

**Suggested Answers**

**The Globalisation of Economic Activity**

1 Fig. 1 shows an index of economic globalisation for selected Asian countries in 1985, 1995 and 2005 and the countries ranked by that index in 2008.

- (a) Name the country for which the greatest and smallest absolute increase in the index was recorded between 1985 and 2005. [2]

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| Greatest – China<br>Smallest – Singapore |
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- (b) Compare the trends in the index for Malaysia and Thailand between 1985 and 2005. Support your response with data from Table 1. [4]

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| <b>O</b> | Both Thailand and Malaysia has increased their economic globalisation indexes. However, Thailand's economic globalisation index increased 3 times more than Malaysia's  |
| <b>E</b> | <ul style="list-style-type: none"> <li>▪ Thailand's economic globalisation index increased 44.7% (or 28.6) between 1985 and 2005</li> <li>▪ Malaysia's economic globalisation index increased 15.9% (or 12.29) between 1985 and 2005</li> <li>▪ Difference between both countries is about 3 times</li> </ul> |
| <b>C</b> |   |

- (c) Explain three different ways in which good governance in Singapore has contributed to the country's high level of economic globalisation shown in Table 1. [6]

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| <b>P</b> | Good governance in Singapore created a stable and attractive economy for TNCs and foreign investors to invest and set up operations in Singapore such that Singapore is ranked first in terms of economic globalisation in Asia  |
| <b>E</b> | <p>Providing public infrastructure</p> <ul style="list-style-type: none"> <li>• Public goods include <u>transport, education, health, infrastructure and public housing</u>. Public goods are seen as too risky and unprofitable for individual private firms but are fundamental to a nation's well-being</li> <li>• The state also provides <u>institutional infrastructure</u> which includes property rights, contract and bankruptcy laws and policies to promote competition where it is viable and regulate markets where it is not</li> <li>• These attracts TNCs to invest and set up operations in Singapore e.g. Regional HQs, R&amp;D facilities, high-value manufacturing and services firms, thereby increasing Singapore's interconnectivity and interdependency in the global economy</li> </ul> <p>Driver for Economic Development</p> <ul style="list-style-type: none"> <li>• With the <u>rapid liberalisation and growth of world trade during the 1960s, the 'shrinkage' of geographical distance through the enabling technologies of transportation and communication, and the global spread of TNCs and its increasing interest in seeking out low-cost production locations for its export platform activities</u>, Singapore government embarked on an Export Oriented Industrialisation to</li> </ul> |

|          |   |
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|          | <p>develop the economy</p> <ul style="list-style-type: none"> <li>Setting up of industrial clusters such as Singapore Science Park and industries at Tuas and Woodlands, and petrochemical industries in Jurong Island helped in building up <u>concentrations of related companies in one locality</u></li> </ul> <p>Regulators of trade, foreign investment and industry</p> <ul style="list-style-type: none"> <li><u>Macroeconomic policies</u> pursued by governments to control domestic demand or to manage the money supply have extremely important implications for the distribution and redistribution of economic activity</li> <li>Singapore government actively pursued free trade within and outside of ASEAN region helped Singapore to develop as an Export Oriented economy, <u>encouraging TNCs to set up operations in Singapore</u></li> </ul> |
| <b>C</b> | These initiatives and measures put forth by the Singapore government are critical in developing her economy and increased her top global position in Asia through establishing connectivity and relationships with global economies as well as TNCs   |

## Population Issues and Challenges

**2 Fig. 2 shows the most populous countries, in billions, between 1950 and 2050 (forecast).**

**(a) Using Fig. 2, describe the changes in the ranking of the most populous countries in terms of region between 1950 and 2050. [3]**

I: Describe

R: What are the changes in the ranking of the most populous countries in terms of region between 1950 and 2050.

A:

1m – Generally, the most populous countries are from developed nations such as Russia, Germany, Britain, Italy, France and Japan in 1950, accounting for 7 out of 12 most populous nations in 1950. Notably, China and India, both LDCs, continue to maintain the first 2 positions throughout 1950 to 2050.

1m – However, from 2015 onwards, the LDCs have surpassed the DCs in terms of ranking in the most populous country.

1m – In 2050, the African countries will rise to occupy most number of spots in the ranking, from 0 in 1950, to 1 in 2015, and 4 in 2050.

**(b) Suggest reasons for the drop in ranking of China between 2015 and 2050. [3]**

I: Suggest reasons

R: Why has the ranking of China drop between 2015 and 2050?

A:

1m – One-child policy

1m – Rise in Affluence and standard of living – rising cost of rearing child as rapid urbanisation took place (Having children becomes a liability, rather than asset in an agrarian society)

1m – emancipation of women

**(c) Compare the impacts of population change between Europe and Africa. [6]**

I: Compare

R: What are the differences between the impacts of population change between Europe and Africa?

A:

3m – **Policy implications:** European countries will have to cater to declining population and a shrinking tax base. This means higher taxes for the working population to support the

elderly population, particularly in terms of healthcare. On the other hand, African countries will have to cater to burgeoning population, giving more fundings and emphasis on education for the children. Unchecked population growth in Africa could mean a large proportion of the national income in African countries is devoted to feeding, clothing and housing “non-producers,” with a consequent proportionately less availability of funds for investment.

3m – **Policy review:** Both sides will need to review their birth policies. European nations will have to implement rigorous pro-natal policies aiming to help citizens relieve child-rearing problems, beyond monetary give-outs. On the other hand, the African nations will have to implement anti-natal policies and family planning strategies to their citizens in a bid to curb population growth in tandem with their economic growth.

## Urban Issues and Challenges

3 **Fig. 3A shows planning regulations for Fishermen’s Bend, a proposed new city development adjacent to Melbourne’s CBD. Fig. 3B shows the functional nodes in Singapore.**

(a) **Using relevant information from Figs. 3A and 3B, how far can Alonso’s Theory account for the functional zoning in Fishermen’s Bend and Singapore? [8]**

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| <b>PEEL</b> | <p>Alonso’ distance decay is applicable for Fishermen’s Bend in Melbourne as the inner band consists of 30% of green or open spaces, the least among the three bands. Buildings in inner band are also the highest, with a stated minimum 30 metres for the height of buildings to be built in inner band. This can be accounted for with Alonso’s Bid Rent Function Theory which states that land value decreases with increasing distance away from the CBD. Thus, land value or rent payable is the highest in the inner band as land users (in this case, retailers and commercial users) are willing to pay the highest rent to locate in and near to the CBD, which is the inner band. This also account for the least amount of green or open spaces in inner band to maximise returns in this area.</p> <p>In the same light, the middle band consists of more green or open spaces (50%) and with substantially lower heights of buildings. The outer band has the highest proportion of green or open space at 70% with a height restriction of 15 metres. According to Alonso, the middle band is likely to be used for manufacturing activities which do not require a centralised location in the CBD for willing to pay highest rent to locate in inner band. However, such activities are located in the middle band as they need to locate near to the retailers to save on time and transportation costs.</p> <p>Similarly, outer band are usually residential function as the land value is the least among the three bands as it is the furthest from CBD. As there more ample space in the outer band, more space can be set aside for green and open spaces. No high rise buildings in outer band as it is not necessary to spread/share the high land rent as seen in high rise buildings in inner band.</p> |
| <b>PEEL</b> | <p>Alonso’s Bid Rent Function Theory is less applicable for Singapore as seen in Fig. 3B. The CBD area is located in a mixed use area, which run contradict to Alonso’s assertion that retailer/commercial are the main activity in the highest land value location.</p> <p>In Singapore, industrial (or manufacturing) activities are located at the eastern and western ends of Singapore, in Changi and Jurong respectively. This again runs counter to Alonso’s theory that manufacturing is located next to CBD to be near to retailers and to save on transportation cost and time.</p> <p>Regional centres such as Woodlands, Jurong West and Tampines are</p>  |

|  |  |
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|  | being developed away from the CBD. Such regional centres consist of commercial and retailing function, which again does not subscribe to distance decay principle in his theory. |
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- (b) Briefly describe how you would conduct fieldwork to identify the inner band limits of Fishermen's Bend. [4]

To accept relevant answers. Max 2 marks if students omit key landuse function in inner band (i.e. commercial and retailing)

#### Population Issues and Challenges & Urban Issues and Challenges

- 4 Fig. 4A shows the slum population in urban Africa. Fig. 4B shows the foreign direct investment in Africa.

