Questions for Consideration:

1. What is the history of industrialization in the major industrialized regions?
2. How do business owners decide where to place their facilities (factories or offices)?
3. How are those thousands of decisions reflected in the current spatial outcome of the global economy?
Industrialization: History and Current Trends

Western Europe
Time period?
Enclosure Movement

Cottage Industry to Factories

Key Inventions

Anglo America
Early Industrialization – North East. Time Period?
What are Unions?

Three Major Shifts – Deindustrialization in the North East.

1. Rust Belt to Sunbelt: Time period?

2. East to West: Time period? “Silicon Valley”
3. La Frontera and Maquiladoras Time Period?

1. What is a maquiladora?
2. What supranational organization is the reason why U.S. companies built maquiladoras?
3. Why did that treaty result in Maquiladoras?
4. Why are almost all Maquiladoras located within 20 km of the U.S. border?
5. Why wouldn’t those companies move manufacturing to Canada instead of Mexico?

Eastern Europe
Time period?
Czarism and Soviet Five Year Plans
Are these efficient? Why or why not?

Eastern Asia
Japan
Time period?

Major ideas:

China: time period?
* What factors have caused most industry in China to be located in Eastern China?
* What factors led to China developing a huge industrial economy?
“Asian Tigers” - See Article.

Which countries? What time period? Why are the Asian Tigers so successful?

Authoritarian Capitalism
How Do Companies Decide Where to Put Their Factories?

**Factor 1: Power Supply**

**Factor 2: Labor**

Labor should be _______________, _______________, ___________________, _____________.

**Factor 3: Transportation**

<table>
<thead>
<tr>
<th>Mode of Transport</th>
<th>Benefits</th>
<th>Drawbacks</th>
<th>Line Cost</th>
<th>Terminal Cost</th>
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</thead>
<tbody>
<tr>
<td>Container Shipping</td>
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<td>Rail Roads</td>
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<td>Trucks</td>
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Given the costs of these modes of transport, where would most companies MOST like to build factories?

**Factor 4: Raw Materials and the Location of the Market.** This is really just an extension of minimizing transportation costs.

Raw Materials

Market

There are two basic transportation costs in factor production:

One:

Two:
<table>
<thead>
<tr>
<th>Orientation</th>
<th>Definition</th>
<th>Examples</th>
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</thead>
<tbody>
<tr>
<td>Market Orientation</td>
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<tr>
<td>Material Orientation</td>
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</tbody>
</table>

**Special Cases: Ubiquitous Industries and footloose industries**

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<thead>
<tr>
<th>Industry Type</th>
<th>Definition</th>
<th>Example</th>
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<tbody>
<tr>
<td>Ubiquitous</td>
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<tr>
<td>Footloose</td>
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**Factor 5: Agglomeration**

**Benefits of Agglomeration:**

L
I
E

**Costs of Agglomeration:**
Factor Six: Comparative Advantage

Definition:

Outsourcing:

Benefits:

Drawbacks:

Factor Seven: Imposed Considerations

Definition:

THEORIES

Weberian Analysis

Hotelling’s Model – Locational Interdependence

Fordism vs Just in Time Production
Closing Thoughts – Why is Encore Wire in McKinney?

Why did Toyota move to Plano?

Why are iPhones assembled in China?

Why are car manufacturers selling to the U.S. market located in Mexico, the American Southeast, and the Rust Belt?

**Tertiary, Quaternary, and Quinary**

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<thead>
<tr>
<th></th>
<th>Definition</th>
<th>Examples</th>
<th>Locational Considerations</th>
</tr>
</thead>
<tbody>
<tr>
<td>Tertiary</td>
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<td>Quaternary</td>
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<tr>
<td>Quinary</td>
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</table>

Make a prediction: Which countries would likely have a lot of call centers? (What are call centers?)
Brainstorm: What terms from your reading do you see in this article?

What is a supply chain?

What is the “New International Division of Labor”?

What is complementarity and comparative advantage? How are they demonstrated here?

The people of which country do you think benefit most financially from the current setup of the iphone supply chain? Why?

Look at each of the images. Do you think that they make a pro-global argument or an anti-global argument? In other words, do you think they are showing data that argues globalization is positive or that it is a negative development for the world? How about for the United States?

Draw a model of Wallerstein’s World System’s Theory. Include the core and the periphery, as well as the production in each.

Draw a model of how that has changed.
What is a tariff? What are the benefits and costs of tariffs? Would it be possible to produce an iphone if tariff barriers were common and numerous?

<table>
<thead>
<tr>
<th>Tariff Benefits</th>
<th>Tariff Costs</th>
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