NATURAL RESOURCE ABUNDANCE AND ECONOMIC DEVELOPMENT: BLESSING OR CURSE

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Abstract

Rapid use of "natural resources" and the downturn of the economy are co-dependent and the study focused to determine the relation effectively. Economic conditions are depleting for many years now due to the distortion of "natural resources". The lower use and abundance of "natural resources" can help in developing the economic condition. This study has collected information through the use of the primary quantitative method where 85 participants have chosen to conduct a survey. 3 demographic and 10 topic-based questions have been presented in front of the participants to collect valuable data. Collected information through the collection of surveys has been analyzed through SPSS software. The mean value of the independent variables is 6.27, 5.55, 7.60, 7.40, and 6.00 respectively. "Natural resources" and economic development are meant to be both a blessing and a curse that lead to the promotional practices of environmental services. The result analysis shows that there is a positive correlation between the natural habitat and the rise in the economy. The correlation method highlights the value at a 0.254 level of significance. The economic practices are associated with the concomitants of the political ideologies based on the regulatory measures.

Keywords- *"Natural Resources", Economic Development, Political Ideologies, Natural Habitat, Sustainability*

INTRODUCTION

"Natural resources" refer to any organic products that are beneficial for humans as well as meets human demands. The economic development is projected depending upon the documented practices that are based on "natural resources" (Adamu et al. 2021). The rate of GDP depends upon the predictability of the "natural resources" that are relevant in the public provisional services.

Since the 1960s the per capita income of the countries having poorer resources has grown faster with the rise in the growth of the resources. As stated by Chang et al. (2023), the factors of economic growth and "natural resources" are less prone to policy failures and social pressures. In fact, in recent years of economy, it has been noticed that small mineral-driven exports have risen significantly with the multiple natural resource services.

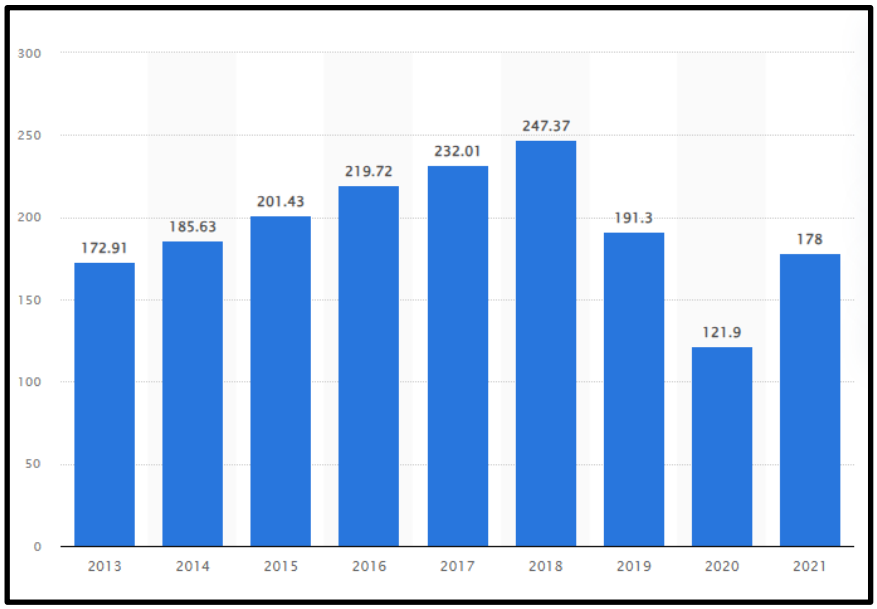

Figure 1: Depletion of the economy due to distorted "natural resources"

(Source: Statista, 2023)

The above figure highlights the negative effect on economic practices due to distorted "natural resources". In the year 2013, the average range of the economy was ***USD $172.91*** depicting a lower growth in the economic structure (Statista, 2023). Similarly, in the year 2020, the GDP declined to ***USD $121.9*** which in the year 2021 again rose to some limit which is ***USD $178.00*** significantly. The government has a little contribution by decoupling the taxation policies as well as setting restrictive goals that are a hindrance to financial development.