- (a) Describe the distribution of urban population in the African continent as seen in Fig. 4A. [2]

|   |  |
|---|--|
| O | Majority of urban population are located in the African nation of Nigeria, Egypt and South Africa  |
| E | Nigeria (65 million)<br>Egypt (30 million)<br>South Africa (30 million)<br>Rest of African nations have urban population ranging from less than 0.5 million (Equatorial Guinea) to 15 million (Sudan and Ethiopia) |

- (b) Give the meaning of the term *slums* and propose two solutions to the governments of Nigeria and South Africa in solving their slum situation. [5]

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|---|--|
| P | Slums are LEGAL PERMANENT DWELLINGS that have become substandard through age, neglect and/or subdivision into smaller occupational units such as rooms or cubicles   |
| E | Acceptable solutions are <ul style="list-style-type: none"> <li>• Demolition and Eviction</li> <li>• Site and Service Schemes</li> <li>• Land Sharing with Land Owner</li> <li>• Low Cost Public Housing</li> <li>• New Towns</li> </ul> |

- (c) Describe the distribution of foreign investment as seen in Fig. 4B. [3]

|   |  |
|---|--|
| O | Majority of foreign investment, or FDI are channelled to large urban African nations such as Nigeria, Egypt and South Africa   |
| E | Nigeria (\$5787 billion)<br>Egypt (\$6712 billion)<br>South Africa (\$5628 billion)<br>Rest of African nations have FDI ranging from \$1384 (Madagascar) to \$9.5 million (D.R. Congo) |

- (d) Account for the variation in foreign investment to Sudan and South Africa. [4]

|   |   |
|---|---|
| P | Political climate and role of government played important role in influencing the amount of foreign investments into Sudan and South Africa |
| E | <ul style="list-style-type: none"> <li>• In Sudan, long periods of civil war has caused political instability in the</li> </ul>             |

|  |   |
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|  | <p>African nation and this affected the inflow of foreign investments as investors deem the uncertainty of the manufacturing sector growth. This resulted in some \$2682 billion in investment. Close proximity to Egypt also affected FDI into Sudan and Egypt is viewed as a more favourable location for TNCs to invest in as compared to Sudan</p> <ul style="list-style-type: none"> <li>In contrast, South African has a stable government who is putting in all the necessary action and support to create a viable and conducive business environment in this African nation. The government has put in place infrastructure and this attracted foreign investors to pump in some \$5628 billion in investment</li> </ul> |
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## Section B

### The Globalisation of Economic Activity

- 5 Either  
(a) How useful is the Human Development Index (HDI) as a measure of economic development? [9]

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|----------|--|
| <b>I</b> | Evaluate / Assess (how useful)                               |
| <b>R</b> | Usefulness of HDI as a measure of economic development       |
| <b>A</b> | Yes, it is useful to large extent                            |
| <b>S</b> | To explain both economic and non-economic aspects within HDI |

|                            |  |  |
|----------------------------|--|--|
| Value of composite indexes | Increasingly, <u>the value of single indicators has been questioned due to their limited focus</u> . For instance, each economic indicator looks at only a specific idea regarding economic inequality and development. Thus, <u>composite indexes</u> such as <b>HDI</b> (Human Development Index) are now generally recognised as <u>better indicators</u> of a country's position in the global development spectrum than the traditional measure of per capita GDP/GNP |  |
| Strengths of HDI           | <b>P</b>   | The <b>Human Development Index (HDI)</b> measures the <u>average achievements in a country in three basic dimensions of human development</u>  |
|                            | <b>EE</b>  | <ul style="list-style-type: none"> <li>The breakthrough for the HDI was the creation of a single statistic which was to serve as a frame of reference for <u>both social and economic development</u></li> <li>Physical well-being, as measured by life expectancy</li> <li>Education, as measured by a combination of adult literacy rates (two-thirds weight) and mean years of schooling (one-third weight)</li> <li>Standard of living, as measured by GDP per capita, adjusted to PPP</li> </ul>  |
|                            | <b>L</b>   | HDI serves as good indicator for measuring level of development across different countries as it not only measure economic strength and development of a country through its GDP but also take into consideration non-economic indicators such as physical well-being and education  |
| Strengths of HDI           | <b>P</b>   | However, HDI has its set of limitations that makes it less effective as a tool in measuring level of development   |
|                            | <b>EE</b>  | <ul style="list-style-type: none"> <li>It does not allow for accurate comparisons of development between countries. This is because the HDI is only a measure of <u>relative rather than absolute development</u></li> <li>Although HDI also includes social and demographic indicators, it is not that far removed from classifying development according to per capita GDP/GNP, as <u>all the variables depend to a large extent on wealth</u>. For example, indicators such as adult literacy and life expectancy are highly dependent on levels of affluence of a society. The higher the affluence, the probability of higher levels of literacy and life expectancy would be expected</li> <li>HDI makes no reference to measures such as basic human rights, women's rights and freedom of speech. Thus, it cannot be considered an all-encompassing tool at measuring development</li> </ul> |
|                            | <b>L</b>   | Therefore, despite being a composite index that includes economic and non-economic indicators, HDI still have its shortcomings in accurately measure level of development across countries   |

- (b) Evaluate the impact of supranational bodies on regional economies that you have studied. [16]

|   |  |
|---|--|
| I | Evaluate   |
| R | Impact of supranational bodies on regional economies |
| A | Stand required                                       |
| S |  |

