

## Paper 3 Human Options

### UNIT 4 Economic transition

**Recommended Prior Knowledge** Candidates may have some prior knowledge of the basic terms and concepts of economic development from previous units studied at AS Level. Students of Geography, Economics, Business Studies or Development Studies will have a good general background.

**Context** This unit carries forward the theme of economic development introduced briefly in Human Core 1.2: The link between population and development. It also shares links with material covered in Unit 1 Production, location and change, particularly sections 1.1 and 1.3.

**Outline** There is an important distinction in this option about scale. It considers global, national and regional scales, but it is made clear that regional development is synonymous with national, i.e that regional disparities are *within* a country. Also it is now widely recognised that there has been a paradigm shift and development refers to both economic development and social development.

Economic development is uneven, being influenced by the availability of natural resources, physical characteristics of the areas concerned, and the level of technology reached. The role of transnational corporations has influenced much recent economic change. Economic development tends to focus on areas within a country or a region which have initial advantages, resulting in a prosperous core and a poorer hinterland or periphery. The result is often a very marked disparity in wealth between different areas within the same country. Economic prosperity may spread outwards from the core region in the process of cumulative causation. Local and national governments actively develop strategies designed to reduce regional inequalities, but not always successfully.

**Textbook** Burtenshaw D; Economy and Development; 2006 Philip Allan Updates

	<b>Content</b>	<b>Objectives</b>	<b>Terminology</b>	<b>Suggested Teaching Activities</b>	<b>Online Resources</b>	<b>Other resources</b>
<b>4.1</b>	<b>National development</b>	<p>Classification of economic activity - knowledge that economic activity can be classified into primary, secondary, tertiary and quaternary sectors</p> <ul style="list-style-type: none"> <li>• Nature of these sectors</li> <li>• Activities in these sectors</li> <li>• Role of each sector in development</li> </ul>	<p><b>Primary industry</b> <b>Extractive industries</b></p> <p><b>Manufacturing and processing industries</b></p> <p><b>Service sector</b></p> <p><b>High-technology industry</b> <b>Information technology</b> <b>R&amp;D</b> <b>Management consultancy</b></p>	<p>This section could be introduced by showing a series of slides or photographs of people at work in different occupations, leading to a general discussion of the basis for classification. If too simplistic at this level, statistical analysis could be done.</p> <p>There is little agreement in the textbooks about the classification: this makes an excellent point for discussion after students have completed research as an out of class activity. Discussion could be linked to the Clark Fisher sector model of development</p> <p>A follow-up exercise could utilise triangular graphs, or a series of pie charts, to compare the distribution pattern of employment structures in different countries and/or change over time.</p>	<p><b>Nov 2006 Q. 7(a)</b> <b>Fig. 4</b>, the sector model is a useful teaching aid</p> <p><b>June 2007 Q. 7(a)</b> primary sector and LEDCs</p>	<p>Guinness &amp; Nagle pp.125-126</p> <p>Guinness &amp; Nagle p.162</p> <p>Bowen and Pallister pp.228-231 Waugh p.574</p> <p>Burtenshaw Fig 3 p.1 Burtenshaw Fig 5 p.5.</p>

