Factory Location Decision-Making

Two Core Priorities

- **Access to transportation**
- Necessary for receiving **raw materials** and delivering **finished goods**.
- **Access to energy sources**
- Supports **productivity** and **efficiency** (e.g., electricity, manpower, solar, wind).

Locational Decision Factors

These are additional, non-essential considerations that help improve profitability and factory success.

Labor Supply

- More available labor → lower wages.
- Areas with large labor pools are attractive due to lower production costs.
- Examples: China, India.

Availability of Raw Materials

- Factories near raw material sources can lower transport costs.
- Producers may offer lower prices due to convenience and competition.
- Example: A pineapple factory near pineapple farms saves transport costs.

Cost of Living

- Lower cost of living → cheaper utilities (electricity, water), insurance, and services.
- Reduces total production expenses.
- Developed countries have higher insurance and benefit costs.

Weak Human Rights Protections

- In areas with fewer worker rights:
- Longer work hours allowed
- Lower wages
- Fewer legal obligations for employers
- More cost-effective (but ethically questionable) business environment.

Types of Labor

Skilled Labor

- Found in cities or developed countries.

- Highly educated with specialized training.

- Required for complex products: weapons, aircraft, MRI machines.

Unskilled Labor

- Found in rural or less developed regions.

- Manual work, minimal training.

- Used for mass production of basic goods: food, clothing.

Product Placement and Labor Strategy

Product Type	Labor Type	Factory Location	Notes
Daily/Cheap Goods	Unskilled	Close to consumers	Save on transport; low-cost production
Technological Goods	Skilled	Developed countries	Accepted high price covers expenses
Market Products	= Cheap Products	Same as above	Low quality, labor-intensive
Advanced Products	= Tech Products	Same as above	High value, capital-intensive

New Locational Trend (Post-1970)

Changes in Developed Countries

Labor Law Improvements

- Labor unions influenced governments to:

- Mandate maternity leave

- Define working hours and overtime pay

- Require insurance and wellness provisions

- Increased employer responsibility and investment costs

Environmental Law Improvements

- Regulated waste, air pollution, factory zoning

- Required wastewater treatment, air filtration

- Introduced carbon emission audits and CSR (corporate social responsibility) duties

- Example: Toyota pays for trees planted in developing countries

Cost of Living and Wages

- Post-WWII, living costs and wages rose in developed countries

- Operating businesses became more expensive

Trade Barriers

- Increase in customs taxes and tariffs

- Rising gasoline costs impacted shipping and logistics

Advantages of Less Developed Countries

Labor Conditions

- Weak or no unions

- Lack of labor protections

- No minimum wage laws in many cases

Environmental Regulations

- Few or unenforced

- High corruption allows pollution in exchange for bribes

Cost Efficiency

- Cheap labor and utilities

- Minimal compliance costs

Taxation and Trade

- Low or negotiable import/export taxes

- Corruption enables avoidance of official charges

Resource Proximity

- Many raw materials are sourced locally

- Reduces import dependence and costs

Shift Toward Fair Trade (Post-2000)

- Rise of **fair trade** movements emphasized ethical production

- Producers in less developed countries faced pressure to improve labor and environmental practices

- Some factories moved back to developed countries

New Strategy: Marketing Over Relocation

- Companies used advertising to justify higher prices

- Enhanced product image through packaging, branding, and storytelling

- Consumers accepted increased prices for perceived quality or innovation

Example:

- Sunsilk shampoo once produced cheaply in Southeast Asia now costs more due to brand repositioning and marketing despite similar ingredients.

Multinational Corporations (MNCs) and Raw Materials

- MNCs like Unilever are owned and operated by people from different countries (e.g., British, Swiss).

- These companies have **large capital** and often **produce their own raw materials**, reducing reliance on small or poor farmers in less developed countries.

