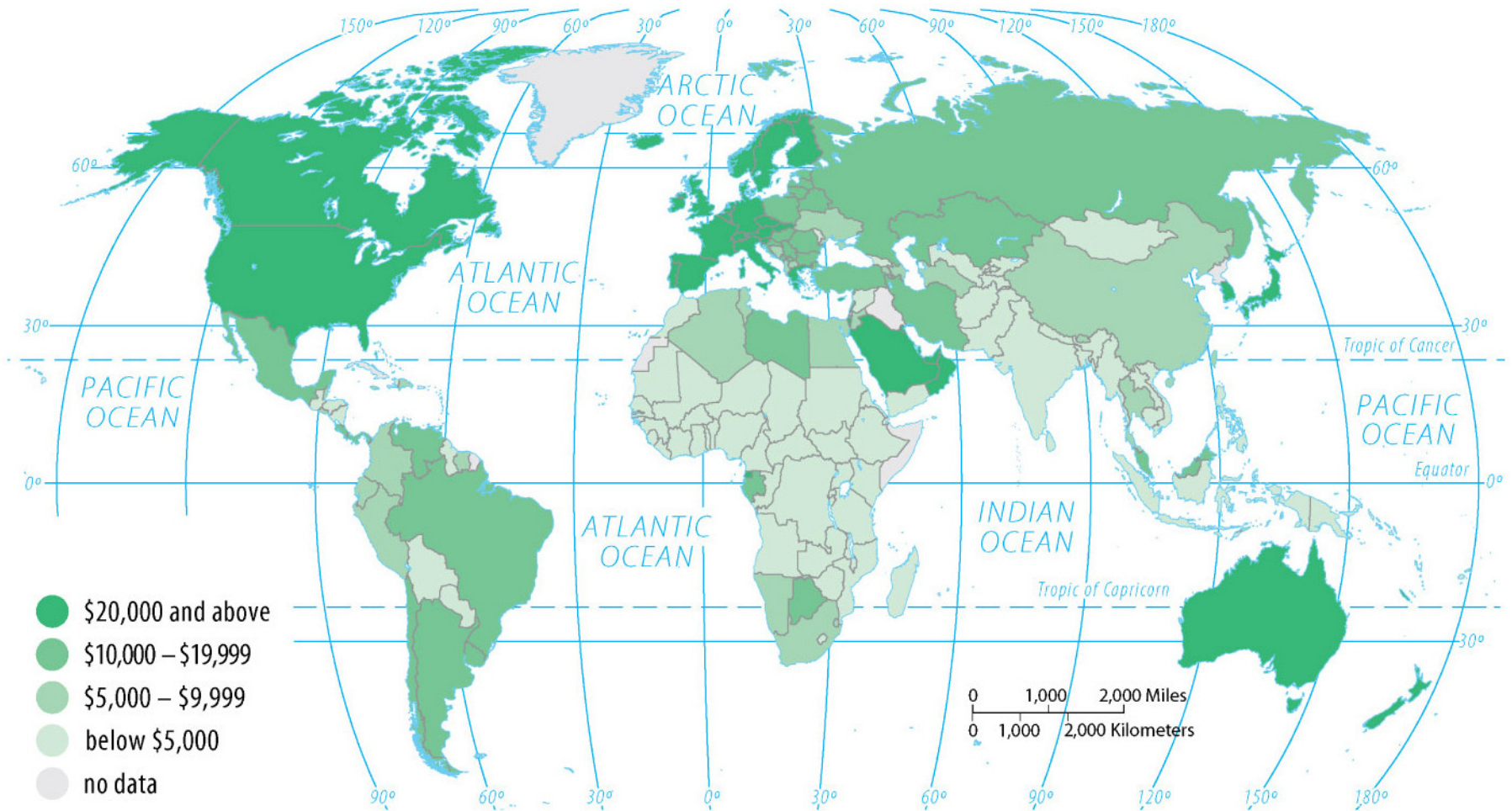
## 9.2 Standard of Living

- Developed countries have higher average incomes than developing countries.
- People in developed countries have higher incomes and possess more goods.

## 9.2 Standard of Living

- Income
  - Annual gross national income per capita at purchasing power parity
  - Gross domestic product
    - The value of the output of goods and services produced in a country in a year
    - Money that leaves the country is not included in measure
  - Purchasing power parity
    - Accounts for the differences in the cost of goods among countries

# 9.2 Standard of Living



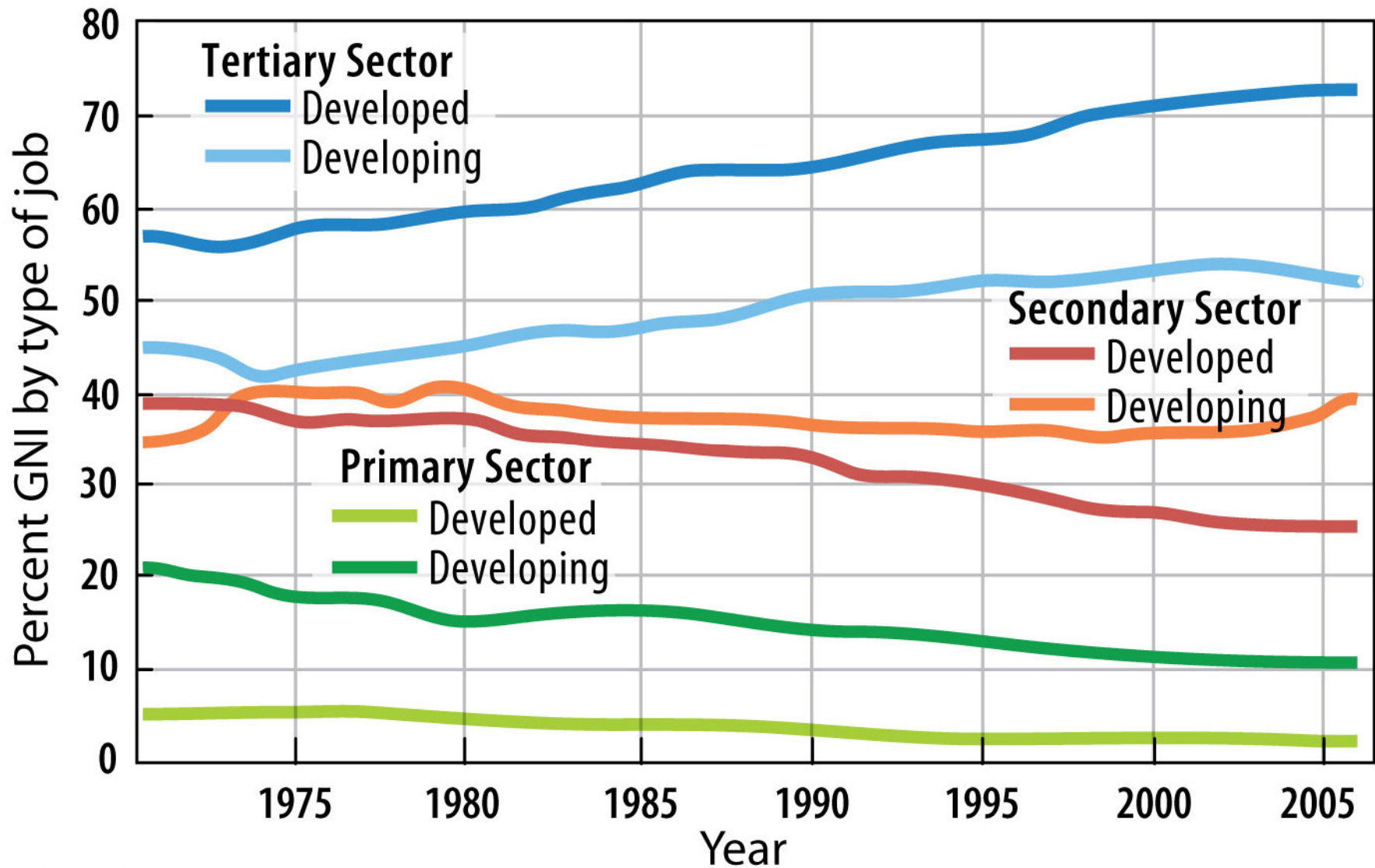
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## GNI PER CAPITA PPP

## 9.2 Standard of Living

- Economic structure
  - Three sectors or categories
    - Primary
    - Secondary
    - Tertiary
  - Developing countries have a higher share of primary and secondary workers
  - Developed countries have a higher share of tertiary workers

## 9.2 Standard of Living



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### PERCENT GNI CONTRIBUTED BY TYPE OF JOB

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## 9.2 Standard of Living

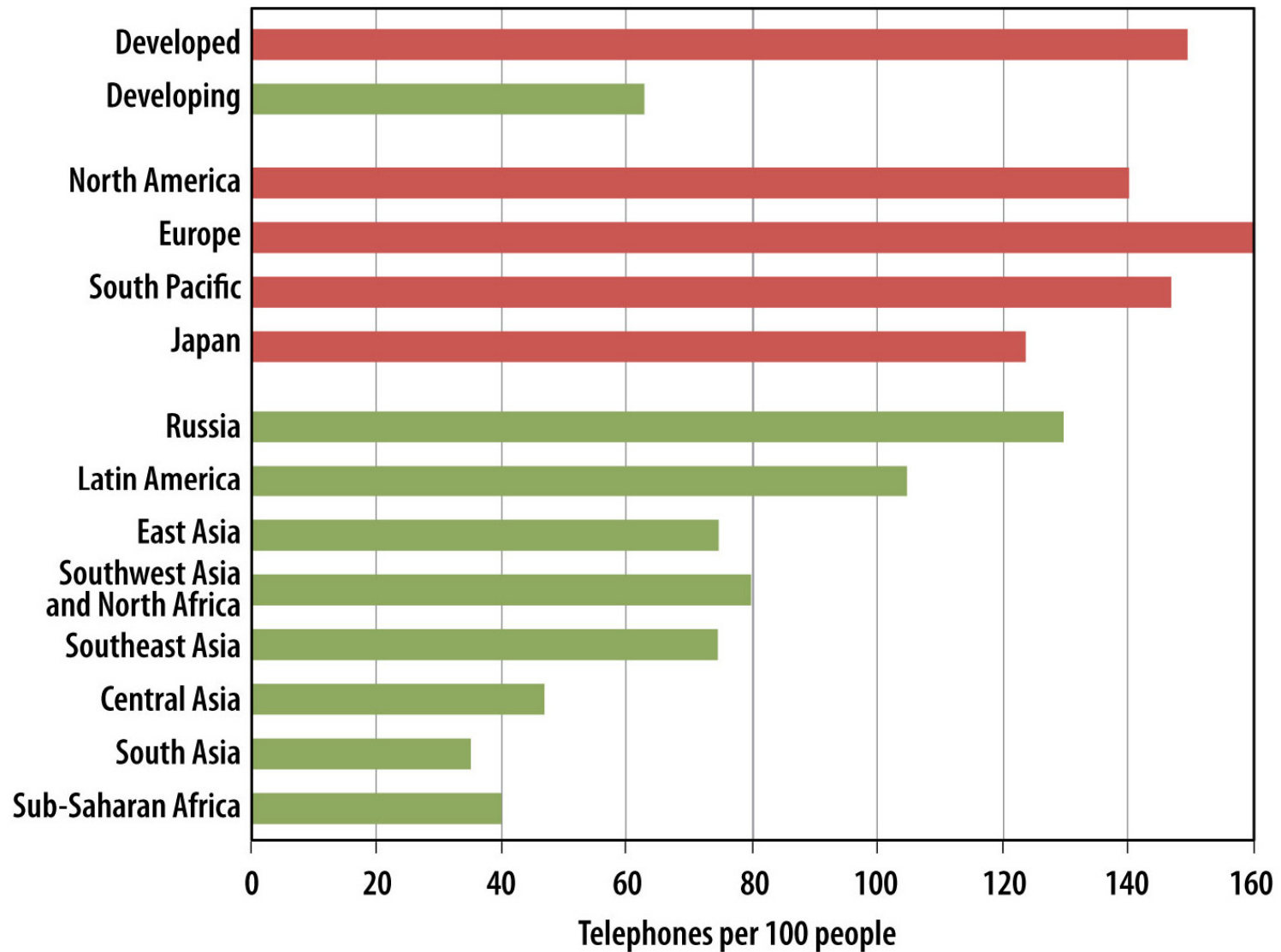
- Productivity
  - Productivity
    - The value of a particular product compared to the amount of labor needed to make it
  - Value added
    - The gross value of the product minus the cost of raw materials and energy



