

UNIVERSITY OF CAMBRIDGE INTERNATIONAL EXAMINATIONS International General Certificate of Secondary Education

DEVELOPMENT STUDIES

0453/02

Paper 2

October/November 2007

2 hours 15 minutes

Additional Materials:

Answer Booklet/Paper

READ THESE INSTRUCTIONS FIRST

If you have been given an Answer Booklet, follow the instructions on the front cover of the Booklet.

Write your Centre number, candidate number and name on all the work you hand in.

Write in dark blue or black pen.

You may use a soft pencil for any diagrams, graphs or rough working.

Do not use staples, paper clips, highlighters, glue or correction fluid.

Answer both questions.

You should read and study the sources **before** answering the questions.

At the end of the examination, fasten all your work securely together.

The number of marks is given in brackets [] at the end of each question or part question.



This document consists of 11 printed pages and 1 blank page.



1 (a) Study Fig. 1, which shows the balance of trade of a country that has a lot of foreign debts.

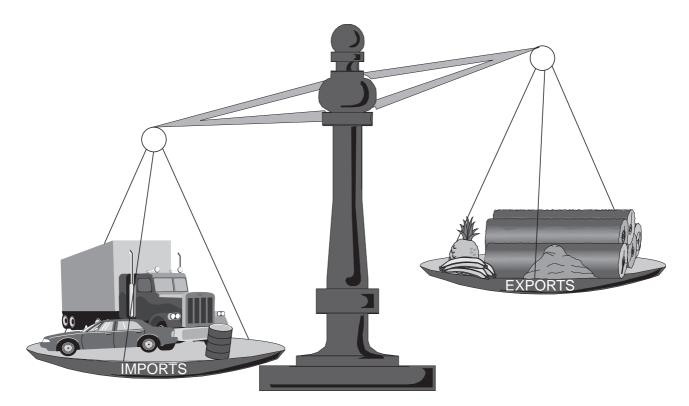


Fig. 1

(i)	What is meant by the balance of trade?	[1]
(ii)	What sort of balance of trade is shown in Fig. 1?	[1]
(iii)	What type of products does the country export?	[1]
(iv)	Suggest two reasons for this type of balance of trade	[2]

(b) Study Fig. 2, which shows how a country earns and uses foreign currency.

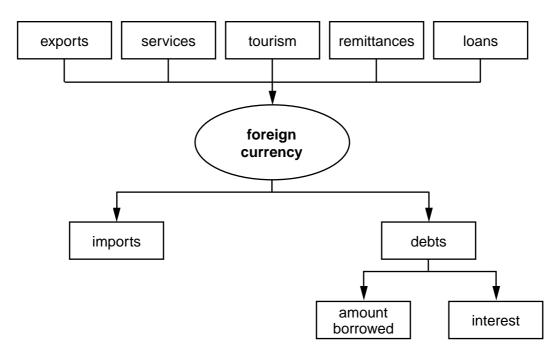


Fig. 2

- (i) Explain fully **three** ways that a country earns foreign currency.
- (ii) Explain, using an example to help you, why the amount of a debt may keep on increasing. [2]

[3]

(iii) Using Fig. 2, describe in detail how a government might encourage its citizens to earn more foreign currency. [4]

(c) Study Fig. 3, which shows the connection between foreign debt and poverty.

Debt and poverty

In the poorest countries in the world, debt is holding back economic growth and preventing the reduction of poverty.

Debt relief is a system set up by the World Bank to reduce the large debts of some poor countries.

In 2005, 38 of these countries were in need of debt relief.

Of these countries:

- 32 were in Sub-Saharan Africa
- 18 had qualified for debt relief and it was agreed that their debts would be cancelled
- 9 had qualified for some debt relief
- 11 had not qualified for debt relief from the World Bank

Fig. 3

- (i) In 2005, where were most of the world's poorest countries? [1]
- (ii) How many of the 38 countries had qualified for debt relief from the World Bank? [1]
- (iii) Suggest **three** reasons why most of these countries will find it very difficult to create economic growth and reduce poverty. [3]

(d) Study Figs 4A and 4B.

Zambia has qualified for debt relief from the World Bank by introducing a Poverty Reduction Strategy, which included:

- selling many of its state enterprises to private companies
- cutting public spending
- charging fees for education and healthcare
- cutting food and agricultural subsidies
- employing fewer civil service staff
- freezing wages in the public sector
- removing import taxes
- opening up trade to the outside world

Fig. 4A

Esther has this to say about the effect of the Poverty Reduction Strategy on life in Luanshaya, Zambia:

"My husband and I have four children. My husband used to work in the copper mine, but it was sold off by the government to a foreign company and was later closed. So now he can't get a job. When the mine closed, so did lots of other things, even the barbers' shops and some of the stalls in the market. Now the local council doesn't spend money on the roads, which are full of holes and rubbish. The local hospital is short of nurses, doctors, medical equipment and drugs.

