

GCSE GEOGRAPHY KNOWLEDGE BOOK




Unit 2: Challenges in the Human Environment

Section B: The Changing Economic World

- Economic Development
- Strategies for reducing the development gap
- Economic Development in the World
- Changing UK Economy

The information here is what all students MUST know. Use this document as a checklist to identify what is clear to you, what you need to work on and what you can tick off once revised. If you have any doubts or questions, please come and see your teacher – we are happy to help

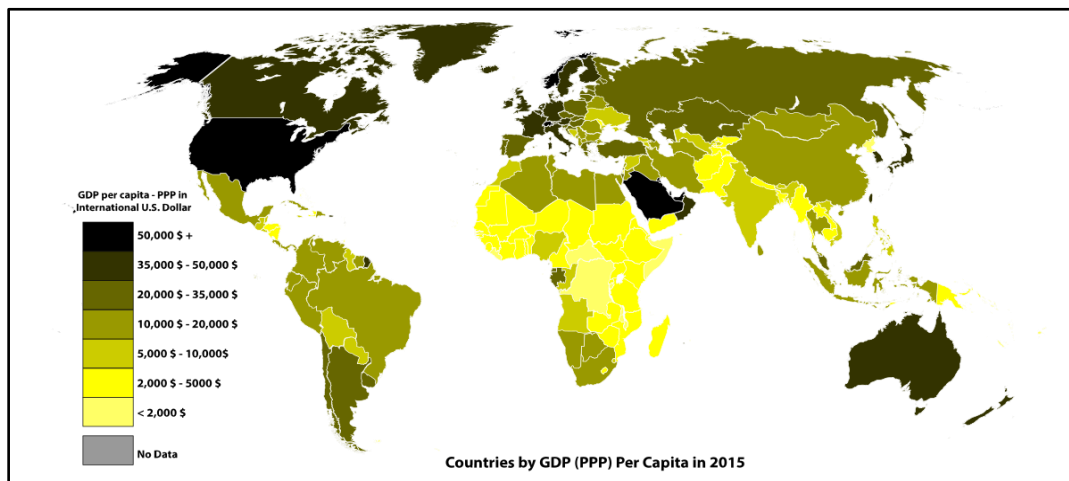
ECONOMIC DEVELOPMENT

Key content	What you need to know
What is Development?	<p>Development refers to the progress of a country as it becomes more economically and technologically advanced.</p> <p>It refers to positive changes in people's quality of life, such as educational opportunities, increased incomes, human rights and healthier living conditions.</p>  <p>This diagram shows the UN global sustainable development goals.</p> <p>The World Bank classifies the world into three broad groups according to measures of social and economic development:</p> <ol style="list-style-type: none"> 1. Low Income countries (LICs) – includes 30 of the world's poorest countries most people have a poor quality of life with inadequate services and few opportunities. most of these countries are in Africa or Asia. 2. Newly Emerging Economies (NEEs) – includes countries such as Brazil, India and China experiencing rapid economic growth and development based on industrial development incomes are rising and most people enjoy a reasonable standard of living. 3. High Income Countries (HICs) – includes 80 countries where people enjoy a good standard of living based on relatively high levels of income (e.g. NW Europe, the USA, Japan, Australia and New Zealand). most of these countries have modern industries with high proportions of people working in the service sector.
What are economic and social measures of development?	<p>There are several economic and social measures of development.</p> <p>ECONOMIC MEASURES – These relate to employment, income and wealth</p> <p>SOCIAL MEASURES – These relate to quality of life and social well-being.</p> <p>Some measures are more reliable than others. It is important to remember that these measures are often averaged for a whole country. There will often be significant inequalities of wealth and social development within a country, particularly between major cities and remote rural areas. In fact, inequality is a good measure of the lack of development within a country.</p>

Gross National Income (GNI): This is usually expressed as GNI per capita and is the total income of a country divided by the number of people. ECONOMIC.

Limitations of this measure

- The measure only takes into account one factor – income.
- The measure is an average calculation so a few wealthy people could distort the whole figures.
- Data about income is sensitive so people may not always be honest about their earnings.
- People working in the informal sector (of which there are many) may not be taken into account.



Birth Rate: This refers to the number of live births per 1000 population. SOCIAL.

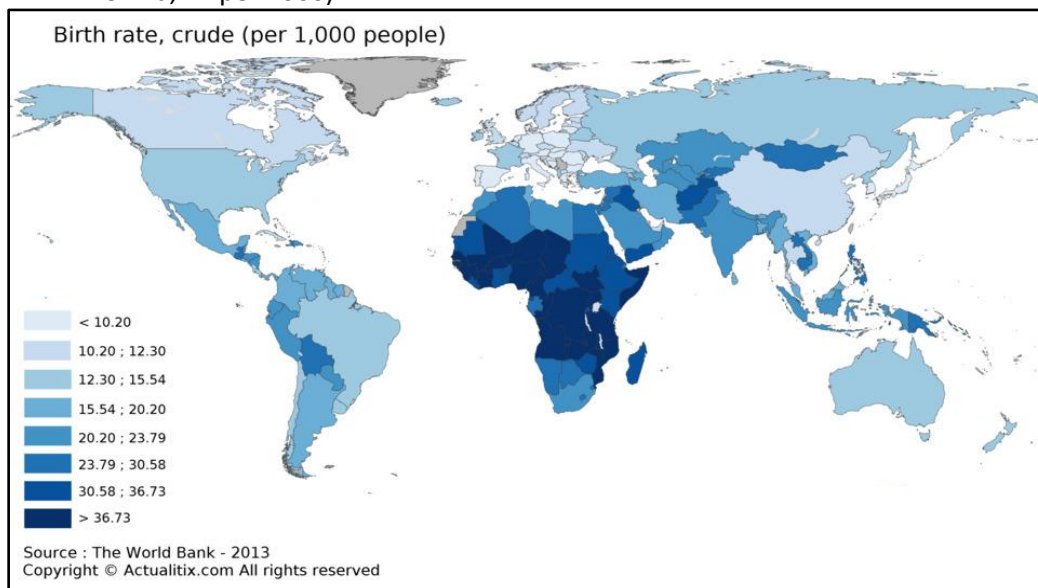
Generally **high birth rates** are associated with **poor countries**. Large families ensure a decent income for the family and provide support for ageing parents.

As a country develops, birth rates generally decrease.

Women are likely to be educated and seek a career. Therefore, they marry later and have fewer children. In addition, better access to healthcare means that family size decreases as children are less likely to die in infancy.