- Before, small farmers sold raw materials to MNCs, but now MNCs:

- Rent land in less developed countries

- Hire local labor to produce materials under their control

- By producing their own raw materials, MNCs:

- Control quality and quantity of production

- Stabilize production cost

- Sell excess materials to other companies

- This reinforces inequality: **rich corporations benefit**, while **small producers lose market access and income**

Country Classification: Industrial vs. Agricultural

Countries are classified along different axes: 1. Developed vs. Less Developed 2. Rich vs. Poor → Based on **GNP** 3. Industrial vs. Agricultural → Based on 4 criteria

Criteria for Industrial vs. Agricultural Country

1. **Amount of Productivity by Sector**

2. Compare total output from industrial and agricultural sectors.

3. **Value of Productivity**

4. Compare **economic value** of outputs (e.g., 100 tons of crops might be worth more than 500 tons of industrial goods).

5. **Ownership of Investment**

6. If foreign investors produce most goods, wealth does **not stay** in the country.

7. Local production = better indicator of being an industrial/agricultural country.

8. **Technology Ownership**

9. If the country uses its own technology → production and output **belong to them**.

10. Foreign tech = dependence, even if production is high.

    You must analyze all 4 criteria to properly define a country's industrial/agricultural status.

Example:

- Country B:

- Produces 50 tons industrial, high value

- But production and tech are foreign-owned

- → **Not** an industrial country despite high output

Thailand Case:

- Equal share of local and foreign investors

- Still produces more agricultural than industrial goods

- Therefore, Thailand is **semi-industrial and agricultural**

Trade Barriers

Background

- Pre-1960s: Cheap products flowed freely across borders

- Hurt local industries in US, China, and others

- Created dependency on foreign imports

Trade Barrier Strategies

1. **Increased Customs Tax**

2. Raises cost of imports to protect local businesses

3. Example: Luxury goods like Chanel bags or Ferrari become expensive in Thailand due to 300–400% customs tax

4. **Quota**

5. Limits quantity of foreign goods entering the country

6. Example: If Nike can only send 2,000 pairs of shoes instead of 1 million, they must raise prices to keep profit

7. → Makes imported products less attractive, encourages local consumption

    Goal: Prevent economic dependency and **leakage of money** from the national economy

Critique of Worker-Based Country Classification

Some geographers suggest classifying countries based on number of workers in each sector, but this is inaccurate.

Why Counting Workers Is Misleading

1. **Migrant Workers**

2. Money sent home creates economic leakage

3. Hard to measure actual income retained in host country

4. **Technology Replaces Labor**

5. Machines produce more with fewer workers

6. Example: 1 machine might output 10 tons/day vs. 1.5 tons/day by a human

7. **Invisible Labor**

8. Illegal workers and child laborers are not counted officially

9. Significant portion of workforce is hidden

10. Machines are also a form of "hidden labor"

Worker count **alone** does not reflect actual dependency on a sector

Economic Indicators: GNP vs. GDP

Gross National Product (GNP)

- Total income **earned by a country's citizens**, regardless of where they are in the world

- Includes income from:

- Thai investors/businesses abroad

- Migrant Thai workers overseas

Pros:

- Reflects how much nationals earn globally

Cons:

- In **less developed countries**, GNP is **inaccurate**:

- Many don't report income or pay taxes

- Hidden/unregistered income not counted

- High GNP doesn't mean wealth is equally distributed

- Example: Oil-rich countries (e.g., Middle East) have high GNP but large inequality

- Many live under $2/day

GNP = Indicator of national income, **not** quality of life or development

Gross Domestic Product (GDP)

- Measures **total value of production within the country**, regardless of who owns it

Characteristics:

- Calculated from products **made in national territory**

- Includes foreign-owned businesses

Issues:

- GDP increase ≠ public benefit

- Politicians use GDP growth to **claim success**, even if citizens aren't thriving

- Much of GDP can come from **foreign investment**, profits may not stay in the country

- Migrant workers in-country also cause economic leakage

    GDP shows economic **size**, but not necessarily **well-being** or **equality**

Tertiary Economic Activity

- Sector based on **services and specialized skills**

- Examples:

- Accounting

- Medicine

- Legal services

- Labor-based services (even prostitution mentioned as a skill-for-hire)

    In this sector, people **sell their knowledge or skills** rather than goods

Transmigration in Indonesia

Background

- Java Island (capital: Jakarta) is overcrowded due to industrial development and job opportunities.