One of the major reasons why the consensus is facing obstacles towards rising is due to the uncertainties associated with the volatile terms and the decline of productive purposes. "Natural resources" have both positive and negative effects on economic development. As opined by Destek et al. (2023), the indirect effects of "natural resources" come from the potential adverse of the resources as argued by the resource wealth programs for political control. However, the lacking of tax revenues and growth reforms have improved accountability practices in a significant manner.

The aim of the study is to find out whether "natural resources" and economic development are a blessing or a curse.

RESEARCH OBJECTIVES

RO1: To determine the direct and indirect influence of "natural resources" on economic development

RO2: To analyze the dependency on "natural resources" undermining economic institutions

RO3: To find out the effects of resources on human capital and physical developments

RO4: To evaluate the political dimensions counterbalancing the resource lobbies

RESEARCH QUESTIONS

RQ1: What are thedirect and indirect influences of "natural resources" on economic development?

RQ2: What is the dependency on "natural resources" undermining economic institutions?

RQ3: What are theeffects of resources on human capital and physical development?

RQ4: What are the political dimensions counterbalancing the resource lobbies?

LITERATURE REVIEW

Determining the direct and indirect influence of "natural resources" on economic development

"Natural resources" are a representation of the baseline of economic growth as well as the aim of putting an end to all the challenges. The direct influence of "natural resources" on economic growth projects sustainability practices for better sources of management. As stated by Ding (2023), for establishing a long-term relationship, property rights are meant to be indirectly essential that are controlled by policy initiatives. The non-renewable resources are subjected to understanding the factors that adapted the capital investment technology for regulatory services.

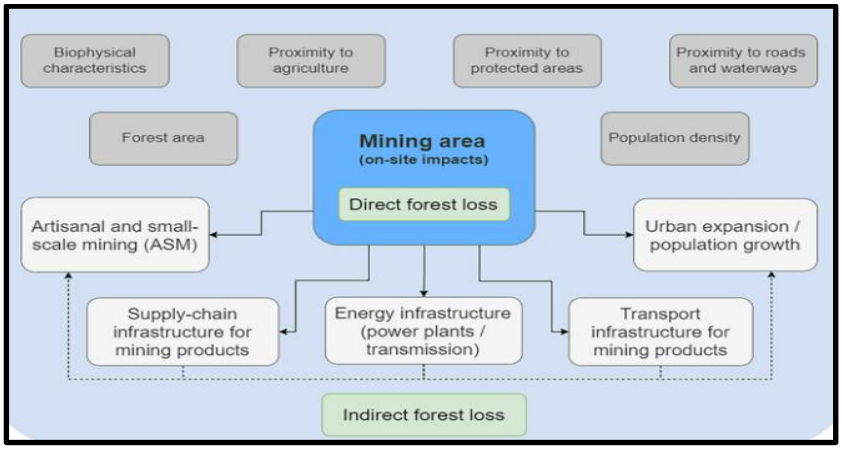

Figure 2: Direct and indirect influence of "natural resources" on economic development

(Source: Dinga et al. 2023)

The above figure states the direct and indirect forces that affect the economic practices based on the supply chain infrastructure as well as the mining practices that may increase the economic growth nevertheless may deplete the natural habitat (Dinga et al. 2023). The economic significance rises with the rise in the magnanimous resources and declines with the exploitation of "natural resources".

FINDING OUT THE EFFECTS OF RESOURCES ON HUMAN CAPITAL AND PHYSICAL DEVELOPMENTS

The technological progress on economic growth is imposed by setting limits that result in the marginalization of high-quality goods and services in a significant manner. As stated by Khan et al. (2023), the investments have resulted in physical developments as well as have resulted in increasing the forces in the abundant growth of "natural resources".

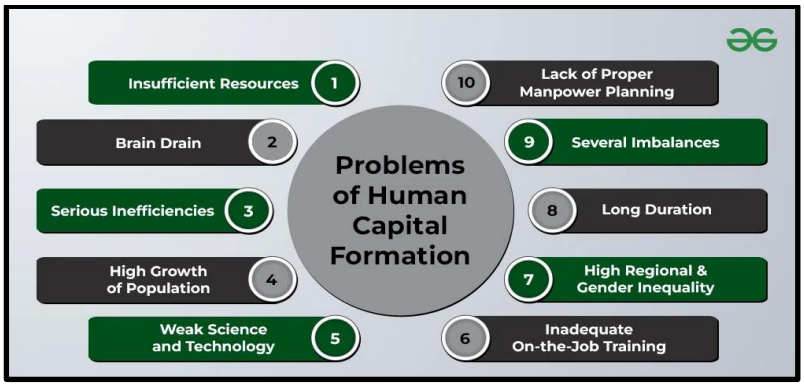

Figure 3: Effects of resources on human capital and physical developments

(Source: Lee & He, 2022)

The above figure signifies the problems that are related to the issues related to human capital formation. The weakening of science and technology have affected the growth of natural habitat as well as led to serious insufficiencies. As mentioned by Lee & He (2022), the lack of physical developments and the several imbalances have resulted in taking longer duration in the production of "natural resources". This caused severe imbalances in the quality of physical development and organic practices.

EVALUATING THE POLITICAL DIMENSIONS COUNTERBALANCING THE RESOURCE LOBBIES

In the political arena, the various concomitants that are relative to the spectrum of strategies and resource balances enforced the ideas that are relative to compliance of lobbies. As per the critical analysis by Li & Wu (2023), public interests have blown the democratic measures by granting the optimum level of "natural resources" causing economic growth. Such issues are concomitant to the various rangers that are understood in a proper way.

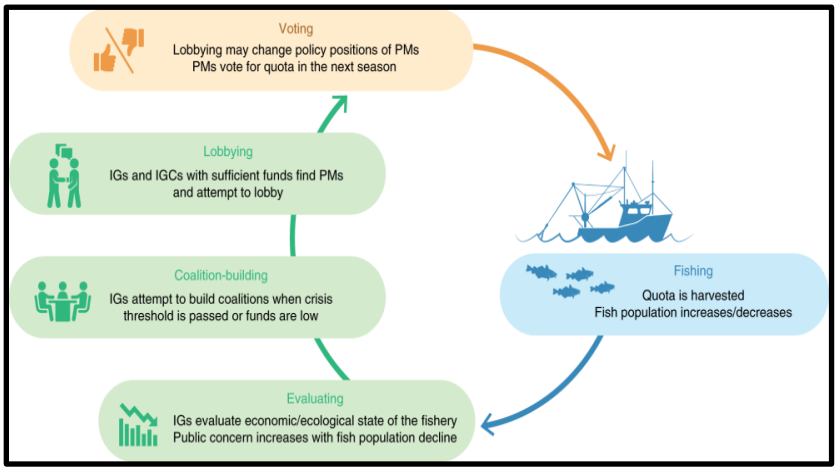

Figure 3: Political dimensions counterbalancing the resource lobbies

(Source: Liu et al. 2023)

The above figure highlights the political dimensions that are relative to the political performance of the resourcing lobbies. The lobbies mainly include the practices of evaluating the economic as well as the ecological state of the natural habitat and the concerns regarding public services (Liu et al. 2023). The various fields of resources have passed certain funds of knowledge incorporating the harvesting sessions of the progressive resources.

METHODOLOGY

Research Methodology is the practice of evaluating the data and information that are based on the aims and objectives of the study (Rahim et al. 2021). In the research method, the ***primary quantitative method*** has been used in the overall analysis of the study. The responses have been obtained from a total of ***85 respondents*** by following the ***survey method***. Furthermore, the survey method was conducted by the ***SPSS software analysis.*** The total number of survey questions are 13 including 3 demographics and 3 variables. The various tests that are linked with the analysis are ***correlation analysis, descriptive analysis,*** and ***reliability tests*** respectively. In addition to that, the ***ANOVA*** and ***regression analysis*** have been developed with the research processes.

FINDINGS

1. What is your age?

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	20 years to 30 years	25	29.4	29.4	29.4
	31 years to 40 years	17	20.0	20.0	49.4
	41 years to 50 years	25	29.4	29.4	78.8
	51 years to 60 years	18	21.2	21.2	100.0
	Total	85	100.0	100.0	

Figure 4: Age factor

(Source: SPSS)

The above figure states the age factor of the 85 participants with factors including the cumulative percentage and frequencies of people. Nearly 25 people belonging to the age group between 20 years to 30 years participated in the survey. Similarly, people belonging to the age group of 31 years to 40 years are 17 and the people between the age group of 41 years to 50 years are 25 significantly. The rest 18 people belong to the age group between 51 years to 60 years significantly. The cumulative frequencies of the age groups are 29%, 49.4%, 78.8%, and 100% respectively.

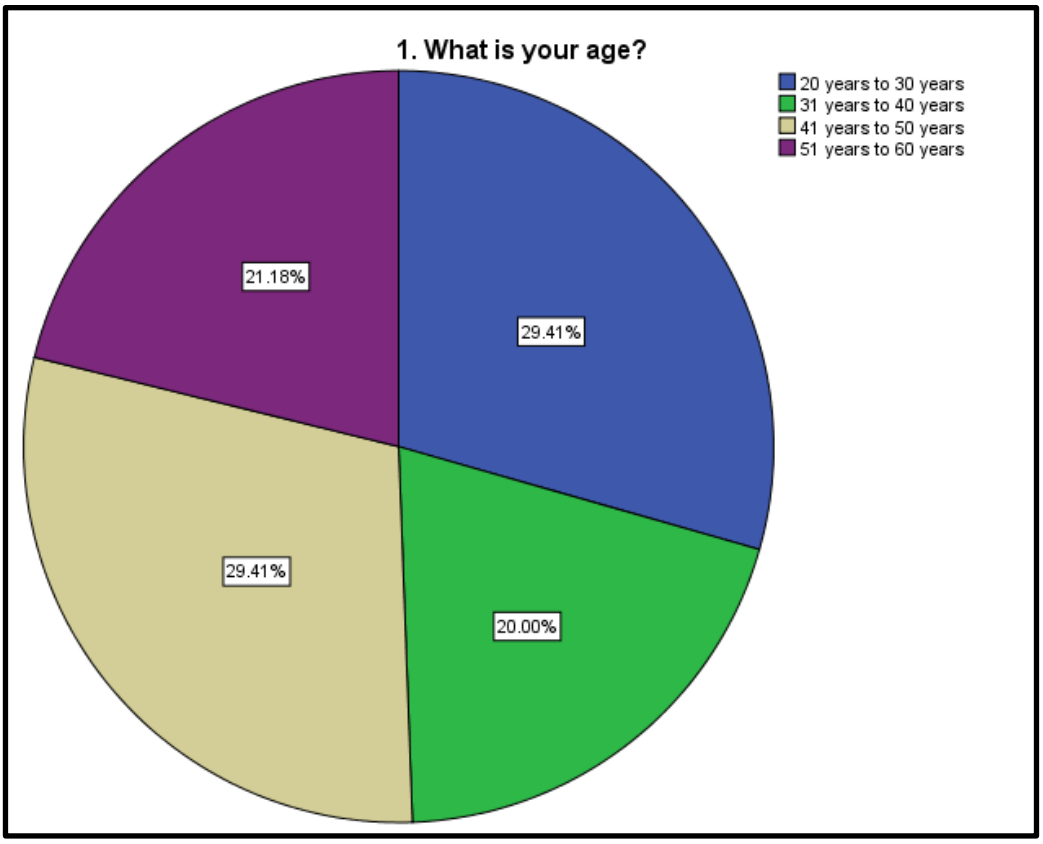

Figure 5: Age analysis

(Source: SPSS)

The above pie chart analysis depicts the age factor of the 85 participants. Around 29.41% of the individuals belong to the age group between 20 years to 30 years and 20% between 31 years to 40 years. Similarly, 29.41% of the people belong to the age group between 41 years to 50 years and 21.18% between 51 years to 60 years respectively.

2. What is your gender?

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Female	34	40.0	40.0	40.0
	Male	17	20.0	20.0	60.0
	Prefer not to say	34	40.0	40.0	100.0
	Total	85	100.0	100.0	

Figure 6: Gender factor

(Source: SPSS)

The above figure states the gender factor of the participants with a higher frequency level of the female members which is 34 and that of the male as 17. The people belonging to the prefer to not say the

group is 34 significantly. The cumulative frequencies include 40%, 60%, and 100% respectively.

