Welcome to Jeff’s study guide. Make sure to know all of this and (optionally) in more detail

Key issues 1:

Services take up 2/3 of GDP in MDCs, and ½ in LDCs. There are 3 types of services:

1. Consumer Services: provide services to individual consumers who desire them and can afford to pay for them. Consist of ½ of all US jobs. Subcategories:

* Retail and wholesale Services: department stores etc. 14% of all USA jobs
* Education Services: 15% of USA jobs
* Health and Social services: 14% of US jobs. These are jobs in hospitals and etc.
* Leisure and hospitality services: 9% of US jobs. These are in restaurants, bars, entertainment

1. Business Services: facilitate the activities of other businesses. Subcategories:

* Professional Services: 11% of US jobs, like technical services, engineering, support jobs
* Financial Services: 7% of US jobs, there is the acronym “FIRE” (finance insurance and real estate)
* Transportation and information: 7% of US jobs, like trucking, warehousing, broadcasting, utilities.

1. Public Services: Provide Security and protection to citizens and businesses.

* 10% of US jobs are in this sector. People in this sector work for the government.

The service sector of the economy has seen almost all of the growth in employment worldwide, with employment in the primary and secondary sectors dropping. Jobs in the Professional Services subcategory have grown rapidly. Jobs have dropped in Transportation and finance services because technology has let those jobs be done with better efficiency.

The 2008 recession led to the first drop in world GNI since 1930. It was brought on due to:

* Rapid growth of real estate prices made lots of people buy it to sell it for later
* Financial institutions made risky loans to people that had trash credit history
* Investors bought and sold risky assets (derivatives)
* Government agencies reduced and eliminated some financial institution practices
* Financial institutions stopped making loans when the recession stopped.

Key issues 2

Walter Christaller made the Central Place Theory, which finds the most profitable location for a business. His observations were based off of Southern Germany. He concluded that people cluster together to share goods and ideas, and cities exist for economic reasons.

A central place is a market center for the exchange of goods and services by people attracted from the surrounding area.

The area surrounding a service from where a customer is attracted to is the market area or hinterland. This is an example of a nodal region, which is a region with a core where the characteristic is the greatest.

People go to services that care closer, so consumers near the center of the circle get services from local places. Geographers used hexagons as a compromise to using circles and squares/

The Range is the maximum distance people are willing to go to use a service. The range is usually the radius of the circle or hexagon to show the service’s market area. People are willing to go only short distances for groceries, but will go further away for concerts.

There is an irregularity in the range, for when the proposed site is closer than a competitor’s site. It also shows the amount of time that it takes to get to the location on the proposed site.

The threshold is the minimum amount of people needed to support a service. Each company has a different amount to get a certain amount of profit. If a range is determined, the service provider must see whether or not the location is suitable or not judging by the potential customers in the circle.

Market areas across a developed country would have many hexagons of various sizes, since there are many small settlements with different thresholds and ranges, and fewer large settlements with large thresholds and ranges. The nesting pattern is illustrated by overlapping hexagons of different sizes. There are 5 different levels of market area: hamlet, village, town, city, and regional capital. Hamlets have the smallest hexagons.

Brian Berry was an American that documented a hierarchy of settlements in the US Midwest.

A rank-size rule is what geographers get when they rank settlements from largest to smallest. The country’s *n*th-largest settlement is 1/*n* the other population of the largest settlement. Basically, the 2nd largest city is half the size of the largest, the 4th largest city is a quarter size of the largest, and so on.

There is also the primate city rule, where the largest settlement has more than twice as many people as the next largest settlement. The largest city is the primate city. An example of this is Mexico, with Mexico City 5x larger than the next largest city, Guadalajara.

In order to compute the profitability of a location, you need the range, threshold, and market area. People usually want to travel 15 minutes to reach a department store, and a department store needs a threshold of 250k people.

Periodic markets are individual vendors who come to offer goods and services in a location of specified days. They set up during the day, taken down at night, and set in another location by the next day. They need to be very mobile, and they provide goods to people in rural areas and developing countries.

