

Unit 7 Industrial and Economic Development Patterns and Processes

Name: _____

Period: _____

Date: _____

Definition	Question(s)
<p>agglomeration - the spatial grouping of people or activities for mutual benefit; the concentration of productive enterprises for collective or cooperative use of infrastructure and sharing of labor resources and market access.</p>	<p>What is an example?</p>
<p>break-of-bulk point - a location where transfer is possible from one mode of transportation to another; a location along a transport route where goods must be transferred from one carrier to another. In a port, the cargoes of oceangoing ships are unloaded and put on trains, trucks, or perhaps smaller riverboats for inland distribution.</p>	<p>Explain how Singapore, Hong Kong, and Los Angeles are examples.</p>
<p>colonialism - the policy or practice of acquiring full or partial political control over another country, occupying it with settlers, and exploiting it economically.</p>	<p>How is colonialism different from neocolonialism?</p>
<p>commodity - a raw material or primary agricultural product that can be bought and sold, such as copper or coffee.</p>	<p>List five additional examples.</p>
<p>commodity chain - process used by firms to gather resources, transform them into goods or commodities, and finally, distribute them to consumers.</p>	<p>Describe the commodity chain for petroleum.</p>
<p>commodity dependence - when commodities constitute the predominant share of its exports.</p>	<p>Which countries in the world have a high commodity dependency?</p>
	<p>Which countries in the world have a low commodity dependency?</p>
<p>comparative advantage - the ability of an individual or group to carry out a particular economic activity (such as making a specific product) more efficiently than another activity.</p>	<p>Explain the comparative advantage Saudi Arabia has over many other countries.</p>
<p>complementarity - a demand for or deficit in a product in a place and a supply or surplus of the same product in another place</p>	<p>What is an example</p>
<p>dependency theory - resources flow from a "periphery" of poor and underdeveloped states to a "core" of wealthy states, enriching the latter at the expense of the former.</p>	<p>What is a specific example from core and periphery countries?</p>
<p>economies of scale - cost advantages reaped by companies when production becomes efficient; the cost advantages that enterprises obtain due to their scale of operation, with cost per unit of output decreasing with increasing scale.</p>	<p>Describe an example.</p>
<p>ecotourism - a form of tourism involving visiting fragile, pristine, and relatively undisturbed natural areas, intended as a low-impact and often small scale alternative to standard commercial mass tourism; a focus on socially responsible travel, personal growth, and environmental sustainability.</p>	<p>How ecotourism work in Costa Rica?</p>
<p>entrepôt - a port, city, or other center to which goods are brought for import and export, and for collection and distribution.</p>	<p>Describe a specific example.</p>
<p>export processing zones (EPZs) - areas within developing countries that offer incentives and a barrier-free environment to promote economic growth by attracting foreign investment for export-oriented production.</p>	<p>Describe a specific example.</p>
<p>footloose industry - a general term for an industry that can be placed and located at any location without effect from factors such as resources or transport. These industries often have spatially fixed costs, which means that the costs of the products do not change despite where the product is assembled.</p>	<p>Describe a specific example.</p>