## 9.2 Standard of Living

- Consumer goods

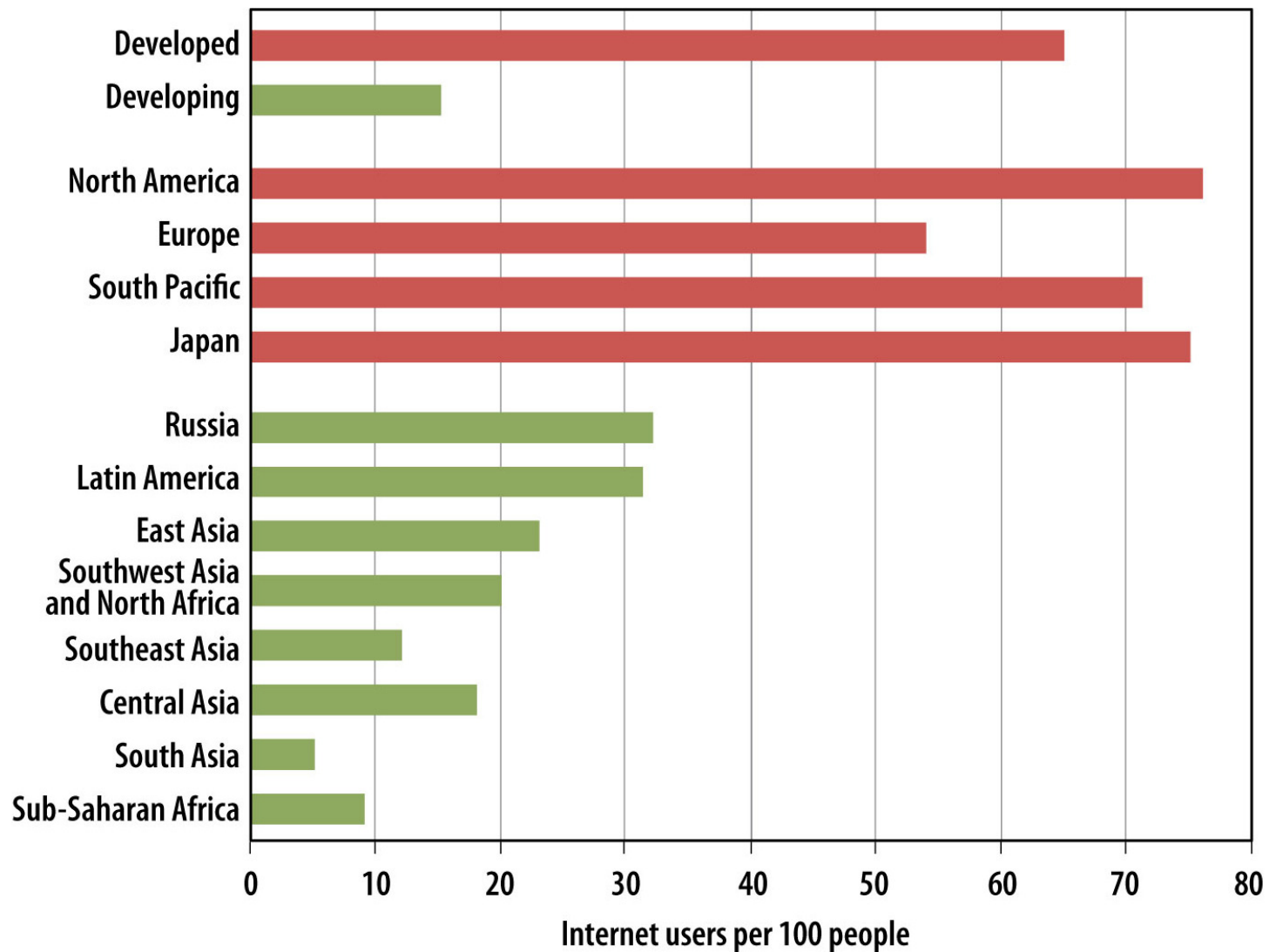
## 9.2 Standard of Living



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TELEPHONES PER 100 PEOPLE

## 9.2 Standard of Living



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### INTERNET USERS PER 100 PEOPLE

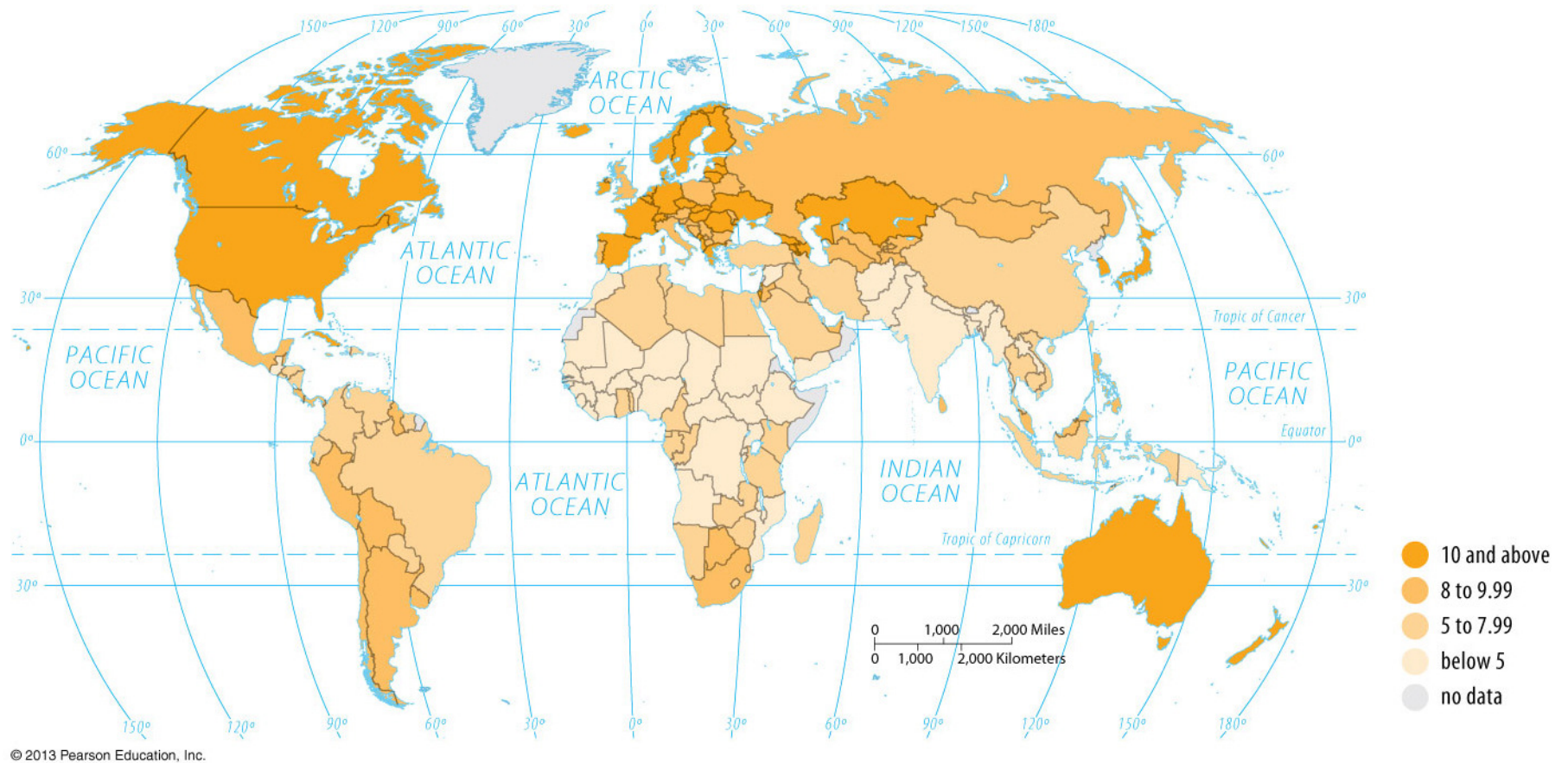
## 9.2 Standard of Living

- Focus on North America
  - Highest per capita income
  - Highest percentage of tertiary-sector employees
  - Highest level of consumption of consumer goods

## 9.3 Access to Knowledge

- Quantity of schooling
  - Most critical measure of ability of an individual to gain access to knowledge for development
  - Years of schooling
    - The number of years the average person age 25 or older in a country has spent in schools

# 9.3 Access to Knowledge

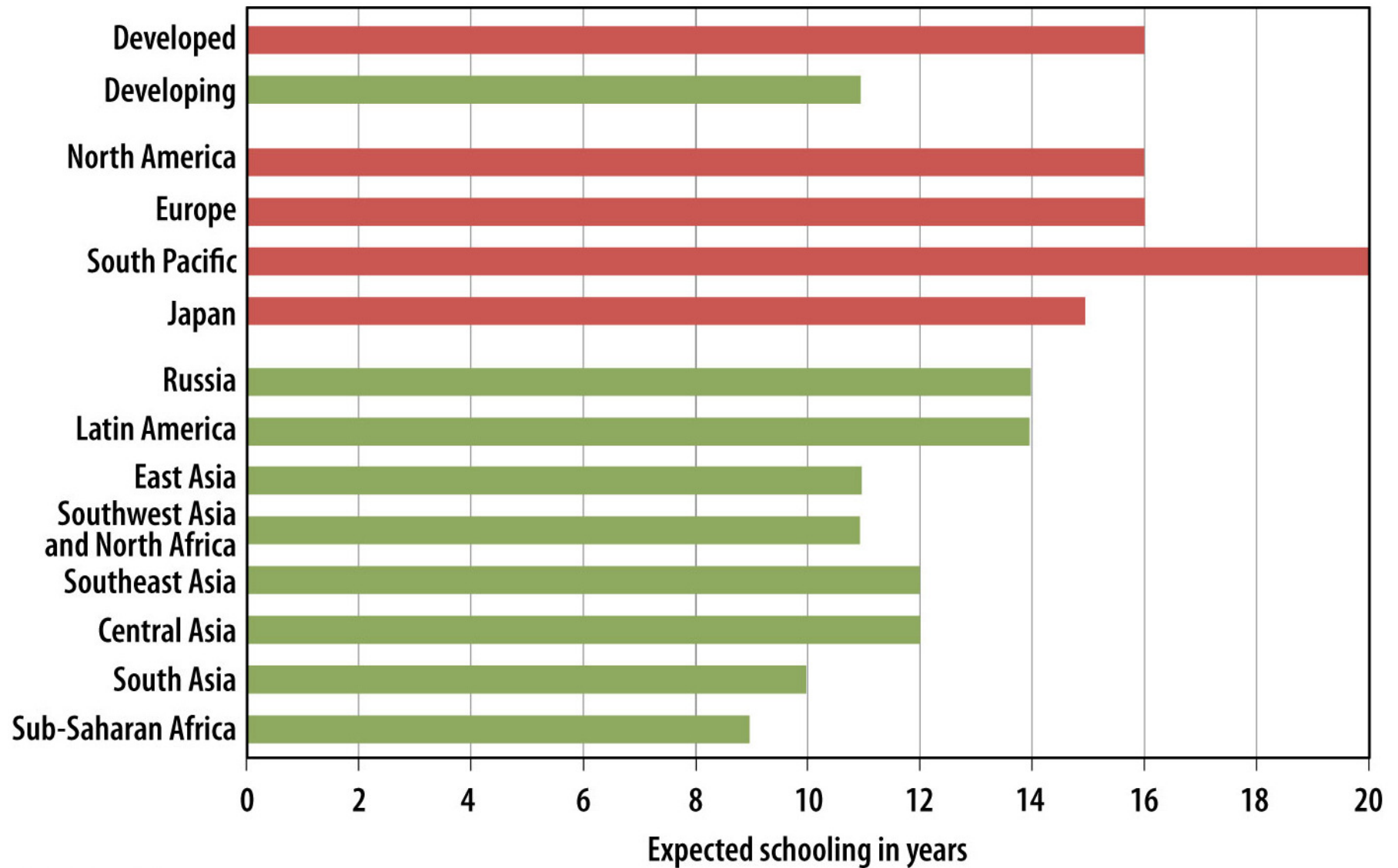


## MEAN YEARS OF SCHOOLING

## 9.3 Access to Knowledge

- Expected years of schooling
  - The number of years that the average five-year-old child is expected to spend with his or her education

## 9.3 Access to Knowledge



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EXPECTED YEARS OF SCHOOLING

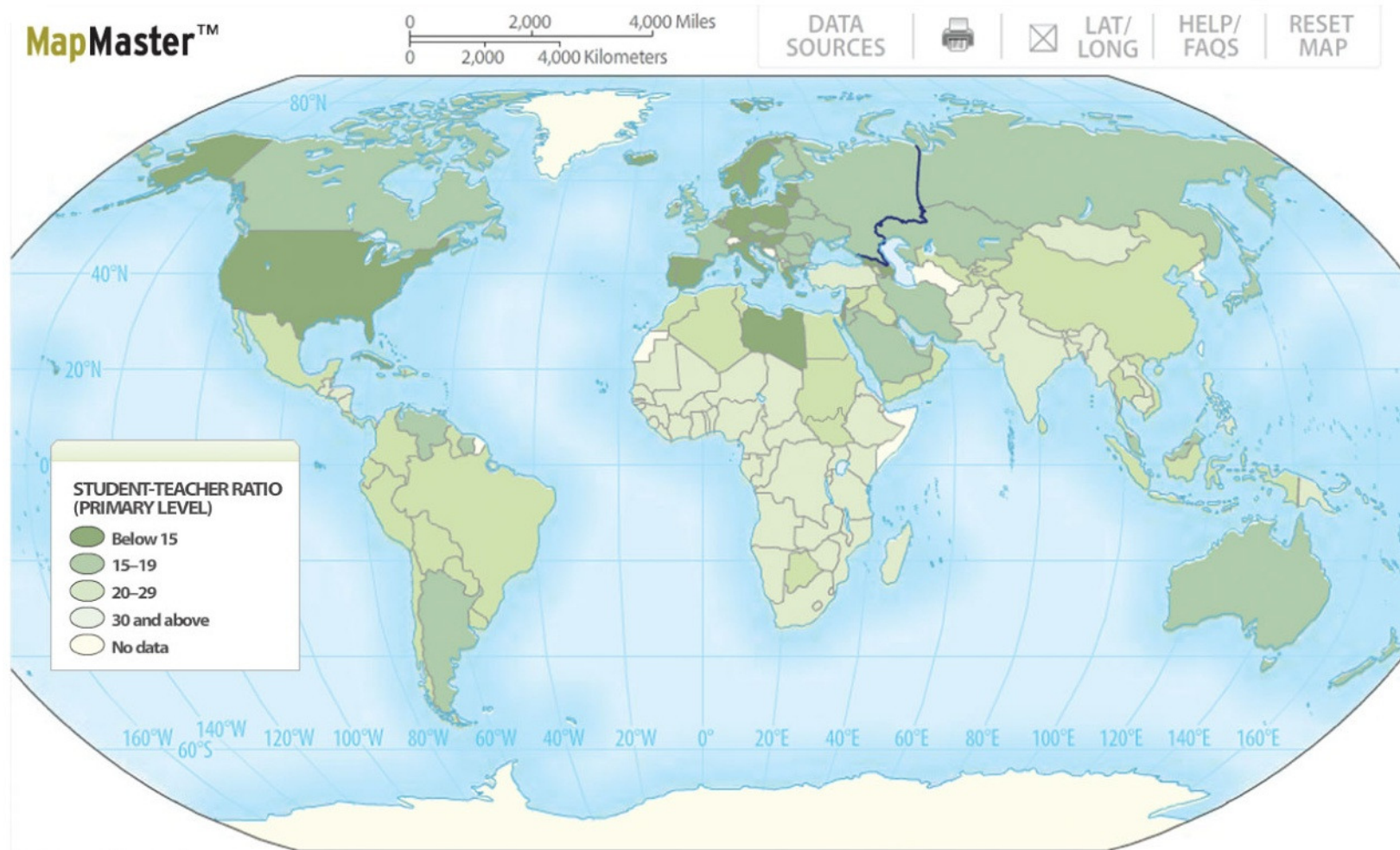
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## 9.3 Access to Knowledge

