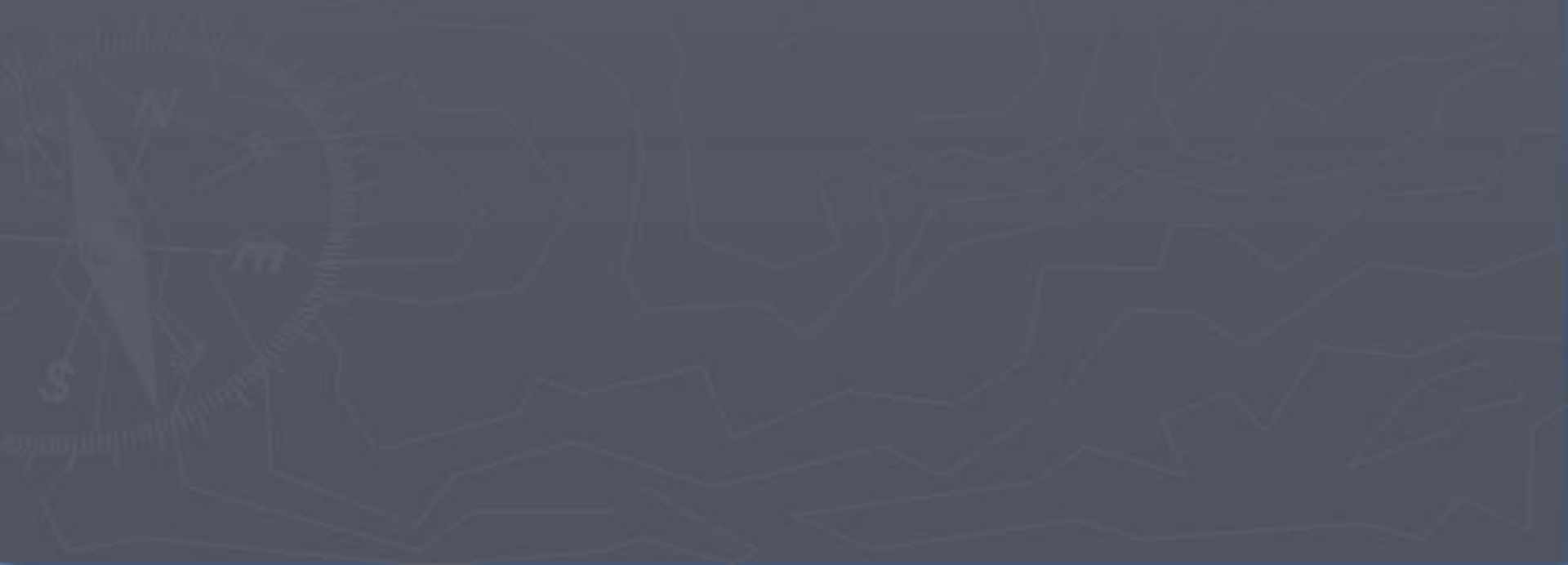


Developments in Industrialization



Types of Industries

- Primary Industries
 - Responsible for the mining and harvesting of natural resources
- Secondary Industries
 - Takes natural resources and uses them to manufacture consumer goods
- Tertiary Industries
 - Provide services to the Primary and Secondary services as well as the community and individuals

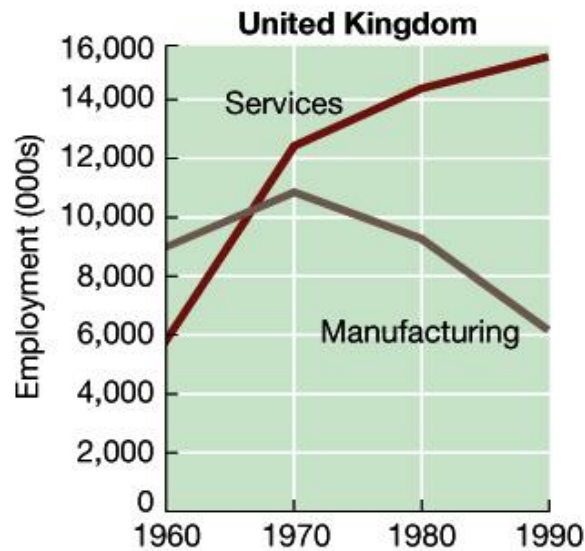


Decline of Secondary Industries in MDCs

- Deindustrialization
 - Transition of primary economic activity of a country to shift from Secondary to Tertiary industries
 - Especially in MDCs since 1950s
 - Otherwise known as the post-industrial era
 - Changes in manufacturing in MDCs
 - Increased automation
 - High-Technology production