Limitations of this measure

- Some countries may have low birth rates but are actually quite poor (e.g. Cuba at 10 per 1000 – this is due to political decisions to invest more money in healthcare over other sectors).
- Birth control policies can distort this as a measure of overall development (e.g. China, 12 per 1000)



Death Rate: This refers to the number of deaths per 1000 population. SOCIAL.
Death rates are generally low throughout the world due to improvements in healthcare. The highest rates are in Africa and parts of the Middle East. Some of the lowest death rates are in NEEs where improved quality of life means people are starting to live longer.

Limitations of this measure

- By comparison, death rate is a less reliable measure of development to the birth rate
- Birth rates can be high in some LICs due to poverty but also high in HICs where many people are dying of old age.

Infant Mortality: This refers to the number of deaths of children less than one year of age per 1000. SOCIAL.

Figures for this vary enormously with the highest values in African countries (Angola, 96 per 1000) and lowest in HICs (Germany, 3 per 1000).

It is recognised as a good measure of development as it reflects the level of healthcare and service provision in a country.

Limitations of this measure

- In the poorest countries, not all the deaths of children are reported, especially in remote areas, meaning the true rates may be even higher.

Jeanne Calment (1875–1997) of France, who lived to the age of 122 years, 164 days.



Life expectancy: This is the average number of years a person in a country can be expected to live. SOCIAL.

In HICs life expectancy can be over 80 years.

In NEEs, life expectancy is between 65 and 75.

In LICs, life expectancy is typically in the 50s.

This is regarded as a good measure of development as it reflects healthcare and service provision.

Limitations of this measure

- Data is not always reliable, especially in LICs
- It can be slightly misleading in countries with very high rates of infant mortality as people surviving infancy may live longer than expected thereafter.

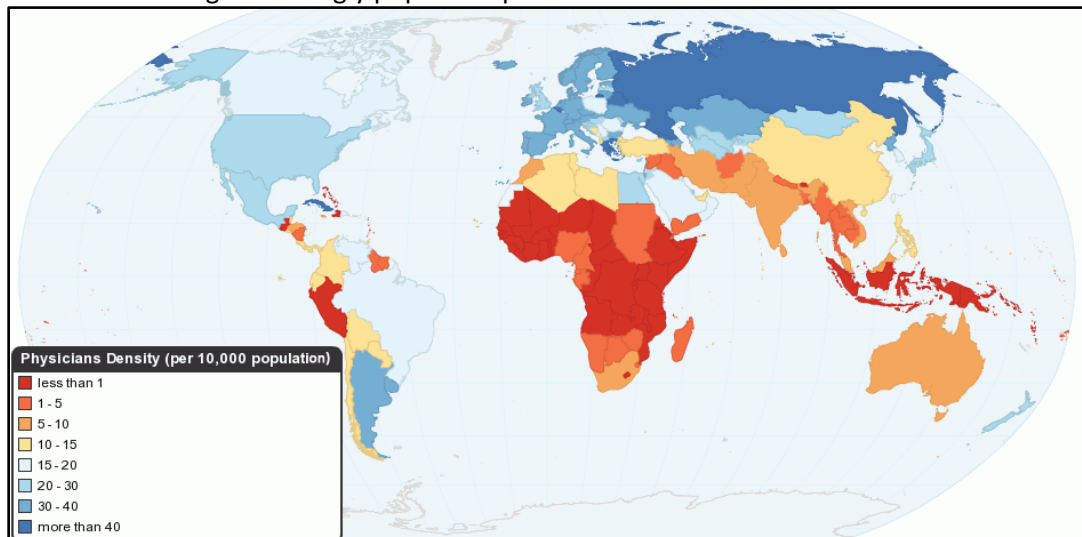
People per Doctor: This can also be expressed as doctors per 1000 population. SOCIAL.

There are huge variations exist between LICs and HICs.

In the UK there is 1 doctor per 350 people compared to Afghanistan, where there is 1 doctor per 5,000 people.

Limitations of this measure

- Increasingly people are seeking medical help and advice via mobile phone – this is becoming increasingly popular in places like India and is not included in the data.



Literacy Rate: This can also be expressed as the percentage of people with basic reading and writing skills. SOCIAL.

This varies widely. Most HICs have literacy rates of 99%. However, in LICs, the figure can be below 50% (Afghanistan, 38%). This is a good measure as it reflects the provision of education within a country.

Limitations of this measure

- This can be hard to measure in LICs due to lack of monitoring
- War zones and squatter settlements are difficult areas to measure literacy rates.

Access to Clean Water: The percentage of people with access to safe mains water. SOCIAL.
There is much variation with safe water access across the globe.

In the EU which includes many HICs, all people should have access to safe water by law. Access in many LICs however, is poor (Angola, 34%)

Limitations of this measure

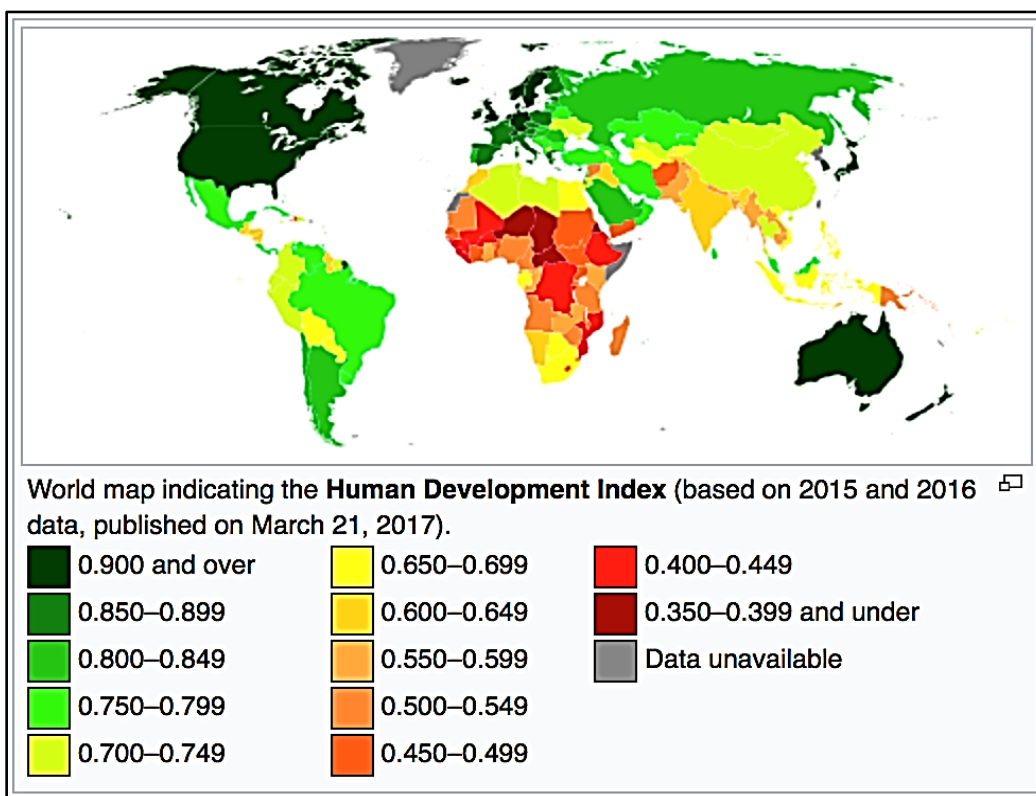
- Data collection in LICs is not likely to be accurate and so official figures may underestimate the problem
- People may technically have access but high costs may force them to use water that is not safe
- Pipe leaks and natural disasters may deprive people of piped water

Human Development Index: This is a composite measure using data on income, life expectancy and education to calculate an index from 0-1. It was developed by the UN to show how far people benefit from economic growth. SOCIAL.