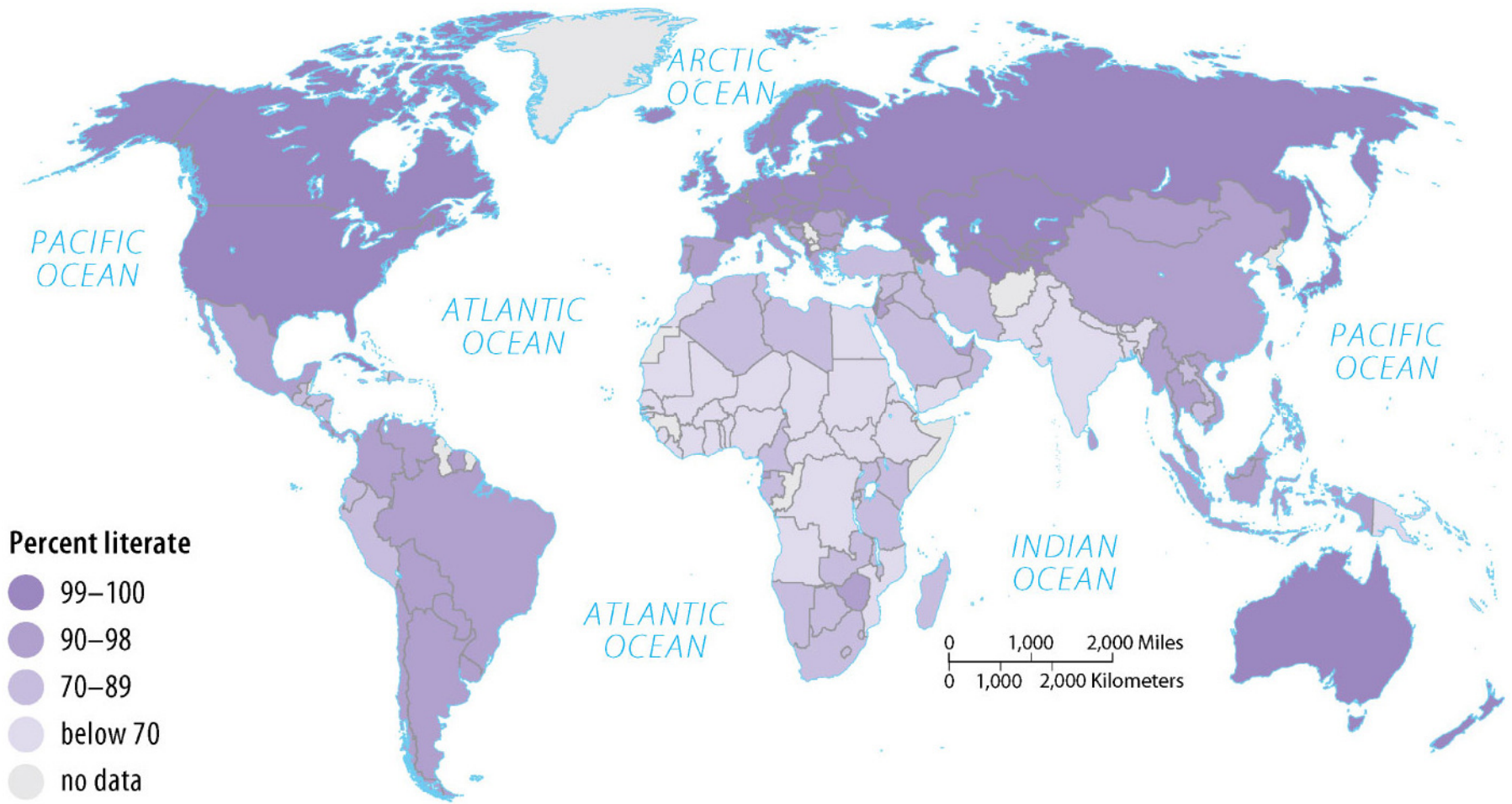
- Quality of schooling
  - Pupil–teacher ratio
  - Literacy rate
    - The percentage of a country's people who can read and write

# 9.3 Access to Knowledge



PUPIL/TEACHER RATIO

# 9.3 Access to Knowledge



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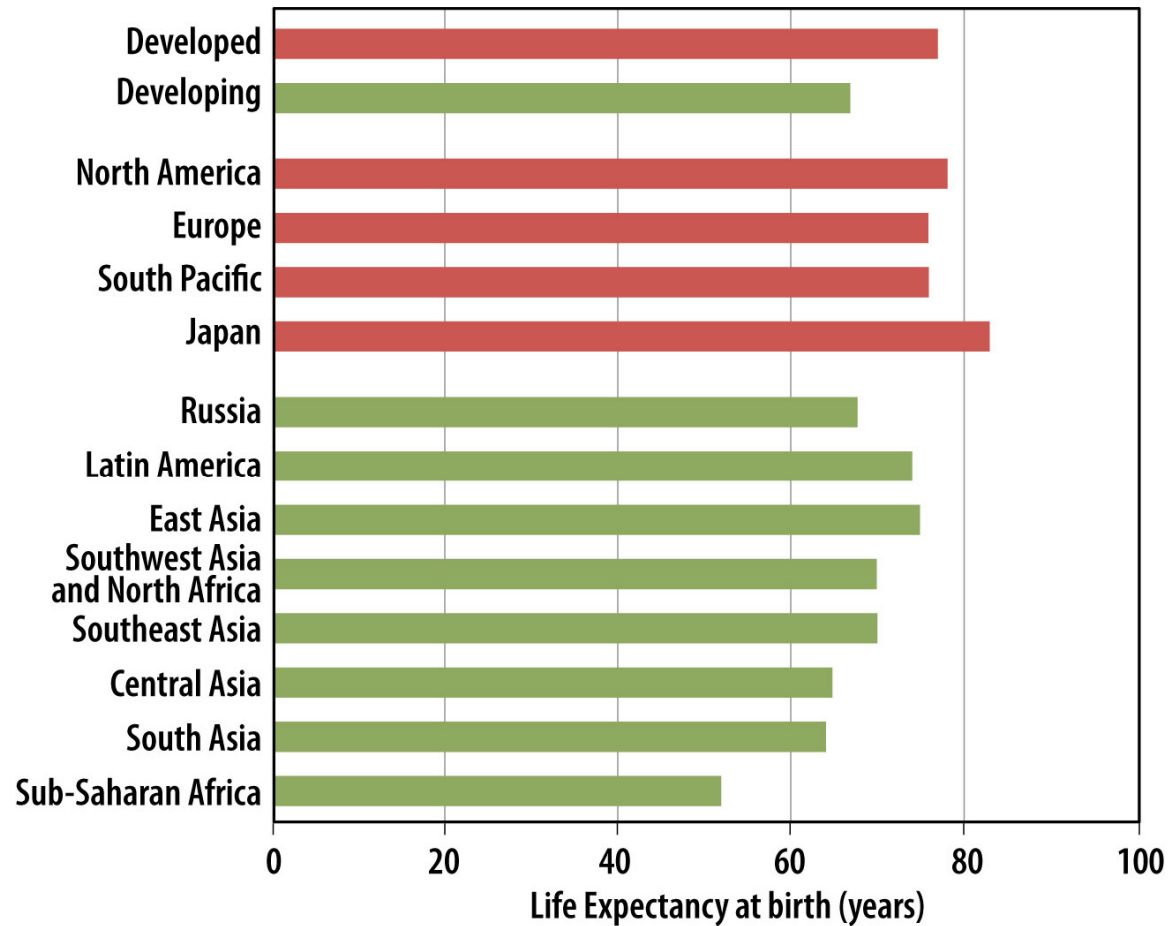
## LITERACY RATE

## 9.3 Access to Knowledge

- Focus on Europe
  - World's highest HDI
    - European core pattern
  - High levels of schooling
  - Higher pupil–teacher ratios
  - Universal literacy
  - Eastern European countries skew the data.

## 9.4 Health Indicators

- Life expectancy



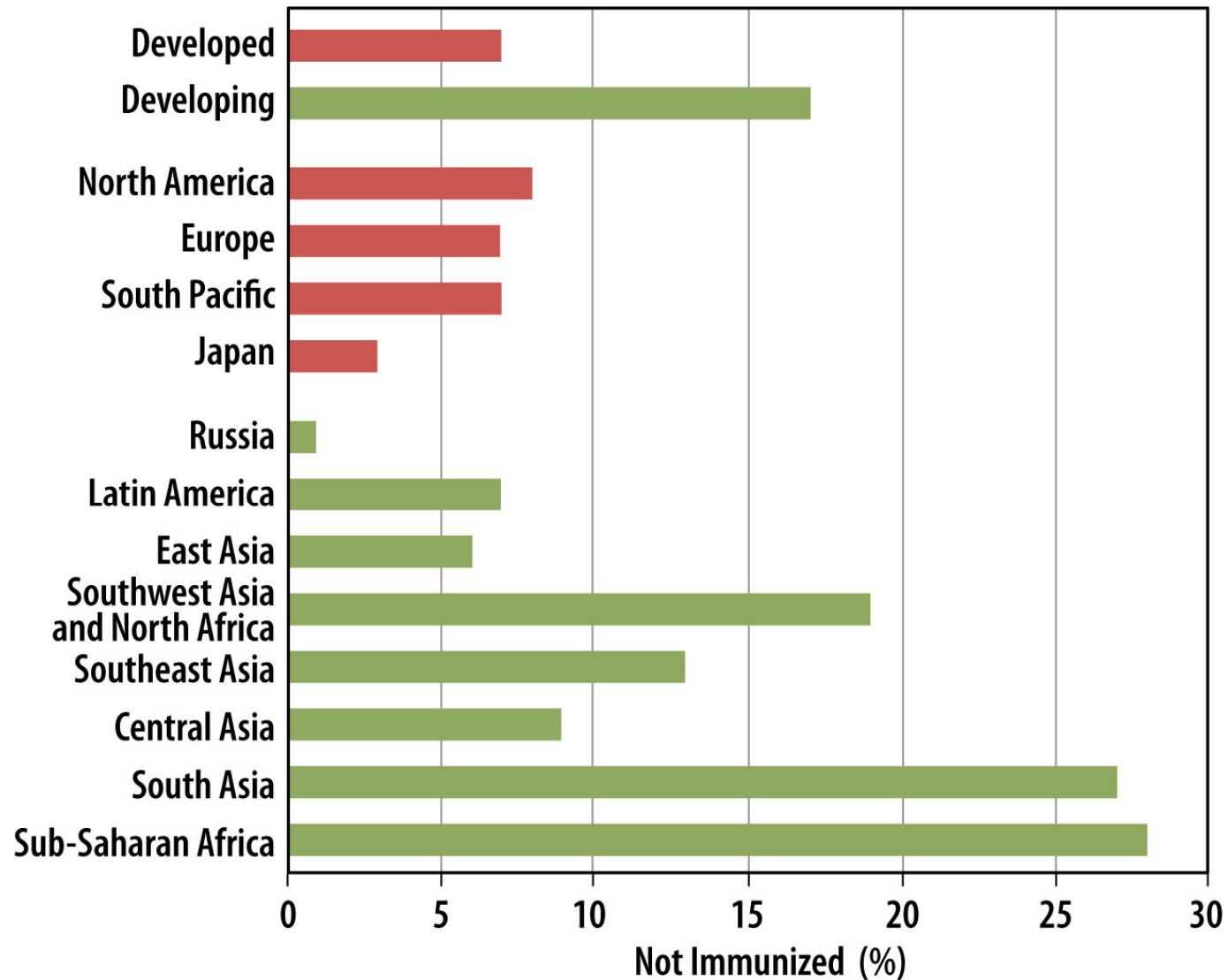
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### LIFE EXPECTANCY BY REGION

## 9.4 Health Indicators

- Health care access
  - Healthier populations are more economically productive.

## 9.4 Health Indicators



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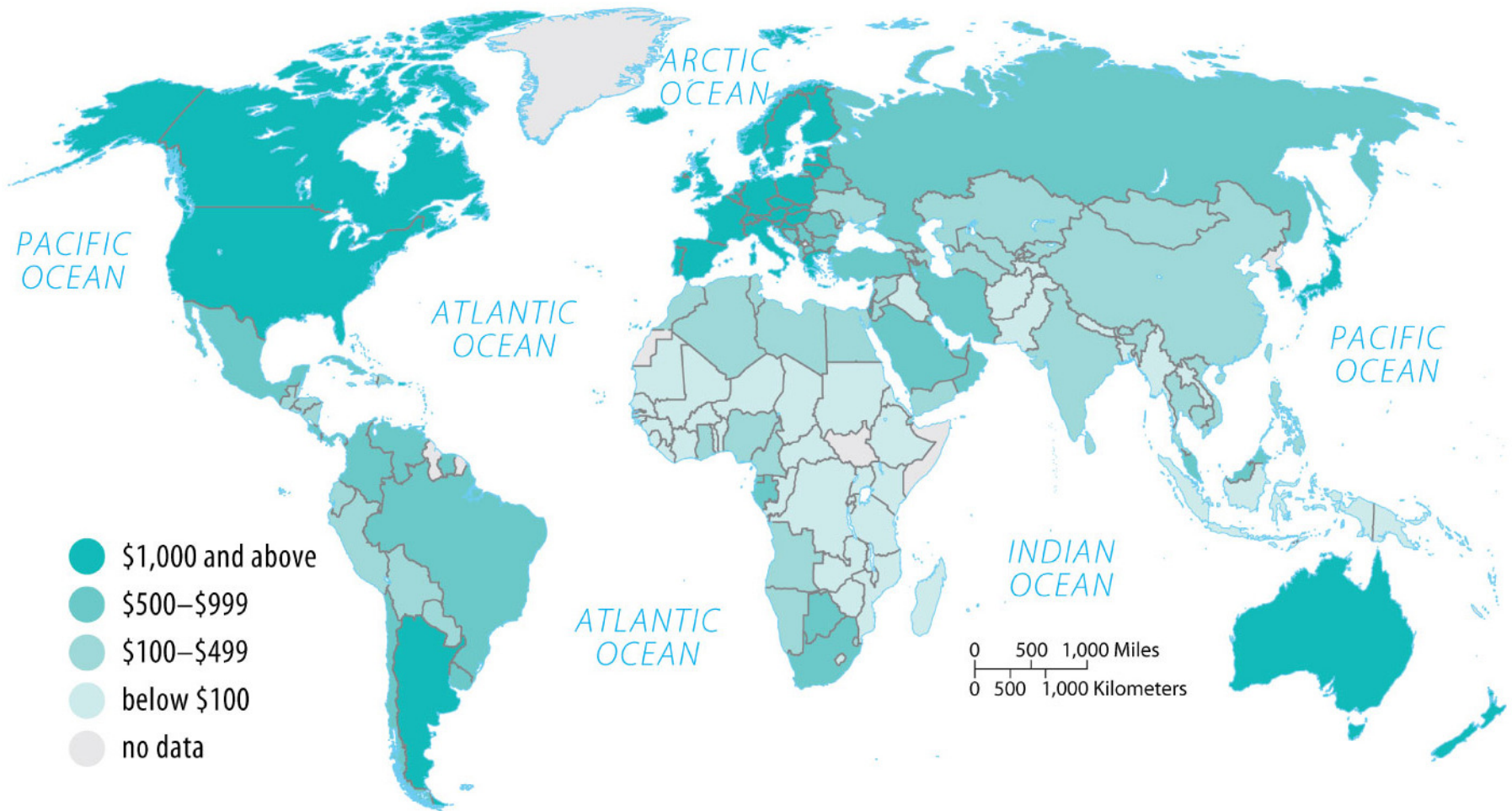
### CHILDREN LACKING MEASLES IMMUNIZATION

## 9.4 Health Indicators

- Health care expenditures
  - Healthier populations are more economically productive.



