

Year 8 – Globalisation and Development

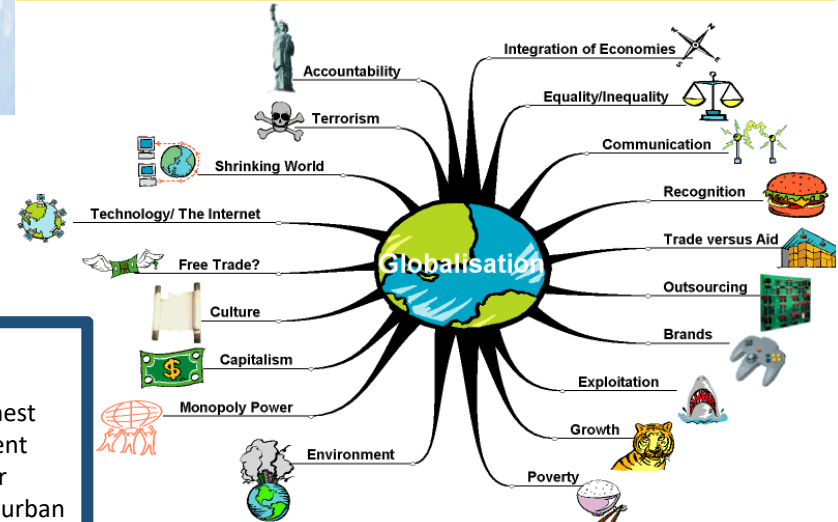
Keyword	Definition
Development	Improvement in a country's economic and social conditions, it can be considered in terms of either economic or human development
HIC	High Income Country
NIC	Newly industrialised country
LIC	Low Income Country
TNC	Transnational corporation A large company that operates a number of facilities (shops, factories and offices), does business in more than one country and does not consider any particular country its national home. A.K.A – Multi National Company
Slum	Urban slums are settlements, neighbourhoods, or city regions that cannot provide the basic living conditions necessary for the people living there, to live in a safe and healthy environment.



Aral Sea – Shrinking due to water extracted out of the rivers feeding it to grow Cotton.

The Development Gap refers to the widening difference in levels of development between the world's richest and poorest countries. This development gap can also occur within countries, for example between regions or between urban and rural areas

What is Globalisation?
Globalisation is the process by which the world is becoming increasingly interconnected as a result of massively increased trade and cultural exchange.



Differences in levels of development

LIC	HIC
People receive little of no help from the government to improve their quality of life	There is access to good schools, clinics and hospitals
The birth rate is high	Everyone has access to clean water and electricity
Many people live in extreme poverty	There are a wide range of other services such as cinemas and gyms

Reasons for the development gap	
Debt	Countries with large debt spend money repaying it rather than investing in infrastructure
Raw Materials	Countries selling raw materials make less \$ than those who process those into manufactured goods
Poor Climate	Climatic extremes make it difficult to farm/grow crops.

Sectors of Industry
Primary = extraction of raw materials or natural resources
Secondary = Manufacturing/processing raw materials
Tertiary = Providing a service
Quaternary = Hi tech/research

What is a TNC?

A large company that operates a number of facilities (shops, factories and offices), does business in more than one country and does not consider any particular country its national home.

Positives of TNC's	Negatives of TNC's
TNC's bring new technology to LEDC's	TNC's move whenever they see a better deal elsewhere, closing down factories as they go
TNC's bring jobs to LEDC's	TNC's often pollute the air or water with toxic chemicals from their factories in LEDC's