Unit 6 12.2 How has Industrial Production Changed? Where are the Major Industrial Belts in the World Today & Why? What is the Service Economy, & Where are Services.....

The following information corresponds to Chapter 12 in your textbook. Fill in the blanks to complete the definition or sentence. Note: All of the following information in addition to your reading is important.

How has Industrial Production Changed?

Henry Ford pioneered the ________________________________ allowing for ______________ production at a single site on a large scale. The ___________________ system includes a set of political-economic structures ( ____________ & ____________ supporting each other) and financial orders that supported mass production by corporations.

• ___________________ system – more flexible production practices with parts made in different places and brought together for assembly when needed.

• ________________ companies shift production to new sites when a site become uncompetitive. Post-Fordist production today brings places together in ______ & ______. 

Time-Space Conversion - greatly accelerated movement of goods, ideas, & information through innovations in transportation & communication

• David Harvey’s ________ notion that some places are more connected through communication and transportation technologies, making it a “small world” after all! (& getting smaller every day!)

• Time-space compression has changed the division of labor. Goods used to be produced close to the point of ______________. Today ______________ delivery = system of keeping just enough components for short term production, and shipping in new parts quickly when needed, allowing corporations to draw from labor around the globe for different components of production, creating a ________________.

• The major global economic players ______________, ______________, ______________, & ______________ take advantage of low transportation costs, favorable gov’t regulations, & new information technology to carry out production in different places to benefit from the advantage of each specific location.
  o _______________ (bought or sold on the stock markets) strive to _________ profits by cutting costs.
  o ________________ jobs are moved to the periphery, while technology sophisticated jobs are kept in the ________
  o _______________ (R&D) is situated in the core, with its higher levels of education & access to tech.
  o The ________________ has reshaped the role of economic sectors with large numbers of ________________ sector jobs in the core countries. ________________ itself is a ________________ activity.
  o The _______________ (NICs) of the periphery and semi periphery send manufactured goods to the core (made in China!)

• Televisions illustrate the workings of the global division of labor and shifts in production with its 3 key elements
  o (1) ________________ - was and continued to be located in the home countries of television manufacturing
  o (2) ________________ & (3) ________________ - moved out of the home country to maquiladoras or specialized economic zones (Japan to Taiwan, Singapore, South Korea (3 Asian Tigers) or Malaysia
  o In the 1980s with the new technology of ________________ and ________________ televisions, Japan began the process again but moved its production sites in Europe and the USA with suitable ________________ , ________________, and ________________ markets.

• In the post-Fordist era, the major influences to industrial location are ________________, intermodal ________________, regional and world ________________, and availability of ________________.

• ________________ - places where two or more modes of transportation meet, in order to ease the flow of goods and reduce costs (Break of bulk point & entrepot, are seen here where oil is off-loaded into the tanks and then loaded onto railroad cars in Savannah, Georgia)
• The invention of the ______________________ allows mechanized cranes to move a container from ships to the back of a ______________________, onto a _______________, or on a ________________ car.
• ______________________ containers eased the shipment of perishable goods over long distances.
• The container system revolutionized the movement of goods and has promoted the growth of other industries helping to make the _________________ a warehouse of the world and the point of entry of over ______% of all goods entering the EU.

Containers on a barge in the port of Savannah

- (NAFTA) agreement b/w US, Canada & Mexico & the ______________________ (EU) agreement b/w 27 European states - are regional trade organizations.
- (WTO) works to negotiate rules of trade among members & promotes free trade

- The WTO estimates there are about ______ regional trade organizations.
- The role that energy supply as a factor in industrial location decisions have changed over time. During the Industrial Rev plants were located near ______ fields, today most industrial complexes are not located near oil or natural gas fields (the current fuel of choice.) ______________________ & ______________________ deliver the oil and natural gas to the manufacturing regions.

- US consumes about ______% of the annual world total consumption of petroleum and ______% of natural gas. The US requires more than ______ million barrels of petroleum per ______, but produces just about ______% of the world total. The US remains heavily ________________ on foreign oil.

- The combination of ________________ changes and developments in the ______________________ have reduced the significance of location and place to the point that they matter little.