# 9.4 Health Indicators

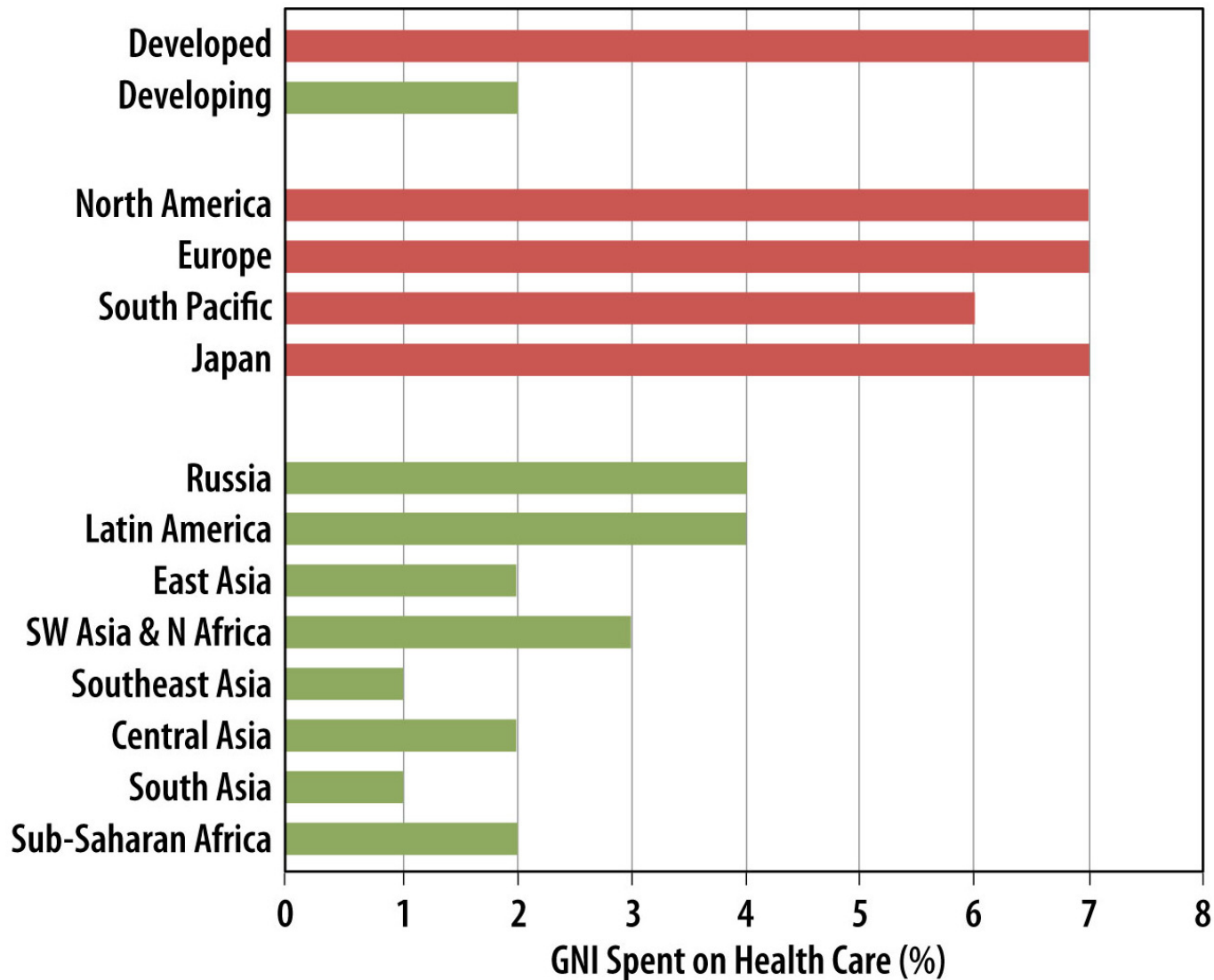


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## HEALTH CARE EXPENDITURE PER CAPITA

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## 9.4 Health Indicators



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### HEALTH CARE EXPENDITURE AS PERCENTAGE OF GNI

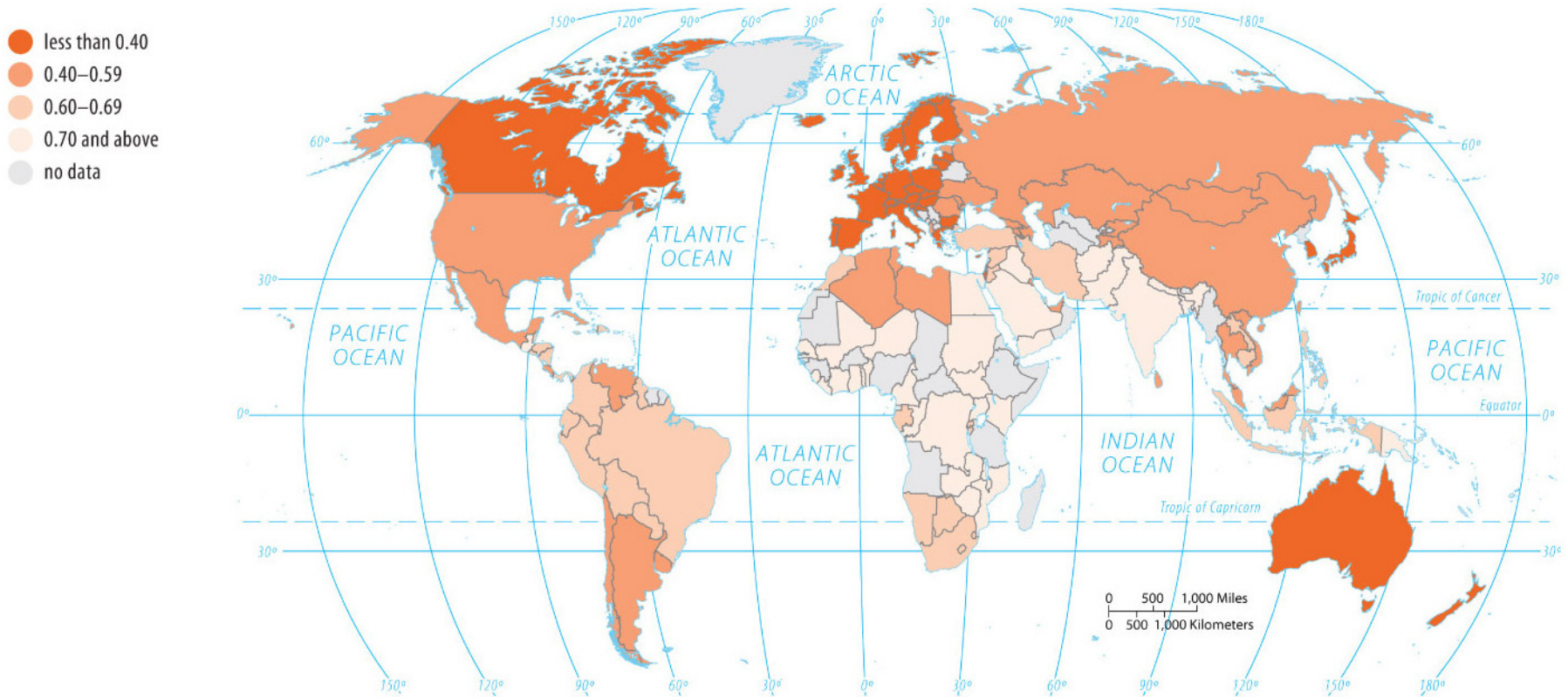
## 9.4 Health Indicators

- Focus on Latin America
  - Varying levels of development
  - Coastal area has a relatively high per capita GNI
  - Relatively high life expectancy
  - Relatively high immunization rates
  - More hospital beds per capita
  - More money spent on health care
  - Less than developed regions, however

## 9.5 Gender-Related Development

- The status of women is lower than men in every country.
- Gender Inequality Index (GII)
  - Reproductive health
  - Empowerment
  - Labor

# 9.5 Gender-Related Development



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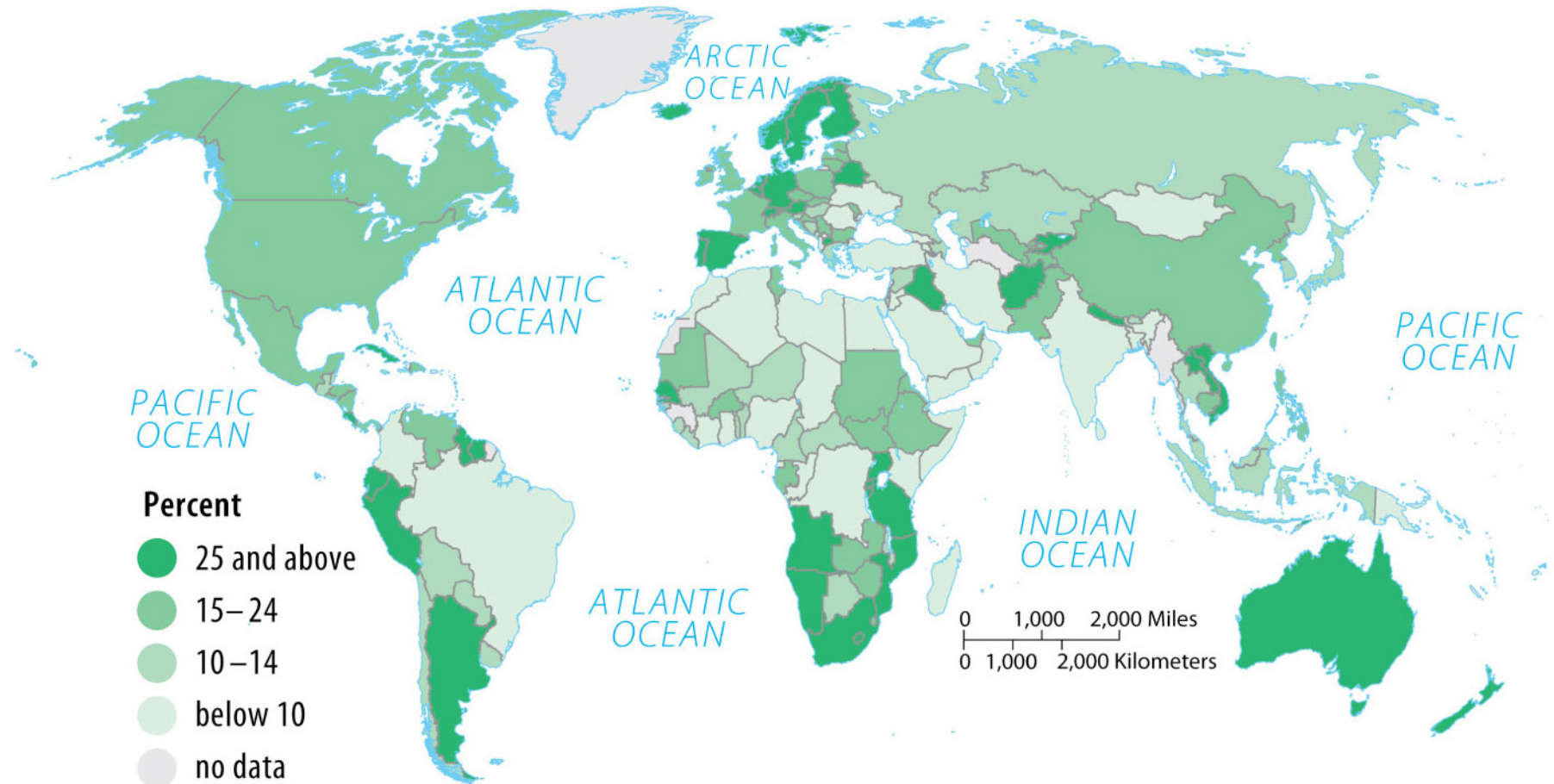
## GENDER INEQUALITY INDEX (GII)

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## 9.5 Gender-Related Development

- Empowerment
  - The percentage of seats held by women in the national legislature
  - The percentage of women who have completed high school