Urban means that you are living and situated in a town or city. Definitions may vary. Urbanization is increasing number of people migrating from rural to urban areas. First city developed in Mesopotamia and Asia Minor 10 thousand years ago, due to agricultural revolution. They were clustered around water and grouped together. Urbanization increased rapidly in the 20th and 19th century, due to industrial revolution, enclosure movement, second agricultural revolution, and medical revolution.

Key issues 3-4

Global cities play an important role in global business services. There are a lot of business services in them, as well as a lot of headquarters of big corporations.

Global cities are divided into 3 levels, which are Alpha, beta, gamma. These are subdivided into alpha++, alpha+, alpha, beta+, beta, beta-, gamma+, gamma, gamma - There are a few factors that divide global cities into these ranks:

* Economic factors: number of headquarters for multinational corporations, financial institutions and law firms that influence the global economy.
* Political Factors: headquarters for international organizations, capitals of countries that play a role in international events
* Cultural factors: renowned cultural institutions, media outlets, sports facilities, education
* Infrastructural factors: major international airports, healthcare

New methods of transportation and communications reduced needs of clustering in large cities, like telegraph and railroad Global cities have retail services with extensive market areas, since there are lots of rich people there are luxury and specialized products, also with many plays, concerts, and operas.

Global cities are also centers of national or international political power, and many are national capitals. There are representatives from foreign countries, trade associations, such as New York, which is home to the UN

Developing countries specialize in offshore financial services and back-office functions in the global economy

Offshore financial services: provide 2 functions in the global circulation of capital:

* 1. Taxes: The taxes for storing money are very low or nonexistence, so the US loses 70 billion from tax revenue a year.
  2. Privacy: Businesses can evade disclosure in their home countries.

So, they are havens for companies looking to dodge taxes and other illegal schemes. An example of this is the Cayman Islands, they just have 40k inhabitants but over a trillion dollars stored there.

The second type are business process outsourcing. These contain insurance claims processing, and payroll management. They traditionally housed their back-office staff downtown, but high rents made it move to suburbs and stuff. Developing countries attract these because:

* Labor: you can earn more money than most other sectors of the economy.
* Ability to speak English: there are a few countries with a lot of English speakers, and this leads to a strategic advantage to communicate it over telephone, so you know what American customers like.

The economic base of a settlement is important. A basic industry exports goods to consumers outside the settlement, Nonbasic industries sell items to people in the same community.

The economic base is started when your basic industries export to bring money into the local economy, allowing nonbasic industries to make goods for the settlement.

Key issue 4

Rural settlements can be clustered or dispersed. A clustered rural settlement is an agriculture based community where a number of families live in close proximity to each other, with fields surrounding the collection of houses and farm buildings. A dispersed rural settlement, is characterized by farmers living on individual farms isolated from neighbors, rather than next to other farmers.

Clustered rural settlements: these have a few homes, barns, with a few consumer services like schools and shops. Each person is allocated strips of land in the surrounding fields. There are a few types of these settlements.

* Circular rural settlements: these have an open space surrounded by structures
* Linear rural settlements: have buildings clustered along a road or river to facilitate communications. The fields extend behind the building strips. In a French, long lot system, houses were erected along a river, and narrow lots were constructed perpendicular to the river.

Clustered settlements in Colonial America: New England colonists built settlements built around an area called a common, churches and schools were built next to it.

Dispersed Rural Settlements: were more common in American colonies outside New England. They were settled by people hunting for cheap land, and later on more buildings connected the farms together.

Before the establishment of permanent settlements, people were nomads and hunter gatherers. People made places to bury the dead, as the first buildings. Until skyscrapers, religious buildings were often the tallest structures in the community.

Settlements let males travel further to find food, and women built household objects. People needed tools, clothing, shelter, containers, and fuel, so settlements became manufacturing centers.

Public services followed religious services. Soldiers were stationed to protect from attack, and walls were built for more defense. These cities became citadels- areas of military importance. Business services followed public services, such as transportation and people eventually learned about agriculture.