		<p>To understand and appreciate global patterns of development and social and economic wellbeing</p> <ul style="list-style-type: none"> <li>• Distribution</li> <li>• Nature</li> </ul> <p>Factors influencing global disparities in development</p> <ul style="list-style-type: none"> <li>• Causes</li> </ul> <p>e.g. environmental, political; positive and negative; short-term and longer term</p>	<p><b>MEDCs</b>  <b>LEDCs</b>  <b>Development gap</b>  <b>Development continuum</b>  <b>Brandt line</b>  <b>North-South divide</b>  <b>NICs</b>  <b>RICs</b>  <b>BRIC</b></p> <p><b>GDP/GNP</b>  <b>Indices of development</b>  <b>HDI</b></p> <p><b>Inequalities</b></p>	<p><b>Definitions</b> and global patterns using world maps of different indices e.g. GNP. Look at distribution, global North and global South and anomalies. <b>Describe</b> the pattern - spatial patterns are particular to geography and an understanding of them is important. Patterns may be repetitions of the same phenomenon and may show clusters, highs and lows, etc. Anomalies are exceptions to the pattern.</p> <p>Then ask students to <b>explain</b> the pattern/ Brandt line and the anomalies. This is a higher order skill and needs understanding of the factors that influence development. See development as a continuum.</p>	<p>See Sheffield University (UK) web site for their recently developed topological maps, an excellent teaching resource.</p> <p>UN web sites are a mine of information.</p> <p><b>June 2007 Q. 8(b)</b> Global economic inequalities</p> <p><b>Nov 2005 Q.15(b)</b> resource endowment and global patterns of development</p> <p><b>June 2004 Q. 15(a)</b>  <b>Nov 2005 Q. 15(a)</b> Excellent teaching resource  <b>June 2007 Q. 8(a)</b> Good topological map of global GDP  <a href="http://www.worldmapper.com">www.worldmapper.com</a>  See Unit 3 for additional resources.</p>	<p>Good maps Digby Chapter 16 p.193  Nagle pp.432-443  Cook et al. is a useful resource  Guinness and Nagle, Chapter 6, Development gap p.184  Burtenshaw pp.10-12, a useful source because of the focus on wellbeing.</p> <p><i>80:20 Development in an Unequal World</i> Very useful.</p> <p>Factors are very well covered in Cook et al.</p> <p>Geo Factsheet 147 April 2003 The Development Gap</p>
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		To understand the use of social and economic indices as measures to compare quality of life in different countries	<b>PQLI – Physical Quality of Life Index</b> <b>HDI – Human Development Index</b>  <b>Standard of living</b> <b>Quality of life</b> <b>Demographic indices e.g. IMR</b> <b>Literacy</b> <b>GDP/GNP</b>	Case study 1 – Sub-Saharan Africa  Case study 2 – Development in a Javanese village  Case study 3 – development in a named NIC	<a href="http://www.unctad.org">http://www.unctad.org</a> <a href="http://www.oneworld.org">http://www.oneworld.org</a> <a href="http://un.org">http://un.org</a> <a href="http://www.europa.eu.int">http://www.europa.eu.int</a>	Guinness & Nagle p.181  Chapter 2 in Cook, Hordern et al. pp.64 – 137, very useful for this whole unit  Geo Factsheet 140, January 2003 Least Developed Countries
4.2	<b>The globalisation of industrial activity</b>	To examine the concept of globalisation	<b>Globalisation</b> <b>Industrialisation</b> <b>Teleconnections</b> <b>Internet</b> <b>e-mail</b>  <b>Factors promoting globalisation</b>  <b>Time-space concept</b>	Globalisation is the process in which national economies are becoming more and more integrated into a single global economy. It includes the spread of ideas and cultures too. Actions and decisions taken in one part of the world have knock-on effects in other parts.		Bowen & Pallister 254-255  Peter Dicken <i>Global Shift</i> Excellent map page showing the shrinkage of the globe over time in stages. An excellent teaching resource
		To study the global patterns of resources and primary production - link to the development gap <ul style="list-style-type: none"> <li>• Production</li> <li>• Markets</li> </ul>	<b>Primary production</b> <b>Extractive industries</b> <b>Markets e.g. newly emerging</b> <b>Trading patterns</b>	LEDCs tend to be dependent on primary sector (agriculture and extractive industries. The nature of the industries also varies spatially. Links back to Units 4.1 and 3.1	<b>June 2007 Q. 7(a)</b>	Atlas source useful. Cook, Hordern et al pp.108-9 on primary exports Bowen and Pallister, useful maps, pp.234-235