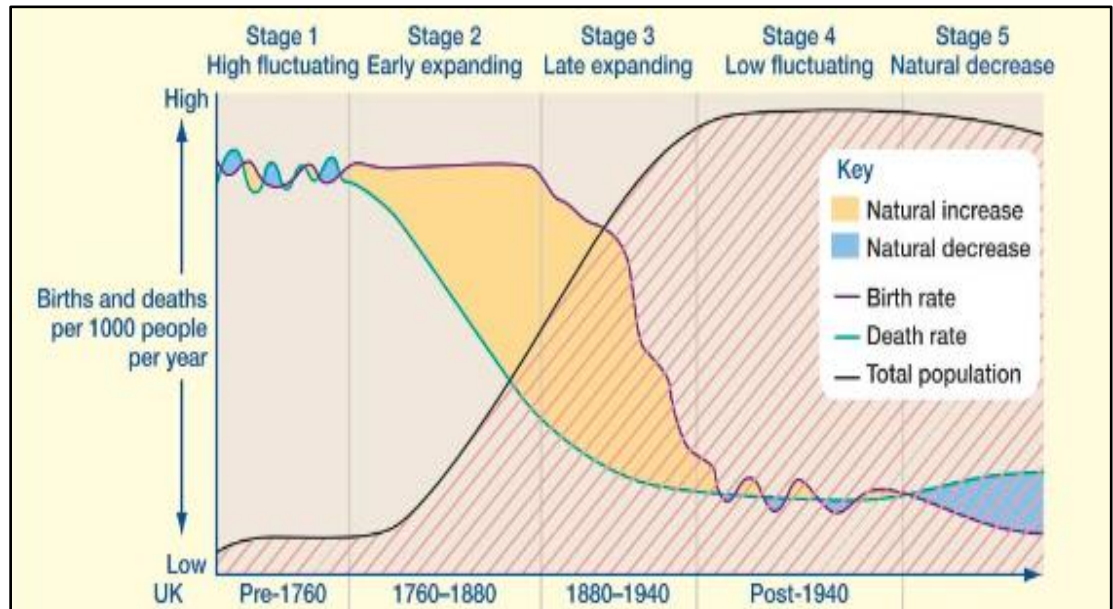
A country's HDI is expressed as a value between 0-1 (1 being the highest and 0 being the lowest).

Limitations of this measure

- It is still a narrow measure and only takes into account 3 indicators. There are lots of other indicators of human development which are important but not considered.
- It is a general measure based on average calculations so doesn't take into account the massive disparities (differences) that may exist within a country.
- Although the three measures included are weighted equally in the calculations, the weighting is subjective and therefore unreliable.
- The statistics provided by some countries may be unreliable.



Demographic Transition Model



The Demographic Transition Model shows the **changes in a population over time**. The graph is based on the changes that took place in western countries such as the UK. It shows how the total population responds to changes in the birth rate and death rate. The gap between the birth rate and death rate is called natural increase or natural change.

As populations move through the stages of the model, the gap between birth rate and death rate first widens, then narrows.

Stage 1: Total population is low but it is balanced due to high birth rates and high death rates. Countries at this stage were undeveloped but it no longer applies to individual countries. E.g. **Traditional Rainforest Tribes** In parts of Indonesia, Brazil and Malaysia, small groups of people live separately with little contact with the outside world. They have a high birth rate and death rate.

Stage 2: Total population will start to rise because the death rates will start to fall (to around 18/19 per 1,000). Birth rates will remain high. Death rates fall due to: better medical care e.g. vaccinations, better sanitation and water supplies, improved quality and security of food and there will be a noticeable decrease in child mortality. E.g. **Afghanistan:** one of the poorest and least developed countries in the world. Its birth rate is 39 per 1000 and its death rate is 14 per 1000. About 80 per cent of its population are farmers who need children to support them in the fields and tending livestock.

Stage 3: Total population is rising rapidly. The gap between birth and death rates will narrow. Natural increase is high. Death rates will now remain low and steady (to 15 per 1,000) but birth rates will fall quickly (down to around 18 per 1,000). Birth rates fall due to: increased use of family planning methods; much lower infant mortality rates will mean that more children will survive and there is less need to have as many babies; increased opportunity for employment in factories means that fewer people (and children) are required to work on the land; changes to society put more desire on material possessions than large families; changes to equality mean that women are increasingly in the workforce and not 'staying at home' to look after the children. E.g. **Nigeria:** a newly-emerging economy (NEE) experiencing economic growth. The death rate is much lower than the birth rate. The country's population is growing rapidly.

Stage 4: Total population is high and growing slowly. It is balanced by a low birth rate (15 per 1,000) and a low death rate (12 per 1,000). Contraception is widely available and there is a social desire to have smaller families. **USA:** one of the most developed countries in the world. Good-quality health care means death rates are low (8 per 1000). Women tend to

Uneven Development

have small families, choosing to study and follow careers. Therefore, birth rate is low (13 per 1000). Population growth is due mainly to immigration.

Stage 5: Total population is still high but starting to decline due to the birth rate falling (to 7 per 1,000) below the death rate (9 per 1,000). The population will start to fall as it is no longer replacing itself. The population is ageing and will gradually be dominated by older people. E.g. **Germany:** a well –developed country experiencing population decline as death rate exceeds birth rate. The birth rate is 8.2 per 1000 – the lowest in the world. Women have careers and have few children. With an ageing population, Germany's death rate (11.2 per 1000) will continue to rise.

1. Physical causes of uneven Development:

Landlocked: Countries are cut-off from seaborne trade important to economic growth. Africa has some of the most landlocked countries on earth. E.g. Chad

Climate related diseases and pests: Diseases (like Malaria) affect the ability of the population to stay healthy enough to work. Locust swarms can decimate crops.



