Learning Objectives

Upon completion of this unit, students should be able to:

1. Analyze patterns of economic development at national and international levels.
2. Compare the geographical divisions of labor with the growth of the world-system and variations in economic structure.
3. Summarize how the principles of spatial organization influence the creation of regional cores of economic development.
4. Identify spirals in economic development and describe the influence of disinvestment and deindustrialization.
5. Demonstrate how globalization has resulted in patterns and processes of local and regional economic development that are open to external influences.

Written Lecture

Patterns of Economic Development

Have you ever wondered how geography influenced the lives of early human beings? Before the technological advances we see today, there were no automobiles, no tractors, no trains, etc. They had to rely upon the climate, the environment, and what the land produced for them. Can you imagine the people in hot climates trying to wear the same clothes as those from very cold climates, or for that matter eat the same food? Can you think of other geographic determinants that forced early humans to develop ways to survive and thrive?

This unit is focused on economic development and geography. It emphasizes the fact that the resources of a country and economic development are closely linked. We know for a fact that these resources are unevenly distributed throughout the world. Any one place may be rich in the resources people desire and poor in others. This is the thinking behind the designation of rich and poor countries. The available resources in a country can help or hinder opportunities for economic development because resources are needed for the population to thrive and survive. Such resources might include the physical geography, the politics of the area, climate, population, water, and/or access to clean water, etc. The economy of a region is influenced by the location of natural resources and the infrastructure necessary to support it. If the area has bad infrastructure or poor technological resources, in all likelihood efficiency will be reduced. Industrialization, energy production, and geological factors also play significant roles in the economy of a region/country in relation to their natural resources.

Generally, economic development refers to efforts to improve the standards of living or economic well-being and quality of life for a society. In that sense, economic development might include environment, education, jobs, training for jobs, health, infrastructure, labor, etc. In other words, it is a way of bringing income into an area. Trade patterns are fundamental elements of both
geography and economics. But, how these resources are handled can make or break the economy of a country, a region, or a society.

Agriculture is one of the many factors affecting economic development. Agriculture affects all of us, directly and indirectly because everything we use or consume comes from resources on this earth. The physical geography and climate help to determine what resources can be available and the types of agricultural products the country will be able to grow and/or export. A dynamic agriculture raises the efficiency and productivity of the population and increases income levels. For example, coffee is a demanding crop. It only grows in the rich volcanic soil found on mountainous terrain.

Because agriculture is so important to economic development, we see a need for better management of the resources used for agriculture. Around the world, we see evidence of degradation through the depletion or weakening of environmental resources such as air, water, and soil; the progressive deforestation; over cultivation; the extinction of wildlife; and growing volumes of waste. We see human activity such as poverty, violence, homelessness, hunger, and social conditions that are getting worse.

The population of a country is another factor affecting economic development. Population can be an asset and a vital factor in its development process. The population would be considered the human capital. People tend to want to live in areas where they feel the resources provide better opportunities for them to improve their lives. The geographic factors most influencing where people want to live are water, soil, vegetation, climate, and landscape. South America, Africa, and Australia have fewer of these geographic advantages. Therefore, their populations are quite different from those in North America, Europe, and Asia. Also, just as parents influence their children, the geography of an area influences the people who live on the land. The Industrial Revolution raised the standard of living in countries as countless new products fueled the expanding marketplace.

In order to make the most of the productivity of human capital, there must be some investment. This investment might include motivation, continued learning and development, as well as an organized management philosophy and practice. Formal schooling or education is the gateway that transforms social privilege into personal merit (Sennett & Cobb, 1973). This means that the right kind of education is a new form of security (Drucker, 1973). In the United States, schooling is mandatory, but that is not the case in many countries. The amount of schooling in any society is directly related to its level of economic development. Most of the countries in the world are comprised of low to middle income families. In many of these countries, the families and local communities teach young people important knowledge and skills for their survival. Formal schooling not directly linked to survival skills is available mainly to wealthy people who can afford to pursue personal enrichment.

A close look at schooling in low income countries reveals that the schooling reflects the national culture. For example, in Iran, schooling is closely tied to Islam. Regardless of the geographic location of low-income countries, they all have too little schooling. In the poorest of nations, and several in Central Africa, researchers discovered that half of all children never attend school (Macionis, 2011).

A country’s political philosophy is one of the greatest influences on the economy. A system of democracy, where citizens participate in an election process provides a better means to a productive economic base. But, ruler forms of
government, in most cases, can slow innovation. In such cases, even though citizens work hard, they do not see the opportunities to improve the lives of their families.

In the United States, the state of the economy has a lot to do with the leadership of the country. Throughout history, whenever there has been an economic crisis, the population has rallied behind a leader that had a solution, or projected that he had the right solution to fix the economy. During the Great Depression, it was Franklin D. Roosevelt. During the 80s, it was Ronald Reagan. In 2008, it was President Obama. Much political power can be captured in times of crisis.

In addition, successful economic growth has often resulted from taking advantage of trade opportunities. Countries such as the United States, China, and the European Union have a distinctive trading history, which has resulted in economic growth. However, the recent financial issues of countries within the European Union have led to a stagnation of growth – save for some special circumstances such as Germany.

Trade opportunities can include acquiring outside investments in technology, equipment, and skilled workers to develop and efficiently manage a country’s natural resources. For example, some low income countries may have large oil reserves and not have the in-country technology required to produce the oil and support their economy. This can be resolved with a political philosophy that will encourage agreements with foreign companies to make the investments that are required. This can provide for economic growth, as well as develop in-country skills and resources for the long term. Participating in world conferences on various technological developments is a way for countries to stay abreast and develop in-country expertise, as well as meeting potential trade partners.

References


Learning Activities (Non-Graded)

Research Questions

Geography of Economic Development

Using your favorite Internet search engine, research the BP oil spill in the Gulf of Mexico that recently took place in 2010. It was an environmental disaster, yet some people push for an expansion in oil well production in the Gulf of Mexico. What happens when the pressure for increased energy production conflicts with the potential for environmental damage?

Examine both sides of the issue and use facts to support your arguments. After looking at both sides, what is your personal opinion?

This is a non-graded activity, so you do not have to submit it.