|                                    |           |  |
|------------------------------------|-----------|--|
| <b>Supranational Organisations</b> |           | Supranational organisations must be seen in two forms: trading blocs and supranational bodies. Trading blocs are intergovernmental associations that manage and promote trade activities for a specific global region. Supranational bodies are often non-governmental organisations that address global issues and manages intergovernmental organisation and processes   |
| <b>Role of Trading Blocs</b>       | <b>P</b>  | A trade bloc <b>diverts trade</b> by trading with bloc partners instead of outside. It also <b>creates trade</b> by replacing home production and increasing imports and exports.  |
|                                    | <b>EE</b> | <ul style="list-style-type: none"> <li>▪ In a free trade association or trade bloc, member countries eliminate tariff and quota barriers to trade from other member states, but each individual member continues to charge its regular duties on materials and products coming from outside the association/bloc</li> <li>▪ Canada, Mexico and the United States, with over 443 million consumers, established a trading zone in 1994 with the completion of the North American Free Trade Agreement (NAFTA)</li> <li>▪ This was not only an unprecedented economic integration of core countries and a semi-peripheral country but also the first instrument of economic integration to liberalise trade in services</li> <li>▪ Since the establishment of NAFTA, trade and investment between Canada, Mexico and US has steadily increased. Mexico hoped that by joining NAFTA, economic growth would follow, employment increased and it would take off as an NIE</li> <li>▪ Many labour-intensive manufacturing jobs have already been switched from Canada and the USA to Mexico, while the expanding Mexican market is now open to the kinds of product and service in which the USA and Canada have a competitive advantage, such as high-technology products, telecommunications and financial services</li> <li>▪ Regional Impact of NAFTA <ul style="list-style-type: none"> <li>i. TNCs have tended to support NAFTA in the belief that lower tariffs would increase their profits</li> <li>ii. Labour unions in Canada and the US have opposed to NAFTA for fear that jobs would move out of the country due to lower wage costs in Mexico</li> <li>iii. Some politicians and economists have opposed free trade for fear that it will turn countries such as Canada into permanent branch plant economies</li> <li>iv. Opposition to NAFTA also comes from environmental, social, justice and other advocacy organisations that believe that NAFTA has detrimental non-economic impact to health, environment etc. For example, in Mexico, the poverty has risen considerably since the signing of NAFTA. Wages have decreased by 20%</li> <li>v. NAFTA has been accompanied by a dramatic increase of illegal immigration from Mexico to the US</li> <li>vi. Another matter that is particularly controversial is 'Chapter 11' which allows corporations to sue federal governments in the NAFTA region if they feel a regulation or government decision adversely affects their investment. It is argued that this provision scares the government from passing environmental regulation because of possible threats from an international business</li> <li>vii. Various economic studies have generally indicated that rather than creating an actual trade increase, NAFTA has instead caused trade diversion, in which the NAFTA members now import more from each other at the expense of other countries worldwide</li> </ul> </li> <li>• Impact on Canada: <ul style="list-style-type: none"> <li>i. Canada's trade with NAFTA's partners has been growing much faster than its trade with other countries. Canadian exports to USA and Mexico increased 80% and 65% respectively in the first 5 years of NAFTA</li> <li>ii. However, there has been opposition to NAFTA. Critics argued that it will not</li> </ul> </li> </ul> |

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|             |    | <p>necessarily bring economic growth. Experience in Canada has shown that <u>many small firms have closed due to competition with lower cost US firms. Many firms left Canada for lower cost areas in the US and mergers and takeovers have led to increased unemployment</u></p> <ul style="list-style-type: none"> <li>• Impact on Mexico: <ul style="list-style-type: none"> <li>i. The new market is forcing Mexican companies to <u>adopt higher foreign standards and business practices hence improving competitiveness</u></li> <li>ii. Mexico has experienced significant market penetration in food and live animals, beverages and tobacco, machinery and transport equipment and manufactured items</li> </ul> </li> <li>• Impact on USA: <ul style="list-style-type: none"> <li>i. There are arguments for NAFTA as <u>free trade will result in specialisation and more efficiency</u></li> <li>ii. Trade unions foresaw companies moving to Mexico to take direct advantage over <u>lower rates and looser environmental legislation</u> and a significant number of American workers are less well-off after the advent of NAFTA. There is clear evidence that <u>many higher paid workers are forced into lower paid jobs as US companies moved to Mexico</u></li> </ul> </li> </ul>  |
|             | L  | It can be seen that establishment of trading bloc has allowed more freer and greater movement of goods, services and people among member states, benefiting them in both short and long term   |
| Role of IMF | P  | The International Monetary Fund (IMF), formed in 1945, is an organisation of 186 countries, working to <u>foster global monetary cooperation, secure financial stability, facilitate international trade, promote high employment and sustainable economic growth, and reduce poverty around the world</u>   |
|             | EE | <ul style="list-style-type: none"> <li>• The IMF provides policy advice and financing to members in economic difficulties and also works with developing nations to help them achieve <u>macroeconomic stability and reduce poverty</u></li> <li>• The IMF's main goal is to ensure the stability of the international monetary and financial system. It helps resolve crises, and works with its member countries to promote growth and alleviate poverty. <u>It has three main tools at its disposal to carry out its mandate: surveillance, technical assistance and training, and lending</u></li> <li>• The IMF works with the World Bank to <u>promote resilient financial systems around the world</u> through the joint Financial Sector Assessment Program (FSAP). Supported by experts from a range of national agencies and standard-setting bodies, IMF and World Bank staff <u>assess the stability of a country's financial system by identifying its strengths and vulnerabilities</u>, determine how key sources of risks are being managed, ascertain the sector's developmental needs, and help prioritize policy responses</li> <li>• <i>How does IMF help?</i> Through lending, the IMF aims to give countries breathing room to implement adjustment policies and reforms that will restore conditions for strong and sustainable growth, employment, and social investment <ul style="list-style-type: none"> <li>i. These policies will vary depending upon the country's circumstances, including the causes of the problems</li> <li>ii. For instance, a country facing a sudden drop in the price of a key export may simply need financial assistance to tide it over until prices recover and to help ease the pain of an otherwise sudden and sharp adjustment</li> <li>iii. A country suffering from capital shortages that led to the loss of investor confidence: perhaps interest rates that are too low, a large government budget deficit and debt stock that is growing too fast, or an inefficient, poorly regulated domestic banking system</li> </ul> </li> </ul> |
|             | L  | While the IMF's role is to provide structural assistance to economies in shaping and developing sound financial systems, providing financing in times of need, IMF is seen as heavily centred around the needs and wishes of developed countries instead of the real situations faced by many developing economies.  |

|             |    |  |
|-------------|----|--|
| Role of WTO | P  | The WTO is a place where member governments go, to try to <u>sort out the trade problems they face with each other</u> . The first step is to talk. The WTO was born out of <u>negotiations</u> , and everything the WTO does is the result of negotiations  |
|             | EE | <ul style="list-style-type: none"> <li>Where countries have faced trade barriers and wanted them lowered, the negotiations have helped to liberalize trade. But the WTO is not just about liberalizing trade, and in some circumstances its rules support maintaining trade barriers — for example to protect consumers</li> <li>With WTO, the greatest problem was <u>widening disparity between the rich and the poor</u> in the LDCs as revenue from foreign investment benefited a few and large proportion of population remains impoverished</li> <li>This situation can be accounted by the <u>terms of trade</u>, that is if countries rely on the export of commodities that are low in price and need to import items that are relatively high in price, they need to export in relatively large volumes to be able to afford a relatively low volume of imports</li> <li><u>Many LDCs are primary product dependent</u> and the world market prices of primary products are low compared to manufactured goods and services. In contrast, the manufacturing and service exports of the DCs are generally high in price and therefore, the terms of trade for the LDCs becomes or remains worse off</li> <li>Between DCs and LDCs, WTO had empowered nations to enforce trade sanctions on countries to make settlement of dispute binding. However, the <u>only nations capable of using trade sanctions with real effectiveness are the DCs</u> and the LDCs were powerless in this matter to accept WTO rulings against them</li> <li>Impact of legislation: LDCs, in the bid to attract investment from TNCs were dead against child labour laws and minimum working standards entering WTO protection. LDCs claimed that these would allow the DCs to gain an unfair advantage over the LDCs as they would <u>utilise these as discriminatory barriers to trading with the LDCs</u>. WTO ruled barring of imports from countries with lax labour standards illegal, allowing the LDCs to compete severely against each other to reap this comparative advantage of cheaper labour cost</li> </ul> |
|             | L  | WTO, as a supranational organisation that deals mainly with trade, similar to IMF, it is largely seen as heavily controlled by developed countries at the expense of the needs of the developing countries   |