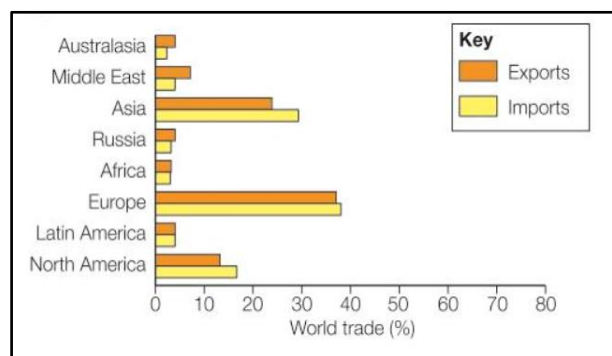
Extreme weather: Extreme weather events such as droughts, floods and tropical storms can slow development and can incur costly repairs to infrastructure. E.g. Bangladesh

Limited access to clean water: Lack of safe water can stifle development by making people sick and unable to work. E.g. Angola

2. Economic causes of uneven development:

Poverty: lack of money in a country slows development. It prevents improvements to living standards, education, sanitation and infrastructure. Without these, development in agriculture and industry will be slow and the economy cannot get going.

Trade: Wealthier regions, such as Asia, Europe and North America, dominate trade because they export secondary (processed) goods which earn more income. As these countries accumulate wealth they become more powerful. This means they are able to dictate the terms of trade to their advantage.



LICs trade primary products

LICs trade mostly primary goods.

These goods have low value and earn them little money.

This means they have limited funds to invest in infrastructure and services that would enable them to develop.

LICs rely heavily on single exports

LICs rely mostly on single exports

These are subject to fluctuations in market price.

This means that a drop in the market value, risks them losing a high proportion of their income that would enable them to develop.

3. Historical causes of uneven development

Many LICs were colonised by powerful trading nations such as the UK, France, Spain and Portugal. Much of Africa, South America and Asia were exploited for their raw materials and over 10 million people were exported from Africa to North America to work as slaves. It was during this era that global development became uneven. Although most of these countries have become independent during the 20th century, many have been affected by power struggles and civil wars, the legacy of hundreds of years of exploitation. As a result, they face many challenges in terms of development.

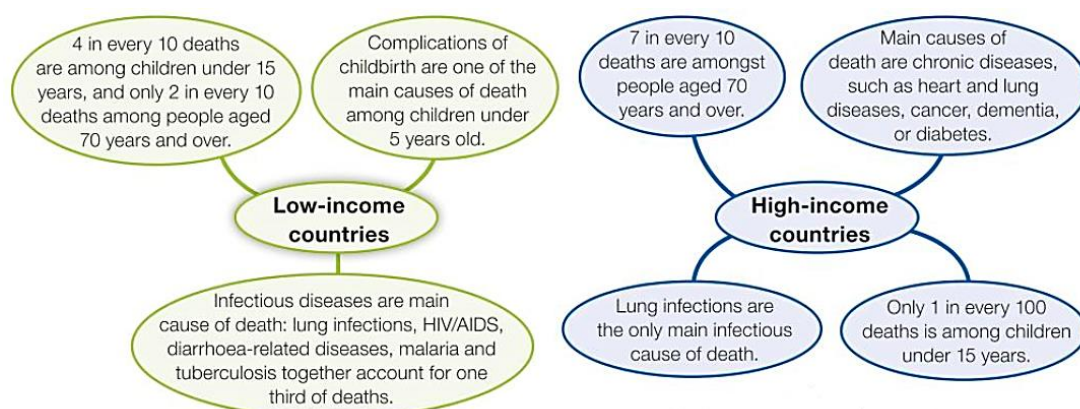


The consequences of uneven development

consequences

There is a definite link between a country's development and the health of its population.

LICs are unable to invest in good quality health care which means there are huge disparities in the causes of death between HIC and LICs.



Disparities in Wealth: 35% of total wealth is held in North America – by just 5% of the World's population

Disparities in Health: LICs are more likely to experience poor health care.

- In LICs, 40% of deaths are in children under 15, compared to 1% in HICs.
- In HICs, 70% of deaths are people aged over 70, compared with 20% in LICs.
- In LICs, Malaria and TB account for 1/3 of all deaths.
- In HICs, chronic diseases such as cancer, heart disease and dementia are the main causes of death.

International Migration: Migration is the movement of people from place to place.

International migration is one of the main consequences of uneven development, as people move to improve the quality of their life. Migrants may be economic migrants or refugees.

ECONOMIC MIGRANT – a person who moves voluntarily to seek a better quality of life abroad

REFUGEES – a person who has been forced to move, often due to conflict or natural disaster and seeks sanctuary in a foreign country.

Since the Arab Spring in 2011, thousands of people have migrated into Europe from war torn regions of the Middle East and North Africa (e.g. Syria, Libya, Afghanistan). Crossing the Mediterranean into Italy, Greece and then into Germany especially. In 2015, an estimated 1.1 million migrants entered Germany. Germany is at stage 5 of the DTM and with a declining population can potentially benefit greatly from this migration.

STRATEGIES FOR REDUCING THE DEVELOPMENT GAP

How can we reduce the development gap?

INTERMEDIATE TECHNOLOGY: Intermediate technology is sustainable technology that is appropriate to the needs, skills, knowledge and wealth of local people. It must be suitable for the local environment and must not put people out of work. These projects often involve agriculture; water and health. **How it works:**

- Provides employment & income
- Provides tools, knowledge, skills
- Makes use of local resources & skills
- Has a knock-on impact on quality of life

Example: In the village of Adis Nifas in northern Ethiopia, materials were provided to build a small dam. The dam was built by villagers to create a reservoir close to the village's fields. This has provided each family with an area of irrigated land where they can grow their own crops.

FAIRTRADE: sets standards for trade in poor countries so they cannot be taken advantage of. It helps to ensure that producers (farmers) in poor countries get a fair deal for the crops that they produce. **How it works:**

- By guaranteeing the farmer a fair price
- Ensuring they get all the money from the sale of their crop
- Ensuring that profit is re-invested back into the community
- Ensuring the farming is carried out sustainably
- By ensuring the product gains a stronger position in the world market

Example: Over 90% of small coffee farmers in eastern Uganda have joined the Gumutindo Coffee Cooperative.

This has allowed them to make savings through economies of scale and has helped to negotiate a fair price for the producers. The co-operative allows the coffee to be milled before being sent abroad for roasting. This partial processing adds value to the product increasing the farmer's income.

