**Chapter 2 Papua New Guinea Case Study:**

**Red- Political**

**Green- Economic**

**Purple- Social**

**Blue- Environmental**

Prior to European contact, most production was small scale subsistence farming.

* In order to meet the economic need for labor of subsistence farming people are forced to have numerous kids. High birth rates result.
	+ Many small political and ethnic groups arise, leading to many different cultural groupings.
		- The economy has a high percentage in the informal sector and bartering becomes common.

In the early 1800’s Europeans and Australians began trading with Papua New Guinea.

* Villagers are forced to work for plantations of Europeans
* The country begins to accept government aid from Europeans and Australians which will later lead to debt.
	+ The increase in European demand leads to increases in cultivation. More cultivation leads to increases in deforestation and increases on the pressure that is put on the soil.

By 1850 Europeans and Australians had introduced machinery into the country.

* Economic production increases.
	+ Living standards increase with the increase in income and more machinery enables people to have more free time for leisure activities.

From 1975 on, foreign investment continued to increase, and the mining sector grew in importance.

* The shift from an agricultural society leads to social changes including lower birth rates.
* Since the mining sector is a capital intensive industry it only benefits a few people. For example, the health services that it brings are far less available in the highlands than in the more urban areas.
	+ The new mining industry introduces a new set of environmental concerns such a water pollution and chemicals leeching into the water supply. The burning of coal will also release pollutants like CO2 into the atmosphere when burned. These air pollutants are harmful when inhaled and can lead to respiratory problems for those who are mining.

Rugged terrain makes it difficult to develop the mining industry in many of the places.

* The cost of starting the industries in places with such terrain increases, and the high cost can only be afforded by European investors
	+ Europeans have 20% the income of the average person.

**Chapter 2- Ghana Cacao Industry Case Study:**

**Red- Political**

**Green- Economic**

**Purple- Social**

**Blue- Environmental**

Ghana has been independent from Britain since 1957. It became a republic in 1960. Since then, overseas aid has tried to raise the standard of living

* Unfortunately, overseas aid doesn’t always go to the right people. It hasn’t been completely successful in raising the standard of living.

Before the mid 1940’s, the state controlled the cocoa trading.

* It cheated private farms, and small land owners. Corruption and mismanagement was apparent, and tended to harm the poor.

-Private groups like Cadbury Schwepps tried to help with the situation. They helped form corporations and invested in infrastructure.

 - These private groups also provide information about appropriate env.

 practices, such as sustainable agriculture, which don’t harm the

 environment.

Female literacy rates are only 65%, and life expectancy is only 56 years. Lack of training or high life expectancy makes it hard for people to leave the agricultural economy.

* They are forced to grow cash crops in order to pay off debt and make profit. However, cash crops are less stable crops, and susceptible to price fluctuations.
	+ They must borrow heavily from the world bank to stay out of debt. Currently, they owe the bank 4 billion dollars. In 1993 the world bank set up a licensing system.
		- The system further disadvantaged small farmers.
			* Large reliance on cash crops puts a strain on soil. Such low crop diversification means that the same nutrients are taken out of the soil continuously. This leads to soil degradation, and infertile soil.
				+ Concentration on cash crops and infertile soil leads to malnutrition and hunger issues.

1993- group of coaco farmers set up Kuapa Kukoo trading terms.

* For farmers who adhere to high quality and efficiency standards. It is only for farmer owned companies in Ghana.
	+ Helps provide some economic stability for the farmers.