GEO.HU5 Strategies to Reduce the Global Development Gap

AQA 8035 · Calculators not allowed · about 60 minutes

Total Marks

Name: ______________________________ Date: ____ / ____ / ______

Answer ALL questions. Show all your working.

1 Define the strategy 'foreign direct investment' (investment by multinational companies) as used to reduce the development gap.

(Total for Question 1 is 1 mark)

2 Define 'industrial development' as a strategy to reduce the development gap in a low-income country.

(Total for Question 2 is 1 mark)

3 Define 'tourism' as a development strategy and how it can raise quality of life.

(Total for Question 3 is 1 mark)

4 Define short-term (emergency) aid and explain its primary purpose in the development context.

(Total for Question 4 is 1 mark)

5 Define long-term (development) aid and state its main goal.

(Total for Question 5 is 1 mark)

6 State the difference between bilateral aid and multilateral aid, giving the category names.

(a) Bilateral aid - state what it is. **(1)**

(b) Multilateral aid - state what it is. **(1)**

(Total for Question 6 is 2 marks)

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7 Define 'intermediate technology' (appropriate technology) as used in development projects.

(Total for Question 7 is 1 mark)

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8 Define 'fair trade' as a strategy to help producers in lower-income countries.

(Total for Question 8 is 1 mark)

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9 Define 'debt relief' such as the HIPC initiative, and state its intended development benefit.

(Total for Question 9 is 1 mark)

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10 Define 'microfinance' with reference to the Grameen Bank model and state one typical outcome for recipients.

(Total for Question 10 is 2 marks)

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11 Give one example of a top-down development scheme and one example of a bottom-up development scheme, naming the type of project for each.

(Total for Question 11 is 2 marks)

12 Table 1 shows simplified, illustrative export income for two lower-middle-income countries, Country X and Country Y, in one year. The figures are in millions of US dollars.

Table 1 - Export income (millions US dollars)
Country X: Tourism receipts 800, Manufacturing exports 1,600, Total exports 2,600
Country Y: Tourism receipts 1,200, Manufacturing exports 400, Total exports 1,600

Use Table 1 to answer the questions below about how tourism and industrial exports contribute to foreign income.

(a) Using Table 1, state which single export type supplies the largest foreign income for Country X. **(1)**

(b) Calculate the difference in tourism receipts between Country Y and Country X. Show your working and give the answer in millions US dollars. **(2)**

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(c) Calculate the percentage of Country X's total exports that comes from tourism receipts. Give your answer to one decimal place. **(3)**

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(d) Describe the pattern shown by Table 1 in terms of each country's reliance on tourism compared with manufacturing, and give one implication for which development strategy might suit each country. **(3)**

(Total for Question 12 is 9 marks)

13 Explain TWO ways microfinance (for example the Grameen Bank model) can help to raise quality of life in recipient communities.

(Total for Question 13 is 6 marks)

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14 Give TWO advantages to small-scale producers of participating in fair trade schemes.

(Total for Question 14 is 2 marks)

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15 Use named examples and the strategies in this topic to answer the question. 'Which single strategy is most effective at reducing the global development gap?' Evaluate the extent to which you agree with this statement, supporting your judgement with evidence and a reasoned conclusion.

'Which single strategy is most effective at reducing the global development gap?' Evaluate the extent to which you agree with this statement, using named examples where possible.

(Total for Question 15 is 12 marks)

Mark scheme · GEO.HU5 Strategies to Reduce the Global Development Gap

Question 1

- **B1** investment by multinational companies or foreign governments into a country, for example building factories or offices that create jobs and capital, oe
- **Answer: Foreign direct investment is money from multinational companies or foreign governments invested into a country, for example building factories or offices to create jobs and capital.**

Question 2

- **B1** growing a country's manufacturing and processing sectors to create higher-paid jobs, add value to raw materials and increase exports, oe
- **Answer: Industrial development is growing a country's manufacturing and processing sectors to create higher-paid jobs, add value to raw materials and increase exports.**

Question 3

- **B1** development of facilities and services for visitors to bring foreign currency, create jobs and support local businesses, oe
- **Answer: Tourism is developing facilities and services for visitors to bring foreign currency, create jobs and support local businesses, which can raise quality of life.**

Question 4

- **B1** immediate help after a crisis such as food, water and medical supplies, aimed at saving lives and meeting urgent needs, oe
- **Answer: Short-term aid is immediate help after a crisis, such as food, water and medical supplies, aimed at saving lives and meeting urgent needs.**

Question 5

- **B1** aid given over months or years to fund projects such as schools, health and infrastructure to improve living standards sustainably, oe
- **Answer: Long-term aid is support given over months or years to fund projects such as schools, health and infrastructure to improve living standards sustainably.**

Question 6

- (a) **B1** aid given directly from one country to another, often as a government-to-government grant or loan, oe
- **(a) Answer: Bilateral aid is aid given directly from one country to another, often as a government-to-government grant or loan.**
- (b) **B1** aid pooled from many countries and distributed by an international organisation such as the World Bank or UN, oe
- **(b) Answer: Multilateral aid is aid pooled from many countries and distributed by an international organisation such as the World Bank or the UN.**