- 5 OR  
(a) Describe and account for the growth of the service sector in the last 15 years. [9]

|   |   |
|---|---|
| I | Describe and Account                      |
| R | Growth of service sector in last 15 years |
| A |   |
| S |   |

|                              |    |  |
|------------------------------|----|--|
| Economic Activities & Change | P  | Global economic activities and change  |
|                              | EE | <p>Economic activities include primary sector such as agriculture, secondary which includes manufacturing, and the servicing industry which include tertiary, quaternary and quinary service sectors.</p> <p>In the past, production of manufactured goods was concentrated in the core countries such as United Kingdom, where 30% of the world's total industrial output was produced by UK itself, while the periphery countries, usually the less developed countries (LDCs) would be the source of raw materials and foodstuffs as well as the market for the manufactured goods. However, this core-periphery model which depicts the distribution of economic activity has been changed. There has been a trend where these economic activities are now spread across borders geographically and this is known as the globalization of these economic activities.</p> |
|                              | L  | The growing of this trend can be accrued to several reasons such as the advent of space-   |



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|  |    | shrinking technologies as well as the new international division of labour (NIDL) which has allowed for different economic activities to be located at different parts of the world instead.  |
| Impact of economic change (NIDL)                 | P  | <i>[further elaboration of point above]</i>   |
|  | EE | NIDL is the division of production processes into different skills and tasks and the spreading out of these skills and tasks across different geographical regions rather than within a single company. Similarly, it led to the decentralization of manufacturing production from the core to the semi peripheral and peripheral countries such as from UK to newly industrialized countries such as Taiwan, Hong Kong and especially China, in the recent years. The growing globalization of economic activities is caused by the transformation of coordination of functions into simple, routine activities that can be carried out at cheaper locations.  |
|  | L  | Such decentralisation caused a situation of deindustrialisation in core economies.  |
| Re-industrialisation & tertiarisation            | P  | With high unemployment resulting from deindustrialisation in the core economies, another process occurs where DCs see the growth of the service sector  |
|  | EE | <b>Re-industrialisation</b> is defined as the growth of <u>high-technology industries</u> and <u>small manufacturing industries</u> , usually <u>within DCs</u> and <u>increasingly within NIEs</u> , after they have <u>undergone the process of deindustrialisation</u><br><br>There has been a trend where there is <u>agglomeration of high level services in DCs</u> and <u>outsourcing of low level services to LDCs</u> , e.g. regional R&D centres and regional HQs in Pudong, Shanghai, China and call centres to India and China<br><br>There is <u>strong and steady growth in service employment</u> in absolute and percentage terms in developed countries such as US and UK. The percentage of the workforce in service jobs has risen to more than 75% in these countries         |
|  | L  | All these are results of global economic change and has led to the growth of the service sector, also known as 'tertiarisation'   |
| Consumption and internationalisation of services | P  | Changing nature of services also caused the rapid growth of the service sector, taking advantage of the impact of global shifts   |
|  | EE | In the past, services were viewed as <u>non-tradable</u> (needing to be both produced and consumed in the same location) and were seen as immune to outsourcing. During the last decade or so, advances in information and communications technologies, in association with the profit-seeking strategies of both large and small corporations, have resulted in an increasing amount of services becoming tradable – capable of being outsourced and produced in one location for consumption in another<br><br>As a result of the private sector's concern for the profit motive of business operations, the internationalisation of services has mostly entailed marketed services as such finance, insurance and real estate (FIRE), business services, transportation and communications etc |
|  | L  | Internationalisation of services allowed the service sector to grow rapidly in response to global economic change   |

**Note: Students are not required to describe the forces driving growth of the service sector**

- (b) “The degree and impacts of global shift have been more pronounced in Less Developed Countries (LDCs) as compared to Developed Country (DCs). Discuss the validity of this statement. [16]

|   |  |
|---|--|
| I | Discuss (Evaluate)   |
| R | Degree and impacts of global shift have been more pronounced in Less Developed Countries (LDCs) as compared to Developed Country (DCs) |
| A | Required.  |
| S |  |

#### Introduction:

**Define Globalisation:** Globalisation is the increasing interconnectedness and interdependency of peoples, cultures, technologies, economies and politics at all spatial scales and it involves deep integration of different economies across borders, resulting in the creation of complex and intertwined relationships.

**Define Development:** Defined as the use of resources leading to an improvement in a country's standard of living. It includes social, well-being, cultural and environmental measurements.

**State the Stand:** While globalisation has indeed allow certain actors/parties in the LDCs to be better off, I disagree that globalisation has narrowed the development gap between the DCs and the LDCs. This is because understanding how spatially selective the globalising process is; specifically 1) how wealth is distributed between DCs/LDCs; 2) how wealth is distributed within DCs and LDCs and 3) how certain nations continue to be are left out of the globalizing process will reveal that in many instances, development gap has in fact widened rather than it has been closed.

**Given factor: Globalisation has allowed certain LDCs (and certain groups of people) to be better off**

**P:** Globalisation has allowed certain LDCs (and certain groups of its people) to be better off. This suggests that globalisation may have narrowed the development gap between DCs and LDCs.

**EE:** When markets operate across borders, population in the LDC can benefit from economic growth and increased wealth and more jobs overall. Particularly, developing countries benefit when they rely on exports for economic growth.

Case Study: EPZ in Dhaka and Chittagong, Bangladesh - aiding in the economic development of the country

**L:** The rise in income (and subsequent SOL) for certain LDCs (and certain groups of people) reveals that globalisation may have narrowed the gap between DCs and LDCs.

**Other factor: Unequal Development Globally**

**P:** Economic development continues to be largely concentrated in the developed nations. This suggests that globalisation closing the development gap between the DCs and LDCs may be an illusion.

**EE:** High value added economic functions (TNC headquarters, R&D, Service like banking and education) are mostly concentrated in the DCs while the rest of the world simply serves as hinterland for cheap resources and labour to sustain the economic privileges of the DCs.

Case Study: NAFTA and its cons/ EU and its cons

**L:** Hence, while it may seem like globalisation has narrowed the development gap between the DCs and LDCs, closer inspection reveals that this is far from the case as the developed/developing unequal binary continues to be preserved/perpetuated.

**Other factor 2: Unequal Development Locally**

**P:** On a national scale, most wealth has been concentrated in certain pockets of the LDCs and among certain people while the rest of the nation continues to be left out. It is therefore naïve to generalize that development gap between the DCs and LDCs have been narrowed when a large geographical area in LDCs continue to be economically disenfranchised.

**EE:** Unequal development within China

**L:** Hence, while it may seem like globalisation has narrowed the development gap between the DCs and LDCs, closer inspection of the spatial variations within LDCs reveal that differences between LDCs/DCs have not necessarily been closed.

**Other factor 3: LDCs left out of the globalizing process entirely/do not follow capitalist**

## trajectory

**P:** Comparatively, a large portion of LDCs that have become less rather than more globalised (in an economic sense) as trade has fallen in relation to national income. Also, due to differing political ideologies, some other countries continue to resist the capitalistic system and have been left further behind the DCs.

