## **Economics**

## Primary Product Dependency - Teacher Notes



This topic focuses on the development of research and analytical thinking. The work can be performed independently, in small groups or as a class discussion.

Learners will be required to formulate an opinion based on research.

### Learning Objectives:

- 1. An understanding of how countries differ with product dependency.
- 2. An understanding of why product dependency matters to countries.

#### Task 1

Use activity sheet 1: Exploring the issue.

Identify how significant is the issue of primary product dependency in different countries.

#### Task 2

Using the resources provided, learners need to understand why the issue of primary product dependency matters.

Learners need to analyse the following documents:

- a. Copper in Zambia 2016
- b. Resource curse Dutch disease
- c. Prebisch-Singer
- d. The luckiest nut Senegal shows the impact of volatile groundnut prices in a wider context. Relevant part is 2.40 to 5.50 but the whole thing is interesting: <a href="https://vimeo.com/4557989">https://vimeo.com/4557989</a>

#### Outcomes:

- Import dependency
- Falling prices over time (Prebisch-Singer hypothesis)
- · Price volatility
- · Lack of incentives for education
- Resource curse issues
- Dutch disease
- Resource depletion

# **Economics**





Dependence on MNCs.