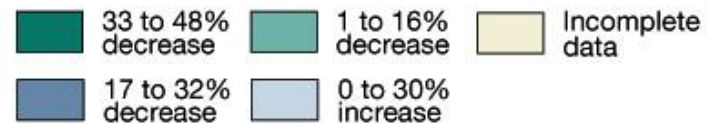
Case Study: Deindustrialization in Europe



Change in manufacturing employment in Europe, 1960-1990



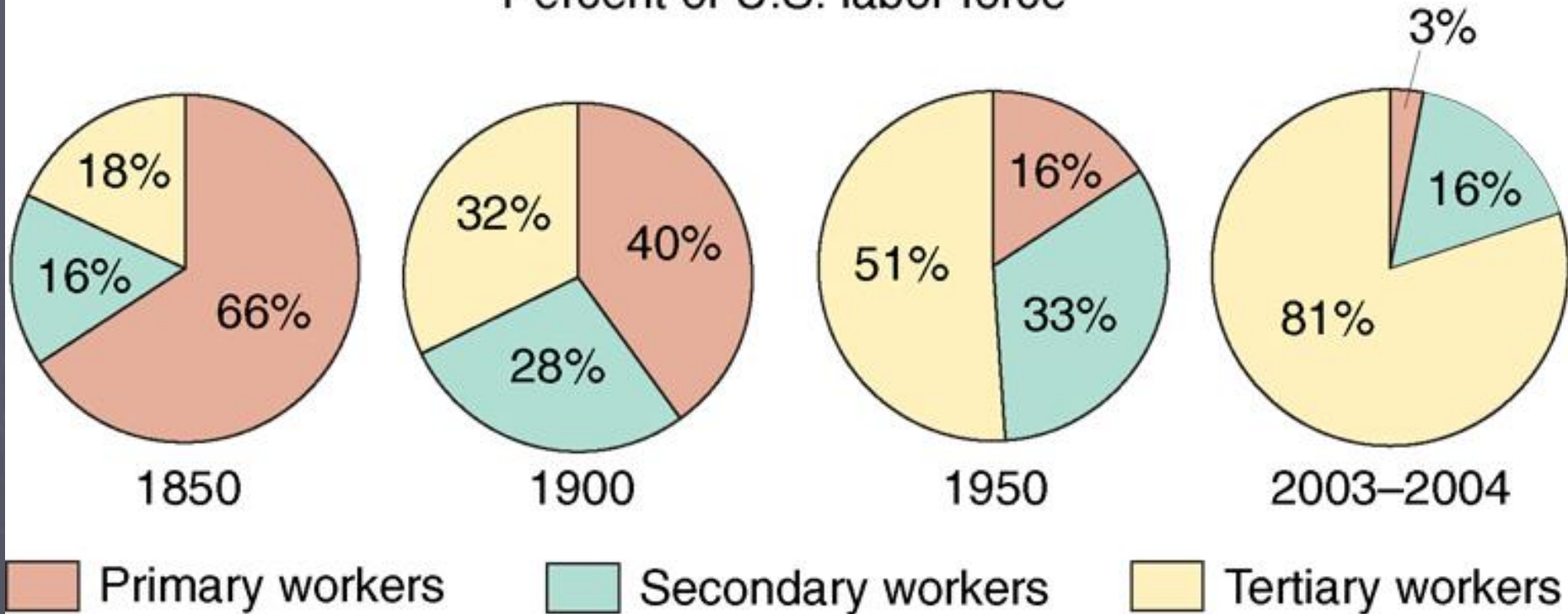
Percent change in manufacturing employment, 1960 to 1990



Case Study: The United States

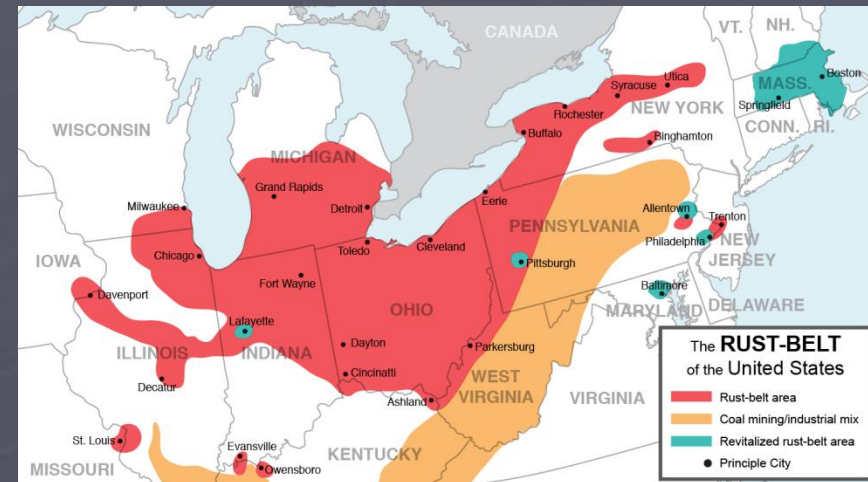
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Percent of U.S. labor force



