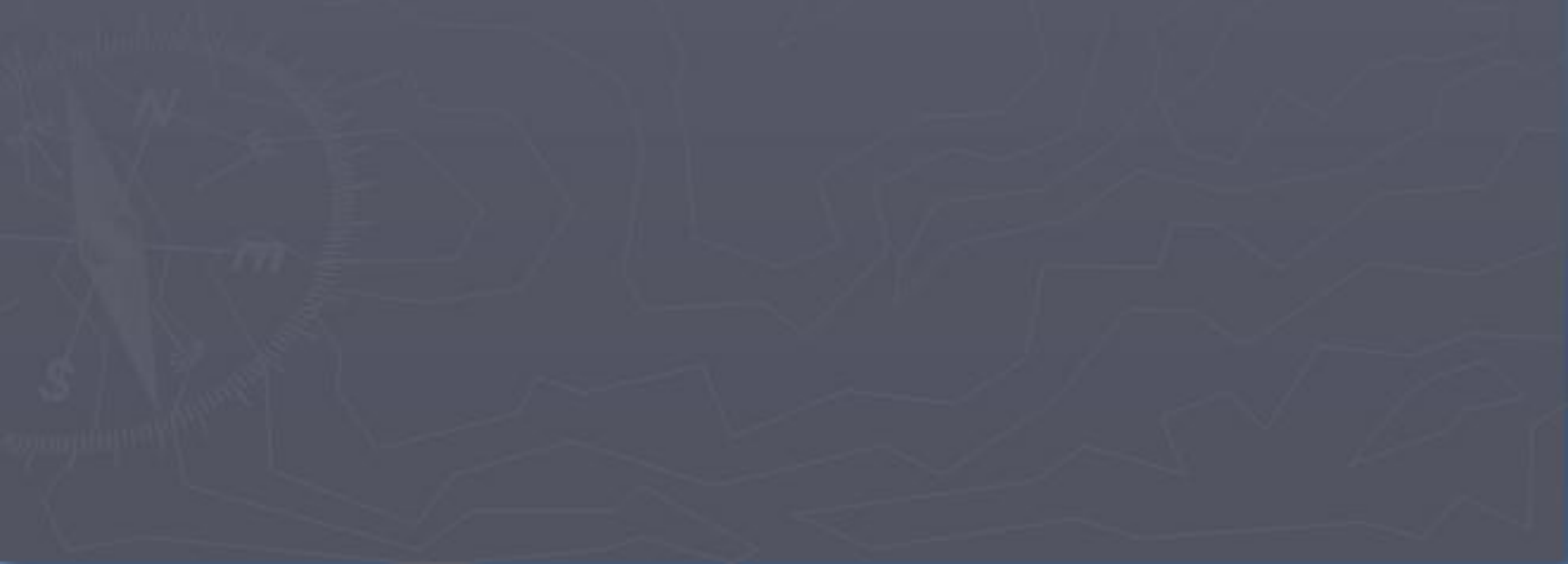


Introduction to Industrial Geography



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



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



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

Bulk-Reducing Industry

- An industry in which the final product weighs less or comprises a lower volume than the inputs.
 - Ex. Iron-Ore
- Processing plants located close to mining centers



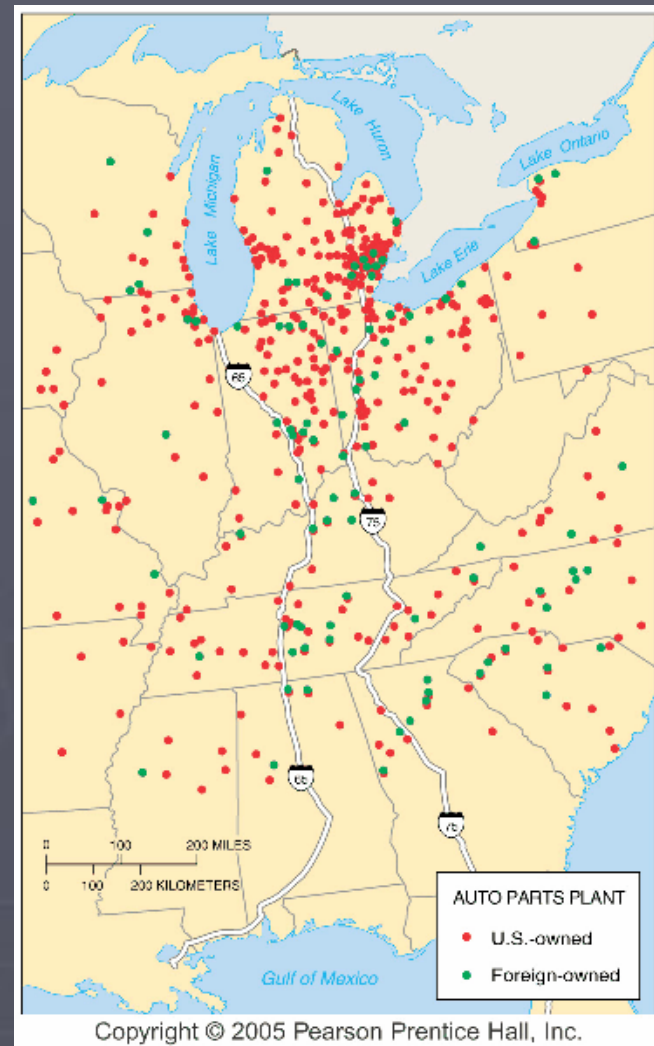
Bulk-Gaining Industry

- An industry in which the final product weighs more or comprises a greater volume than the inputs.
 - Ex. Car Industry
- Manufacturing plants located close to market



