

# I Define Industrialization

## A. Industrialization and the Economy

1. Industrialization is the growth of manufacturing activity in an economy or a region.
2. Usually, industrialization is accompanied by a decrease in the number of subsistence farmers in a country or region as they leave the agricultural sector in favor of manufacturing jobs.
3. The economy is the system of production, consumption, and distribution in a region.

## B. Major Economic Classifications

1. The primary sector is the part of the economy in which activities revolve around getting raw materials from the earth.
  - a) Farming, fishing, and raw mining are examples of primary economic activities.
  - b) Industrialized economies have a small proportion of primary sector employment.
2. Secondary Sector economic activities deal with processing these raw materials (gathered through primary activities) into a finished product of greater value; such as taking raw corn and making baby food.
  - a) Factories fall into the secondary economic activity category, as factories take raw materials and transform them into finished products.
  - b) Manufacturing is a secondary economic activity.
3. Tertiary sector economic activities or services are those that move, sell, and trade the products made in primary and secondary activities.

a) Tertiary economic activities also involve professional and financial services, including bank tellers, carpet cleaners, and fast-food workers.

4. Quaternary sector economic activity involves information creation and transfer

a) Quaternary economic activities assemble, distribute, and process information, they also manage other business operations.

b) University researchers and investment analysts are examples of quaternary economic activities.

5. Quinary sector economic activities exist as a sub-classification of quaternary activities and involve the highest-level of decision making, such as decisions made by a legislature or a presidential cabinet.

a) High-level, government-targeted research is also included in the quinary sector.