Where are the Major Industrial Belts in the World Today and Why?
- ________________ - process by which companies move their industrial jobs to other regions, leaving unemployment and a need to switch to a ________________ economy, if possible.
- ________________ - places with lower __________ costs, often weak ________________ laws, and __________ free trade laws.
- In the UK, major industrial zones in ______________, ______________, and ________________ lost much of their industrial base.
- In the northeastern US, the area around the ______________ lost its industrial base at about the same time (1960s-70s)
- Today the US manufacturing belt is called the ________________ Belt.
- More than 200 years after the Industrial Revolution, ________________ (including China, Japan, S. Korea, Singapore and many other areas) has begun to industrialize, in part due to ________________. This geographic area is called the ________________

Eastern China
- The Northeast district (Manchuria, now called Dongbei) was China’s industrial heartland based on the region’s ______________ & ______________. _______________ became the “Chinese ______________” with metals, machine-making, engineering, etc. Today this region has become China’s ________________
- The second largest industrial region in China is the ________________ & _________________. Railroad cars, ships, books, food, and chemicals are produced here
- China’s large ______________ (1.6 billion people) could attract many companies, but typically production of _______________ parts rather than entire companies are moved to China’s ________________ (SEZ) to take advantage of the lower wages and favorable tax regulations. (SEZ’s are located on the coast for ease of shipment)
- Today, China is pushing industrialization into the _________________. The “9 + 2” plan creates an integrated free trade area including nine provinces and the special administration regions of ________________ & ________________

○ ________________ - sending parts of a product out for production to another factory for cost savings
○ ________________ - when the outsourcing work is sent outside of the country for production
○ China’s movement of industry into the interior of China is an example of ________________

"The invention of the _______ allows mechanized cranes to move a container from ships to the back of a _______ car. _______ containers eased the shipment of perishable goods over long distances. The container system revolutionized the movement of goods and has promoted the growth of other industries helping to make the _______ a warehouse of the world and the point of entry of over ______% of all goods entering the EU."
What is the Service Economy, and Where are Services Concentrated?

- Service industries do NOT generate an actual, tangible (you can’t touch it) product.
  - The domestic & quasi-domestic services (restaurants, laundry, etc) grew rapidly during industrialization.
  - ______________ industries encompass the collection, processing, and manipulation of ____________ and ____________ (finance, administration, insurance, legal services, computer services). Just prior to and following WWII expanded rapidly and continues to grow.
  - ______________ industries facilitate complex decision making and the advancement of scientific research, higher education, and high level management. Grew rapidly in the post-industrial period (especially in the last 3 decades).
  - Service industries employ more workers than __________ & __________ combined.
  - The expanding service sector in the core is one aspect of the changing _______________.

Geographical Dimensions of the Service Economy

Geographical & the ______________ are characteristic of the wide socioeconomic ______________.

Mechanization and ______________ production strategies have allowed the core industrial regions to retain their ______________.

- The population and economy of the ______________ region has grown over the last few decades as companies from the ______________ sector choose to locate in areas where the climate is warm and the local laws welcome them.
  - The eastern part of the Sunbelt serve as a secondary industrial region – ______________ = iron & steel, ______________ = cotton, tobacco, furniture. High tech and financial industries are also changing the landscape of the Sunbelt – Jacksonville = __________ Stadium.
  - Most service industries are not tied to ______________ and do not need large amounts of ______________. Market accessibility is more important, but ______________ have made that less of a factor for many service industries. ______________ services related to transportation and communication are closely tied to the location of ______________ & ______________ industries.
  - ______________ & ______________ are being employed to recommend the best location for new businesses.
  - Service industries that are not tied to resources are called ______________, able to locate wherever they wish, but those that depend on interpersonal contact tend to locate near the businesses they serve.
  - ______________ tasks, ______________ centers, & “__________ desks” can be located far from the related industry. What matters most is the ______________ to perform the task. (footloose)

- Workers in the ______________ sector tend to be concentrated around nodes of ______________ activities – govt’, universities, & corporation headquarters to benefit from the high levels of research and development activities and specialized consultants found there.

High-Technology Corridors

- ______________ = areas designated by local or state govt’ to benefit from ______________ & ______________ infrastructure to provide high tech jobs for the local population.
- California’s ______________ best known high tech corridor located near the Univ of Calif, Berkeley, and ______________ University near San Francisco, CA. Silicon Valley is home to Cisco Systems, Adobe, Hewlett-Packard, Intel, IBM & Netscape.
  - Manuel Castells, Peter Hall, & John Hutriyk identified a ______________ as an area planned for high technology where ______________ builds on a ______________ (sum of the elements is greater than the individual parts) among technology companies located together.
  - ______________ = another high tech corridor close to Harvard and the Massachusetts Institute of Technology (MIT)
  - Technopoles occur in other many countries and frequently occur on the route into the city from the airport.
  - High technology industries have become such an important symbol of the ______________ world, widely pursued by local, regional, & national gov’ts.