Settlements existed 5k years ago, and in 1800, only 3 percent of everyone lived in urban areas.

Settlements originated in Mesopotamia, in the fertile crescent of southwest Asia.

Prehistoric urban settlements: the oldest documented urban settlement is Ur.

Ancient Urban settlements: were established in the eastern Mediterranean, 2500 BC. These were major trading areas with the government protecting the hinterlands. They were city-states- independent self-governing communities that included the settlement and nearby countryside. The Roman empire encouraged urban settlement.

Medieval Urban settlements: was revived in EU, due to the 11th century. Walls were able to be destroyed by cannonballs, thanks to gun powder. After the collapse of the Roman Empire, the largest urban settlements were clustered in China.

The percentage of people in urban settlements was 3 percent in 1800, 6% in 1850, 14% in 1900, 30% in 1900, and 47% in 2000. Megacities have gone from Asia (1800), to EU and NA (1900), to developing countries (present day)

Louis Wirth said that a city is a permanent settlement that has a large size, high population density, and socially heterogeneous people.

* Large size: in rural settlements, most people know each other, as you see each other a lot. In urban areas, you only know a small percentage of people, and people you meet are in their specific roles, such as a teacher or a clerk.
* High density: There must be specialists to support large numbers of people and to make the system to run smoothly.
* Social Heterogeneity: The larger the settlement, the more the variety of people. In rural settlements, some actions may be scorned, but in urban, people feel lonelier. This lets people have greater freedom in urban areas.

Unit 7 review by jeff 3rd review

A Central Business District (CBD) is also known as a downtown. This area is compact, takes up ~1% of the land area, but has a ton of services in it, due to accessibility. The clustered services include:

1. Public services: CBDs have town halls, agencies, and libraries, which have historically been clustered downtown. Sports facilities attract people due to the CBD’s accessibility, which would stimulate restaurants, bars, and hotels.
2. Business services: CBDs have offices for accessibility. This lets people in advertising, banking, finance, etc., to exchange info fact to face.
3. Consumer services: there has been 3 types of these retail services clustered in CBDs:
   1. Retailers with a high threshold: There used to be many department stores clustered in one intersection, known as a “100 percent corner”. Many of these have closed, due to most customers becoming office workers, inner city residents, which made businesses move into the suburban areas.
   2. Retailers with a high range: These are mostly specialists, with customers who patronize them infrequently. Customers were attracted from far away, visiting infrequently. These businesses have moved to the suburbs like department
   3. Retailers serving CBD workers: These have thrived due to growing business in CBDs, and they are mostly small businesses that serve people that shop during lunch ours of other offices.

Industrial and residential activities have decreased due to the high rents and land shortages in CBDs. Manufacturing has gone down, due to more suitable land in suburbs. Cities that were based around a harbor have changed their harbors due to ships no longer able to navigate the shallow waters of CBD ports. Port cities now have their waterfronts transformed into recreational actives, good for tourism.

People were pulled to suburbs in the 20th century because of larger homes with private yards, and modern schools. They were pushed from CBDs because of high rents, dirt, crime, and congestion. Population has grown in CBDs in the 21st century because downtown living is attractive to people without school age children.

Due to the high rent in CBDs, there is more space used below and above ground level.

* Underground, there are garages, loading docks, and pipes, telephone, electric, and TV cables. There are also subways, and in some cold areas, underground pedestrian passages and shops.
* Skyscrapers: high demand for space makes skyscrapers worth the money. The first skyscrapers were made in Chicago in the 1880s. Zoning ordinances controlled the location and height of skyscrapers in NA and EU.
  + Retail services pay high rents for street level space for customers
  + Business services have offices in middle levels due to lower rents and less walk-in trade.
  + Apartments at highest floors have less noise levels and better views.

Washington DC has no skyscrapers, because no building can be higher than the capitol dome. No Building can be over 13 stories, leading to a lot of horizontal space.

Food deserts are areas in a developed country where food is hard to obtain, like Baltimore.

Key issues 2

There are 3 major models that tell us where different people live in an urban area.

