

● **INDUSTRIAL PROBLEMS FROM A GLOBAL PERSPECTIVE**

1. What is *stagnant demand*?
  
2. Give three reasons for the growth of stagnant demand.
  - a.
  - b.
  - c.
  
3. Why has global **industrial capacity increased** despite stagnant demand?
  
4. Sketch two simple pie graphs below showing global steel production for 1975 and 2000.

Note: The outer circle on each graph should be identical in size since the total output in both years was approximately equal. The two divisions of the pie graphs will be “MDC production” and “LDC production.”

Graph 1            1975

Graph 2            2000

5. Give two reasons for which governments (particularly in Europe) are willing to **subsidize steel mills** to keep them operating in the face of declining demand.
  - a.
  - b.
  
6. Use the map on page 395 to determine which groups accounted for more than 90% of global steel production in 1973. Who had the most rapid increase from 1973 to 2002?

• **INDUSTRIAL PROBLEMS IN MORE DEVELOPED COUNTRIES**

7a. What are the three main **trading blocs** in the world?

7b. In general, how do they encourage **cooperation** among their respective members?

7c. Identify a way in which each of the following trading blocs has **restricted** the US and others from encroaching upon it:

i. European Union...

ii. Japan...

iii. the US...

7d. In terms of the **US steel industry**...

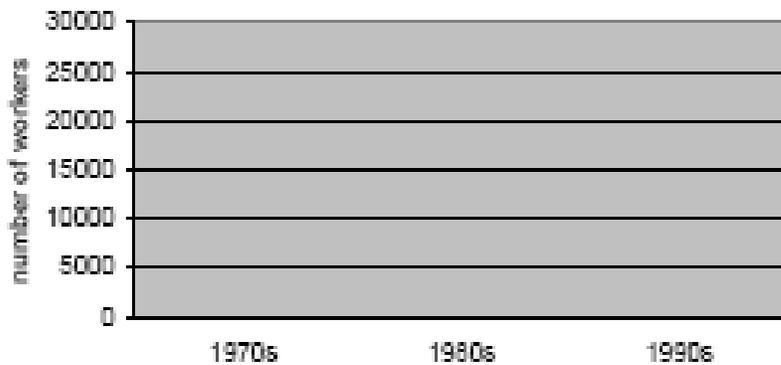
i. What did the US do between 1982 and 1992?

ii. How did this affect US steel workers?

iii. The textbook offers approximate data on the workers in the two major US “steel towns.”

Using two colors, one for each city, label and plot the data on the table here.

**Steelworkers: Gary, Indiana and Youngstown, Ohio**



8a. What is another name for “**transnational corporation**”?

8b. In what four countries are most transnational corporations headquartered?

8c. List the three benefits (reasons) given for which corporations seek to have international operations.

i.

ii.

iii.

8d. What two nations have active operations within the US?

9. Give an example of a **regional disparity** in several regions by completing the table below.

REGIONAL DISPARITIES OF WEALTH DISTRIBUTION		
	Wealthy region	Poor region
Europe		
France		
United Kingdom		
Sweden		
United States		

● **INDUSTRIAL PROBLEMS IN LESS DEVELOPED COUNTRIES**

10. Describe each of the following problems faced by LDCs as they consider industrializing.

a. world markets

b. infrastructure

11. How is labor an advantage in LDCs?

12. Define “**international division of labor**”: