5.1 Changing Economic World: The Development Gap: 30-minute Pack

AQA 8035 · Calculator allowed · about 30 minutes

Total Marks

Name: _____ Date: ____ / ____ / _____

Answer ALL questions. Show all your working.

1 State what is meant by 'the development gap'.

(Total for Question 1 is 3 marks)

2 Explain ONE consequence of the development gap for international migration.

(Total for Question 2 is 3 marks)

3 Explain how debt relief (cancelling or reducing money owed by a country) can help to reduce the development gap.

(Total for Question 3 is 3 marks)

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4 'Bottom-up development strategies are more effective than top-down strategies for reducing the development gap.' Assess the extent to which you agree with this statement.

(Total for Question 4 is 8 marks)

5 Explain TWO limitations of using GNI per capita alone to measure a country's development.

(Total for Question 5 is 4 marks)

6 Describe how the Grameen Bank microfinance scheme in Bangladesh works, and explain how it helps to reduce the development gap.

(Total for Question 6 is 6 marks)

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Mark scheme · 5.1 Changing Economic World: The Development Gap: 30-minute Pack

Question 1

the difference in levels of development (wealth and quality of life), oe	**B1**
between the richest and poorest countries (or regions) in the world, oe	**B1**
which continues to widen or narrow over time, oe	**B1**

Answer: The development gap is the difference in levels of development (wealth and quality of life) between the richest and poorest countries in the world.

Question 2

the large gap in income and opportunity between richer and poorer countries encourages people to migrate towards richer countries in search of better paid work, oe	**B1**
linked detail, e.g. this can benefit migrants and their families, e.g. through money sent home (remittances), oe	**B1**
but it can also cause a 'brain drain', where a poorer country loses some of its most skilled or educated workers, oe	**B1**

Answer: The gap in income and opportunity encourages migration towards richer countries; this can benefit migrants' families through remittances, but can also cause a 'brain drain' of skilled workers from poorer countries.

Question 3

some lower-income countries spend a large share of their government income repaying interest on past loans/debt, oe	**B1**
debt relief cancels or reduces this debt, freeing up money that would otherwise go on repayments, oe	**B1**
this money can then be spent on development instead, e.g. on schools, healthcare or infrastructure, oe	**B1**

Answer: Debt relief cancels or reduces money owed, freeing up government income that would otherwise go on debt repayments so it can be spent on development instead, e.g. schools, healthcare or infrastructure.

Question 4

Level 4 A detailed, well-balanced assessment that uses accurate, detailed reference to named bottom-up and top-down strategies (e.g. the Grameen Bank); weighs their relative reach, sustainability and reliability, and reaches a clear, justified conclusion.	**7-8**
Level 3 A clear assessment that uses accurate reference to at least one named strategy in some detail; both approaches are considered, and a conclusion is reached, though the balance of the argument may be less developed.	**5-6**
Level 2 Some relevant points about bottom-up and/or top-down strategies are made, with limited or generalised detail; a simple conclusion is given with little justification.	**3-4**
Level 1 One or two isolated relevant points about development strategies are made, with little or no comparison.	**1-2**
Level 0 No relevant content.	**0**

Indicative content:

- Bottom-up strategies (e.g. the Grameen Bank microfinance scheme in Bangladesh) directly reach individuals and communities, are usually low-cost, and build local skills and independence.
- Bottom-up strategies may have limited reach (they can only help the specific families or communities involved) and cannot easily deliver very large infrastructure that a whole country needs, e.g. a national power grid or a major road network.
- Top-down strategies (e.g. a government-to-government loan for a large infrastructure project, such as a dam) can deliver large-scale change that benefits a whole country or region at once.
- Top-down strategies are more expensive, can take longer to plan and complete, and the benefits do not always reach the poorest people first (or at all), especially where corruption or poor management is a problem.
- Some development in practice combines both approaches (large-scale infrastructure alongside community-level schemes), suggesting effectiveness depends on the specific goal, not one approach alone.
- A well-supported conclusion should state a clear judgement on which approach (or combination) is more effective for reducing the development gap, backed by specific evidence from named examples.

Question 5

GNI per capita is an average, so it does not show how income is distributed, oe	**B1**
linked detail, e.g. a country could have a high average income but very unequal distribution, with much of the population still living in poverty, oe	**B1**
GNI per capita does not account for the informal economy, oe	**B1**
linked detail, e.g. a lot of unpaid or unofficial work (e.g. subsistence farming, informal trading) is not recorded, so GNI can understate real economic activity, oe	**B1**

Answer: GNI per capita is an average, so it hides inequality in how income is distributed within a country; it also does not account for the informal economy (unofficial, unrecorded work), so it can understate real economic activity.

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Question 6

the Grameen Bank was founded in Bangladesh in 1983 by Muhammad Yunus, oe	**B1**
it provides microfinance: very small loans, mainly to poor people (particularly women) who could not usually get a loan from a traditional bank, oe	**B1**
borrowers use the loans to start or grow a small business, e.g. buying tools, materials or livestock, oe	**B1**
the scheme became known for its very high loan repayment rate, helped in part by borrowers being organised into small support groups, oe	**B1**
the income earned allows families to improve their standard of living, e.g. affording better food, healthcare or their children's education, oe	**B1**
as this is a bottom-up scheme, it directly benefits individual families and communities, rather than relying on money reaching them via national government, oe	**B1**

Answer: The Grameen Bank (founded in Bangladesh, 1983, by Muhammad Yunus) provides microfinance, small loans mainly to poor women, to start small businesses; the resulting income improves families' standard of living, and because it is bottom-up, it benefits communities directly.

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