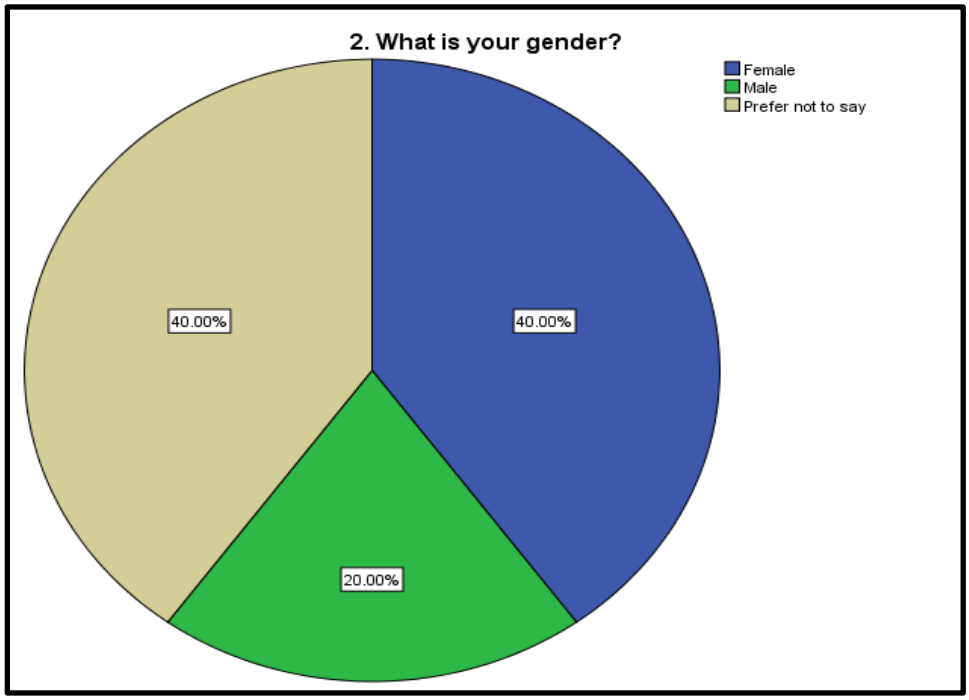

Figure 7: Gender analysis

(Source: SPSS)

In the above figure, the gender analysis shows that the larger number of participants who have responded are female which 40% is. Similarly, the male members who have responded are 20% and the rest prefer to not say 40% significantly.

3. What is your income?

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Rs. 20,000 to 30,000	26	30.6	30.6	30.6
	Rs. 30,000 yo 40,000	9	10.6	10.6	41.2
	Rs. 40,000 to 50,000	16	18.8	18.8	60.0
	Rs. 50,000 to 60,000	34	40.0	40.0	100.0
	Total	85	100.0	100.0	

Figure 8: Income factor

(Source: SPSS)

The above figure highlights the income analysis of the 85 participants. People belonging to the income level between Rs. 20,000 to 30,000 are 26 and that of 30,0000 to 40,000 are 9 respectively. On the other hand, a number of 165 participants belong to the income level of 40,000 to 50,000, and 34 participants belong to the income level from 50,000 to 60,000 significantly.