# 9.5 Gender-Related Development



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## SEATS IN NATIONAL LEGISLATURE HELD BY WOMEN

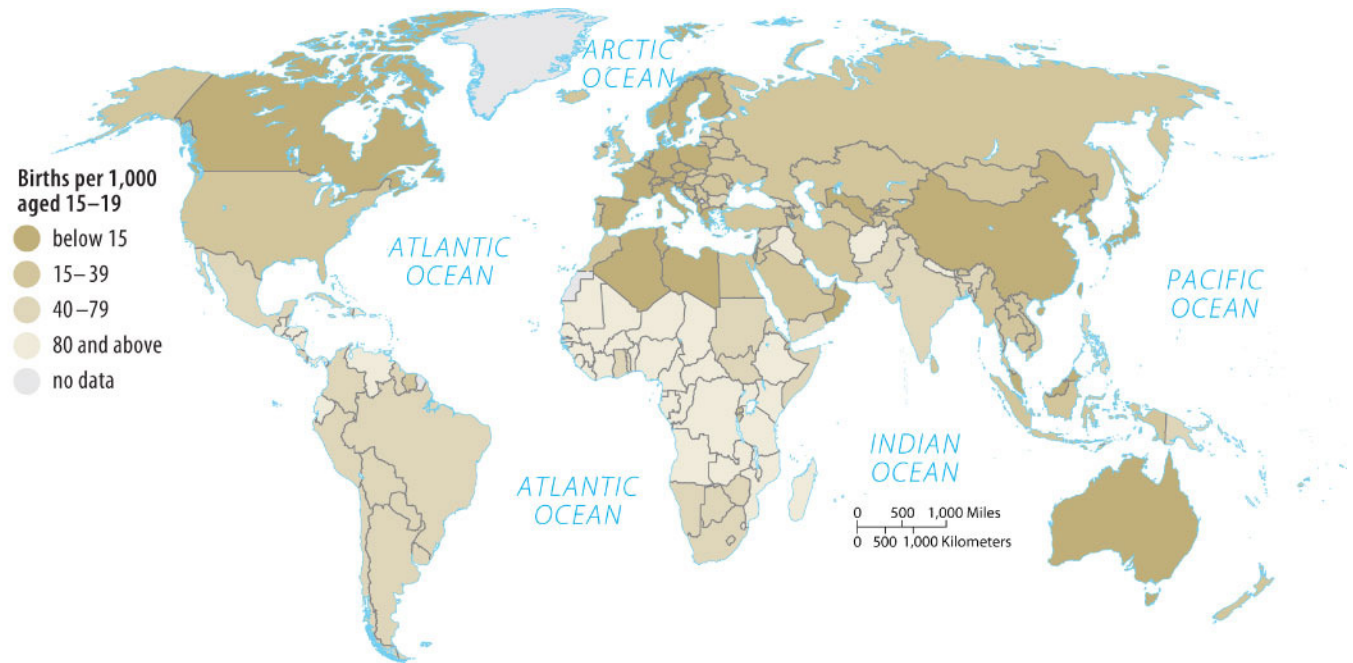
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## 9.5 Gender-Related Development

- Labor
  - Labor force participation rate
    - The percentage of women who hold full-time jobs outside the home



# 9.5 Gender-Related Development



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ADOLESCENT FERTILITY RATE (RIGHT)  
TEENAGE MOTHER IN OHIO (LEFT)

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## 9.5 Gender-Related Development

- Reproductive health
  - Material mortality ratio
    - The number of women who die giving birth per 100,000 births
  - Adolescent fertility rate
    - The number of women per 1,000 women age 15–19

## 9.5 Gender-Related Development



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### FOCUS ON EAST ASIA: WOMEN IN THE LABOR FORCE

## 9.5 Gender-Related Development

- Focus on East Asia
  - The GII is comparable to that of developed regions.
  - China has high female education levels and labor force participation.
    - Low material mortality rates
    - Low teenage fertility rates
    - Accounts for 1/3 of the total world economic growth

## 9.6 Two Paths to Development

- Development through self-sufficiency
- Self-sufficiency (balanced growth) approach
  - Investment spread equally as possible across all sectors of a country's economy and in all regions
  - Fair system where residents and enterprises share development benefits
  - Reducing poverty takes precedence over encouraging a few people to become wealthy consumers.

## 9.6 Two Paths to Development

- Self-sufficiency approach (continued)
  - Fledgling businesses are isolated from competition with large international corporations.
  - Tariffs, quotas, and licenses limit the import of goods.

## 9.6 Two Paths to Development

- Self-sufficiency: India
  - Barriers to trade
    - Imports are subject to licensing and bureaucratic barriers.
    - Limited quantities of goods are permitted to be sold by importers.
    - Taxes on imported goods significantly increase consumer prices.
    - No currency exchange
    - Government permission is required for sale of new products, factory modernization, and changes in production and staffing.

## 9.6 Two Paths to Development

- Development through international trade
- W. W. Rostow's model
- The traditional society
  - Agriculture and national wealth allocated to “nonproductive” activities
- The preconditions for takeoff
  - Technology investment and infrastructure development



## 9.6 Two Paths to Development

- W. W. Rostow's model (Continued):
- The takeoff:
  - Rapid growth generated by limited number of economic activities
- The drive to maturity
  - Wide diffusion of modern technologies
- The age of mass consumption
  - Production shift from heavy industry to consumer goods

## 9.6 Two Paths to Development

- International trade examples
  - The “Four Dragons” barriers to trade
    - South Korea, Singapore, Taiwan, Hong Kong
  - Petroleum-rich Arabian Peninsula countries

## 9.6 Two Paths to Development

- Self-sufficiency shortcomings
  - Self-sufficiency protected inefficient industries.
  - A large bureaucracy was needed to administer the controls.

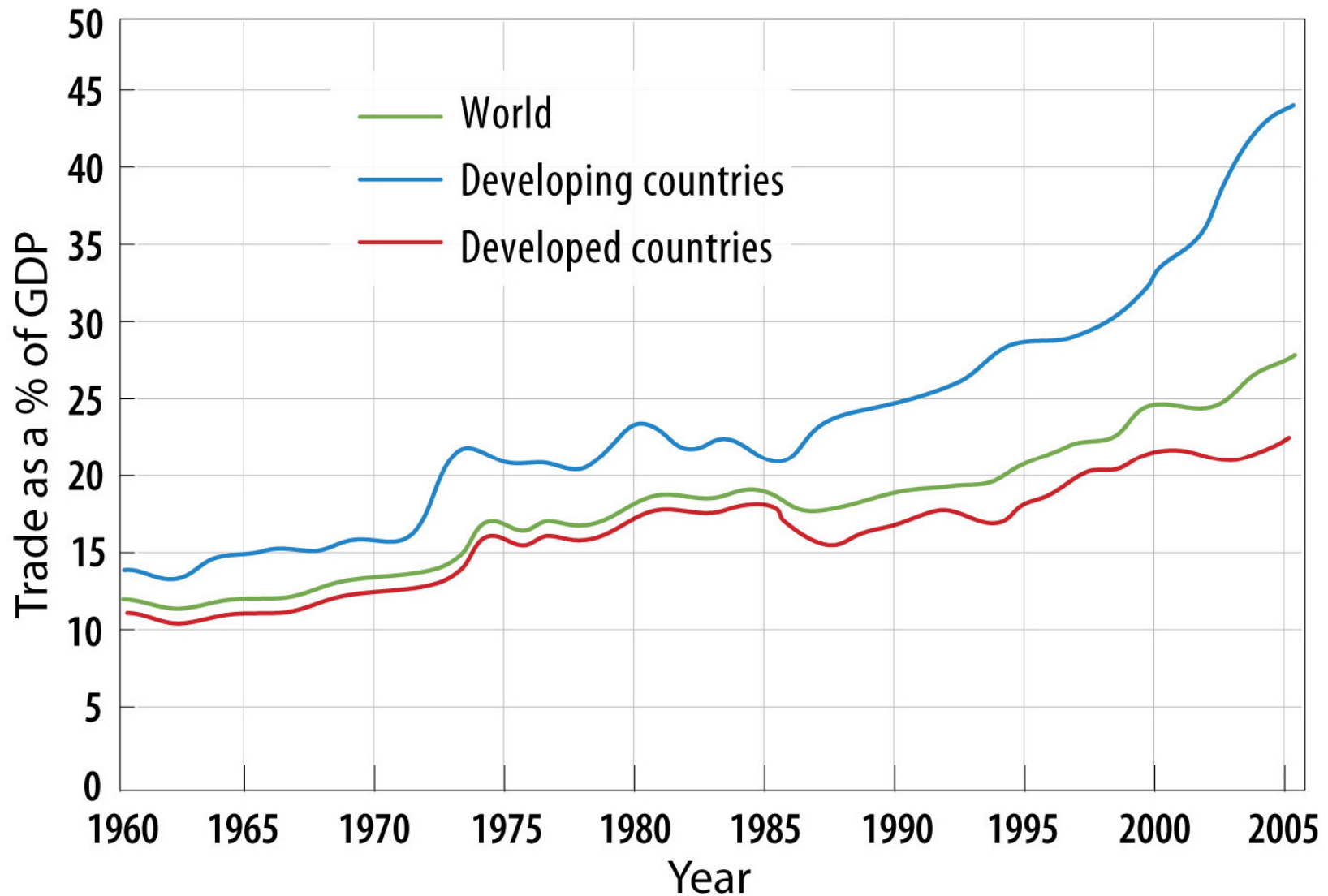
## 9.6 Two Paths to Development

- International trade shortcomings
  - Local hardships
  - Slow market growth
  - Low commodity prices

## 9.6 Two Paths to Development

- International trade triumphs
  - India
    - Reduced taxes and restrictions on imports and exports
    - Eliminated many monopolies
    - Encouraged improvement of the quality of products

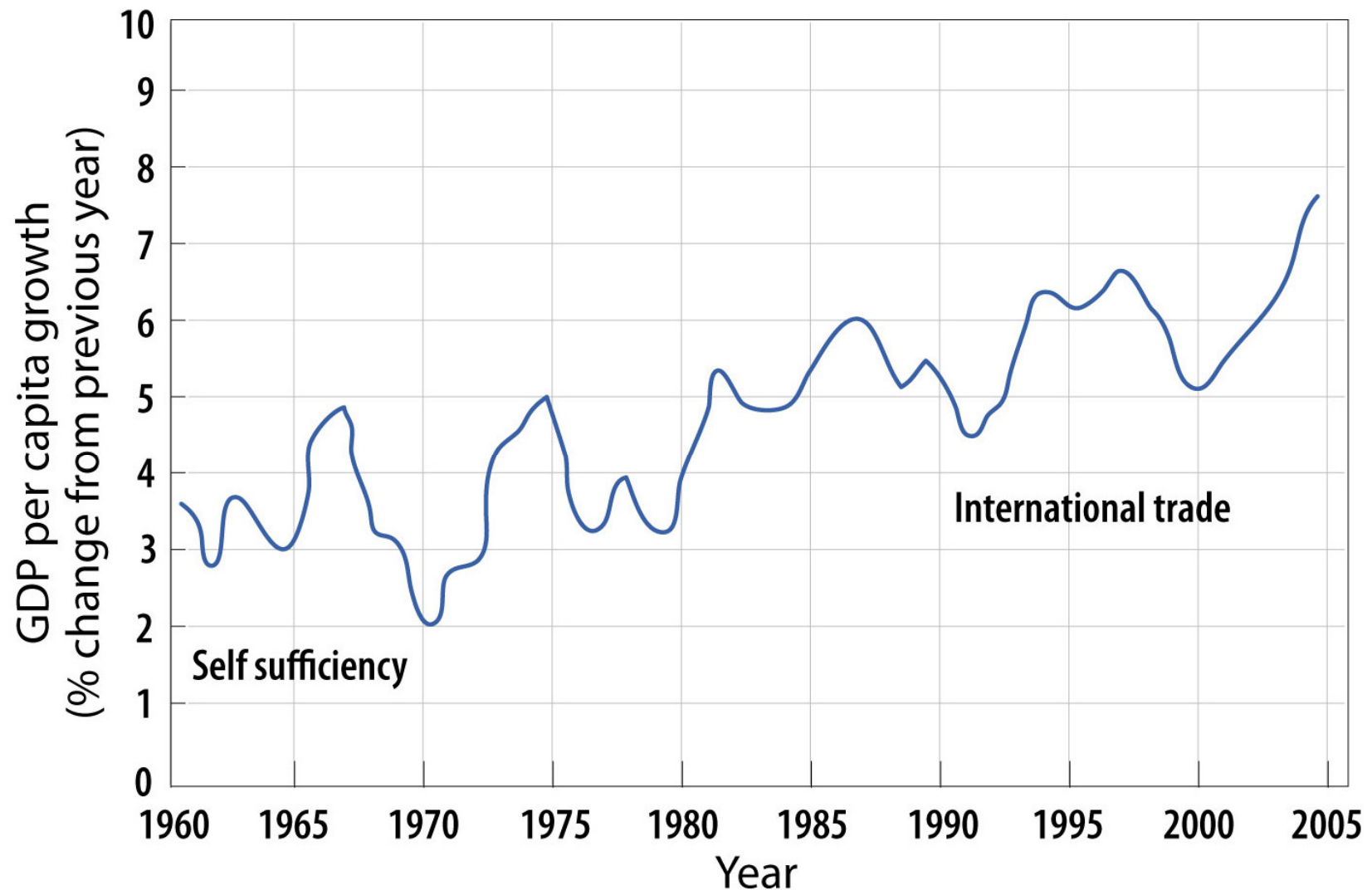
## 9.6 Two Paths to Development



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WORLD TRADE AS PERCENT OF INCOME

## 9.6 Two Paths to Development



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### GDP PER CAPITA CHANGE IN INDIA

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## 9.6 Two Paths to Development

- Focus on Southwest Asia and North Africa
  - Oil-rich countries that have used revenues to finance large-scale projects
  - Imported consumer goods are readily available.
  - Cultural clash between some business practices and Islamic principles
  - Women are excluded from holding many jobs and visiting public places.
  - Prayer practices halt business several times per day.



