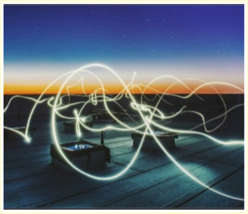
INDUSTRIALIZATION & ECONOMIC SECTORS

The Industrial Revolution was a series of technological improvements, aided by the use of machines and new energy sources, that increased production. The hearth of the Industrial Revolution is modern-day United Kingdom in the late 1700s. Prior to this, manufacturing was sparsely scattered across the landscape. People made tools, clothing, and farming equipment in their own home in a system called the cottage industry. **The Industrial Revolution was a major turning point in history—it revolutionized virtually all facets of life.** What people ate, where people lived, how people worked, and how goods, information, and people moved across Earth were all significantly impacted.

An economy of a country can be divided into sectors, or categories. **The three major sectors of an economy include the primary, secondary, and tertiary sectors**. The tertiary sector can be further divided into the quaternary and quinary sectors. Each sector is characterized by specific job types and employment, and each sector creates distinct development patterns. For example, countries with high employment in the primary sector are much less developed than countries with high employment in the tertiary sector. **Primary sector jobs** involve the growing and extracting of natural resources. Examples of jobs in the primary sector include farming, mining, logging, and fishing. **Secondary sector jobs** involve the manufacturing process and most take place in factories. An example of a secondary job would be at a paper mill, where paper is made after processing timber. **Tertiary sector jobs** involve the provision of services. Tertiary sector jobs include nurses, waitresses, and cashiers at gas stations. Quaternary sector jobs specifically involve knowledge-oriented types of service jobs. An example of a **quaternary job** would be financial planning, blogging, and business consulting. **Quinary sector** jobs focus on human services and control along with information and new technologies. The highest level of decision-making and policy-creation takes place in the quinary sector. An example of a quinary job would in government, business executives, and legal consultants.



Social and economic development, along with industrialization, happen at different times and rates in different places. This can improve the standards of living in one location while contributing to uneven development in other places.

INDUSTRIAL & ECONOMIC DEVELOPMENT

Sustainable development can help remedy the environmental problems stemming from industrialization.

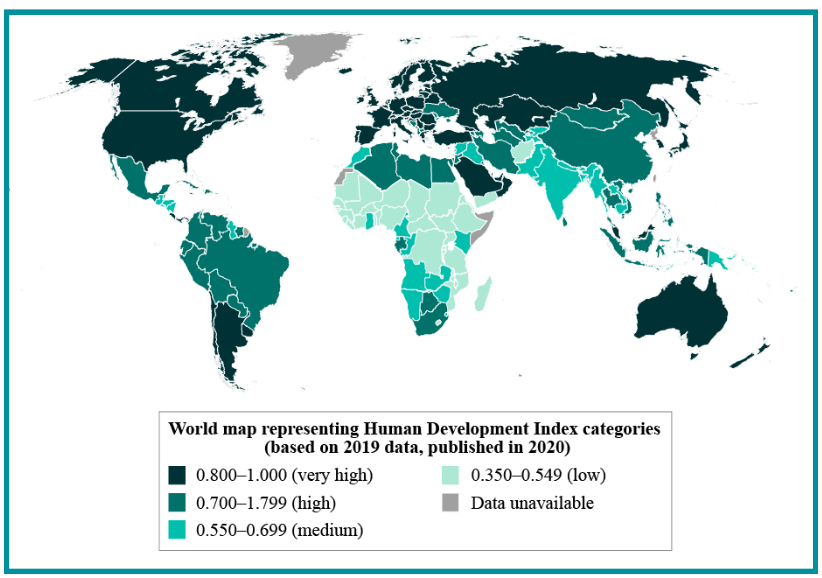
SUSTAINABLE DEVELOPMENT

Policies designed to prevent natural resource depletion, mass consumption, the impact of climate change, and the effects of pollution are considered examples of sustainable development. Many countries will engage in sustainable development measures as a way to ensure prolonged support of human and environmental life. One such measure is **ecotourism**—the tourism of a location's natural environment—a policy employed to help protect the environment while also providing jobs to the local community. The UN (United Nations) has created **Sustainable Development Goals**, to help measure progress in development. There are **17 total** UN Sustainable Goals, which include things such as quality education, no poverty, zero hunger, and gender equality.

