

Problems of Developing Countries

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'Developing' Countries

2007/08 UNDP Report *Human Development Report* – lists 137 countries or areas as developing. In addition 28 transition economies in C and E Europe and the CIS.

However the range of countries that fall into this definition is very wide, including countries such as Singapore and South Korea – which are also classified as being in the 'high income' bracket.

In broad terms LDCs are concentrated in four major regions – SS Africa, Latin America, South Asia and South East Asia. China may need to be treated separately due to sheer size and as it has followed a rather different development plan.

It is very important when discussing economic development to remember that there is a wide diversity between the countries that are classified as LDCs. Different countries have different characteristics, and face different mixes of problems and opportunities. A policy that might work in one country might not work in another.

Economic Problems of Developing Countries

- Problem of Underdevelopment**
- International Trade and Development
- Structural Problems within Developing Countries
- The Problem of Debt
- Policies to affect the distribution of income and wealth.



Most of Africa, large parts of Asia and Latin America...

- Majority live in Poverty
- Life a daily struggle for survival
- Large proportion of population live in the countryside
- Large families on small parcels of land
- Income too low to invest in Machinery, Pesticides etc
- Rapid Growth of population – less and less land to go around
- Inheritance – splits land up even further
- Selling land to local landlords – landless, low wage labourers – Plantations
- Borrowing on worth of next harvest – pray to loan sharks / local landlords **Debt Bondage**

debt bondage

Tea Plantations SriLanka Leftovers from Colonialism?
Phillipines Land Grab Part 1



Urban Poverty

Urban Poverty in China Mixed Worlds..

Migration to rapidly growing cities – jobs yes but supply of labour far out numbers demand.

Unemployment rising rapidly. Take any job, legal or illegal.

Shanty towns

Work rather than go to school



Measuring Development

Basic Needs Approach

- Adequate food, shelter, warmth and clothing
- Universal access to Education
- Availability of adequate health care
- Availability of non-demeaning jobs
- Sufficient free time to be able to enjoy social interaction.
- Freedom to make one's own economic decisions
- Freedom to participate in decisions of government and other bodies that affect their lives.

DO ANY SURPRISE YOU? Any missing?