## 9.7 World Trade

- World Trade Organization (WTO)
  - 1. Reduce or eliminate restrictions:
    - On trade of manufactured goods
    - On international movement of money

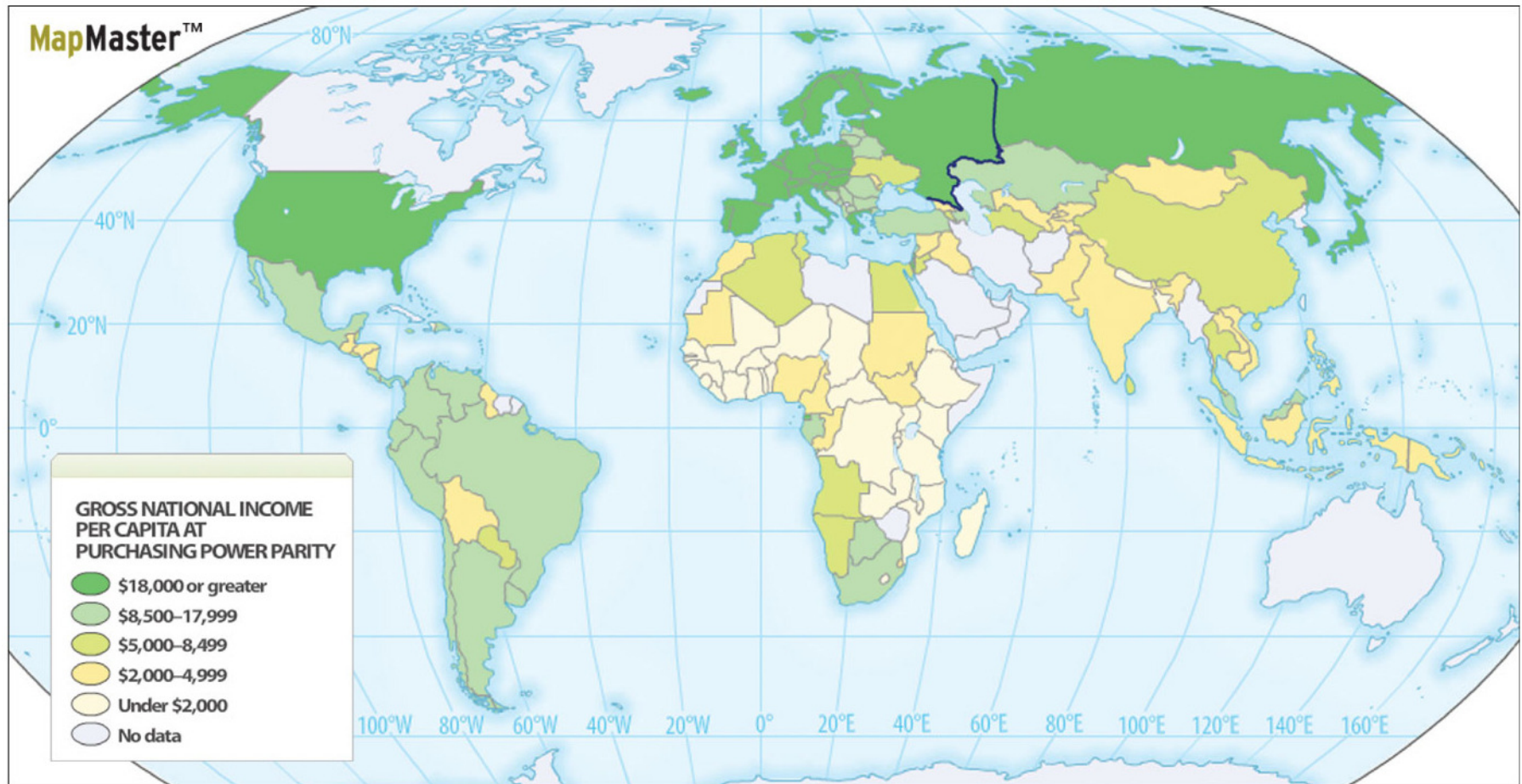
## 9.7 World Trade

- World Trade Organization (WTO)
  - 2. Enforce agreements:
    - By ruling if a country has violated a WTO agreement
    - By ordering violation remedies

## 9.7 World Trade

- World Trade Organization (WTO)
  - 3. Protect intellectual property:
    - By hearing charges of patent and copyright violations
    - By ordering illegal copyright or patent activities to stop

# 9.7 World Trade



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## WORLD TRADE ORGANIZATION

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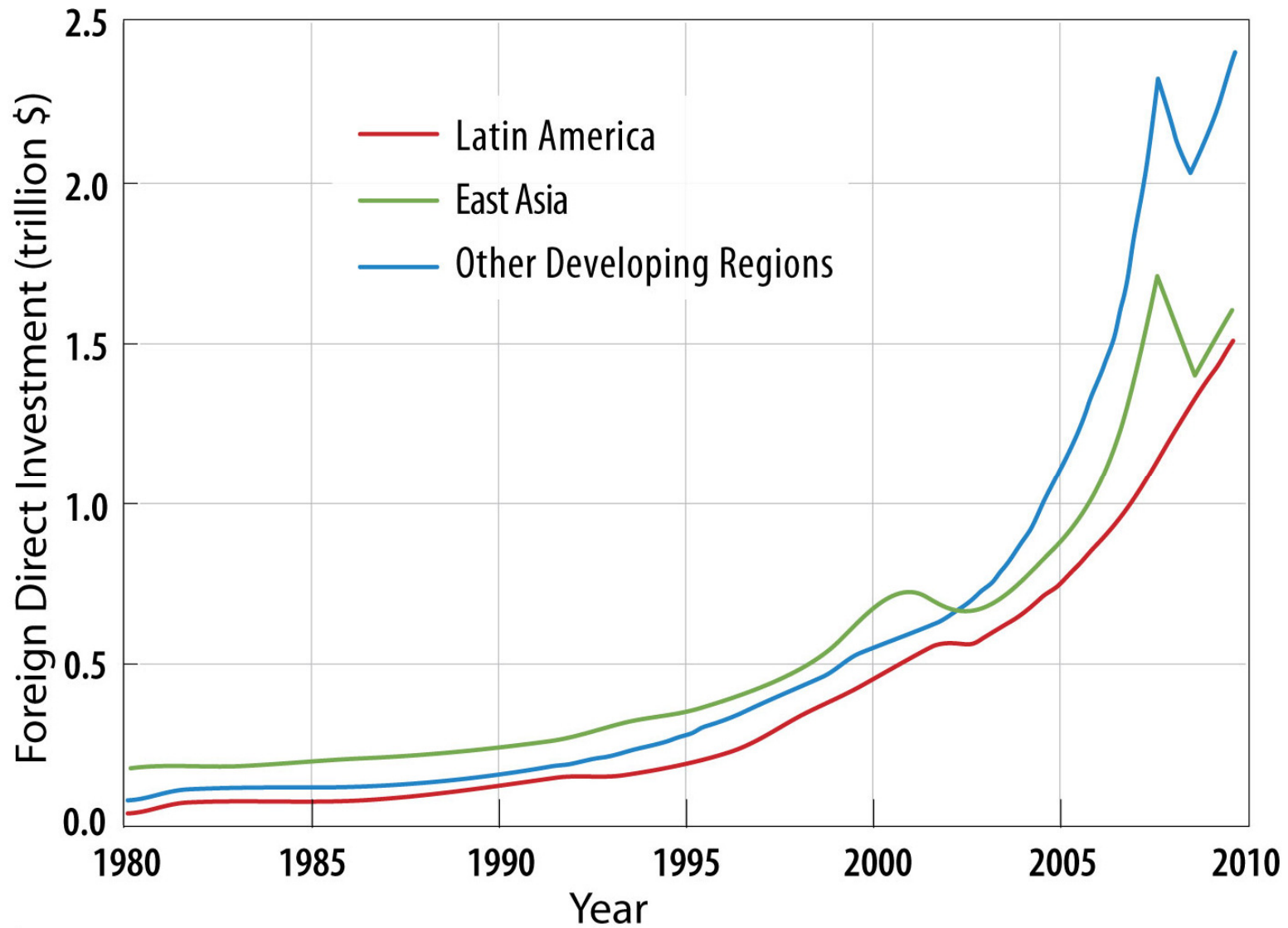
## 9.7 World Trade

- WTO critics
  - Progressive: WTO is antidemocratic
  - Conservative: WTO compromises power and sovereignty of individual countries

## 9.7 World Trade

- Foreign Direct Investment (FDI)
  - Investment made by a foreign company in the economy of another country

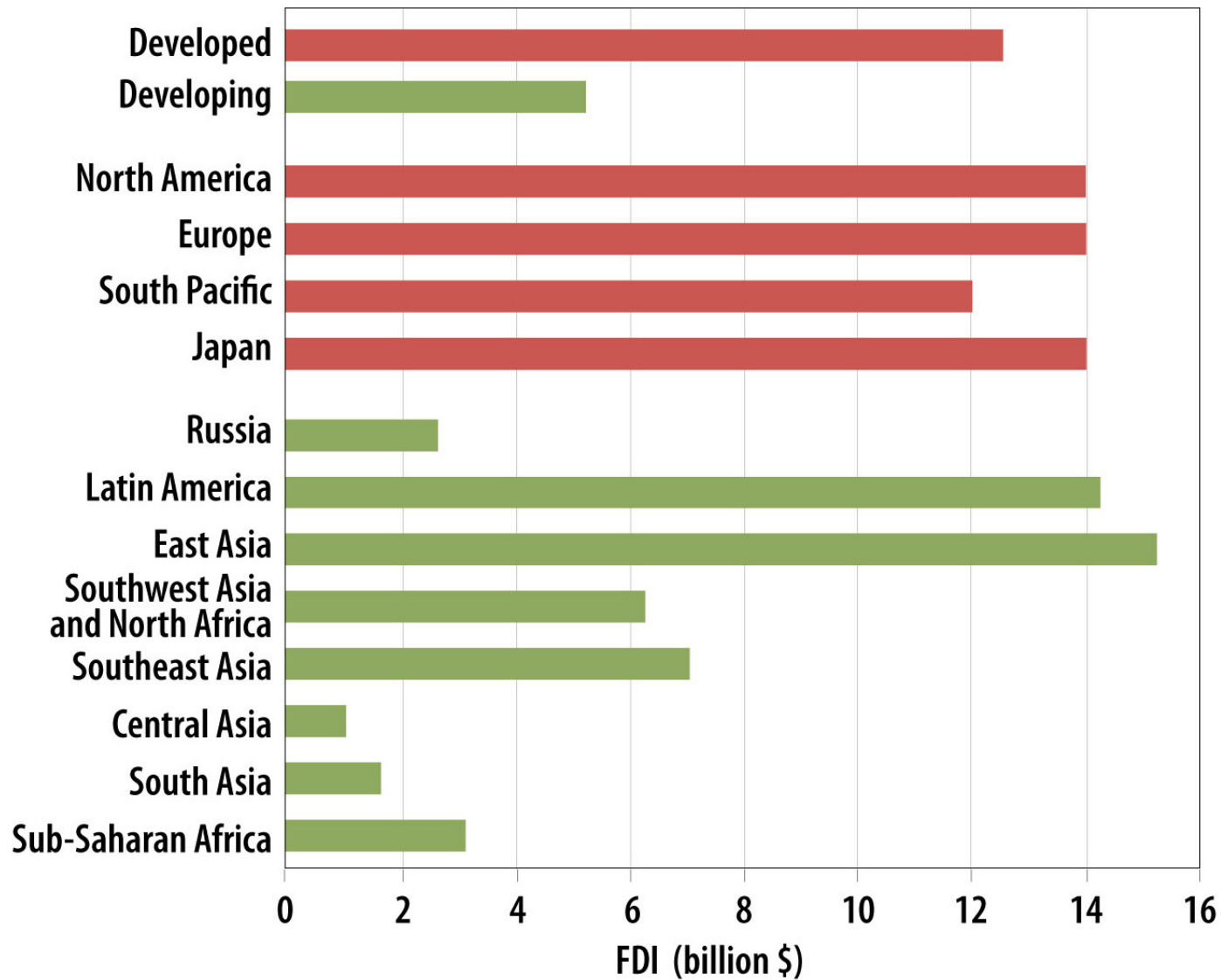
# 9.7 World Trade



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## GROWTH IN FDI

# 9.7 World Trade



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## FDI BY REGION



## 9.7 World Trade

- Transnational Corporation (TNC)
  - Invests and operates in countries other than the one in which its headquarters are located

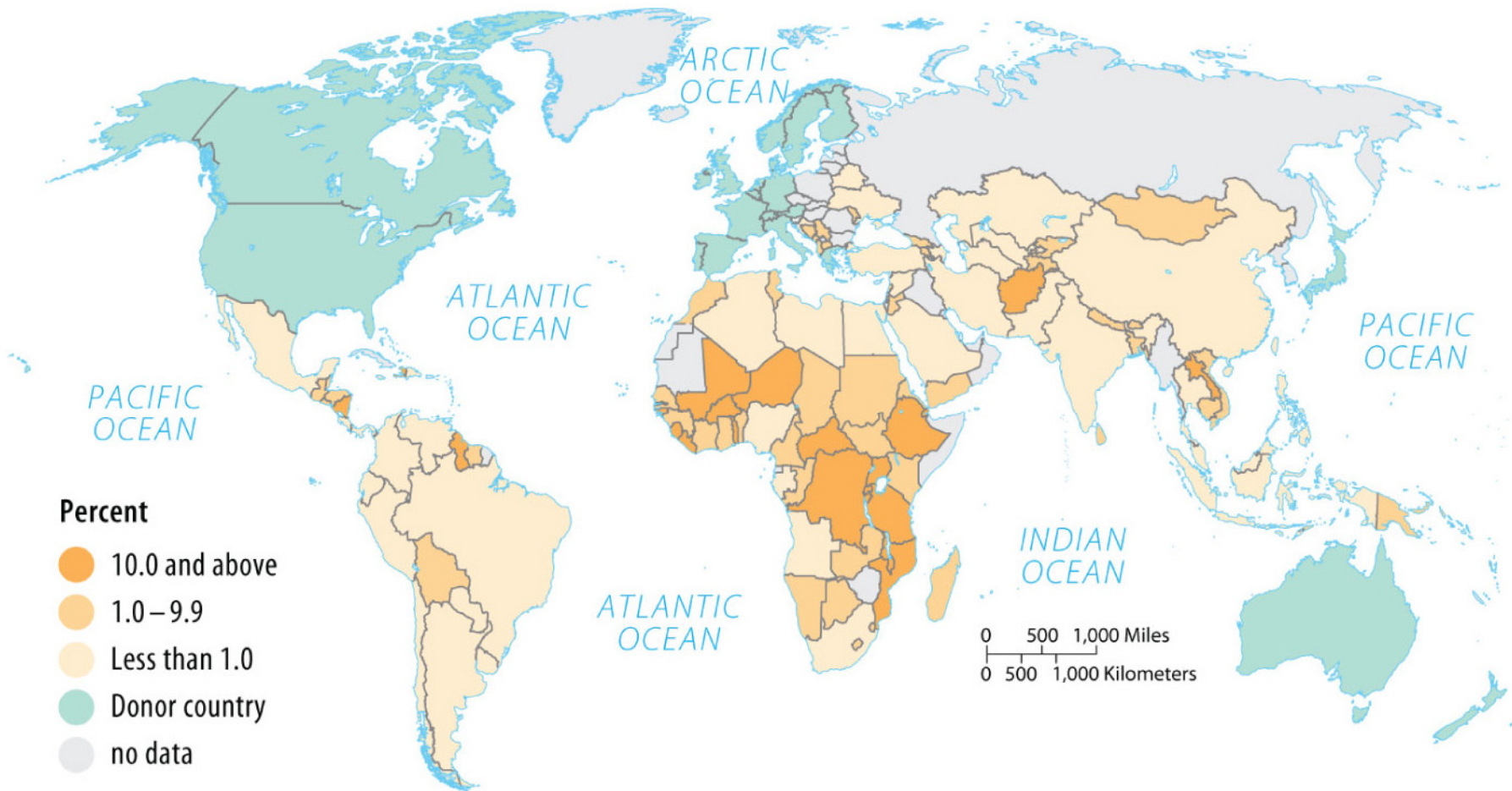
## 9.7 World Trade

- Focus on Southeast Asia
  - Cheap labor advantage
  - Thailand
    - Region's center for automobile and consumer goods manufacturing
    - Recent reforms have slowed development.