MEASURING DEVELOPMENT AND INEQUALITY

Development refers to the way of life characterized by the social and economic conditions of a location. In geography, the United Nations (UN) measures development using the **Human Development Index (HDI)**. The UN's HDI focuses on more than just economic well-being. It also examines demographic social measures. The UN will give each country a score based upon the social, demographic, and economic conditions present there.

The **social characteristics** used to calculate a country's HDI include a typical person's access to knowledge—such as average number of years spent in school and literacy rates. The demographic characteristics include life expectancy, fertility rates, and infant mortality rates. The **economic characteristics** include how decent a typical person's standard of living is—such as **Gross National Income (GNI)** and **Gross Domestic Product (GDP**) per capita, along with the sectoral structure of an economy. The scores for each country range from 0–1. The table below showcases the spatial distribution of HDI rankings globally.



The overall status of women is lower than the status of men globally. In most places, men have greater access to economic, political, and educational opportunities. Similar to the Human Development Index (HDI), the **Gender Inequality Index (GII)** measures various characteristics to determine an overall score. The GII specifically measures reproductive health, which includes adolescent fertility rates and maternal mortality ratios. It also measures female empowerment by comparing the amount of men to women in the national legislature and in higher education. Lastly, the GII measures **labor market participation** by examining the percentage of women who are employed or actively seeking employment. Scores on the GII also range between 0–1. The higher a score on the GII, the larger the amount of inequality among men and women. In other words, a high score on the HDI and a low score on the GII are ideal.

DEVELOPMENT THEORIES

Industrialization, both modern and historic, has helped improve standards of living in some locations while contributing to geographically uneven development. Several major theories are used in geography to explain the **spatial variations in development**. The table below provides details on four major theories that exist to highlight these variations in development.

THEORY	DETAILS
Rostow's Stages of Economic Growth	Developed by W.W. Rostow in 1960; 5-stage model that shows how one country advances economically; stage 1 = traditional society; stage 2 = preconditions for take-off; stage 3 = take-off; stage 4 = drive to maturity; stage 5 = age of mass-consumption
Wallerstein's World System Theory	Developed by Immanuel Wallerstein between 1970–2010; 3-tier model that divides each country into one of three categories based on level of economic development (core countries = most developed countries; periphery countries = least developed countries; semi-periphery countries = countries with medium levels of development)
Dependency Theory	Idea that countries may depend on other countries for economic survival; for example, less developed countries depend on more developed countries for jobs in primary and secondary employment, while more developed countries depend on less developed places to provide them with low-cost items such as crops and manufactured goods
Commodity Dependence	Idea that some countries are too dependent on the sale of commodities (raw materials or agricultural goods); a country whose total exports include 60% or more of commodities are considered "commodity dependent"

THE GLOBAL ECONOMY

In modern times, no one country can completely produce all the goods and services needed to operate efficiently entirely on its own. Countries will engage in **international trade**, creating a complex system of interdependence based on complementarity and comparative advantage. **Complementarity** is the idea that engaging in trade can compliment both parties involved, while **comparative advantage** is the idea that countries should take advantage of what it can do more efficiently than other countries and offer it for trade at the international level. Countries will work with each other to produce, transport, and sell items globally.

Countries will engage in **trade agreements** to increase trade to help foster economic development. Examples of trade agreements include the **EU (European Union), WTO (World Trade Organization), Mercosur, and OPEC (Organization of the Petroleum Exporting Countries)**. Trade agreements such as these help foster an international economy and greater globalization. **A negative consequence of a more globalized economy is the shared effect of a financial crisis—**with many country's economies so interconnected, decreased economic performance in one country can adversely affect other country's economy. For example, the 2008 recession was felt worldwide, not just in isolated countries. Another way to demonstrate how different economies have become more connected can be seen in international lending agencies, such as the **IMF (International Monetary Fund)**, which lends money to countries all over the world.

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