		<p>To compare patterns in the new international division of labour (NIDL)</p>	<p><b>Division of labour</b> <b>NIDL</b> <b>Employment structures</b> <b>Global shift</b> <b>FDI</b></p>	<p>NIDL is the shift of low-end manufacturing and assembly jobs from traditional MEDC centres to new locations where labour costs are lower and other locational advantages may exist. It also involves the relocation of other types of work, such as research to some NICs.</p>	<p><b>June 2007 Q. 7(a)</b> Application to a TNC <b>(b)</b></p> <p><b>Note</b> Part <b>(b)</b> of a question often involves thinking beyond the syllabus therefore it is sensible to build up a bank of them as a basis for guiding teaching.</p>	<p>Cook et al. pp.258-267 excellent coverage of deindustrialisation and pp.268-280, reindustrialisation Digby Chapter 18 Global Shift, Taiwan</p>
		<p>To understand that globalisation means that industrial growth in one country may impact on the industrial activity in another country i.e pattern of NIDL and global shift</p> <p>Factors that have influenced these new patterns of industrial activity</p> <ul style="list-style-type: none"> <li>• Economic</li> <li>• Political</li> </ul> <p>Social and environmental factors may play a lesser role</p> <p><b>Note</b> Consider factors in MEDCs and LEDCs</p>	<p><b>Industrial relocation</b> <b>Industrialisation</b> <b>Deindustrialisation</b> <b>Competition</b> <b>Rationalisation</b> <b>Reindustrialisation</b> <b>Comparative advantage</b> <b>Outsourcing</b> <b>Offshoring</b> <b>Call centres</b> <b>Tele-working</b> <b>Tax havens</b></p>	<p>Case study – deindustrialisation in the UK and EU</p>	<p><b>Nov 2008 Q. 7(b)</b></p>	<p>Call centres Cook et al. p.275 Nagle &amp; Spencer (diagrams) pp109-110, p.114 Guinness &amp; Nagle pp.142-147 Bowen &amp; Pallister pp.242-247 Geo Factsheet 107</p>

		To examine the nature of transnational corporations (TNCs)	<b>Transnational corporation</b> <b>Host country</b> <b>Base country</b> <b>Outsourcing</b> <b>Offshoring</b>	<p>A model of the way in which TNCs grow and develop over time. Could look at the motor vehicle industry and different companies globally as an introduction. Link the TNC to the whole notion of globalisation. Emphasise diversity and change e.g. TNCs may have HQs in NICs and manufacture in MEDCs.</p> <p><b>Note</b> Try keeping the theory to a minimum and doing the work through the case study to reduce teaching time.</p>	<a href="http://www.mcdonalds.com/countries.html">http://www.mcdonalds.com/countries.html</a> <a href="http://www.cat.com/about_cat/cat_worldwide/cat_worldwide.html">http://www.cat.com/about_cat/cat_worldwide/cat_worldwide.html</a>	<p>Guinness &amp; Nagle pp.151-158  Cook, Hordern et al pp.106-7, 110-112</p> <p>Geo Factsheet 86  Globalisation of manufacturing</p> <p>Burtenshaw Parts 5, 6 and 7  Digby Chapter 19</p>
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		<p>To gain knowledge of the global operations of one TNC</p> <ul style="list-style-type: none"> <li>• Growth</li> <li>• Spatial structure</li> <li>• Operations</li> </ul> <p>There is freedom to choose which TNC is studied.</p>	<p><b>Products</b>  <b>Markets</b>  <b>HQ</b>  <b>Regional HQ</b>  <b>R&amp;D</b>  <b>Plants e.g.</b>  <b>full production</b>  <b>assembly</b></p>	<p>Case study – The Virgin company/Nike/Mattel</p> <ul style="list-style-type: none"> <li>• Operations</li> <li>• Organisation</li> <li>• Production</li> <li>• Factors that have influenced growth and development: labour, health and safety regulations, pollution, government legislation and incentives, i.e. economic, social, environmental and political factors.</li> <li>• Include the positive/negative factor of deindustrialisation in MEDCs.</li> </ul>	<p><b>Nov 2008 Q. 8(a)</b>   <b>June 2005 Q.15(b)</b></p>	<p>Geo Factsheet 123  January 2002  Virgin – a new breed of MNC?   Burtenshaw p. 53  Digby p.224, a case study of Mattel</p>