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<p>formal economy - all economic activities operating within the official legal framework that are paying taxes on all generated incomes.</p>	<p>How is the formal economy different from the informal economy?</p>
<p>free trade zones (foreign trade zones in USA) - a geographic area where goods may be landed, stored, handled, manufactured, or reconfigured and re-exported under specific customs regulation and generally not subject to customs duty.</p>	<p>Describe a specific example.</p>
<p>Gender Inequality Index (GII) - an index for measurement of gender disparity that was introduced in the 2010 Human Development Report; measures the human development costs of gender inequality. Thus the higher the GI value the more disparities between females and males and the more loss to human development.</p>	<p>Which regions in the world have the highest GI? Which regions in the world have the lowest GI?</p>
<p>gross domestic product (GDP) - the total value of goods produced and services provided in a country during one year.</p>	<p>How does the GDP of the USA compare to Mexico and Canada?</p>
<p>gross national income (GNI) - previously known as gross national product, is the total domestic and foreign output claimed by residents of a country, consisting of gross domestic product, plus factor incomes earned by foreign residents, minus income earned in the domestic economy by nonresidents; $GNI = GDP + \text{Money flowing from foreign countries} - \text{Money flowing to foreign countries}$.</p>	<p>Explain the way GNI is calculated.</p>
<p>gross national product (GNP) - an estimate of total value of all the final products and services turned out in a given period by the means of production owned by a country's residents.</p>	<p>What is the GNP of the USA?</p>
<p>growth pole - the concentration of highly innovative and technically advanced industries that stimulate economic development in linked businesses and industries.</p>	<p>Describe a specific example.</p>
<p>Human Development Index (HDI) - a summary measure of average achievement in key dimensions of human development: a long and healthy life, being knowledgeable and have a decent standard of living.</p>	<p>Which regions have a Very High HDI? Which regions have a High HDI? Which regions have a Medium HDI? Which regions have a Low HDI?</p>
<p>imperialism - policy or ideology of extending a country's rule over foreign nations, often by military force or by gaining political and economic control of other areas.</p>	<p>Explain how the UK was an imperial power.</p>
<p>Industrial Revolution - the transition to new manufacturing processes in Europe and the United States, in the period from about 1760 to sometime between 1820 and 1840; transition included going from hand production methods to machines, new chemical manufacturing and iron production processes, the increasing use of steam power and water power, the development of machine tools and the rise of the mechanized factory system.</p>	<p>Explain how the Industrial Revolution started in the United States.</p>
<p>informal economy - the part of any economy that is neither taxed nor monitored by any form of government.</p>	<p>Give three specific examples.</p>

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<p>international division of labor - the spatial shift of manufacturing industries from advanced capitalist countries to developing countries—an ongoing geographic reorganization of production, which finds its origins in the formation of the “world market for labor” and “world market for industrial sites”</p>	Describe a specific example.
<p>just-in-time delivery (JIT) - a methodology aimed primarily at reducing times within the production system as well as response times from suppliers and to customers. Its origin and development was in Japan, largely in the 1960s and 1970s and particularly at Toyota.</p>	Describe a specific example.
<p>least cost theory - model developed by Alfred Weber according to which the location of manufacturing establishments is determined by the minimization of three critical expenses: labor, transportation, and agglomeration.</p>	How does this theory impact the location of factories?
<p>mass consumption - the purchase of standardized products or services by large numbers of customers. Traditionally, it has been associated with mass production and the techniques of Fordism (the basis of modern economic and social systems in industrialized, standardized mass production and mass consumption. The concept is named for Henry Ford).</p>	Describe an example.
<p>Maquiladoras - a company that allows factories to be largely duty free and tariff-free. These factories take raw materials and assemble, manufacture, or process them and export the finished product; a factory in Mexico run by a foreign company and exporting its products to the country of that company.</p>	Explain why maquiladoras are in northern Mexico.
<p>Mercosur - The Southern Common Market (MERCOSUR for its Spanish initials) is a regional integration process, initially established by Argentina, Brazil, Paraguay and Uruguay, and subsequently joined by Venezuela and Bolivia -the latter still complying with the accession procedure.</p>	What is the specific purposes of Mercosur?
<p>microlending - a form of financing that provides small amounts of money to typically very poor fledgling entrepreneurs to encourage self-sufficiency and to end poverty – particularly in developing countries.</p>	Explain a specific example.
<p>microloan - small loans that are issued by individuals rather than banks or credit unions. These loans can be issued by a single individual or aggregated across a number of individuals who each contribute a portion of the total amount.</p>	Describe a specific example.
<p>multiplier effect - refers to the proportional amount of increase in final income that results from an injection of spending. Alternatively, a multiplier effect can also work in reverse, showing a proportional decrease in income when spending falls. Generally, economists are usually the most interested in how capital infusions positively affect income.</p>	Describe a specific example.
<p>neoliberal economic policies - refer to market-oriented reform policies such as “eliminating price controls, deregulating capital markets, lowering trade barriers” and reducing state influence in the economy, especially through privatization and austerity.</p>	<p>What is meant by “lowering trade barriers?”</p> <p>What is meant by “eliminating price controls?”</p>
<p>newly industrialized countries (NICs) - developing economies that have advanced towards industrialization and might become developed, at some point, in the near future. China, India, Malaysia, Thailand, the Philippines, South Africa, Turkey, Brazil, and Mexico are commonly considered NICs.</p>	What are the main characteristics for NICs?
<p>Organization of Petroleum Exporting Countries (OPEC) - objective is to co-ordinate and unify petroleum policies among Member Countries, in order to secure fair and stable prices for petroleum producers; an efficient, economic and regular supply of petroleum to consuming nations; and a fair return on capital to those investing in the industry; a permanent, intergovernmental Organization, created at the Baghdad Conference on September 10–14, 1960, by Iran, Iraq, Kuwait, Saudi Arabia and Venezuela.</p>	Who are the member countries? (https://www.opec.org/opec_web/en/about_us/25.htm)