Specialized Industries

- Single-Market Manufacturers
 - Specializers with only 1-2 customers
 - Located as close to customer as possible
 - Ex. Motor vehicle parts
- Perishable Product Manufacturers
 - Located close to market to maximize product time on sale
 - Ex. milk



Geography of Transportation

- Truck – short-distance, best for one-day delivery
- Train – Longer distance, no need for stops, better for large objects
- Ship – Low cost, cross-continental
- Air – High cost, for small, high-value packages
- Pipeline – Only used for liquids and gasses



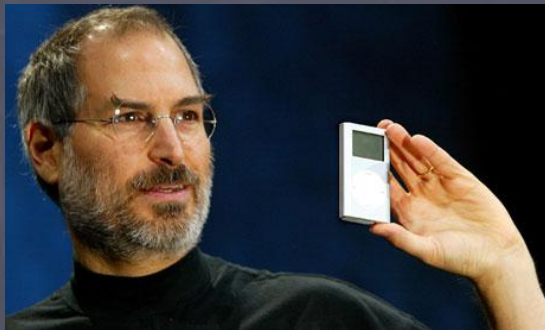
Break-of- Bulk Points

- Break-of-Bulk Point
 - Points where portions of cargo are unloaded and redistributed for redirection
 - Often to other modes of transportation



The Factors of Production

- Three traditional Factors:
 - Land
 - Labor
 - Capital
- The Fourth Factor:
 - Entrepreneurship



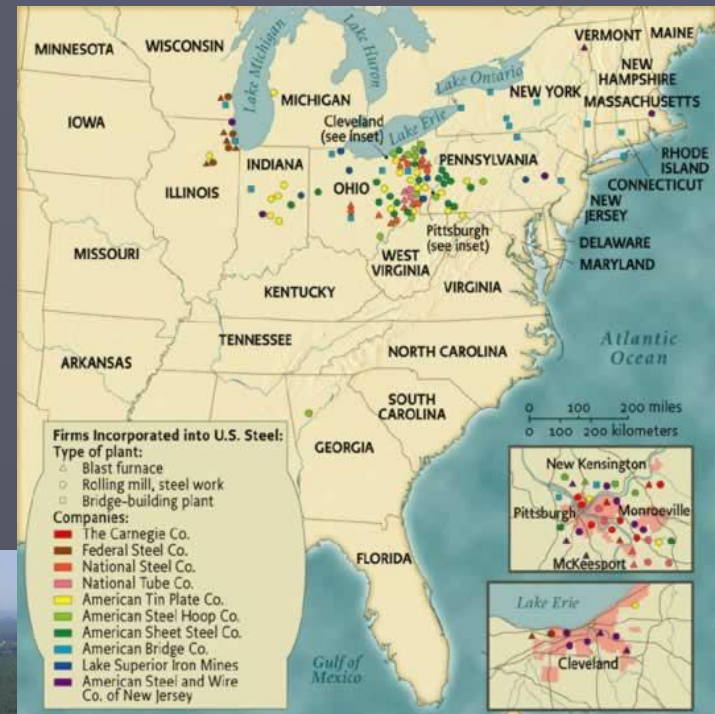
Labor

- Workers
 - Normally largest input in production
 - Locate where most workers available at lowest cost possible to maximize profits
- Labor-intensive industry
 - Industry where paying workers is high percentage of total costs



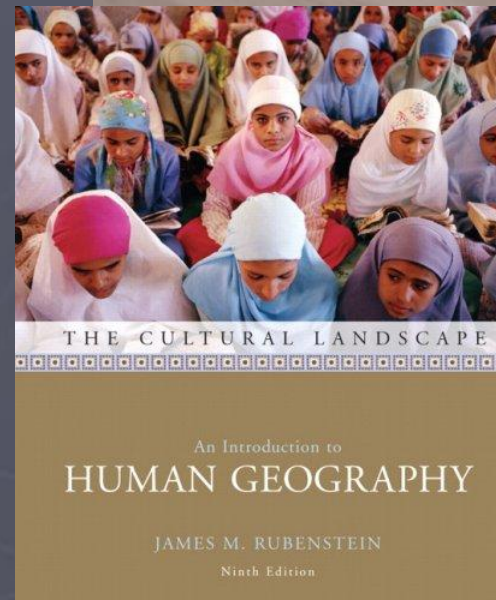
Land

- Factory Location
 - Large footprint so they locate outside cities where land costs are lower
 - Proximity to transportation routes
- Natural Resources
 - Used in production of product
 - Secondary Industries locate close to natural resources used



Capital

- Borrowed Money
 - Proximity to banking institutions
 - Not as big a factor due to internet banking
- Tools of the craft
 - Machines or tools used for doing the job
 - Ex. Tractor for farmer, Stethoscope for doctor



Entrepreneurship

- The Ideas
 - The person or people who are able to combine all three factors of production and make a profit
 - Need access to resources and economic freedom to try new ideas