**EE:** The case studies of Sub-saharan Africa; North Korea's Communism

**L:** Hence, it is unwise to generalize that globalisation has narrowed the development gap between the DCs and LDCs as in many cases differences are actually widened.

## Conclusion

**Revisit Argument:** While it may seem on the surface that the development gap between the DCs and LDCs have been closing, this is untrue if we delve deeper to understand how spatially selective the globalising process is. As evinced through the discussion, LDCs in many ways continue to be left far behind the DCs – who are benefiting more from the processes of globalisation.

**Additional Insight:** Understanding of development has been largely economic deterministic. Socially (in terms of well-being) – are DCs really better off because their GDP is increasing? Eg. Happiness Index

## Population Issues and Challenges

6

- (a) **Using examples, explain how the use of contraception is integral in controlling fertility rates in Less Developed Countries (LDCs) as compared to Developed Country (DCs).** [9]

|          |   |
|----------|---|
| <b>I</b> | Explain   |
| <b>R</b> | Use of contraception is integral in controlling fertility rates in Less Developed Countries (LDCs) as compared to Developed Country (DCs) |
| <b>A</b> |   |
| <b>S</b> |   |

### Introduction:

- Contraception: a variety of ways for family planning to reduce the possibility of child conception. Methods such as sterilisation, birth control pills, condoms and so on.
- Though contraception is integral in controlling fertility rates, there might also exist other reasons which intrinsically motivate couples to prevent child birth.

### Body:

- **The access to, knowledge and use of contraceptive has been one of the key factors in deciding fertility trend of most countries.** Often knowledge of contraceptives comes with formal education or even family planning programs that disseminate information about contraceptives and family planning in rural areas.
  - ✓ Generally, countries with low fertility rate will reflect very high usage of contraception. For example, in Nigeria, only 12% of women in union aged 15-49 use contraception and the total fertility rate (TFR) of that country was a whopping 5.9 in 2005. In the similar year, 84% of the same group of women in the United Kingdom adopted to use contraception and this resulted in a TFR which is a low 1.7%.
  - ✓ Despite the development and introduction of many new contraceptive methods over the last 15 years, sterilisation remains as one of the most widely used method in DCs and LDCs alike. Couples and individual around the world choose sterilisation because they want to limit or end childbearing, rather than space future births.

- ✓ Some governments have been successful in implementing policies which encourage family planning by using contraception. For example, government in India hands out cash and food incentives for couples opting for sterilisation.
- **However, with the effects or role of government aside, the role of contraceptives in controlling birth rates can be argued to be more pronounced in the DCs as information about contraceptives might be more readily available.**
  - ✓ This has changed sexual patterns of DCs so drastically such that people are sexually active at a younger age than before and yet are able to avoid births. For instance, in USA, 20% of the steep decreases in the pregnancy rate among sexually experienced teenagers are due to decreased sexual activity, while 80% is due to more effective contraceptive practice.
- **However, it certainly does not imply for certain that if more women in union between ages 15-49 were to use contraception, TFR will certainly fall.**
  - ✓ For example, in Singapore, 62% of women in the same group use contraception, and the TFR of the country is one of the lowest in the world at 1.3, compared to 75% of women using contraception in Germany and their TFR was also 1.3 in 2005. **Hence, there are other determinants which can affect the TFR of the country.**
  - ✓ **Some examples of other determinants might be attitudes and values towards child-bearing which may have been the critical motivators in decision regarding the use of contraceptives.**
    - 🚦 In some DCs where high standards of living and competitiveness require both parents to be bread winners, the stress associated with work and city-living can result in low fertility rates. Due to the high cost of living, couples also delay marriage until they have stable jobs and are financially prepared for marriage life. This further contributes to the delayed parenthood and smaller families. Due to the later age of marriage, women are not able to conceive as easily as their younger counterparts, thus affecting the total fertility rate of the country.
- (b) **Distinguish between the terms *optimum-population*, *under-population* and *over-population* and assess their usefulness to management of resource use and population planning.** [16]

|          |  |
|----------|--|
| <b>I</b> | Distinguish (contrast); Assess (evaluate)                                    |
| <b>R</b> | Usefulness to<br>R1 - management of resource use<br>R2 - population planning |
| <b>A</b> | Useful to large or small extent?   |
| <b>S</b> |  |

### Optimum Population

The optimum population of an area (synonymous with carrying capacity) is a theoretical state in which the number of people, **when working with all the available resources, will produce the highest per capita economic return**, ie. the highest standard of living and quality of life.

If the size of the population increases or decreases from the optimum, the output per capita and standard of living will fall.

This concept of optimum population captures a dynamic situation:

**It changes with time as technology improves, as population totals and structure change (age and sex ratio), as trade opportunities alter, and as raw materials are discovered to replace old ones which are exhausted or whose values change over a period of time.**

### Underpopulation

Underpopulation occurs when there are **far more resources (food, energy, minerals etc) in an area than can be used by the number of people living there.**

In other words, the population is not producing the highest per capita economic returns as there are **not enough people to develop the resources to the fullest potential.**

The situation of underpopulation can occur in:

#### **Frontier regions awaiting development**

For example, the more remote areas of Australia and Serbia have rich minerals and other resources awaiting development, but one of the problems is attracting enough labour.

People are reluctant to move from the more favourable urbanised areas into these harsh environments.

By improving communications, transportation facilities, and by offering high wages, some labour is attracted but it is usually only temporary.

#### **Underpopulation as a result of depopulation**

Underpopulation can occur in settled regions such as the rural peripheries in the advanced countries of Western Europe.

For example, in the UK, wages are on average lower and unemployment higher in the peripheral southwest, rural Wales and the highlands of Scotland than the rest of the country.

As such, **people migrate out in search of higher wages.**

Resultant outward migration becomes self-perpetuating unless something is done to stem the flow:

Fewer people mean a decreasing demand for services

The lower the level of services reduces the viability of the community and encourages further outward migration

Some countries facing underpopulation are Canada and Australia, where surplus food, energy and mineral resources can be exploited.

It is probable then, standard of living would rise, through increasing production and exploitation of resources, if population was to increase.

### **3.4 Overpopulation**

Overpopulation occurs when there are **too many people relative to the resources and technology locally available** to maintain an 'adequate' standard of living, ie. the level of population has gone beyond the carrying capacity of the environment.

The condition of overpopulation is not the same as dense population, which refers to the number of people per sq. kilometre.

Overpopulation can occur in:

**Areas of high population density** where concentrations of people causes stress, which reduce the overall standard of living

Parts of China, Brazil and India are often said to be overpopulated as they have insufficient food, minerals and energy resources to sustain their populations.

They suffer from localised natural disasters such as droughts and famines; and are characterised by **low incomes, poverty, poor living conditions and often a high level of emigration.**

A check on population growth or **active decentralisation from congested regions would improve the quality of life.**

High densities of population can lead to situations of overpopulation, but **overpopulation can also occur where densities are low.**

For example, in harsh environments such as desert margins, basic resource support is so limited that even a small increase in population can lead to overpopulation.

Alternatively, in the same kinds of environment, prolonged drought may reduce the resource support for an existing population and lead to the situation of overpopulation.