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outsourcing - production abroad parts or products for domestic use or sale; sub-contracting production or services rather than performing those activities "in house."	Describe a specific outsourcing example using USA and India or Philippines.
post-Fordism - the idea that modern industrial production has moved away from mass production in huge factories, as pioneered by Henry Ford, towards specialized markets based on small flexible manufacturing units.	Describe how the specialized markets based on small flexible manufacturing units works.
primary - extracts or harvests products from the earth such as raw materials and basic foods; activities associated with primary economic activity include agriculture (both subsistence and commercial), mining, forestry, grazing, hunting and gathering, fishing, and quarrying.	List five additional examples.
quaternary - consists of intellectual activities often associated with technological innovation. It is sometimes called the knowledge economy.	List five additional examples.
quinary - includes the highest levels of decision-making in a society or economy. This sector includes top executives or officials in such fields as government, science, universities, nonprofits, health care, culture, and the media.	List five additional examples.
secondary - produces finished goods from the raw materials extracted by the primary economy; all manufacturing, processing, and construction jobs lie within this sector.	List five additional examples.
service sector - provides services, rather than producing material commodities. Activities in the service sector include retail, banks, hotels, real estate, education, health, social work, computer services, recreation, media, communications, electricity, gas and water supply.	List five additional examples.
special economic zones (SEZs) - an area in which the business and trade laws are different from the rest of the country; SEZs are located within a country's national borders, and their aims include increased trade balance, employment, increased investment, job creation and effective administration.	Give a specific example.
sustainable development - the organizing principle for meeting human development goals while simultaneously sustaining the ability of natural systems to provide the natural resources and ecosystem services based upon which the economy and society depend.	What is the purpose of the UN's 17 Sustainable Goals?
tariff - a tax on imports or exports between sovereign states; it is a form of regulation of foreign trade and a policy that taxes foreign products to encourage or safeguard domestic industry; traditionally, states have used them as a source of income.	Give a specific example.
tertiary - also known as the service industry; this sector sells the goods produced by the secondary sector and provides commercial services to both the general population and to businesses in all five economic sectors.	List five examples.
Wallerstein's World System Theory - an approach to world history and social change that suggests there is a world economic system in which some countries benefit while others are exploited; a three-level hierarchy consisting of core, periphery, and semi-periphery areas; core countries dominate and exploit the peripheral countries for labor and raw materials; peripheral countries are dependent on core countries for capital; semi-peripheral countries share characteristics of both core and peripheral countries; emphasizes the social structure of global inequality	<p>Who regions are the core countries?</p> <p>Which regions are the semi-peripheral countries?</p> <p>Which regions are the peripheral countries?</p>
World Trade Organization (WTO) - an intergovernmental organization that is concerned with the regulation of international trade between nations; the only global international organization dealing with the rules of trade between nations; at its heart are the WTO agreements, negotiated and signed by the bulk of the world's trading nations and ratified in their parliaments; the goal is to ensure that trade flows as smoothly, predictably and freely as possible.	Which countries are not part of the WTO? Why are they not members?