<p><b>4.3</b></p>	<p><b>Regional development</b></p> <p><b>Note</b> This is to be studied at the national scale, i.e. within a country</p>	<p>Appreciation of economic and social disparities and inequalities within countries.</p>	<p><b>Regional disparity</b> <b>Regional development</b> <b>Resource region</b> <b>Core-periphery</b></p>	<p>Show that economic development is rarely evenly distributed within a country. Policies are needed to seek to spread economic growth.</p> <p>Best pursued using a case study. Home country case studies are accessible to candidates and welcomed when the knowledge is detailed and supported with local detail e.g. facts, locations and data.</p> <p>Other classic studies exist, e.g. Brazil.</p>	<p><b>June 2005 Q.16</b></p> <p><b>Nov 2006 Q. 8(a)</b> Core-periphery model and Japan.</p> <p><b>June 2006 Q. 8(a)</b></p>	<p>Geo Factsheet 113, April 2001 Regional Inequalities</p> <p>Hill (Advanced Geography Case Studies) pp.116-117</p> <p>Nagle &amp; Spencer (Diagrams) pp.123-125</p>
		<p>Development of a region within a country may be encouraged by the process of cumulative causation</p>	<p><b>Core-periphery model (Friedmann)</b></p> <p><b>Initial advantage</b> <b>Spread effects</b> <b>Cumulative causation</b> <b>Multiplier effects</b> <b>Backwash effects</b> <b>Growth poles</b></p>	<p>Case studies – Development in India or in South Korea</p>	<p><b>June 2004 Q. 16(a)</b> <b>Nov 2005 Q. 16(a)</b> <b>Nov 2006 Q. 8(a) (ii) and (iii), (b)</b> requires case study material</p>	<p>Guinness &amp; Nagle pp. 183-185</p> <p>Bowen &amp; Pallister pp.232-233</p> <p>Nagle (D&amp;U) pp.14-15</p> <p>Guinness &amp; Nagle pp.182-183</p> <p>Nagle (D&amp;U) pp.10-11</p>



4.4	<b>The management of development</b>	<p>To study and evaluate the strategies adopted by <b>one</b> country for social and economic development</p> <p>This may be for national development of the country <b>or</b> for addressing regional inequalities within the country</p> <p>Local, familiar, case studies are recommended.</p>		<p>Teaching should focus on management issues and centre on the discursive elements here.</p> <ul style="list-style-type: none"> <li>• Nature of policy</li> <li>• Management issues</li> <li>• Relative success or failure of the strategies</li> </ul> <p>e.g. economic, social, political and environmental; spatially; and different groups of people</p> <p>Case study 1 -The industrial and economic development of Singapore</p> <p>Case study 2 – Regional policy in the UK</p> <p>Case study 3 – Regional development in Canada</p> <p>Case study 4 – Hong Kong</p> <p>Case study 5 – Industrial growth in Malaysia</p> <p>Case Study 6 – India</p>	<p><b>Nov 2005 Q. 16(b)</b> <b>June 2007 Q. 7(b)</b> Open ended question about development - gives students a good deal of scope but necessitates specificity as well.</p> <p><b>Nov 2006 Q. 7(b)</b> Case study of economic development of one country.</p> <p><b>June 2006 Q. 8(b)</b> Focus is on social development.</p>	<p>Hill pp.106-115 Nagle &amp; Spencer (Diagrams) p.125 Guinness &amp; Nagle pp. 186-189 and Cook, Hordern et al. pp.87-94 Prosser pp.105-8 on UK, though slightly out of date Guinness &amp; Nagle pp.189-195 Cook, Hordern et al pp.81- 82 Bowen &amp; Pallister pp.252-3</p> <p>Geo Factsheet 128, April 2002, India: a Third Generation Newly Industrialised Country?</p>