My sister used to work in a clothing factory in Ndola, but that closed because it couldn't compete with cheap foreign clothes. Her husband died of AIDS and now she is ill and has come to live with us with her three children. My parents have a small farm but they can't help because they are old and their farm doesn't make as much money as it used to. We all have to live on what I earn selling vegetables in the market. On a good day I can earn about US\$ 2 a day – that has to keep us all. We can't afford to pay school fees to send the children to school."

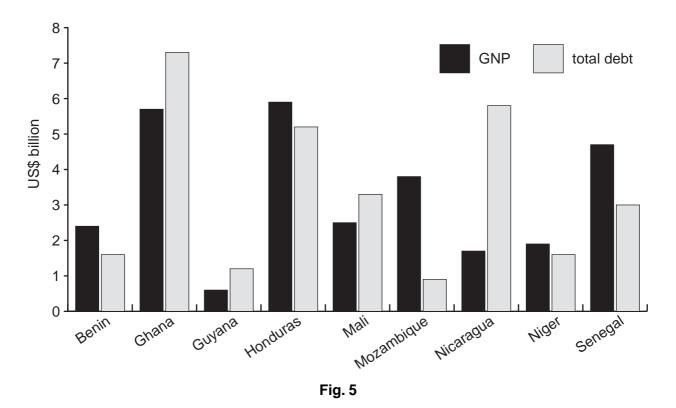
Fig. 4B

- (i) Explain why the closing of the mine affected lots of other businesses.
- (ii) Suggest **one** reason why there has been an increase in cheap foreign clothes in Zambia.

[2]

- (iii) Describe some of the ways that cuts in public spending have affected the lives of poor people in Zambia. [3]
- (iv) Describe some of the ways that the Poverty Reduction Strategy may have affected **either** Esther's parents and their farm **or** Esther's sister and her family. [4]

(e) Study Fig. 5, which shows the Gross National Product and the total debt of some of the countries getting debt relief from the World Bank in 2005.



- (i) GNP is the total income of a country in one year. What was the GNP of Ghana in 2005, as shown in Fig. 5? [1]
- (ii) How many US\$ billion did Senegal owe? [1]
- (iii) Which country shown on Fig. 5 is most in need of debt relief?
 Give reasons and provide data to justify your answer.

 [4]

[Total: 35 marks]

2 (a) Study Fig. 6, which is taken from the United Nations Millennium Ecosystem Assessment, published in March 2005.

'Human activity is putting such strain on the Earth that the ability of the planet's ecosystems to sustain future generations can no longer be taken for granted.

The provision of food, fresh water, energy and materials to a growing population has come at great cost to the complex system of plants, animals and biological processes that make the planet habitable.

The food and fresh water that keep us alive, the wood that gives us shelter and furniture, even the climate and the air we breathe; all are products of the living systems of the planet.

The recent changes made to natural systems have helped not just to feed a rapidly growing human population, but to improve the lives of billions.

The benefits have been achieved by using up natural resources.

We are endangering our ability to rid the world of hunger, extreme poverty and avoidable disease, as well as increasing the risk of sudden changes to the planet's life-support systems.'

Fig. 6

- (i) What phrase is generally used to describe the ability of the Earth's ecosystems to sustain future generations? [1]
- (ii) Identify **three** ways people have benefited by using natural resources. For each, explain how this uses up natural resources. [6]
- (iii) Using evidence from Fig. 6, suggest **two** possible effects of using up the world's resources. [2]

(b) Study Fig. 7, which shows average temperatures on the surface of the earth since 1900.

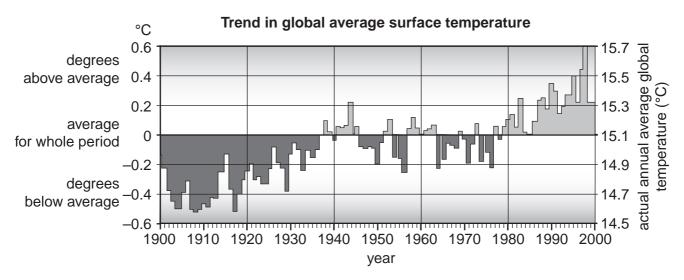


Fig. 7

- (i) What was the average surface temperature in 1910? [1]
- (ii) In which year did the average surface temperature last drop below 15.1 °C? [1]
- (iii) How much **above** the average was the temperature in 1998? [1]
- (iv) Describe the changes shown in Fig. 7 that have taken place in average surface temperatures since 1900. [3]

(c) Study Figs 8A and 8B.

The greenhouse effect

Much of the increase in temperatures on the world's surface is due to the increase in the blanket of gases, mainly carbon dioxide (CO_2) , in the earth's atmosphere. This is trapping the heat and stopping it from escaping into space.