DEBT RELIEF: Many countries borrowed money from in the 1970's and 1980s to invest in development projects. Some countries have fallen into serious debt unable to pay back loans at the high rates of interest. In 2006, the International Monetary Fund (IMF) agreed to cancel the debts of 19 of the world's poorest countries. **How it works:**

- This money saved in debt can now be used for development projects such as industry, resources and infrastructure.

Example: As a result of debt relief in Tanzania, there is now money available to provide free education. This has resulted in a 66 per cent increase in attendance. In Uganda, the government has spent money to provide safe water to over 2 million people.

MICROFINANCE LOANS: is small-scale financial support available directly from banks to set up especially to help the poor. Small microfinance loans enable individuals or families to start up small businesses that help them to become more self-sufficient. **How it works:**

- Small businesses thrive
- Employment and opportunities increase
- Incomes rise

Example: The Grameen Bank in Bangladesh was set up 1976. The bank was founded to help local people, especially women, to use their skills to develop small businesses. For example, the bank lends women money to buy mobile phones. The women then charge villagers to use the phone to ring relatives and get health advice. This then earns them enough money to repay the loan and make a small profit.

CASE STUDY Reducing the development gap

Jamaica, NEE

You will need to know an example of how tourism is helping to reduce the development gap in an either an LIC or NEE.

- Location: West Indies
- Population: 2.7 million
- Main industry: Minerals (bauxite & oil), Agricultural production (rum and sugar), Manufacturing

Jamaica has used tourism to close its development gap. The location is suited to tourism because of its

- warm climate
- beautiful beaches
- rich cultural heritage

ECONOMY

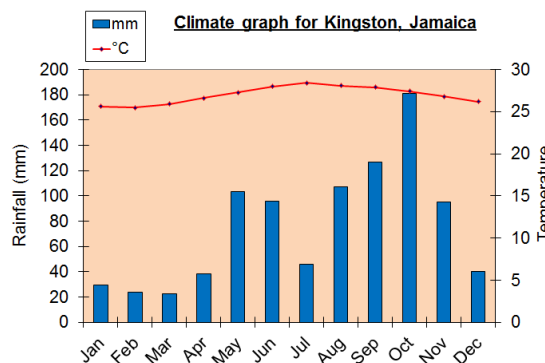
- In 2014, tourism accounted for 24% of the economy.
- Per annum the income is \$2billion. (approx. £1.5billion).
- **Closing the gap:** Taxes paid to the government contribute further to development.

JOBS

- 200,000 jobs in tourism
- Direct employment in hotels, transport & tourist attractions
- Indirect employment in shops, manufacturing and banking
- Jobs in this industry provide income to help boost the economy by spending in shops/services.
- **Closing the gap:** Employees develop skills that help them find future employment.

INFRASTRUCTURE

- High level of investment on the north coast where much of the tourism is centred. Includes new port and cruise liner facilities together with new hotel accommodation.
- Attracts other foreign investors to the area (e.g. tour operators)



	<ul style="list-style-type: none"> • Closing the gap: This in turn attracts more tourists and generates more jobs boosting the economy. <p><u>QUALITY OF LIFE</u></p> <ul style="list-style-type: none"> • Wealthy Jamaicans in the tourist areas around Montego Bay and Ocho Rios. • Large numbers of people in Jamaica still live nearby with poor housing, limited food supply and inadequate access to fresh water, health care and education. <p><u>ENVIRONMENT</u></p> <ul style="list-style-type: none"> • Disadvantages – footpath erosion, excessive waste, harmful emissions. • Advantages – conservation & landscaping (see right), water treatment to reduce pollution from hotels
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ECONOMIC DEVELOPMENT IN THE WORLD

**Economic
Development in
the World**

Refer to the case study booklet on Nigeria for this section.

GCSE GEOGRAPHY: **NIGERIA –** **A Newly Emerging Economy**



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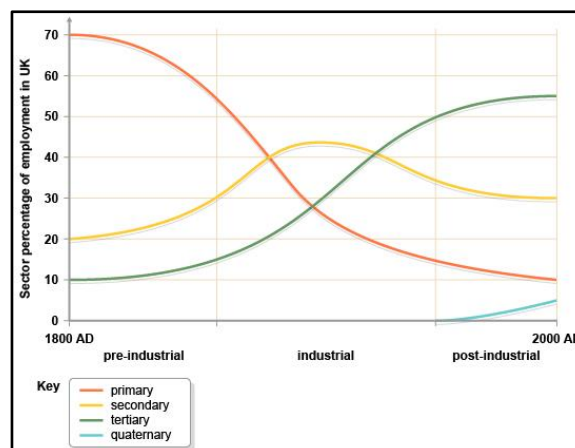
Page 1

CHANGING UK ECONOMY

Economic change in the UK

Industrial structure refers to the percentage of employment in the primary, secondary, tertiary and quaternary sectors of industry within an economy.

During the height of the industrial revolution in the mid-19th Century, Britain's economy was dominated by manufacturing including ship building, iron and steel.



- **Primary sector** has declined mainly due to mechanisation
- **Secondary sector** has declined due to mechanisation & competition from abroad.
- **Tertiary sector** has increased due to the expansion of public & financial services.
- **Quaternary sector** has increased due to growth in knowledge based research & development.

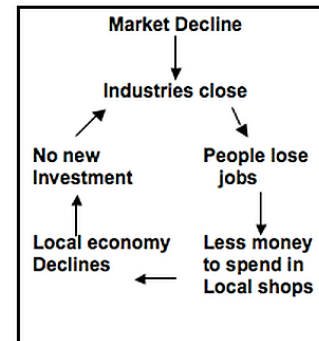
There are three main causes of economic change in the UK:

De-industrialisation, Globalisation and Government Policy

1. **DE-INDUSTRIALISATION** refers to the decline in the UK's traditional heavy industries. Heavy industries declined due to the exhaustion of raw materials, loss of markets and competition from NEEs (Newly Emerging Economies).

Impacts: Traditional industries were often based close to the raw materials (such as coal to manufacture iron, and steel for ship building). Regions like South Wales, Yorkshire, northeast England and Clydeside became hugely dependent on heavy industry.

The decline of heavy industry left a legacy of unemployment, low incomes and environmental dereliction in the areas affected.



2. **GLOBALISATION** is the process by which the world is becoming increasingly interconnected due to the increased movements of goods and people worldwide. The process is enabled by developments in communications and technology.
Impacts: Globalisation has changed how the UK economy works. For example, in the past most goods would have been manufactured in the UK. However, technological improvements have allowed manufacturers to move their business to low income countries where goods can be produced at a much lower cost. With less manufacturers now in the UK, most people now work not in manufacturing but in the tertiary or quaternary sectors enabled by the higher levels of education.
3. **GOVERNMENT POLICIES** have played an important role in shaping the UK's economy and responding to global trends. Since WW1, there have been 3 distinct trends in policy:
 - The Creation of state run industries (1945-79),
 - The privatisation of state run industries (1979-2010),
 - Investment & improvements to infrastructure (2010 onwards)

UK post-industrial economy

A post-industrial economy is where manufacturing industry declines to be replaced by a growth in the tertiary sector (services) and the quaternary sector (research & development).