- Internal migration from other islands caused:

- High unemployment

- Slums

- Poor sanitation and health

- Government's solution: **Transmigration Project**

- Encourage people to move from Java to other "empty" islands.

Goals of the Program

- Reduce pressure on Java's infrastructure and social services.

- Develop underused land and increase **agricultural productivity**.

- Improve economic output and national development.

Implementation Strategy

- Volunteers were promised:

- **Land ownership** on new islands.

- **Financial aid** (~$3,000–$6,000/family).

- Indonesia took a **loan from IMF** to fund the project.

Issues and Failures

1. Land Conflict

- Many islands already inhabited by **tribal groups** who weren't recognized by the government.

- Land ownership conflicts arose:

- Tribal people: ancestral claims

- Migrants: legal documents issued by the government

- Government failed to resolve this dispute.

2. Religious Conflict

- Newcomers: predominantly **Muslim**

- Tribal people: mostly **Christian** or **Animist**

- Resulted in **religious violence**, including:

- Attacks on mosques and churches

- Ongoing tensions and distrust

3. Lack of Agricultural Skills

- Migrants lacked knowledge and tools for farming.

- Poor productivity due to:

- No training

- No agricultural equipment

- Migrants attempted to increase output by **expanding plantations** (illegally).

4. Environmental Degradation

- Expansion led to:

- **Deforestation**

- **Soil erosion**

- **Landslides**

- Disruption of **local ecosystems**

5. Lack of Infrastructure

- No roads, electricity, water systems on the new islands.

- Migrants had to spend money on basic infrastructure.

- This limited their ability to invest in farming or build homes.

Long-Term Outcome

- Many migrants **gave up** and returned to Java Island.

- Social issues in Java **returned**, now **with added IMF debt**.

- Failure attributed to:

- Poor planning

- No pre-built infrastructure

- Ignoring local communities

- Cultural and environmental neglect

Concept: Optimum Population

Definition

- Ideal balance between population size and available resources in an area.

Scenarios

- **Overpopulation**: too many people for the available resources.

- **Underpopulation**: too few people to fully utilize available resources.

Overpopulation

Common Issues

- Unemployment

- Poverty

- Resource scarcity

- Decline in living standards

Theories

Malthusian Theory

- Population grows faster than food production.

- Result: famine, disease, death → population decline

- Solution: **do nothing**, nature will balance it.

  Criticism: ignores role of **technology** in increasing productivity.

Boserup's Theory

- Population growth pushes **agriculture to improve**.

- Farmers feel pressured to produce more.

- Stimulates **technological advancement**.

  Criticism: assumes people **cannot migrate**, only applies to isolated communities.

Underpopulation

Characteristics

- More resources than people
- Often occurs in **resource-rich** but **sparsely populated** countries

Outcomes

- Attracts:
- **Investors** (to exploit unused resources)
- **Skilled labor** (to work for investors)
- Leads to:
- Increased population
- Growth in GDP/GNP
- External dependency if locals lack control

Club of Rome (1972)

- International conference on population, environment, and sustainability.
- Participants: mostly Europeans from science, politics, and economics.

Key Arguments

- World is consuming **resources too fast**
- Suggested global **birth control policies** to manage population

  Hypocrisy: Europeans pushed control policies on **less developed countries**, but refused to apply it to themselves due to religious reasons (Christianity).

Feminist Critique

- Western feminists promoted **birth control** to reduce domestic burden and improve women's freedom.
- Suggested:
- Fewer children → less work → more time for self-development
- Criticized by women in less developed countries who:
- Relied on religion/culture for identity and survival
- Found Western feminism to be out-of-touch and condescending

Theory: Pop Growth & Industrial Decline (Post-Club of Rome)

Predictions

- Population decline → fewer consumers

- Industry will shrink → mass unemployment

- Companies will:

- Use **more technology**, fewer workers

- Stop innovating (no demand = no need to improve)

  Criticism: Technological development may continue due to **human desire**, not just economic necessity

Introduction to Urban Geography

What Is a City?

