Class 13a: Services and transportation

• Tertiary economic activity
• Central place theory
• Transportation geography
• Air pollution
What are services?

- No tangible product
- “Leftover” economic activity
- Consumer vs. business vs. public
  - Retail vs. personal
  - Producer vs. transportation
What are services?

- Bifurcated wages, skills
- Labor more important, but fewer unions
- More women ("pink-collars" workers)
- Tertiary, quaternary, or quinary
Where are services?

• From local to global
• More developed = more service jobs
• “Post-industrial” economies
Central place theory

• How are services distributed?
• Why does a regular pattern exist?
• How are large and small cities connected?
• Central place: market center for region
Central place theory

- Range: how far are you willing to travel for a service?
- Threshold: how many customers do you need?
- Assume shortest distance possible
- Threshold < range
- Market area, not city size, matters
Central place theory

- Hexagonal market areas
  - Cover all space
  - No overlap
- First order: largest threshold and range
- Second order, etc.
Central place theory

- Accessibility based on time, not distance
- Administrative principle
  - Political boundaries affect consumers
  - Lower taxes, more permissive rules
So what?

• Model for regional development
• Explains decline as well as growth
  – Neighborhood or city scale
• The point is not the hexagons, but the hierarchy and interconnectedness of places
Transportation

- Enables all other economic activity
  - Derived demand
- Important in its own right
- Accessibility: existence of opportunities
- Mobility: ability to get there
- Equity of accessibility and mobility
Transportation geography

- Shrinking distance
- Changing technology
- Changing accessibility and mobility
- Impact on landscape
Transportation geography

- New technology: container shipping
- No break-of-bulk
- Less labor needed
- Less “slippage”
- Concentration on a few ports