By 2015, 78% of the UK employment was in the tertiary sector and 10% in the quaternary sector with only 10% in manufacturing. By contrast, in 1900, the manufacturing figure was 55%.

Information Technology

- Many people have mobile access to the internet using smartphones & tablets
- The internet allows for instant communication across the world
- Computers allow large amounts of information to be stored and accessed very quickly
- Internet access enables people to work from home
- There are many new businesses developing which are directly involved with IT design and manufacture and over 1.3 million people now work in the IT sector.
- Britain has become one of the world's leading digital economies.

Jobs in services

- The service sector in the UK has grown rapidly since the 1970s. Approximately 78% of UK employment is now in the tertiary sector.
- Today it contributes to over 79% of the UK total economic output compared with 46% in 1948.
- The UK is the world's leading centre for financial services with the city of London at its heart.
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Employment in Research

- It employs over 60,000 highly educated people & contributes £3 billion to the UK economy
- The research is linked to UK universities such as Oxford, Cambridge and Manchester and involves the biomedical, computer, environmental and aerospace sectors.
- The research is conducted by government bodies like the NHS; the Ministry of Defence & the Environment Agency but also by pharmaceutical companies.
- It is likely to be one of the fastest growing sectors in the future.

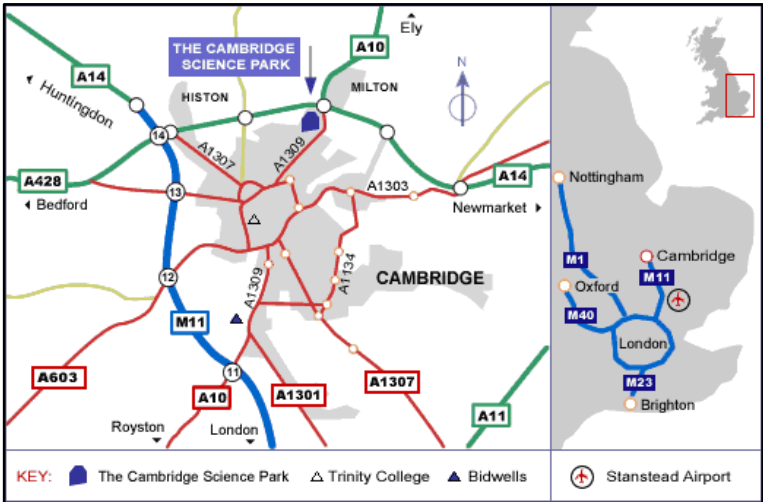

Science Parks

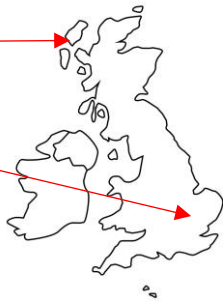
- Science parks tap into research and employ recent graduates.
- They are usually located on the edge of university cities such as Southampton, Oxford and Cambridge benefiting from good transport links and attractive surroundings.
- There are over 100 science parks in the UK employing about 75,000 people.

Business Parks



- Business parks usually involve a small group of businesses on a single plot of land
- There are hundreds of business parks in the UK located on the outskirts of towns and cities where land is relatively cheap and there are good communications.
- They involve retailing and small-scale manufacturing as well as research & development.



	<ul style="list-style-type: none"> In supplying goods and services, they often work in collaboration with each other (e.g. printing companies providing materials for other businesses in the park). Examples include; Capability Green, Luton and Butterfield Business Park, Luton (pictured)
CASE STUDY: What effect have science parks had on the economy?	<p><u>Cambridge Science Park</u></p> <p>Located 3 kilometres from the city centre so it provides easy access for workers</p> <p>Good access to the M11 (for London) and A14 (for the Midlands) for goods transportation</p> <p>Opened by Trinity College in 1970, there are now several colleges linked to the businesses in the park</p> <p>Employs many graduates from Cambridge University providing a skilled workforce</p> <p>Staff benefit from an attractive working environment as its in the countryside.</p> <p>Most companies are involved in bio-medical research.</p> 
The impacts of industry on the physical environment	<p>Impacts in the UK include:</p> <ul style="list-style-type: none"> Landscapes scarred by ugly derelict buildings Gas and soot emissions from burning coal polluted the air resulting in smog Landscapes in coal mining areas were transformed by ugly spoil heaps <p>Car Industry: Each year the UK car industry manufactures over 1.5 million cars. Most of these are produced at 7 large plants owned by Transnational Corporations including Nissan, Honda and BMW. <u>In the past</u> car manufacturing was not environmentally sustainable. Engines were inefficient producing high quantities of harmful pollutants as they burned fuel. Materials used to make cars were often toxic and difficult to recycle. Car production processes were very energy intensive.</p> 
CASE STUDY: UK car industry	<p><u>Nissan car Plant, Sunderland</u></p> <p>The Nissan Car Plant was opened in 1986. It employs 7,000 people and produces 500,000 cars a year. The plant is working towards more sustainable industrial practices in the following ways:</p> <ul style="list-style-type: none"> 7 per cent of the energy used for manufacturing comes from wind turbines New car models are now designed to be much more fuel efficient with tighter restrictions on exhaust emissions The plant produces electric and hybrid vehicles such as the Nissan 'Leaf'. Cars are designed using materials that can be readily recycled, reducing the waste which goes to landfill sites