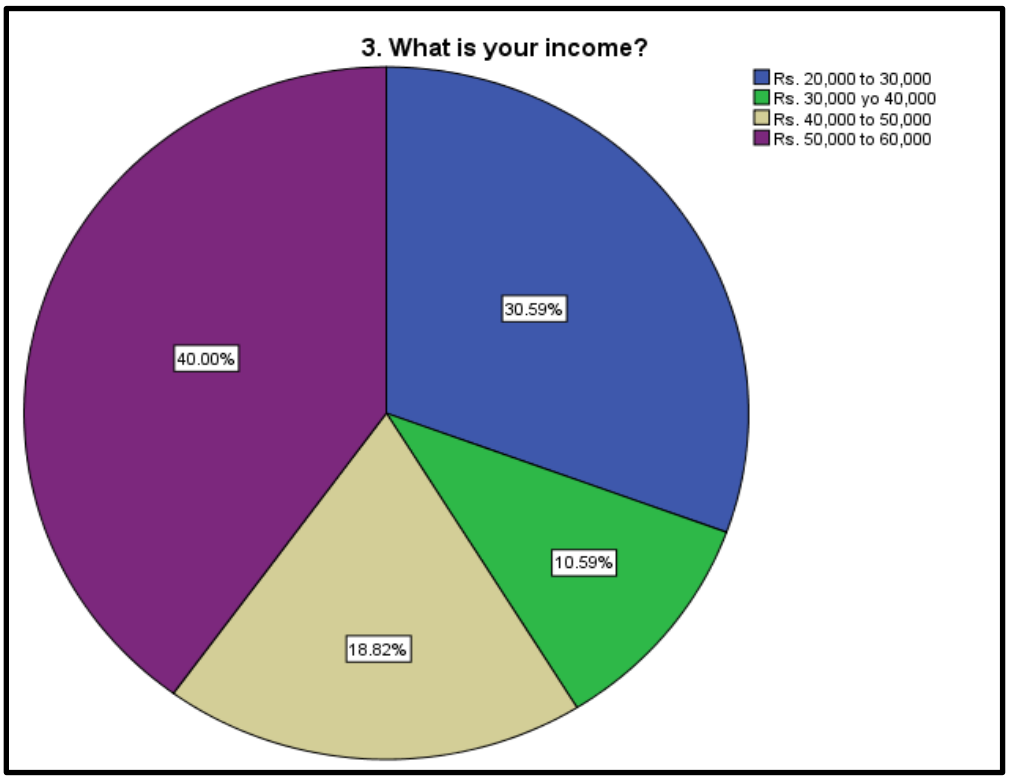

Figure 9: Income analysis

(Source: SPSS)

Correlations

		IV1	IV2	IV3	IV4	DV
IV1	Pearson Correlation	1	-.367**	-.273*	-.143	-.268*
	Sig. (2-tailed)		.001	.011	.192	.013
	N	85	85	85	85	85
IV2	Pearson Correlation	-.367**	1	-.447**	.126	.125
	Sig. (2-tailed)	.001		.000	.251	.254
	N	85	85	85	85	85
IV3	Pearson Correlation	-.273*	-.447**	1	-.074	.321**
	Sig. (2-tailed)	.011	.000		.500	.003
	N	85	85	85	85	85
IV4	Pearson Correlation	-.143	.126	-.074	1	-.650**
	Sig. (2-tailed)	.192	.251	.500		.000
	N	85	85	85	85	85
DV	Pearson Correlation	-.268*	.125	.321**	-.650**	1
	Sig. (2-tailed)	.013	.254	.003	.000	
	N	85	85	85	85	85

Figure 10: Correlation

(Source: SPSS)

In the above figure, the descriptive analysis views that there is a positive correlation between the independent variable 1 with the independent variables and dependent variable at a 0.13 significant level. In the same manner, there is a positive relationship between the independent

variable 2 with the dependent variable at a 0.254 level of significance. The rest of the variables are significant at 0.003 and 0.00 level of significance respectively.

Descriptive Statistics

	N	Range	Minimum	Maximum	Mean	Std. Deviation	Skewness		Kurtosis	
	Statistic	Statistic	Statistic	Statistic	Statistic	Statistic	Statistic	Std. Error	Statistic	Std. Error
IV1	85	8.00	2.00	10.00	6.2706	2.53728	-.133	.261	-1.045	.517
IV2	85	7.00	2.00	9.00	5.5529	2.14646	.107	.261	-.648	.517
IV3	85	5.00	5.00	10.00	7.6000	1.62715	.114	.261	-1.139	.517
IV4	85	5.00	5.00	10.00	7.4000	1.81397	.312	.261	-1.559	.517
DV	85	6.00	2.00	8.00	6.0000	1.59613	-1.457	.261	1.779	.517
Valid N (listwise)	85									

Figure 11: Descriptive analysis

(Source: SPSS)

The above figure describes the descriptive analysis which signifies the mean values of the dependent and the independent variable. The mean value of the independent variables is 6.27, 5.55, 7.60, 7.40, and 6.00 respectively.