Fig. 8A

CO₂ emissions from industrial processes and land-use changes

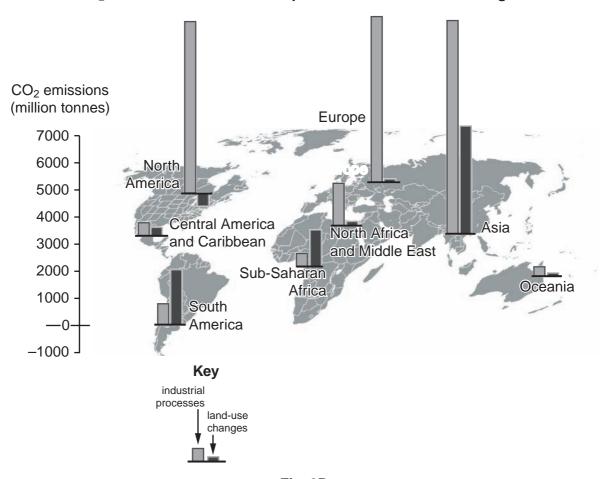
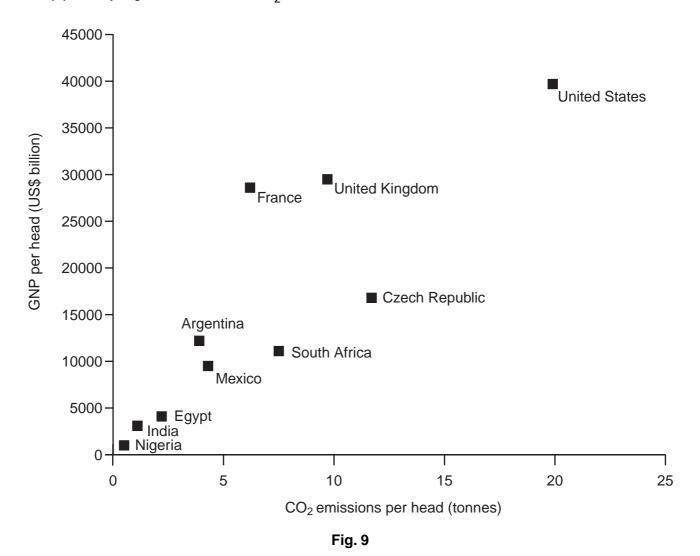


Fig. 8B

- (i) Which part of the world created the most CO₂ emissions from both industrial processes and land-use changes? [1]
- (ii) Which part of the world seems to have reduced its CO₂ emissions from land-use changes? [1]
- (iii) How do the CO₂ emissions from Europe differ from those of South America? Suggest reasons for these differences. [4]

(d) Study Fig. 9, which shows ${\rm CO_2}$ emissions for selected countries.



- (i) Which country has a GNP per head of US\$12000 billion and CO₂ emissions of 3.9 tonnes per head? [1]
- (ii) Describe the relationship between GNP per head and CO₂ emissions, using data from Fig. 9 to help you.
- (iii) Suggest **three** ways that the industrialised countries (GNP of over US\$20000) could cut their CO₂ emissions. [3]

(e) Study Figs 10A and 10B, which show changes in forest areas and the main causes of deforestation in the tropical forests of the developing world. Forests take in CO₂ and therefore limit the amount of greenhouse gases escaping into the atmosphere.

Estimated annual changes in forest areas in developing countries between 1990 and 1995

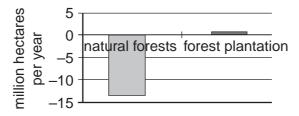


Fig. 10A

Today's threats to forests worldwide

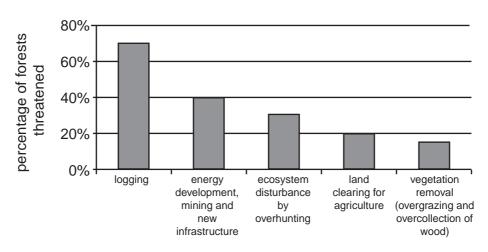


Fig. 10B

- (i) How many additional hectares of forest should have been planted annually to make up for the loss of natural forests? [1]
- (ii) Explain why it is very difficult for developing countries to reduce deforestation. [3]
- (iii) Suggest a programme that would help to conserve the tropical forest of a developing country and give details of how it would be carried out. [4]

[Total: 35 marks]

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Copyright Acknowledgements:

Question 2 Fig. 7 © http://www/grida.no/climate/vital/17.htm

Copyright: School of Environmental Sciences, Climate Research Unit, University of East Anglia, Norwich, United Kingdom, 1999.

Question 2 Fig. 8B © UNEP/GRID-Arendal.

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0453/02/O/N/07

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