- A city is defined as a **permanent human settlement** with:

- High population density

- Complex infrastructure

- Diverse activities (economic, political, cultural)

- Differentiated from rural areas by:

- Economic diversity (not limited to agriculture)

- Administrative functions

- Technological infrastructure

- Cultural significance

Push and Pull Factors of Urbanization

Push Factors (from rural areas)

- Lack of education

- Lack of employment

- Poor infrastructure and services

- Land scarcity or poor farming conditions

Pull Factors (to cities)

- Job opportunities (especially in industrial and service sectors)

- Better education

- Healthcare access

- Lifestyle attractions

Problems of Rapid Urbanization

Economic Problems

- High cost of living
- Inequality and poverty in urban slums
- Informal labor market (unstable employment)

Infrastructure Problems

- Traffic congestion
- Pollution (air, water, noise)
- Waste management issues
- Housing shortages

Social Issues

- Overcrowding
- Crime and insecurity
- Lack of public spaces

  Poor urban planning leads to **chaotic development**, making these problems worse.

Urban Land Use Patterns

Central Business District (CBD)

- Commercial and financial center of the city
- High land value
- Tall buildings, offices, department stores
- Accessible via public transport

Surrounding Zones

1. **Transitional Zone**
2. Mix of residential and industrial use
3. Often includes slums and older housing
4. **Residential Zone**
5. Middle and upper-class housing
6. Schools, hospitals, amenities
7. **Industrial Zone**
8. Factories, warehouses
9. Often located near railways, highways, or rivers

10. **Suburbs**

11. Low-density housing

12. Commuter areas

13. More space, better living conditions

These zones are not fixed; urban sprawl and gentrification change them over time.

Theories of Urban Structure

1. Concentric Zone Model (Burgess)

- City develops in circular rings:

- Center: CBD

- Surrounding rings: transition → working-class → middle-class → suburbs

- Based on American industrial cities

2. Sector Model (Hoyt)

- Development extends outward in **sectors** or wedges, not rings.

- Focuses on transportation corridors.

- High-income areas form along highways or waterfronts.

3. Multiple Nuclei Model

- City has **multiple centers** (nuclei) of activity

- Each nucleus specializes in a specific function (e.g., university, shopping, industry)

- Reflects decentralization and complexity of modern cities

All models help explain different cities, but no single one fits all urban areas.

Case Study: Bangkok

- Developed in a **linear pattern** along roads and railways.

- Lacks a strict central plan → irregular layout

- Mix of all urban models:

- Concentric core (Rattanakosin)

- Sector-like expansion along Sukhumvit and Silom

- Nuclei (e.g., Ladprao, Rangsit, Bangna)

Bangkok's sprawl and informal development cause major traffic and housing issues.

Urban Planning

Why Planning Matters

- Ensures efficient land use
- Reduces congestion and pollution
- Provides housing and public services
- Prevents slum formation

Challenges in Developing Countries

- Lack of funding
- Weak governance and corruption
- Rapid population growth
- Land tenure issues (ownership disputes)

Solutions and Innovations

Smart Growth

- Urban development strategy that focuses on:
- Public transport
- Mixed-use neighborhoods
- Preservation of green space

Satellite Cities

- Smaller cities built around a major city to absorb population pressure
- Planned with their own infrastructure and services

Slum Upgrading

- Improve conditions in informal settlements:
- Provide utilities (water, electricity)
- Improve roads and sanitation
- Legalize land ownership

Culture: Definitions and Core Concepts

Norms

- **Definition**: Commonly accepted standards or rules within a society that dictate acceptable behavior.
- **Transmission**: Taught from birth—initially by parents, then reinforced by the community.