Model Summary[b]

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate	Change Statistics					Durbin-Watson
					R Square Change	F Change	df1	df2	Sig. F Change	
1	.803[a]	.644	.626	.97569	.644	36.199	4	80	.000	1.791

Figure 12: Model summary

(Source: SPSS)

In the above figure, the model summary highlights the R square value and the adjusted R square which are 0.644 and 0.626 respectively. The df values possessing the values of df1 as 4 and df2 as 80 significantly.

ANOVA[a]

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	137.842	4	34.461	36.199	.000[b]
	Residual	76.158	80	.952		
	Total	214.000	84			

Figure 13: ANOVA

(Source: SPSS)

The ANOVA analysis states the sum of squares of the regression and residual values as 137.84 and 76.15 respectively. The df value is 4 and 8 with an F value of 36.199 at a 0.00 level of significance.

Coefficients[a]

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.	95.0% Confidence Interval for B	
		B	Std. Error	Beta			Lower Bound	Upper Bound
1	(Constant)	6.823	1.285		5.310	.000	4.266	9.381
	IV1	-.089	.053	-.141	-1.658	.101	-.195	.018
	IV2	.245	.067	.329	3.628	.001	.110	.379
	IV3	.371	.086	.379	4.303	.000	.200	.543
	IV4	-.601	.060	-.683	-10.065	.000	-.720	-.482

Figure 14: Coefficients analysis

(Source: SPSS)

The above figure states the correlation analysis of the dependent and the independent variable at a 95% confidence level. As stated by Meng et al. (2022), correlation analysis is the statistical method that determines the relationship between two variables. The lower and upper bound of the coefficients has been identified in the analysis

.

KMO and Bartlett's Test

Kaiser-Meyer-Olkin Measure of Sampling Adequacy.		.356
Bartlett's Test of Sphericity	Approx. Chi-Square	143.339
	df	10
	Sig.	.000

Figure 15: KMO and Bartlett's test

(Source: SPSS)

The above figure state the approximate chi-square value of 143.339 with df value 10 at 0.00 level of significance.

Reliability Statistics

Cronbach's Alpha[a]	Cronbach's Alpha Based on Standardized Items[a]	N of Items
-2.832	-2.424	5

Figure 16: Reliability statistics

(Source: SPSS)

The above figure states the value of Cronbach's alpha and that is based on the standardized items are -2.832 and -2.424 significantly.

DISCUSSION

"Natural resources" and economic development are meant to be both a blessing and a curse that lead to the promotional practices of environmental services. The result analysis shows that there is a positive correlation between the natural habitat and the rise in the economy

"Natural resources" and economic development are meant to be both a blessing and a curse that lead to the promotional practices of environmental services. As stated by Oladotun et al. (2023), the information associated with such revolutionary services navigates the multi-level networking services. "Natural resources" have contributed to increasing the gross investments that are lesser than the capital depreciation with a high valuation of physical stock and growth rate.

The result analysis shows that there is a positive correlation between the natural habitat and the rise in the economy. The range of accessibility increases with equitable access to governmental services as affected by the mechanisms concerning the prevention of loopholes (Liao & Zeng, 2023). In the research, people belonging to 20 years to 30 years and 41 years to 50 years have responded more. The reliability statistics are based on Cronbach's alpha based on standardized items.

CONCLUSION

The initial practices relating to the correlation between "natural resources" and economic development have shown significant and elementary practices. To a larger extent, both factors are based on various stages of development. The economic practices are associated with the concomitants of the political ideologies based on the regulatory measures. With the presence of technology, the mere availability of resources hinders the developmental process. Thus, it can be concluded that the resources are available for the optimum level of services.

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APPENDICES

Appendix 1: Survey questions

Survey link: **https://forms.gle/4Rv6Uzsr88ghopqc9**

1. What is your age?
2. What is your gender?
3. What is your income?
4. Abundance in the "natural resources" is a blessing to the society
5. "natural resources" affect the economic development intriguing volatile practices
6. "natural resources" discourages finance and undermines public investments
7. There is a positive relationship between the quantity of "natural resources" and the economic development
8. Economic development leads to a long term sustainability growth
9. The effect of resources differs between the physical and human capital developmental outcomes
10. The resources results in the optimum development of economic services
11. Excessive "natural resources" can be ineffective for the economic development
12. The public provisions are affected by the abnormal rise in "natural resources"
13. The components of "natural resources" are degradable in nature