	<p>But in recent month a headline in the Independent read:</p> <p>“Nissan warns Sunderland factory ‘unsustainable’ after Brexit without EU trade deal</p> <p>If no trade deal is reached, cars made in the UK and exported to the EU would be subject to a 10 per cent tariff “ Wednesday 3 June 2020</p>																		
<p>Changes in the Rural Landscape</p>	<p>Rural landscapes in the UK are experiencing change. Some are experiencing population decline as people move to seek jobs elsewhere. Others are experiencing population growth, particularly those which are close to thriving cities and towns. This results in considerable social and economic change.</p> <p>Outer Hebrides = population decline</p> <p>South Cambridgeshire = population growth</p>  <p><u>South Cambridgeshire</u></p> <ul style="list-style-type: none"> • The City of Cambridge is one of the fastest growing cities in the UK • The rural area of South Cambridge surrounds the city and includes many small villages and farming communities. • Its current population is around 150,000 but this is expected to rise to 175,000 by 2026. • People are moving into the countryside to escape the city including migrants from Europe working on the many farms. <table border="1"> <tr> <th>Social changes</th><th>Economic changes</th></tr> <tr> <td>Villages with high numbers of commuters become ‘ghost towns’ during the day</td><td>Rising house prices (reflecting greater demand) = Lack of affordable housing for local people</td></tr> <tr> <td>Resentment may be felt towards migrants in the community</td><td>Some local shops may be forced to close if commuters don’t use them. Others thrive on evenings/weekends</td></tr> <tr> <td>Modern housing developments cause conflicts with locals</td><td>The sale of agricultural land reduces farm employment and results in local unemployment</td></tr> <tr> <td>Car-owning commuters do not use public transport so public transport services are reduced</td><td>An influx of poor migrants puts huge economic pressure on local services</td></tr> <tr> <td></td><td>Fuel prices – and shop prices – tend to be higher than elsewhere due to the high demand.</td></tr> </table> <p><u>Outer Hebrides</u></p> <ul style="list-style-type: none"> • The Outer Hebrides are a remote group of islands off the far northwest coast of Scotland (see video attached for an idea of what this area is like). • The islands have experienced a 50% decline in population since 1901, as (mainly young) people have moved to the mainland in search of better-paid jobs. • The current population is about 27,000, most of whom live on the island of Lewis. <table border="1"> <tr> <th>Social changes</th><th>Economic changes</th></tr> <tr> <td>An ageing population will require increasing amounts of care</td><td>Maintaining services is costly and with fewer people, some like post offices, may have to close.</td></tr> <tr> <td>Fewer children could result in school closures</td><td>Shellfish production has increased but mostly involving foreign boats</td></tr> </table>	Social changes	Economic changes	Villages with high numbers of commuters become ‘ghost towns’ during the day	Rising house prices (reflecting greater demand) = Lack of affordable housing for local people	Resentment may be felt towards migrants in the community	Some local shops may be forced to close if commuters don’t use them. Others thrive on evenings/weekends	Modern housing developments cause conflicts with locals	The sale of agricultural land reduces farm employment and results in local unemployment	Car-owning commuters do not use public transport so public transport services are reduced	An influx of poor migrants puts huge economic pressure on local services		Fuel prices – and shop prices – tend to be higher than elsewhere due to the high demand.	Social changes	Economic changes	An ageing population will require increasing amounts of care	Maintaining services is costly and with fewer people, some like post offices, may have to close.	Fewer children could result in school closures	Shellfish production has increased but mostly involving foreign boats
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	<p>Fewer people of working age means that traditional industries like fishing and farming decline (also economic)</p> <p>The out-migration of young people has left an increasingly ageing population</p>	<p>Tourism has become an important economic activity but the infrastructure struggles to keep up</p> <p>Traditional fishing for prawns and lobsters has declined with just a few boats left</p>
<p>Developments in Infrastructure</p>	<p>Transport and industry are linked. Industries require transport to move goods and services. Industries are attracted to those areas where there are good transport networks thus providing employment. Areas which are remote and poorly connected struggle to attract industry and therefore have high levels of unemployment. Good transport networks are therefore essential to future economic growth. Jobs are also created with the ongoing improvements.</p> <p><u>How are roads being developed?</u></p> <p>A 'Road Improvement Strategy' was launched by the government in 2014 to improve the road condition and capacity:</p> <ul style="list-style-type: none"> • Busy motorways are being converted into 'smart motorways' so traffic flow can be controlled reducing congestion • Over 100 new road schemes are being launched by 2020 • Over 1,600km of new lanes will be added to busy motorways and roads (e.g. A303 between Basingstoke (M3) and Exeter (M5)) <p>These improvements will provide construction jobs for hundreds of people and should boost local economies throughout the country by reducing congestion.</p> <p><u>How is the rail network being developed?</u></p> <p>The government is keen to develop the UK's railways to ease congestion and stimulate economic growth especially in northern England. Planned rail improvements include:</p> <ul style="list-style-type: none"> • London Crossrail – (completion: 2018/Cost: £15 billion). Project involves 32km of new lines beneath central London to improve east-west connections and reduce commute times. • Electrification of the Trans-Pennine Railway - (Completion: 2020). This will improve connections between major cities in Northern England. • High Speed 2 (HS2) – (Cost: £50 billion). Involves constructing a high-speed rail line between London and Birmingham and then onto Manchester, Leeds and Sheffield. Highly controversial as the route runs through the countryside and close to settlements. <div data-bbox="959 1171 1444 1570"> </div> <p>But "HS2 to be delayed by up to five years as cost spirals to up to £88bn" Guardian 3/9/2019</p> <p><u>How are the ports being developed?</u></p> <p>The UK has always been a trading nation and its port industry is the largest in Europe, employing 120,000 people and handling 32,000 passengers annually. 96 per cent of all UK import and export trade enters and leaves via ports.</p>	

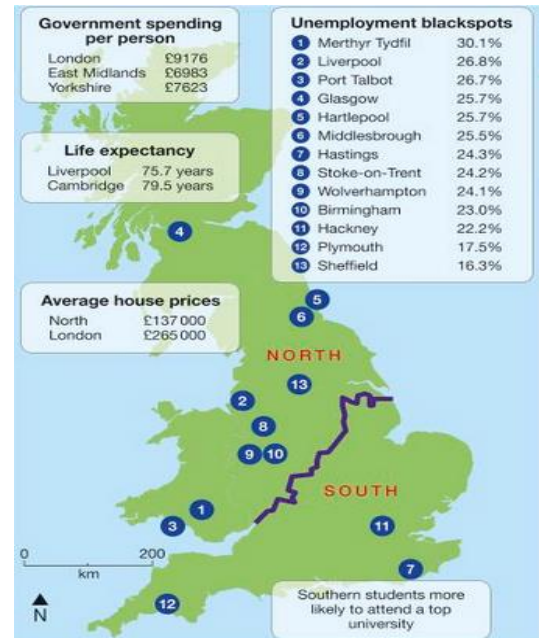
	<p>The UK's largest ports are run by private companies which have invested heavily in the port infrastructure.</p> <p>For example, a new container terminal is being constructed at the Port of Liverpool. Known as 'Liverpool 2', the scheme to construct a deep water quay on the River Mersey will cost about £300 million. The project will more than double the port's capacity to 1.5 million containers annually. Opened in 2016 the new terminal was designed to:</p> <ul style="list-style-type: none"> • create thousands of jobs • boost the economy in the northwest • reduce the amount of freight on the roads <p><u>How are the airports being developed?</u></p> <p>Airports account for 3.6 per cent of the UK's GDP and are extremely important to the UK economy providing thousands of jobs. Over 2 million tonnes of freight pass through UK airports every year. The UK airports handle 750,000 flight departures and 200 million passengers annually.</p> <p>The largest airport is London Heathrow which is a world transport hub handling 70 million passengers annually.</p> <ul style="list-style-type: none"> • In 2016, the government announced plans to construct a 3rd runway to ease congestion and enable expansion • It will create thousands of jobs and boost the local economy but is highly controversial as it will require the demolition of many local settlements. • Strict regulations will be in place to reduce emissions and aircraft noise. • Costing £18.6 billion it will be one of the most expensive infrastructure projects in the UK. • To reduce disruption to the M25, the runway will be built on a ramp over the motorway. <p>But Covid 19 and climate change concerns have put the Heathrow 3rd runway on hold.</p>  
<p>The North South Divide</p>	<p>The north-south divide refers to the cultural and economic disparities between the north and south of the country, particularly London and the south-east, and the rest of the UK. There is evidence for this:</p> <ol style="list-style-type: none"> 1. People in the south-east have higher incomes, longer life expectancy and a higher standard of living. 2. High demand for houses in the south means house prices are higher

