

## Development & Industry Notes

### Development

Extent to which human/natural resources in an area/country have been brought into full productive use

Vs underdevelopment

Possibility or desirability of applying additional capital, labor, or tech to resource base to permit the present pop to improve material well-being

Developed countries often located in the "north" according to Brandt Report

Most in temperate or "snow belt" zones vs "south" in tropical latitudes/arid zones

Is the whole country really developed?

### Economic indicators of development

GDP

Types of jobs

Primary sector

Directly extracts or harvests resources from the earth

Secondary sector

Activity that transforms raw materials into usable products, adding value in the process

Tertiary sector

Activity that links primary & secondary sectors to consumers/other businesses by selling goods or performing services. Includes both retail & business (producer) services

\*Quaternary sector

highly skilled information based services; usually includes management

productivity

consumer goods

### Social Indicators

Education/literacy

Health/welfare

### Demographic Indicators

Life expectancy

Infant mortality rates

Natural increase rate (NIR)

Crude birth rate (CBR)

### Rostow's Model of Development

See handout

Problem:

WHAT IF YOU DON'T HAVE RAW MATERIALS TO PROCESS/SELL?

### Wallersteins' World Systems Theory (aka Core-Periphery Model)

3 Tier Structure to explain interconnections b/t places & the global economy

model of econ dev over time/space consisting of an UNEVEN POWER RELATIONSHIP b/t rich, productive, innovative (core region) and poor & dependent (periphery)

Core

Countries w strong economies, large econ productivity, high per capita GDP

Seen as MDCs

Semi-periphery-

middle income, newly industrialized countries w median standards of living

offers citizens relatively diverse economic opportunities

Periphery

Countries w low levels of econ productivity, low per capita income & generally low standards of living

### Dependency Model

Over time, MDCs have exploited & subjugated other populations & regions to secure for themselves a continual source of new capital

Transfer of wealth from periphery to core continues to fuel growth in some places at the expense of others

Rooted in colonialism, slave trade, imperialism, neocolonialism

Currently dominated by transnational corps that introduce tech/production facilities to further private corp goals rather than balancing the development of recipient economies

development aid involves a forced econ reliance on donor countries

### Self-Sufficiency Model

Govs will protect emerging industries (tariffs/subsidies) from competition w international corporations

### Industrialization

Process of shifting from handmade goods to machine made goods

Begins 17<sup>th</sup>/18<sup>th</sup> c

Starts in Great Britain

Political/economic stability

Access to trade/ports/raw materials

Culture

Slowly spreads to continental Europe, USA, Asia

Textile industry sets the precedent for other industries

Leads to desire for raw materials in new places

Imperialism

Neo-colonialism

Economic dominance of core countries over former colonies

### Industrial economy

Large domestic corps

Food processing, heavy equipment manufacturing, energy products

### Post-Industrial economy

Late 20<sup>th</sup>/21<sup>st</sup> c

Huge transnational corps

Localized agglomerations producing and/or using IT & telecom

Greater employment in tertiary & quaternary services

### Globalization

Without regard for borders:

Increases interactions

Deepens relationships

Heightens interdependence

Based on trade

Does it help all parties?

China: Factory to the World?

Increases gap b/t wealthy/poor

Gini Coefficient

Environmental impact?

Impact on traditional cultures?

outsourcing

### Situation Factors

Locations chosen based on their proximity to something else

Historically made sense

Transportation makes it less important

Bulk-reducing vs bulk gaining industries

Footloose industries

Can be placed anywhere without affecting resources/transport  
(classic examples: computer chips & diamonds)

Break of Bulk Point

### Weber's Least Cost Analysis

Location of manufacturing establishments is determined by the minimization of 3 critical expenses:

Labor

Transportation

Agglomeration

Businesses that benefit from proximity bc they share skilled labor pools,  
technological & financial amenities

See handout

### Hierarchy of business services

World City

Primate City

Largest settlement has more than twice the number of people in the country's  
second ranking settlement

Rank-Size Rule

The country's  $n$ th largest city is  $1/n$  the population of the largest settlement  
(second largest city is  $1/2$  the size of the largest city, fourth largest city is  $1/4$   
the size of the largest city)

Sometimes no obvious 2<sup>nd</sup> city

Connectivity

Transportation model

Borchert's Epochs of Urban Transport

Leads to edge/galactic city models

### Service economy

Less tied to energy sources

Most don't need to be near markets due to telecommunications

Partially a result of deindustrialization

Negatively affected by outsourcing