1. The concentric zone model was made in 1923 by Ernest Burgess. It says that a city grows outward from a node or a central area in a series of bands or “concentric” rings, with the rings in varying sizes. The 5 rings are:
   1. The CBD (downtown): This has the highest density of commercial land use. This is the center point of the whole zone with a lot of nonresidential activity.
   2. Zone of Transition (also called the zone of transition): has mostly industry and poorer housing. Immigrants in the city live here. There are houses for single individuals.
   3. Zone of Independent Workers Homes (Inner City): has modest older homes for working class families, because they need to be located close to work.
   4. Zone of better Residences (suburbs): Contains newer and more spacious houses for middle class residences. Over 50% of the pop lives here.
   5. Commuter zone: This lies beyond the continuous build up area of the city. There are some rich people that live here.
2. The Sector model was made in 1939 by Homer Hoyt. It says a city develops gradually by sectors and not by rings. Certain areas or sectors are more attractive due to environmental/preference factors. The center is the CBD.
   1. There is a high-class housing district that is established towards the outer edge. It has rich and expensive houses for the upper class, and is connected to the downtown. (like a ray from the CBD)
   2. The CBD is connected to a line that is a river/ railyard/harbor
   3. There is lower class housing next to the river/railyard/harbor for close proximity to their jobs.
   4. The middle-class housing, or suburbs fill in the empty spots on the circle.

These 2 models were influenced by the changing patterns in Chicago.

1. The multiple nuclei model was made in 1945 by Chauncey Harris and Edward Ullman. This is the most commonly seen model in NA. They say that a city is a complex structure with not just one center, it has multiple centers that work accordingly together as one city. So, there are lots of centers (CBDs), and each has equal importance to each other. There is more than one commercial center in the city. Suburban CBDs emerged after WW2, so there are “new CBDs”. There are sectors for:
   1. Manufacturing and warehousing
   2. New manufacturing/industrial park
   3. Working-class housing
   4. Middle-class housing
   5. Upper-class housing.
2. These sectors are arranged with the manufacturing and warehousing near the CBD, with working-class housing next to the manufacturing and warehousing. Upper class people live near the “New CBD”, or the suburb. Middle-class people live in between the suburbs, and new manufacturing/industrial parks are being built at the outskirts of the city.

These 3 models describe how a city is organized. It is based on data from US censuses. These models can’t explain why different people live in these areas. They were based on cities during the US in WW2 which can have changed dramatically nowadays.

Most cities in Europe are centered around large historical places like churches. Wealthy people typically live near the CBD or the inner portion of the upper-class sector. Concentric zones are different, as newer buildings are tall apartments for immigrants, preserving the countryside and historical areas by conserving space, however, there is a lot of clustering. Suburbs in EU also have a high crime rates. Most residents in suburbs are also immigrants. Housing for low income people have moved from in the CBD to further away from factories.

Larry Ford and Ernest Griffin made the Latin American city model in 1980. It is an international model. Latin American cities have wealthy people push out the CBD in an elite residential sector. Job opportunities are a major pull factor for immigrants, but they are poor and live in the outer ring. So, many people live in the outer ring. There are about a billion-people living in squatter settlements, and there are few services there, the people are poor, and thy lack education, transportation, and hygi­­­­­­ene. Electricity is shared or stolen.

The Latin American Model is an example of the colonial city.

* The CBD is at the center of the model, and is usually a plaza.
* The commercial spine: is a main boulevard that is constructed leading from the plaza of the city to the outskirts of it.
* The zone of elite housing is an area that leads outward from the city center.
* The zone of maturity: is a middle to upper class housing that surrounds most of the CBD
* The zone of In Situ Accretion is an area at the outside of the city limits where people of indigenous descent made their homes
* The Zone of Peripheral Squatter Settlements:

Precolonial cities were made in Africa, Asia, or Latin America before the Europeans arrived. These were made near rivers and the ocean.

After the Europeans invaded, there were more housing, and cities were re-worked to suit how Europeans wanted their own cities to look like.