3. The north has higher unemployment rates due to deindustrialisation.

Causes: The main cause of the north-south divide is deindustrialisation, as traditional manufacturing industries, often based on raw materials such as coal, were largely based in the north. As the northern economy declined, the economy of the south grew rapidly, particularly financial services with London becoming dominant. This growth has boosted income and the value of property in the south.

For several decades, the UK government (and the EU) have been attempting to restore the balance by investing in the north. This has involved several strategies:

4. The Northern Powerhouse Strategy
5. Devolved Power
6. Enterprise Zones



The Northern Powerhouse Strategy: In 2015, the Conservative Party launched the 'Northern Powerhouse' strategy, designed to help balance the wealth and influence of London and the south east. It aims to achieve this by investing in the north's transportation infrastructure in particular. For example, HS2, a high-speed rail service between London and Birmingham, and between the major northern cities, is scheduled for completion by 2030. New 'Liverpool2' deep-water container port will double Liverpool's cargo-shifting capacity, boosting trade opportunities between the north east and other countries, and reduce amount of freight traffic on roads.

Devolved Power: Scotland, Wales and Northern Ireland already have devolved governments and some powers are also being devolved to local councils in England too. This allows them to use money on schemes they feel will best benefit the local community, e.g. better public transport or regeneration projects to turn disused buildings into modern office spaces to attract businesses to the area.

Enterprise Zones: EZs aim to encourage the establishment of new businesses and jobs in areas with a low amount of pre-existing economic activity. Financial incentives such as tax breaks, grants for machinery, and simplified planning regulations to speed up construction and the establishment of new businesses. 24 Enterprise Zones have been designated since 2011.

The UK in the wider world

The UK used to be one of the world's most powerful political and trading nations. At its peak, the British Empire covered about a third of the world's land area with colonies in Africa; the Asian Pacific and the Americas. In the 20th Century, many former colonial countries gained independence and the UK became a member of the Commonwealth. Today the UK continues to have political; economic and cultural influence within organisations such as the G8, NATO and the UN Security Council. It remains one of the world's major economies and is a global transport and financial centre. The UK is also highly regarded for its fairness and tolerance, its highly developed legal system, its strong democratic principles and its rich cultural heritage.

Trade:

- The UK trades with many countries by sea, air, road and rail.
- The UK's main trading partners are the EU (particularly Germany, France and the Netherlands), the USA and China.

	<ul style="list-style-type: none"> • The internet is increasingly important in the financial and creative sectors. • Post-Brexit, the UK is likely to develop stronger links with countries outside the EU (e.g. India, China and the USA). <p><u>Culture:</u></p> <ul style="list-style-type: none"> • Cultural links include art; fashion; music; television and film • TV is one of the UK's major creative industries worth £1.25 billion a year. Programmes such as Dr Who; Downton Abbey; Peppa Pig and Sherlock are highly successful exports. • Fashion; music and films are also important exports especially to the English-speaking world. • Migrants to the UK have introduced their own cultural characteristics (e.g. foods; fashion; films and festivals) <p><u>Transport:</u></p> <ul style="list-style-type: none"> • The UK's long trading heritage has resulted in the development of major ports and airports such as Heathrow and Gatwick • There are links to mainland Europe via the Channel Tunnel with fast rail services via the Eurostar and HS1. • Ferries and cruise ships transport people to Europe and the rest of the world from ports such as Southampton and Dover. <p><u>Electronic Communication:</u></p> <ul style="list-style-type: none"> • The internet is an increasingly important aspect of global communications. By 2014, 40% of the world's population had access to the internet (90% in the UK). • The UK is an important hub for the global network of submarine cables linking the Europe to the USA. • Submarine are responsible for transmitting 99% of all internet traffic • The 'Arctic Fibre' project (due for completion in 2016) involves 15,000km of cables linking London with Tokyo. <p>European Union</p> <p><u>UK Link to the EU:</u> The UK joined the EU in 1973. With 28 member states, the EU is one of the world's major trading blocs and exerts considerable political and economic influence. In 2016, the UK voted in a referendum to leave the EU (Brexit). This due to happen in 2019. Until then the UK remains part of the EU benefitting from its support whilst obeying its laws and regulations. Membership of the EU has several effects on the UK:</p> <ul style="list-style-type: none"> • Goods; services; capital and labour can move freely between member states ('Free Market') • European funds, such as the European Structural Fund, support regional development in the UK • Hundreds of thousands of people from the poorer countries of Eastern Europe have entered the UK in search of higher wages. They work long hours for low wages in factories and agriculture. • The Single Payment Scheme support farmers and benefits wildlife and the environment. In 2015, £18 million was used to support dairy farmers in the UK. • Many EU laws and regulations affect working practices, product standards; safety, consumer rights and environmental guidelines. Some of these regulations can seem restrictive • The UK pays a considerable amount of money into the EU budget. <p>Commonwealth</p> <p><u>UK link to the Commonwealth:</u> The UK maintains strong political and economic links with its former colonies through the Commonwealth, a voluntary organisation comprising over 50 countries. The aims of the Commonwealth are to provide support to individual countries and encourage co-operation between them, all of which, have a historical link. The heads of each</p>
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	<p>country meet every two years to discuss issues of concern and work together to promote sustainable development.</p>
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	<p>The movement of Commonwealth immigrants to the UK and UK emigrants to areas of the Commonwealth has established strong links between the Commonwealth countries encouraging trade and business links.</p>
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	<p>There are also important cultural and sporting links between commonwealth countries. The Commonwealth Games for example, is one of the world's major sporting events.</p>
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