## 9.8 Financing Development

- Foreign aid
  - U.S. government gives .2 percent of its GNI
  - European countries give .5 percent of their GNI

# 9.8 Financing Development



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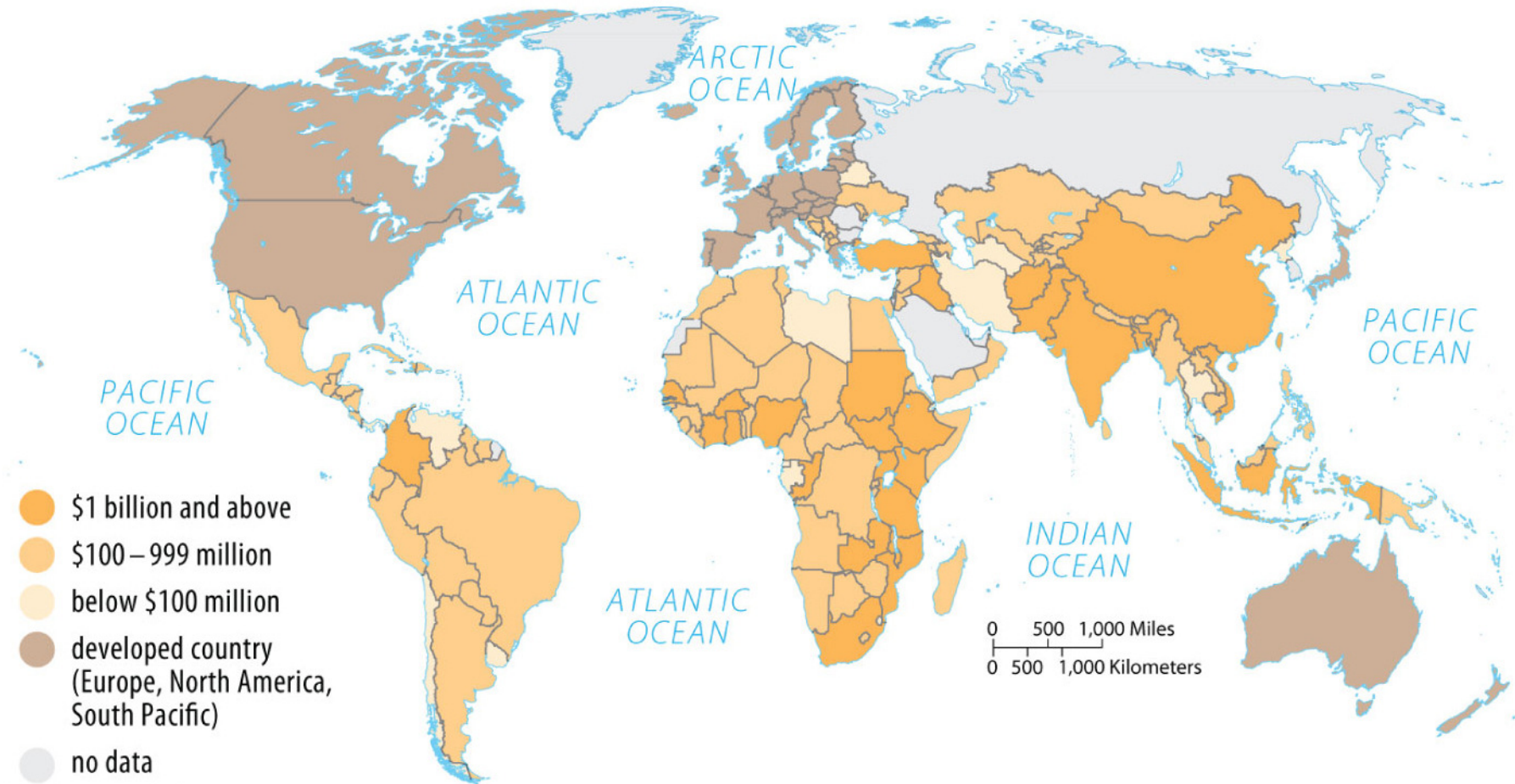
## FOREIGN AID AS PERCENT OF GNI

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## 9.8 Financing Development

- Loans
  - World Bank
  - International Monetary Fund (IMF)
  - 50 percent of World Bank projects failures
    - Faulty engineering
    - Squandered aid
    - Lack of business attraction

# 9.8 Financing Development



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## DEVELOPMENT ASSISTANCE

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## 9.8 Financing Development



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### WORLD BANK INVESTMENT: THE PHILIPPINES

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## 9.8 Financing Development

- Structural adjustment programs
  - Economic “reforms” and “adjustments”
  - Policy Framework Paper (PFP)
    - Outlines structural adjustment program
  - Requirements typically include:
    - Spend only what it can afford
    - Direct benefits to the poor, not just elite
    - Divert investment from military to health and education



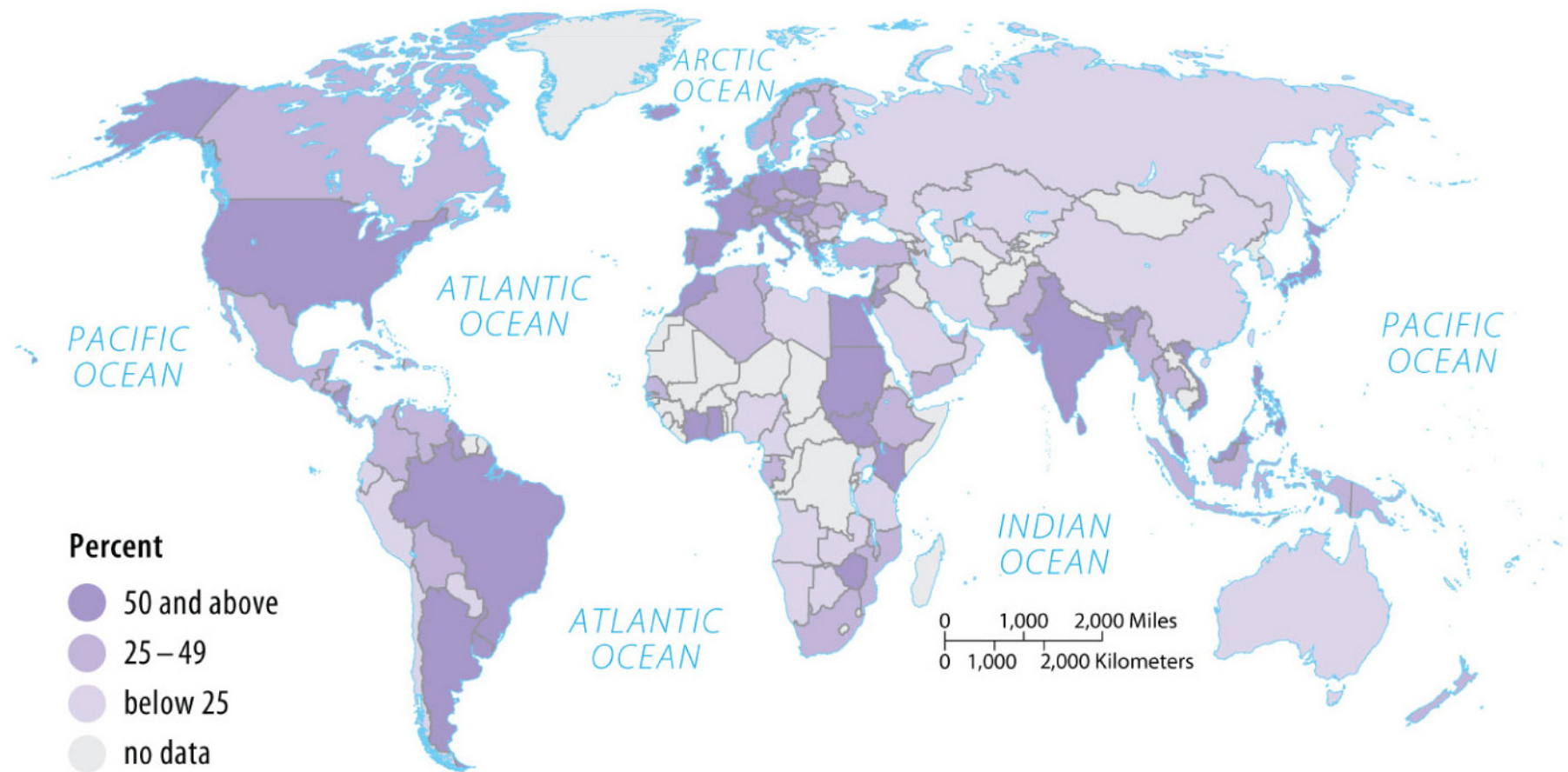
## 9.8 Financing Development

- Structural adjustment programs (continued)
  - Requirements typically include (continued):
    - Invest scarce resources where impact would be greatest
    - Encourage more productive private sector
    - Government reform

## 9.8 Financing Development

- Structural adjustment programs critics
  - Structural adjustment programs lead to:
    - Cuts in health and education
    - Loss of state enterprise and civil service jobs
    - Less support for the most in need
- International organizations support
  - Structural adjustment programs lead to:
    - Economic growth

# 9.8 Financing Development



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## DEBT AS PERCENT OF GNI

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## 9.8 Financing Development

- Focus on Central Asia
  - Relatively high level of development in Kazakhstan and Iran
    - Oil revenues used to finance development
    - Iran has also used oil to promote revolutions elsewhere.

## 9.9 Fair Trade

- Fair trade standards
  - Fair trade Labelling Organisations International (FLO)
    - Sets international standards
  - Standards applied to workers on farms and in factories

## 9.9 Fair Trade

- Fair trade producer practices
  - Fair trade cooperatives
    - Local producers are members and have greater oversight.

## 9.9 Fair Trade

- Fair trade worker standards
  - Employers' requirements include:
    - Fair wages
    - Permitting of unions
    - Environmental and safety standards compliance

## 9.9 Fair Trade

- International trade development path
  - Characteristics may include:
    - Working long hours in poor conditions
    - Low pay
    - Minimal oversight by international loan agencies
    - Child labor
    - Forced labor
    - Poor sanitation and safety
    - No compensation for injured, ill, and laid-off workers



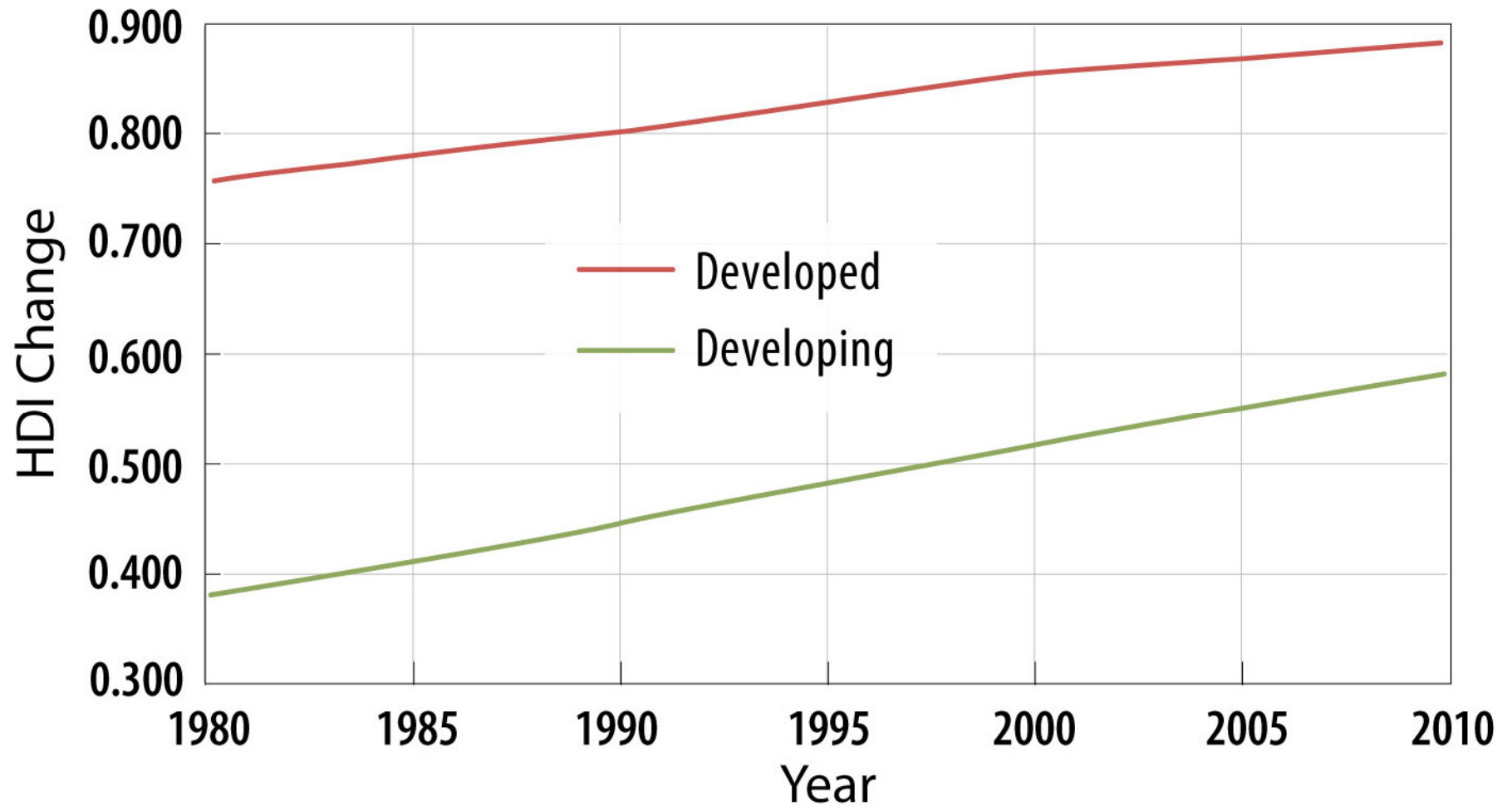
## 9.9 Fair Trade

- Focus on South Asia
  - Grameen Bank in Bangladesh
    - Allows would-be entrepreneurs to acquire loans
    - Extremely low default rate
    - Many women have benefited.

