

Secondary economic activity in a continental region |

Sample answer

Examine the development of secondary economic activity in a Continental / Sub-Continental region (not in Europe) that you have studied, with reference to two of the following factors:

- **Government policy**
- **Raw materials.**

Government policies and raw materials have greatly impacted the development of secondary activities in India. Before India gained independence from Britain in 1947, industry was poorly developed with only 2% of the 1.2 billion population working in industry. Industry focused on traditional industries such as textiles. The government funded more third-level education to have more graduates in modern industries such as technology and science. There is now 40% of all graduates specialising in technology, science and engineering. This has provided India with a highly educated workforce, encouraging more foreign direct investment from Multinationals (MNC). Bangalore has now become India's "silicon valley", where hundreds of software companies have established plants such as IBM and Intel. The government has set up specialised economic zones and software parks to encourage the development of manufacturing. Chennai is a manufacturing zone that specialises in car assembly and light engineering. It contains 30% of all India's car assembly plants, while India itself is the ninth largest car producing country. The government also provides tax relief to MNC's willing to establish their manufacturing plants in India. In 2009, Ford announced their plans to set up a plant in India with an annual capacity of producing 250,000 cars worth \$500. Agricultural industries have been promoted by the government since the green revolution, industries have been setup to make irrigation pumps, pesticides and fertilisers. Since India gained independence and the government started to fund industry, there has been a 15% increase in the amount of workers in manufacturing.

The availability of raw materials have greatly influenced the development of industry. As 70% of India's population is rural dwellers, industry has spread to these areas to benefit from low

resources and reduce transport cost. Cotton is India's largest industry, making up 30% of all its exports. It is a prominent industry in Ahmedabad and Kolkata. India's tea processing plants sell to local manufacturers, accounting for 13% of the value of their exports. The iron and steel industry is 122 years old in India. Iron and steel mills have been built close to the iron and coal mines to reduce the transport of bulky goods. A major iron and steel industry is Tata-Ispat in Bihar, Northern India. The ready supply of iron and steel has encouraged the engineering industry in Chennai and Bangalore. As coffee is grown in laterite soils, the most common type of soil India, there is a plentiful supply of unprocessed coffee. This has led to a big coffee industry in Southern India that makes up to 4% of the world's coffee trade. Rice is grown along the Brahmaputra Flood plain, the most intensively farmed area in the world. This has led India to being one of the largest rice producers in the world. As their rice makes up to 20% of the rice on the global market.