

Discuss the factors that influence the development of secondary economic activity in a Continental/ Subcontinental region (not in Europe) that you have studied.

(30 marks)

In this answer I will discuss the development of secondary economic activities in the Indian Subcontinent.

As a result of the Green Revolution, food processing is a growing industry in India. Due to the irrigation practices that have been put in place over the last 50 years, particularly on the Deccan Plateau, India is a leading producer of cotton, wool, silk and synthetic goods. While some textiles are produced by cottage industries, many are produced in high-tech mills in the urban centres of Calcutta for example.

The main factor that has influenced the development of secondary economic activity in India is government initiatives. Before India became independent from Britain in 1947, industrial development was generally underdeveloped and limited to textile production and food processing. Just 2% of the labour force was employed in manufacturing which were found in Bombay (Mumbai), Calcutta (Kolkata) and Madras (Chennai). After independence the government aimed to spread industry, as part of the 'Green Revolution', into rural areas across the country by investing in labour intensive local craft industries and food processing. This government support of small family-run businesses helped to reduce out-migration of young people from rural areas, with 75% of India's population rural based there, and stem the flow of economic migrants into the already overpopulated cities. The large agricultural sector and high yields as a result of the green revolution has led to the development of agri-industries such as fertilisers, machinery and food processing. Other natural resources such as coal and iron are located close to Kolkata and this city is the centre of iron and steel manufacturing in India.

India also has the advantage of a well-educated, low cost labour force. India now has more third level graduates than Canada and the U.S.A combined with 40% of graduates having engineering and science degrees. This has attracted multinational companies in the high-tech software sector to India where they can employ skilled graduates at less than a third of the cost of their American or European workers. In recent years India has become more and more dependent on multinational companies (MNCs) to boost exports and earn foreign income. Most of the world's major IT companies now have offices in India. The government also set up Special Economic Zones and software parks in cities such as Bangalore with tax-breaks, infrastructure, purpose-built factories, to attract multinational companies.