This situation of overpopulation can be remedied through the aid of outside agencies **by bringing in basic food supplies or the technology to increase local resources.**

**NOTE**

on a global scale, there does not seem to be any correlation between density and under or over population and GDP per capita

e.g. Brazil, with 2 people per square kilometre is overpopulated, while California, with 500 people per square kilometre

e.g. Netherlands, has high GDP and high population density, while Canada has high GDP but low population density

- 6 Or**  
**(a) Explain how the demographic transition model and population pyramids can allow for population forecasting. [9]**

|          |   |
|----------|---|
| <b>I</b> | Explain   |
| <b>R</b> | Demographic transition model and population pyramids can allow for population forecasting |
| <b>A</b> |   |
| <b>S</b> |   |

**Key points:**

The current DTM is effective in explaining and forecasting the socio-economic changes a country will experience as a result of development. As a country moves from the preceding stage, the model provides a forecast on the resulting impact and change to the country's birth and death rates, and total population as the country develops economically. For example, as the country moves from stage 1 to stage 2, the model showed a rapid decrease in death rates while birth rates continue to be high but stable. The resulting impact is rapidly increasing population. Armed with such forecast information, it allows the government to put in place necessary infrastructure and strategies to cope with this rapid population growth. Similarly, DTM also able to provide a snapshot of decreasing birth rates as the country continues its development and the population moving from Stage 2 to Stage 3. As such, DTM does allow countries to forecast changes to its population vis a vis birth and death rates.

However, the 4-stage DTM did not allow for current population forecasting, especially in DCs as some DCs such as Japan are experiencing a population decline caused by a low birth rates but increasing death rates. This makes DTM not fool proof in allowing population forecasting beyond Stage 4.

Population pyramids show the distribution of a country's population by age and sex. The composition and shapes of population pyramids similarly allows for population forecasting. LDCs typically have a triangular, somewhat concave pyramid, characterised by a broad base of young children segment, a steep working adult segment and an extremely tapered elderly segment tip. With such a pyramid shape, this means that there is high in-built population momentum that will see this population forecasted to grow rapidly when this broad base of young children enters child-bearing years. As such, high birth rates situation will be sustained in the near future for countries with such pyramid shape.

Conversely, a regressive pyramid seen in many DCs today is characterised by a heavy top. Bulk of the population being working adult and elderly; and the bottom of the pyramid is relatively narrow as a result of low and decline birth rates. Countries with such pyramids are forecasting to witness a ballooning tip as the population ages and people living longer, as well as low replacement rates as

birth rates continues to decline as the proportion of population entering child-bearing years is very small.

(b) **Assess the implications of changes in population structure within and between countries.** [16]

|   |  |
|---|--|
| I | Assess (Evaluate)  |
| R | Implications of changes in population structure within and between countries |
| A |  |
| S |  |

**Key points**

- Impact on fertility and mortality rates
- Impact on dependency ratios
- Impact on migratory flows within and between countries

**Urban Issues and Challenges**

7 **Either**  
(a) **Explain the nature of transport issues in DCs and LDCs.** [9]

|   |  |
|---|--|
| I | Explain (Describe and give reasons)        |
| R | Nature of transport issues in DCs and LDCs |
| A |  |
| S |  |

**P:** Both DCs and LDCs face the situation of rising income, rapid economic development and a burgeoning middle class, resulting in an increase in private vehicles in the past two decades.

**EE:** The private car offered unrivalled levels of convenience and the freedom to travel opened up opportunities undreamed of by earlier generations. As average real incomes steadily increased more and more people could afford to own a car. Throughout the era of mass car ownership, the USA has seen the highest levels of car use. Relatively high incomes and cheap petrol allowed more people to afford a car and the construction of an advanced network of freeways encouraged greater reliance on the private car. In Guangzhou, since 2006, the number of privately-owned cars registered monthly averages around 6000 to 7000. In order to boost the economy, the government promised not to regulate the purchase of private cars.

**L:** Thus, average income increase in both DCs and LDCs has led to increase in private vehicle ownership. Though in LDCs, rapid economic development has aggravated the problem, leading to severe congestion in the cities.

**P:** While the wealthy have cars, the road network is often inadequate to cope with the large volume of traffic. The nature of the inadequacy to cope with large volume of traffic between DCs and LDCs are different.

**EE:** In DCs such as USA, relatively high incomes and cheap petrol allowed more people to afford a car and the construction of an advanced network of freeways in the 1950s and 1960s in the DC encouraged greater reliance on the private car. Whilst DCs can afford to build new road networks to accommodate the higher number of cars, the LDCs cannot afford to build such extensive network due to lack of proper planning and fundings. This is compounded by **unplanned, haphazard development at the suburban fringe without adequate infrastructure, transport and other public services in the LDCs**. Bangkok has a severe shortage of roads - a mere 8% of its surface is covered with roads compared with 16% in Tokyo and 20% in the majority of other major cities. In LDCs, **road congestion is further caused by traditional forms of transport (rickshaws, bullock carts, donkeys) which compete in some cities (of LCDs) with other road users**. Lack of proper

and centralised planning, especially in LDCs, causes roads to be built in a disorganised manner, making it difficult to expand/develop it further. In LDCs, the problems of congestion is further exacerbated by primitive or often non-existent traffic control and management, often without even the most basic street signage.

**L:** Thus, whilst LDCs and DCs experienced congestion due to inadequacy to cope with large volume of traffic, the LDCs have much more complex nature of this issue as compared to DCs.

**P:** There is a core issue of undeveloped and poorly maintained transport systems in both DCs and LDCs.

**EE:** In nearly every city the use of public transport is concentrated in the morning and evening rush hours. Whatever the volume of demand, there is invariably insufficient capacity to provide comfortable travel conditions at these times. During conditions of peak-hour loading, passengers are often subjected to lengthy queues at stops, crowding at terminals, and excessively long periods of hot and claustrophobic travel in overcrowded vehicles. In Tokyo the metro rail system employs 'pushers' to ensure that passengers are forced into trains to allow the automatic doors to close. **However, whilst DCs continue to look into solutions to raise the standard of public transport, especially by building more efficient railways, this may not be possible for LDCs.** Few LDCs can afford elaborate public transport systems and what they have tend to be outdated and overused. In LDCs, lack of proper planning also causes transport systems to be developed in a haphazard manner, leaving little room for development.

**L:** Essentially, the LDCs lack the necessary fundings and expertise and political will to design and implement policies, as compared to DCs.

**P:** Transport is a major source of air pollution in cities, with exhaust gases (carbon dioxide, carbon monoxide, nitrogen oxides, hydrocarbons) and other pollutants, such as lead and particulates, contributing to a range of health and environmental problems. Air pollution from exhaust of running cars. Made even worse by traffic jams. **LDCs, again, bear larger cost of pollution than the DCs.**

**EE:** Traffic congestion combined with less efficient and poorly maintained engines, and higher levels of lead-based additives in gasoline, can also mean high levels of automobile-related air pollution in the LDCs, even when the number of road vehicles in use is substantially less than in Western cities. Whilst cities in DCs such as Los Angeles, Freiburg (city in Germany) and Athens have started to implement measures to improve the urban smog blankets resulting from air pollution from automobile, cities in LDCs such as Bangkok, Jakarta, Manila Bombay or Lagos still do not have such policies due to the fact that the major concerns of the governments are still with the economic progress rather than solving pollution problems. **DCs such as Los Angeles also have the ability to purchase state of the art machines or device to control the emission,** such as beaming infrared light across highways to detect carbon monoxide and hydrocarbon emission from faulty exhausts.

**L:** DCs therefore are able to better manage the issue of pollution due to their ability to channel fundings to address the issues.