## 9.10 Millennium Development Goals

- Gap between developed and developing countries has narrowed
  - Core and periphery
- Closing the gap
  - Since 1980, all but three countries have had improved HDI scores.
    - Congo Democratic Republic, Zambia, Zimbabwe

# 9.10 Millennium Development Goals

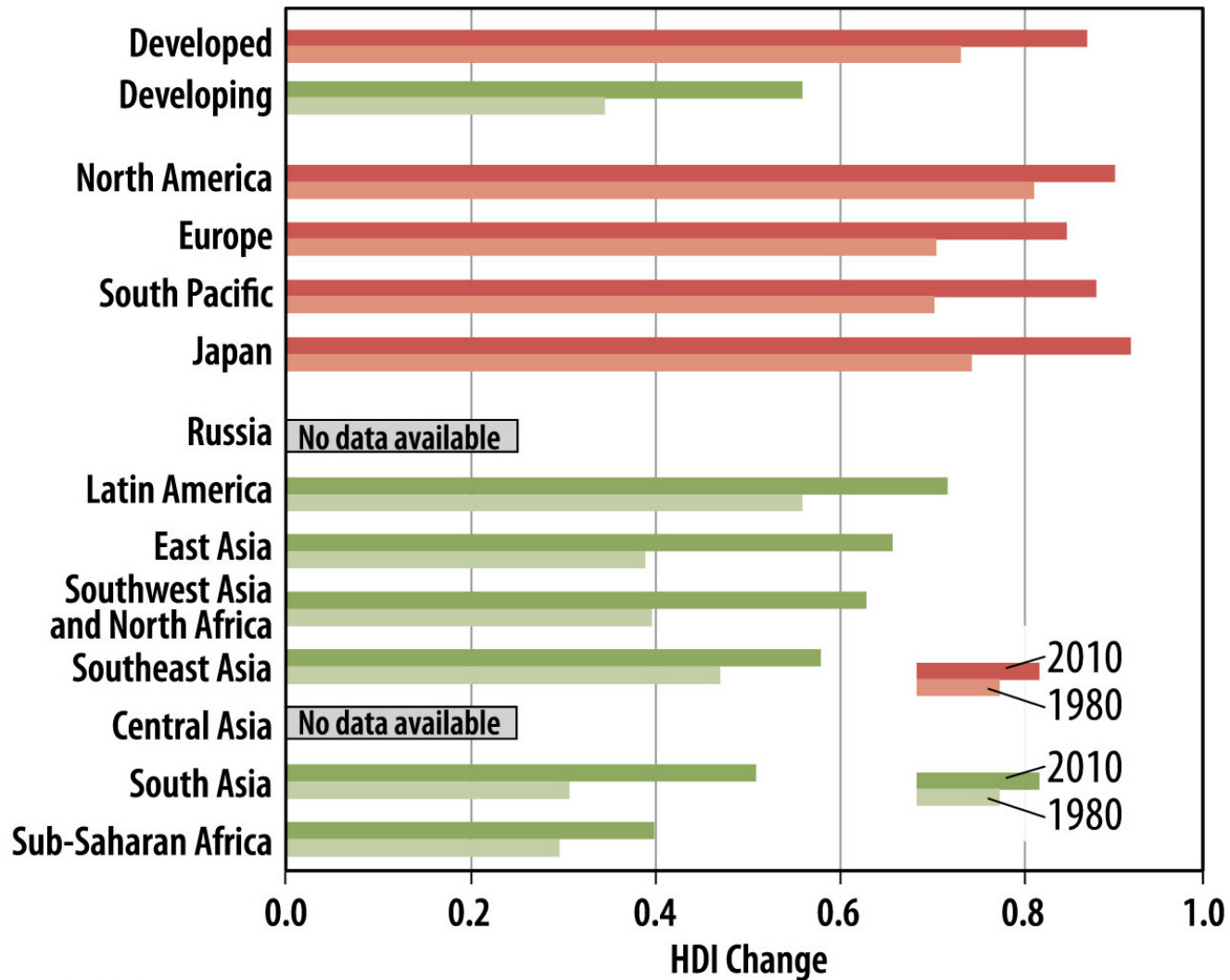


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HDI CHANGE, 1980–2010

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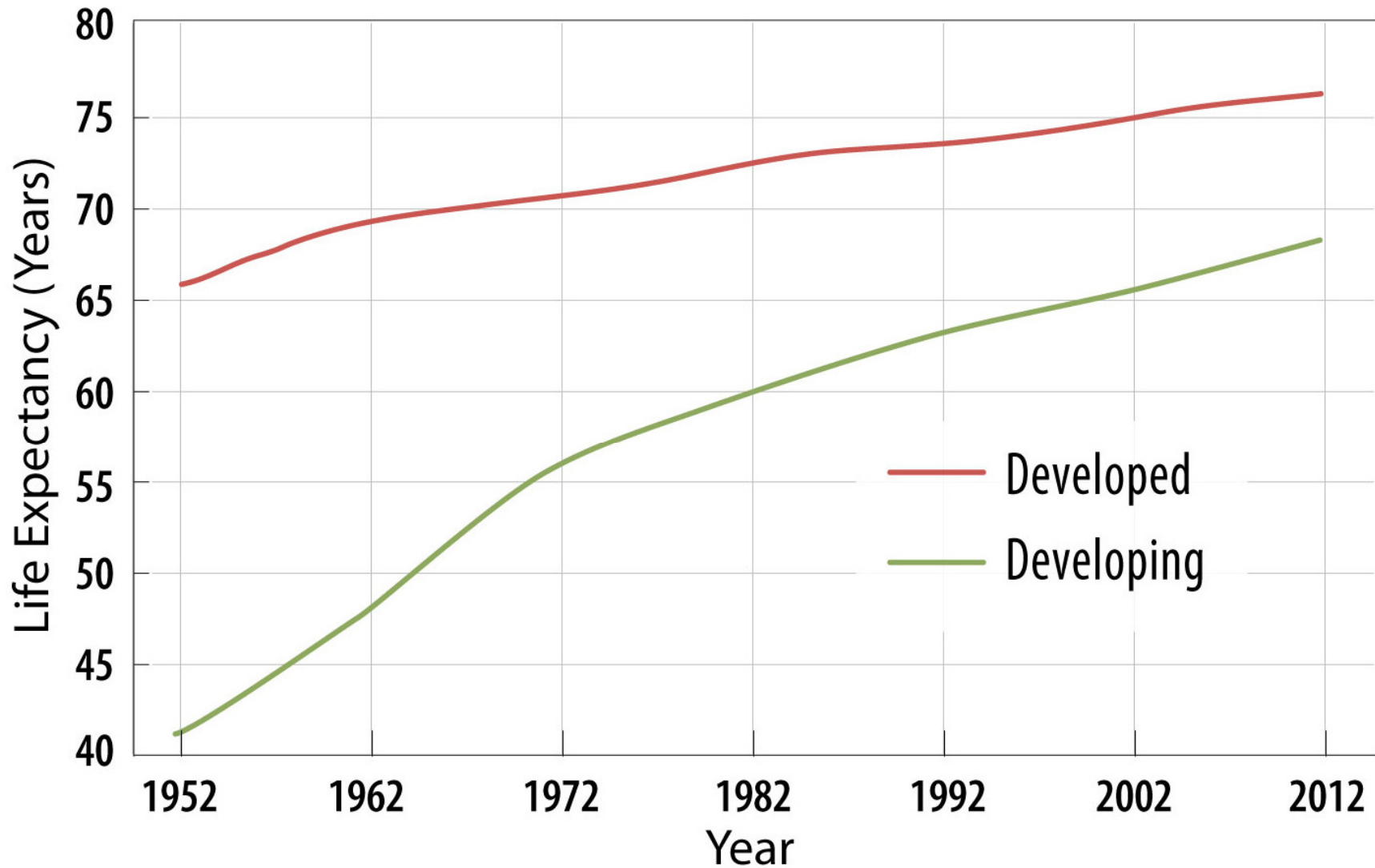
# 9.10 Millennium Development Goals



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## HDI CHANGE BY REGION

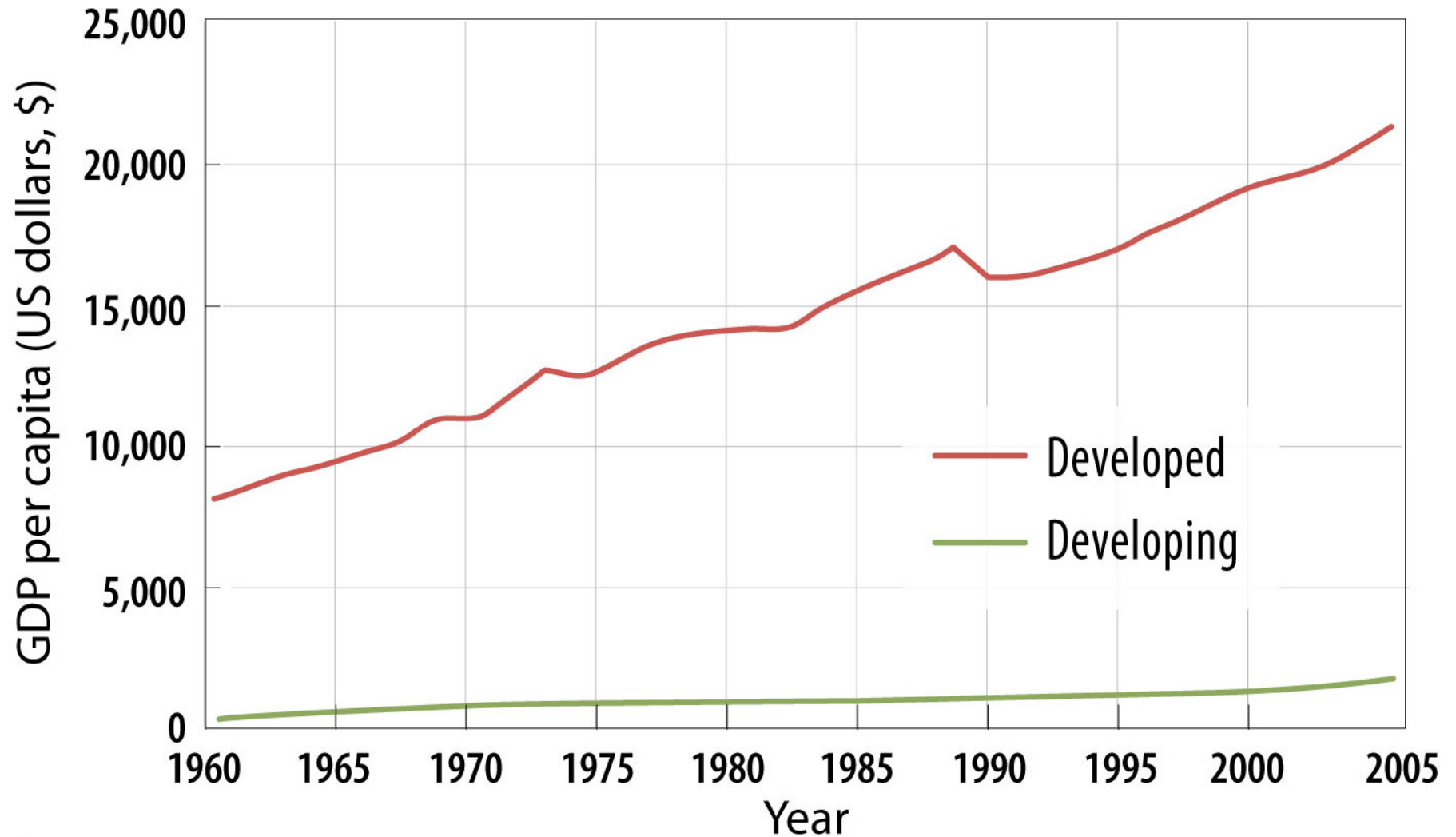
## 9.10 Millennium Development Goals



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### CHANGE IN LIFE EXPECTANCY

## 9.10 Millennium Development Goals



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### CHANGE IN GDP PER CAPITA

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## 9.10 Millennium Development Goals

- Millennium development goals
  - 1: End poverty and hunger
  - 2: Achieve universal primary (elementary school) education
  - 3: Promote gender equality and empower women
  - 4: Reduce child mortality

## 9.10 Millennium Development Goals

- Millennium development goals (continued)
  - 5: Improve maternal health
  - 6: Combat HIV/AIDS, malaria, and other diseases
  - 7: Ensure environmental sustainability
  - 8: Develop a global partnership for development



## 9.10 Millennium Development Goals

- Focus on Sub-Saharan Africa
  - Least favorable prospect for development
  - World's highest percentage of people living in poverty
  - Poor health care
  - Low education levels
  - Imbalance between population and physical environment's support capacity

# Chapter Review

- Key Questions
  - How does development vary among regions?
  - How can countries promote development?
  - What are future challenges for development?