- **Relation to Law**:

- Laws are often formed from widely accepted norms.

- Example: In Islamic societies, harsh punishments like hand-cutting for theft originate from cultural norms.

- **Punishment**:

- Legal punishments (e.g., imprisonment, fines).

- Extra-legal or cultural punishments (e.g., gossip, ostracism, honor killings).

- Some cultural punishments violate human rights (e.g., burning for adultery) but are justified by claims to "cultural rights".

Patriarchal Culture

- Most current norms originate from male-dominated societies.

- Functions of norms:

- Control behavior

- Maintain peace/security

- Support power structures

Tradition, Custom, and Cultural Rights

Tradition

- **Definition**: Symbolic beliefs and practices passed down through generations.

- **Purpose**: Maintains the continuity and strength of culture.

- **Example**: Wai gesture in Thailand reflects respect; Loi Krathong reflects gratitude to the water goddess.

Custom

- **Definition**: Repeated behaviors done without questioning the reason.

- **Characteristics**: Least important; should be revised frequently.

- **Example**: Taking food photos before eating because others do.

Cultural Rights

- **Government Perspective**:

- Everyone should have equal access to enjoy and participate in cultural practices.

- Duties: create laws, host events, protect participants.

- **Community Perspective**:

- Cultural rights = right to **preserve** culture and **resist change**.

- Maintain uniqueness and prevent external disturbance.

- **Conflict**:

- Some practices violate national laws/human rights (e.g., rape culture used to justify acts).

• Requires compromise between state, people, and human rights law.

Cultural Identity & Heritage

Cultural Identity

- Made up of:
- Unique beliefs and practices
- Tangible heritage (architecture, land, statues)

Cultural Heritage

- Physical/tangible elements of culture.
- Includes buildings, landscapes, and monuments.

Three Cultural Components

1. Artifacts

- **Definition**: Tangible and intangible items that reflect a culture.
- **Examples**: Food, language, stories, dance.
- **Features**:
- Most visible and accessible part of culture.
- Can easily change (e.g., evolution of Thai papaya salad "som tam").
- Used to protect the core of culture (mentifacts).

2. Sociofacts

- **Definition**: Social structures and institutions that govern behavior.
- **Examples**:
- Family (smallest unit, with roles/duties)
- Government (protect rights, maintain order)
- Education (ensure access to learning)
- Healthcare (access to medical treatment)
- Religion (spiritual/moral support)
- **Change**: Requires effort, planning, and possibly protest or revolution.

3. Mentifacts

- **Definition**: Abstract beliefs, values, ideologies, and perceptions.
- **Transmission**: Oral traditions, generational teaching.
- **Resistance to Change**:

- Hardest part of culture to change.

- Requires time, education, and evidence.

- Example: Beliefs about natural phenomena like earthquakes once explained by myth.

Interconnection of Cultural Components

- **Artifacts** can reveal:

- **Sociofacts**: Through spatial arrangement, usage (e.g., house layout reveals family structure).

- **Mentifacts**: Through decoration, architecture (e.g., Buddha statues reveal religious beliefs).

Theories of Culture Formation

1. Environmental Determinism

- **Belief**: Culture is entirely shaped by nature.

- **Implications**:

- Denies human free will.

- Encourages blaming nature for personal actions (e.g., "I hit someone because it was hot").

- **Religion**: Aligns with Christianity's concept of predestination (God has already determined everything).

- **Downside**: May encourage irresponsibility.

2. Positivism

- **Belief**: Culture comes from human knowledge, history, experience, science, and technology.

- **Benefits**:

- Promotes logic, reason, and adaptation.

- Culture evolves with society.

- Fact-based and practical.

- **Downside**: No room for hope or spirituality—can feel emotionally empty.

3. Cultural Ecology

- **Belief**: Culture arises from a balance of nature and human knowledge.

- **Purpose**: Create a neutral, balanced culture combining fact and spirituality.

- **Outcome**: More inclusive and sustainable culture.