- (b) **Assess the effectiveness of initiatives to overcome problems stemming from inner city decline in DCs and LDCs and give reasons for their success or failure.**  
[16]

|          |   |
|----------|---|
| <b>I</b> | Assess (Evaluate)   |
| <b>R</b> | Initiatives to overcome problems stemming from inner city decline in DCs and LDCs |
| <b>A</b> | Effective or not effective?   |
| <b>S</b> |   |

Inner city decline is linked to the suburbanisation of middle and upper class white population and deindustrialisation of the secondary sector. Initially, manufacturing activities decentralizes out of the



inner city due to changing locational needs, and there is rising unemployment and dereliction as traditional industry close. High personal mobility allows more affluent to move to suburbs, and there is development of suburban business services due to rapidly increasing purchasing power of the new resident. Suburbanisation also leaves behind a depleted population in the city center (the poor, unskilled, elderly or invalid). This further increases the concentration of disadvantaged families. Central city tax base declines with loss of domestic, industrial and service income tax contributors, resulting in the decline of quality of infrastructure and services such as education and health. The inner city remains focal point for poor and new migrants and ultimately a concentration of poverty and dereliction is created and inner city becomes stigmatised over time and residents who are able to move out do so as soon as they can.

**However**, city planners have actively sought ways to tackle inner city decline, one of which was to re-image the city. Re-imaging of cities would help a city that is experiencing inner city decline attempt to regain investments so that the city thrives and becomes prosperous again. Inner city decline can be recognised by the presence of sub-standard housing and the influx of rural poor, leading to the city being associated with lesser investments, high crime rates and other social problems. It usually occurs due to the negligence of the government as with increasing emphasis on the suburbs where the affluent have moved to avoid pollution and congestion in the inner city. Re-imaging strategies include cultural approaches, economic approaches and gentrification.

One way to re-image a city is to develop it into a focus of artistic and creative region that space is specifically allocated for the establishment of such industries. The city of Sheffield has been a pioneer in implementing the cultural strategy. For about 200 years until the 1960s, Sheffield had survived on megaindustries of steel and cutlery production. The post-war boom and public ownership of steel-making industry has made Sheffield a relatively prosperous region. However, a turning point was reached in 1970s. Sheffield faced competition from the Japanese steel-making industry. This led to a 10-year job loss for the first time in 150 years.

The city council recognised the need for deliberate job creation and a mechanism to pursue it. Converting Sheffield to an image of a cultural hub is the main urban renewal strategy for Sheffield. By the 1980s, Sheffield has gained wider recognition in its quality innovation, especially with regards to the emergent Cultural Industries Quarter (CIQ). The CIQ was located in the heart of Sheffield and housed the most concentrated group of companies related to the creative industry. This is considered one of Europe's most successful regeneration stories. Sheffield has gained value in the economic sense around the region and also global recognition associated with high quality innovations.

**However**, Sheffield faced various limitations in the overall effectiveness of this strategy. Firstly, a chronic centralist nature in the government in both administrative and financial senses led to a government that lacked strength in suggesting and directing change. Secondly, the UK was notoriously lacking in traditional banking services and a nexus of community banks. The result, a re-imaging scale that was much too modest and erratic than elsewhere. This strategy is still successful to a large extent.

The "24-hour" city aims to marry culture and commerce. It is suppose to keep the city alive at night after the buzzing daytime working hours. Though most 24-hour cities have met the economic needs, they have failed to satisfy social ones. The gulf between the initial aim of a vibrant city and the reality of an alcohol-and-youth-centred region is so great that the concept faces a credibility crisis. Many of such regions become "owned" by youths at night, and this relationship has led to the increase in youths' interest as they avoid adult supervision unlike other times in the day where they share the common space. The result is an increase in alcohol-related crimes, noise pollution and fear from residents and potential visitors.

The authorities have various methods to solve this problem, but they have not been effective. Methods include employing supervisors, exclusion orders and use of CCTVs. However, alcohol-related crimes, for instance, are spontaneous and the offender is unaware of the CCTVs around. This leads to the ineffectiveness of the 24-hour cities since social security is compromised. In many towns and cities, **late-night transport services continue to be minimal** or non-existent, which will continue to discourage commuters to travel into the city centre at night.

Moreover, Survey has shown that despite the implementation of such measures, people who fall outside the 'target consumer group', particularly older people (i.e. those over the age of 30!) and women, regard these leisure zones as threatening and therefore seek to avoid them. The absence of

these groups not only undermines informal processes of social control but also raises issues of **social exclusion**.

Another way to re-image cities is through gentrification. It is a process whereby physically deteriorating housing undergo renovation and welcome wealthier residents, often causing displacement of the poorer pool of residents.

As in the case of Darren Street, Bella Vista, a city in Pennsylvania, USA. It was built in 1884 to house artisans and craftsmen. It is not connected to the main city. In its early years, it houses Italian families. After World War II, an expressway connecting the region to the main city was built. Italians moved out and poor African Americans moved in. This is also the period where Darren Street was in its worst state. Houses that were abandoned by the Italians had broken heaters or caved-in roofs.

Despite its decay, Darren Street still had its unique charm of European echo. It is strategically located just south of the city and it is also not expensive to renovate. Therefore the first house was rehabilitated in 1891 and was sold to a teacher. He redid his home and soon after, more white middle-class families moved in. The first displacement was in 1895, where five out of every seven families were evicted. After two years, rent rose from \$85 per month to \$500 per month; each unit cost \$3000 initially, and increased to \$35,000. This led to complete displacement of the poor.

Though gentrification brings about a good image of the city with renovated housing, increased tax flow and more active business activities, its repercussions is that prior poor residents get displaced. The problem is that when governments carry out gentrification, they are not obliged to provide alternatives for the displaced. This strategy is successful in re-imaging the city but failed to care for the displaced which can result in a vicious cycle when the poor move into another district.

## Conclusion

The success of re-imaging strategies is measured when we weigh the benefits and costs that come along with the strategies. It is apparent that in the case of Sheffield, it is successful to a large extent since social issues did not arise due to re-imaging. However, governments must still regulate the process instead of leaving it to private enterprises to ensure the poor are not further displaced and disadvantaged when re-imaging processes are executed. Only when original residents have achieved development with new ones can any attempts be truly called a success.

- 7      **OR**  
(a)    **Compare and contrast the urban processes of sub-urbanisation, counter-urbanisation and re-urbanisation. [9]**

|          |   |
|----------|---|
| <b>I</b> | Compare and Contrast  |
| <b>R</b> | Urban processes of sub-urbanisation, counter-urbanisation and re-urbanisation |
| <b>A</b> |   |
| <b>S</b> |   |

Suburbanisation is the construction of new housing on green field sites along rural-urban fringe or the periphery of the city. The term can also be used to refer to the construction of non-residential developments on green field sites, such as shopping centres and industrial estates. [1m]

As urbanisation became more rapid in the British cities and the city gets increasingly industrialised, the urban area became to be seen as a source of 'evil' which can easily lead city-dwellers astray. Air and water quality in the city deteriorated. It is noisy, dirty, congested and dangerous, plagued by diseases and packed with factories and people. City dwellers now face all kinds of pressure which threatened their overall well-being.