Cities since independence. Cities have become the focal points of change in developing countries. Cities have been developing and many people migrate for job opportunities.

Key Issues 3

The Peripheral model was made by Harris (he made the multiple nuclei model as well). This model says that an urban area consists of an inner city with suburbs and business areas around it tied together by a beltway or a circular road. The model shows the problems of sprawl and segregation in suburbs.

* There are beltways of nodes of services called Edge cities.

There are many definitions of a city, such as: A city is a legal entity. An urban area is a continuously built up area. And, A metropolitan area is a functional area.

A city that is surrounded by suburbs are called central cities/

The urban area is the central city with suburbs around it. So, the central city is usually the CBD.

The census recognizes 2 types of urban areas: An urbanized area has more than 50k inhabitants, and an urban cluster has between 2.5k to 50k inhabitants.

The influence of one city can go beyond legal boundaries. TV and the internet can increase a field of influence. The metropolitan statistical area (MSA) is another definition for a zone of influence. It sees if:

* An area has more than 50 thousand people
* The county within which the city is located stays in the city.

There are also micro polytan statistical areas (mSas). These include the urbanized areas of 10k to 50k people, with the counties in which it is found, and adjacent counties tied to the center.

There are many areas that have so many metropolitan areas so close together they form one large urban complex, called a Megalopolis. Examples of this is from Boston to Washington DC, Chicago and Milwaukee to Pittsburgh, and Southern California to Tijuana. In these areas, the CBDs are very distinctive, while the periphery of the urban areas overlap.

Annexation is the act of legally adding land to a city. In the 1800s, it was wanted for more services, but it is less frequent today because residents prefer to organize their own services rather than pay city taxes.

There is also a density gradient in cities. The further you go from the CBD, the less the density will become. CBDs have apartments and the suburban areas have large houses.

US suburbs are characterized by sprawl or progressive spread of development. This is because new housing needs to be built on cheaper lands and flexible weather areas. This has a few disadvantages, such as new roads require more taxes, there is land wasted, and prime agricultural land is lost. Energy is wasted as there is more travel time. The U.S has tried hard to stop sprawl, reduce traffic and stop inner-city decline, due to having the need to protect rural land for agriculture, wildlife, and recreation. These policies are called smart growth.

Suburbs are favored by many people (90% of everyone!). However, there is segregation. On ethnicity usually has a region it dominates, and it is usually determined by costs, size, and location.

Suburbs used to be segregated vertically. The bottom floor had the poorest people, with shops on the street level. Middle floors were dominated by the richer people. The tops of buildings were dominated by the poor before there were elevators, because no one wanted to climb up so many stairs. When cities began to spread out over larger areas, vertical segregation soon turned into territorial segregation. Large sections of the city had houses of similar dimensions, costs, and lot sizes. This led to people with similar income clustering in certain areas.

There have been many nonresidential services that have moved to services. This happened because many customers live there and land is more abundant and cheaper. A large node of business services in the suburbs of an urban area is an Edge City.

Suburbs used to only have the daily necessities for people, with extravagant items in the CBD. People didn’t want to travel so far, so business moved to suburbs.

Suburbanization of business services and factories happened too, due to offices wanting cheaper rent, and factories moving to suburbs for cheaper land prices.

People transporting themselves between suburbs have required automobile makers to create more cars than trains and railroads. Motor vehicle ownage is very common among Americans, and they make more than 95% of all trips with cars. Due to this, the government funds highways and encourages motor vehicles. There is land devoted to parking, roads, etc.

However, controlling traffic is important. Traffic congestion is a big problem. GPS and GIS help design traffic systems, and they provide drivers with information so that they can make good decisions to avoid traffic. There are a few policies that control traffic:

* Pay a fee to drive into the central city during a specific time (London)
* Tolls as drivers are charged on freeways and traffic times
* Permits in Asia that the government controls the amounts of permits and charges high tolls
* Bans in EU that stops all traffic

There are a few times in a day where the traffic is the worse. This is the 4-hour period in the morning and night called rush hours.