Impacts of Deindustrialization

- Transnational Corporations
 - Increasing trend of corporations having entities in different countries
 - Offshoring and Outsourcing used to maximize profits
- Industrial Decay
 - Decline of traditional manufacturing centers
 - The Ex. Rust Belt



Impacts of Deindustrialization

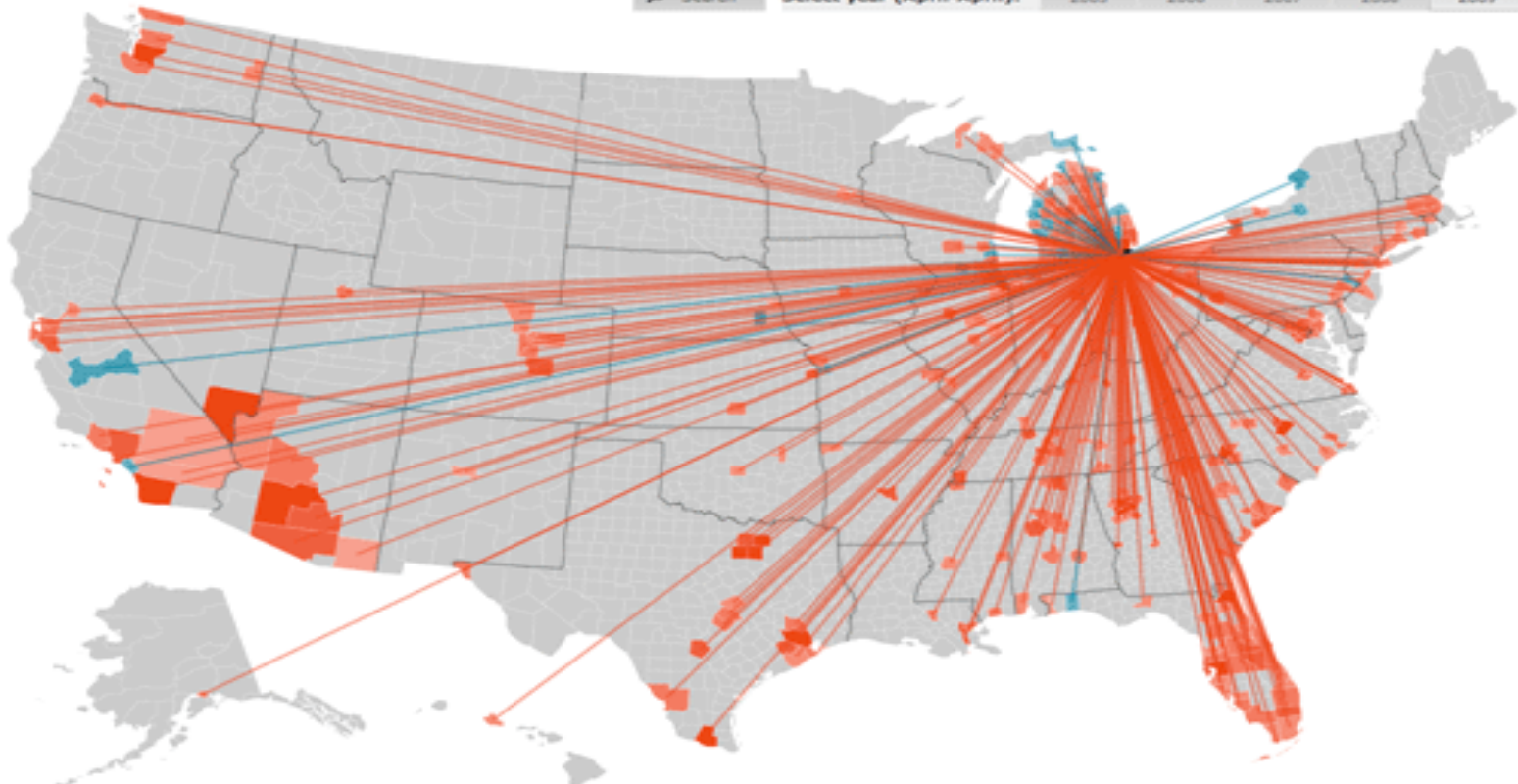
- Industrialization of LDCs
 - Corporations moving production centers to LDCs in favor of lower land and Labor costs
 - Leading to unemployment in MDCs
 - Development of Trading Blocs to increase trade between neighboring countries
 - Ex. NAFTA



Case Study: Detroit, Michigan

Wayne County (Detroit), Mich.