Question 7

- **B1** technology designed to be low-cost, easy to maintain and suitable for local skills and conditions, such as treadle pumps or simple water filters, oe
- **Answer: Intermediate technology is low-cost, easy-to-maintain technology designed to suit local skills and conditions, such as treadle pumps or simple water filters.**

Question 8

- **B1** a scheme that pays producers a fairer price and supports community development and ethical standards in supply chains, oe
- **Answer: Fair trade is a scheme that pays producers a fairer price and supports community development and ethical standards in supply chains.**

Question 9

- **B1** cancelling or reducing a country's external debt (e.g. HIPC) so government funds can be spent on health, education and infrastructure, oe
- **Answer: Debt relief, such as HIPC, is cancelling or reducing a country's external debt so government funds can be spent on health, education and infrastructure.**

Question 10

- **B1** very small loans and financial services given to poor people often excluded from banks, as in the Grameen Bank model, oe
- **B1** typical outcome: enabling a small business to start or grow, increasing household income, oe
- **Answer: Microfinance is very small loans and financial services given to poor people often excluded from banks, as in the Grameen Bank model; a typical outcome is enabling a small business to start or grow, increasing household income.**

Question 11

- **B1** top-down example, e.g. a government-funded hydroelectric dam or national road project, oe
- **B1** bottom-up example, e.g. a community well, a microfinance group or a local school built with NGO support, oe
- **Answer: Top-down example: a government-funded hydroelectric dam or national road. Bottom-up example: a community well, a microfinance group or a local school built with NGO support.**

Question 12

- (a) **B1** manufacturing exports
- **(a) Answer: Manufacturing exports.**
- (b) **M1** 1200 - 800 seen, oe
- (b) **A1** 400 million US dollars cao
- **(b) Answer: 400 million US dollars.**
- (c) **M1** 800 / 2600 seen, oe
- (c) **M1** answer x 100 and rounding to one decimal place, oe
- (c) **A1** 30.8% cao
- **(c) Answer: 30.8%.**
- (d) **B1** Country X relies more on manufacturing exports (1,600) than tourism (800), oe
- (d) **B1** Country Y relies more on tourism (1,200) than manufacturing (400), oe
- (d) **B1** implication, e.g. Country X might focus on industrial investment and upgrading factories while Country Y might prioritise improving tourism infrastructure and diversifying tourist services, oe
- **(d) Answer: Country X relies more on manufacturing exports (1,600 million) than tourism (800 million); Country Y relies more on tourism (1,200 million) than manufacturing (400 million). This implies Country X might prioritise industrial investment and upgrading factories, while Country Y should focus on improving tourism infrastructure and diversifying tourist services.**

Question 13

- **B1** microfinance provides small loans to start or expand local small businesses, oe
- **B1** linked detail showing how this increases household income, allowing better food, health care or education, oe
- **B1** microfinance often targets women and builds financial inclusion, oe
- **B1** linked detail showing how empowering women can lead to improved family welfare and more stable spending on children, oe
- **B1** microfinance schemes can encourage savings, financial skills and group support, oe
- **B1** linked detail showing how these reduce vulnerability to shocks and help households invest for the future, oe
- **Answer: Microfinance gives small loans to start or expand businesses, increasing household income to afford better food, healthcare and education; it often targets women, empowering them and improving family welfare; and it builds savings and financial skills that reduce vulnerability to shocks and allow future investment.**

Question 14

- **B1** they receive a higher, more stable price for their products, oe
- **B1** they gain access to training and community development premiums, oe
- **Answer: They receive a higher, more stable price for their products, and they gain access to training and community development premiums.**

Question 15

- **Level 3** (7-9): A well-developed, balanced evaluation that compares several named strategies (for example microfinance, industrial development, long-term aid, debt relief, fair trade), assesses strengths and limitations with supporting evidence, and reaches a reasoned judgement on whether one strategy can be considered most effective.
- **Level 2** (4-6): A clear evaluation that discusses at least two strategies with some relevant evidence and a conclusion, but with less depth or fewer named examples.
- **Level 1** (1-3): A limited response making a few relevant points about strategies, with a simple or unsupported conclusion.
- **Indicative content:**
  - Arguments that favour industrial development or foreign direct investment: potential to create many jobs, add value to raw materials, increase exports and stimulate wider economic growth; but may require large capital and risk favouring urban areas while leaving rural poverty.
  - Arguments that favour long-term aid and debt relief: can fund schools, health and infrastructure that directly raise quality of life and free government budgets; but effectiveness depends on good governance and can create dependency if poorly designed.
  - Arguments that favour microfinance and intermediate technology: bottom-up approaches directly reach households, build skills and empower local people, often with rapid, measurable benefits; but they may have limited reach and cannot by themselves deliver national-scale infrastructure.
  - Arguments that favour fair trade and tourism: fair trade can raise and stabilise incomes for specific producer groups and fund community projects; tourism can bring large sums of foreign currency and jobs but is often seasonal and vulnerable to external shocks.
  - Consideration of combining strategies: many effective development outcomes arise from combining top-down investment in infrastructure with bottom-up schemes such as microfinance and appropriate technology, and from complementary policies like education and political reform.
  - A strong conclusion will weigh scale, sustainability, equity and speed of impact, showing why no single strategy is universally best and arguing for context-specific combinations supported by named examples, such as the Grameen Bank for microfinance and HIPC debt relief for freeing public funds.