1. (15) The textbook describes a process of regional specialization. Why does this process occur, and what are key conditions or characteristics of economies that permit regional specialization?

- Trade allows each region to produce what it produces most efficiently, b trade surplus
- Different factor conditions between regions

2. (20) Uneven development is a spatial outcome characterized in models developed by Myrdal, Friedmann, Pred, and Hirschmann. What are the key components in models of this type, and how are more and less developed regions tied to each other in models of this type? Give examples of the components of these models.

- Myrdal-Friedmann model: core – periphery relations lead to economic convergence
  - Labor market adjustment model
  - Core products flow from periphery to core

- Hirschmann model: backwash circuits overwhelm forces that lead to convergence
  - Capital flows to center, investment in periphery
  - Best workers migrate to core (brain drain)
  - Investment in periphery results in fewer jobs & purchasing power declines in local services

- Pred’s model of circular cumulative causation
  - New market entry leads to construction of tertiary sector, attractiveness, which reaches a critical mass at which point it begins to expand