Population (2010): 1,820,584
Population (2005): 1,960,263
Inbound income per cap. (2009): \$19,400
Outbound income per cap. (2009): \$21,900
Non-migrant income per cap. (2009): \$22,000



Source: Internal Revenue Service Tax Stats. The data presented here only include people represented as an exemption on an income tax return. Years represent filing seasons, which for most people end on April 15, but they include returns received as late as the end of September. For best results, please use Firefox, Chrome, Safari, or Internet Explorer 9.

Case Study: Maquiladoras

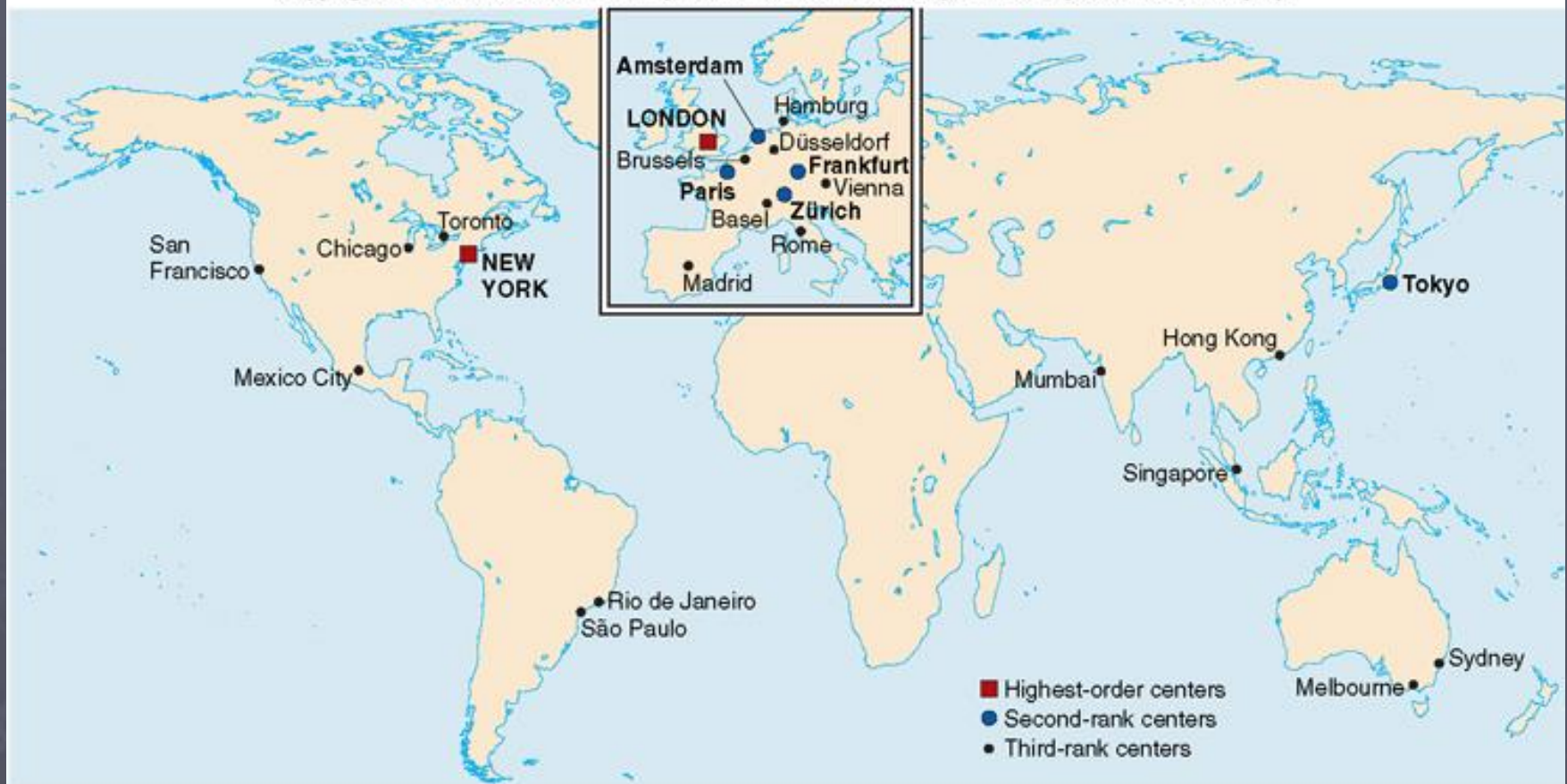


New International Division of Labor

- Transfer of some types of jobs, especially those requiring low-paid, less-skilled workers, from more developed to less developed countries.
- Specialization in types of economic activities
 - Ex. China as manufacturing center and London as a banking center

Location of International Banking Centers

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(a)
Source: Peter Dicken. Global Shift. 4th ed., Guilford Press, 2003, Figures 13.8 and 13.10.