The arrival of mass public transport in the early decades of the 20<sup>th</sup> century in the form of trams and buses and the private-car ownership have given people the freedom to live well away from the city centre. This enabled people to live away from the city centres and commute daily to the places of work. [1m]

Thus, middle to upper-income families began to move out of the decaying city centres. These families can afford to buy land located at the city-fringe and build a semi-detached or detached house with a garden. The demand of such spacious environments meant that more land is needed to house the same number of people as compared to the housing density in the city centre. They could also afford to commute daily to the city centre as they probably own a private automobile or could afford to take public transport to work. [1m]

Shops and services soon follow and gradually, a suburb residential town is built and developed. Factories will also follow suit as they are constantly looking for cheaper alternatives to house their production sites, subjected to the availability of labour, which was also what the suburban towns could provide. [1m]

Counter-urbanisation is occurring when the number of people moving out of a city exceeds the number of people moving in. Counter-urbanisation will occur when people decide, for whatever reason, that living in smaller towns or even rural areas is preferable. [1m]

Counter-urbanisation does not affect all cities in more developed countries (MDCs) but it has been a feature of many North American and northwest European cities since the 1970s. However, there seem to be sufficient evidence to suggest that the process is slowing or even reversing in European cities. [1m]

In general, urban geographers see sub-urbanisation as migration from the city core (built-up area of the city) to the urban ring (semi-rural area around the city containing countryside, villages and perhaps small towns). This migration is still within the urban region, which comprises the core and the ring, bound together by the daily flows of commuters and by movements. If one were to migrate from urban region to the rural areas or smaller towns, this can be deemed as counter-urbanisation. [1m]

Basically, the forces that propelled sub-urbanisation can be used to explain counter-urbanisation. However, what is more noticeable is that counter-urbanisation is generally initiated by government authorities so as to decentralise economic activities away from major cities to towns and smaller cities in other parts of the country. This is to spread the economic development throughout the country in attempts to bring up the standard of living in rural areas throughout the country. This is of course not restricted to the MDCs. In fact, the LDCs are attempting to bridge the urban-rural income gap for people living in the rural area.

For example, Malaysia revealed its plan to launch a \$44-billion plan to develop its rural north, or the Northern Corridor Economic Region, which includes areas in Kedah, Penang and northern Perak. Some of the projects planned are introduction of big-scale commercial cattle farms, growing high-quality fruit seeds for exports, developing sophisticated transport networks in Penang and planning of medical tourism for the island of Langkawi. For full report, read Appendix B. Funds poured by federal governments into the development of rural areas might attract people from cities to live in these rural areas. [1m]

Re-urbanisation is occurring when, after a period of decline and decay, the population and economic activities of a major city, especially the inner city areas, begin to increase again. [1m]

Many decision-makers believe that it is vital to retain city centres as thriving and lively places used by the whole of a city's population. They point to the potential problems of run-down city centres being deserted by most of the population in the evening and becoming blighted by crime and vandalism. They believe that high quality city centres, acting as a hub for cultural and social interactions, help build a positive image for a city. A rundown and poorly used centre will discourage inward investment. Without a thriving city centre, cities will become segregated with different sections of the population in terms of income, ethnicity and so on. Thus, governments have thrown in large sum of money in attempts to **revitalise** the city centre, mainly to attract investments, businesses and population. [1m]

Some strategies to revitalise city centres include:

Improving public transport links to the city centre by providing 'park and ride' schemes

Active marketing or **re-imaging** of the city centre

Building of cultural and entertainment facilities in the city centre

Pedestrianisation of shopping streets to improve safety and to provide a more attractive shopping environment.

Install video surveillance to reduce crime and thus improve personal safety. [1m for mentioning any strategy above]

[1m for each point, up to a maximum of 3m for each type with an example, up to a maximum of 9m; accept any logical answer]

**(b) Assess the effectiveness of strategies used to manage housing problems in LDCs. [16]**

|          |   |
|----------|---|
| <b>I</b> | Assess (Evaluate)   |
| <b>R</b> | Effectiveness of strategies to manage slums and squatters in LDCs |
| <b>A</b> | To large extent or small extent?                                  |
| <b>S</b> |   |

**Introduction:**

The housing problems experienced by cities such as India are mainly due to rural-urban migration of people respectively. The success of their management strategies aimed towards alleviating these problems varies according to how committed the government is to the cause and whether they have the financial means to do so. There is no consensus in determining the success of such strategies therefore measuring it would depend on localised factors.

**P:** While there has been help provided in attempts to alleviate the problem of poor housing quality, most case studies have pointed towards marginal success especially if the help provided is superficial and does not target the root causes of housing problems.

**EE:** The city of Bangalore, India, experienced housing problems due to the expansion of slums as a result of increasing rural-urban migration over time. The Indian government tackled the problem by providing security of tenure through recognition of the slums by the Bangalore Slum Clearance Board (BSCB). It was successful for the establishment of the high value Chickpet Slum and the Maya Bazaar Slum. In 1995, the slums were recognised by the BSCB who provided infrastructure improvements such as street lamps, paving the streets with granite blocks, drinking water, communal toilets et cetera. The BSCB also provided the security of tenure by acquiring the land for dwellers. Residents also had access to government ration cards that enabled them to acquire subsidised basic foods. Furthermore, the AINA trust, a voluntary group set up to aid with the empowerment of women in Bangalore's slums, enabled the women to have better standard of living through welfare safety net by providing loans to families under the micro-credit union. Thus allowed the women to have confidence to take part in improving the community and change things. Furthermore, the amenities provided by BSCB had to be paid with meagre incomes. The subsidised food were also of poor quality.

**L:** Thus, ultimately, the success is marginal; only pertaining to improvements to facilities which may not be of good quality. Moreover, the strategies did not help the residents find employment so the residents were still stuck in the cycle of poverty which hampered any attempts for further improvement.

**P:** It can be argued that in order to alleviate housing problems in the LDCs, there needs to be a synthesis between the relevant authorities to address problems on a more holistic level.

**EE:** In Rio de Janeiro, Brazil, all that the authorities used were the self-help schemes to solve the severe shortage of housing and it had been much more successful than the ones implemented in France and London Docklands. As a result of the rapid population growth in Rio de Janeiro, there were severe shortage of housing and people had to construct home from scrap materials such as wood, corrugated iron and materials. These homes are often situated near the edge of the Brazilian

cities known as favelas. The conditions in favelas are poor whereby families had to share one tap. There were no sewerage provision, diseases were common and many were unemployed. Hence, to alleviate these problems, self-help schemes were implemented in Rocinha, the largest favela in Brazil.

Houses in Rocinha were built on steep hillsides and it home 60,000 to 150,000 people. Authorities in Rio de Janeiro provided self-help schemes whereby local residents were provided with the materials such as breeze blocks and cement for the construction on permanent accommodation. As such, the local residents provided labour and the houses were built without having to employ external help. As such, employment costs were saved and these costs are used to purchase basic amenities such as electricity and water. As a result, Rocinha have houses made from concrete and brick and almost all houses have basic sanitation, plumbing and electricity.

**L:** Thus, in the case of Rocinha, the schemes were introduced with the involvement of the residents in mind and implemented with the help of other relevant authorities.

In the final conclusion, there is no one strategies that could totally manage housing problems in the urban areas even in the case of Rocinha as a number of self-help schemes were needed for it to be successful. As such, a better attempt to manage housing problems would be to mix different strategies together so as to achieve the optimum results of managing housing problems. This is because with different strategies put together in place, one could address the limitations of another. Also, with the help of government policies, the housing issues could be managed more efficiently as they have the ability and the responsibility to ensure the welfare of the residents are met by giving out subsidies or develop more houses for the residents. Hence, a mix of strategies coupled with the help of government, housing problems could be managed to the optimum level.