

# 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-collar” 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