In the United states, public transport is not commonly used because the buildings are spaced out, only the biggest cities with the largest CBDs actually use this. Trains used to be the most predominant way of transportation, because vehicles were so much more expensive, but trains have been in a steady decline.

There has been rapid transit, which is the only form of public transit that has not decreased. These are like subways or streetcars, and in some areas trolleys are sued because of the attraction for tourists.

Smart cars are just cars that are more efficient, such as cars using diesel engines, as they burn fuel more efficiently. Others are like hybrid cars, with gas engine at high speeds and electric at low speeds. There is ethanol as an alternative fuel which is made from crops like sugar and corn. There are electric vehicles that don’t use a gas engine. There are plug in hybrids, when the battery can be charged by a gas engine. Finally, Hydrogen Fuel cells is another source of electricity.

Key issues 4

There has been a major physical problem faced by inner-city residents, and it is the poor condition of the housing, most of which was built before 1940.

1. One of these problems is the process of deterioration. As the number of low income residents increases in a city, they occupy more territory. Neighborhoods can switch from middle class to low-income occupants in a few years.
   1. Filtering is when large houses built by the rich are subdivided into smaller dwellings for low-income families. A building will be maintained until the rent that is collected becomes less than the maintenance cost. So, buildings deteriorate and grow unfit for occupancy. Governments go after landlords that don’t repair the building causes more abandonment because landlords will not spend money on repairs they cannot pay for.

Redlining is wen banks draw lines on a map to identify where thy will refuse to loan money. Families who try to fix up houses in the area will have trouble borrowing money. This is illegal, but there is little enforcement of laws against it.

There were many inner houses that were demolished in the twentieth century to be replaced with public housing. The government pays for the cost of construction and maintenance of these buildings. These areas are reserved for low-income households.

Gentrification is the alternative to demolishing inner-city houses. It is the process by which middle class people move into deteriorated inner-city neighborhoods and renovate the housing. Middle class families are attracted to this because:

* The house may be larger and well-constructed, while being less expensive than houses in suburbs.
* Houses may be attractive
* Inner-city living eliminates the need to commute to work
* The neighborhoods are close to theaters, bars, stadiums
* Single Living people don’t need to bother with schooling.

Gentrification is criticized for neglecting people with lower incomes, who are forced to move out of gentrified neighborhoods since the rents are too high for them.

The Underclass are inner city residents that are referred to as permanent underclass because they are trapped in an unending cycle of economic and social problems. They suffer from unemployment, alcoholism, drugs, illiteracy.

The children attend deteriorated schools, and there is an inadequate police and fire protection, shops, and hospitals. They can’t compete for jobs either, as many of them haven’t completed high school. In the past, you could go work in a factory, but now most factories require technical work with computers. The custodial jobs they can work at are very far from the suburbs too.

Some of the underclass are homeless, and they cannot afford housing and have a lack of source of income. It is sparked by job loss, family problems, or mental illness. It is a larger problem in LDCs. These people live in a culture of poverty. They remain trapped as underclass, with extreme difficulty in order to get out of their position.

There are many neighbors in the US that are segregated by ethnicity, and many African Americans and Hispanics concentrate in a few large areas of the inner cities, while the whites live in the suburbs

The eroding tax base: low income inner city residents need public services, but they pay little of the taxes necessary to support those services. There are several choices for cities:

1. Reduce services: A city can close libraries, eliminate bus routes, and spend less money on schools.
2. Raise Tax revenues: A city can give tax breaks for downtown offices, hotels, and shops. These pay more taxes than the buildings demolished to make way for them, so they provide jobs for inner-city residents.

The recession of 2008 was caused primarily by the collapse of the housing market in the inner-city. In the years leading to the recession, financial institutions had increased the amount of loans made to low income-income inner-city residents buying their first homes. These mortgages were known as subprime mortgages.

Some retailing is thriving in CBDs, if they are combined with leisure activities. People make special trips to destinations downtown if there are unusual shops in a dramatic setting. These places attract suburban and out of town tourists because they offer unique recreation and entertainment experiences.