### **Topic: Manufacturing**

1. The figures below show that the percentage of people employed in manufacturing industries in developed countries has been plummeting.

Country	1965	1993
USA	36	18
Japan	30	23
Germany	48	26
France	39	17
UK	48	20
Russia	48	20
China	NA	27
South Korea	9	13
Brazil	15	16
Mexico	20	16
Australia	37	16

- (a) Explain what factors might account for this change.
- (b) The developing countries like South Korea, Brazil are increasing in their sector of industry. Explain what enable them to do so.
- (c) Why did the MNCs choose to locate in developing countries and how were they able to do so?
- (d) How has the developing countries benefited from the MNCs' strategy to engage in low-income countries from manufacturing process?
- (e) Why are labour-intensive industries more successful in the Philippines and Indonesia than in Singapore?
- 2. Imagine you are looking for a suitable location to set up a factory manufacturing textiles from raw cotton. Information about three locations is provided in the table below.

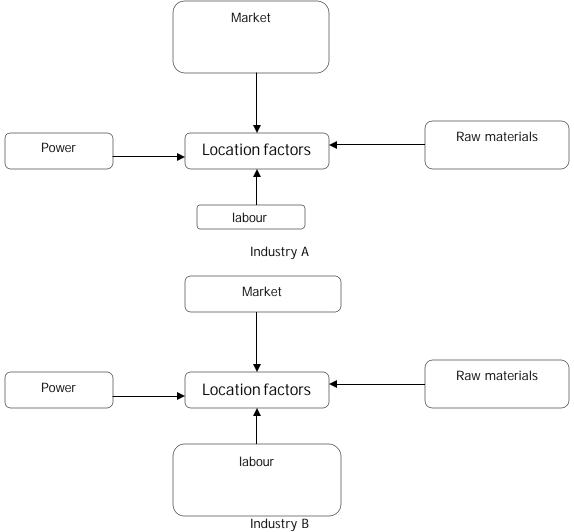
Factor	Location A	Location B	Location C
Quality of labour	Skilled	Unskilled	Mixture of skilled and
			unskilled
Cost of labour	High	Low	High
Cost of land	High	Low	Low
Source of raw	Available from	Produced within	Available from
material	neighbouring country	country	neighbouring country
Transport network	Well-developed road	Poor roads but	Well-developed roads
	and rail networks	excellent port	and airport
		facilities	
Industrial	Well-developed	Basic industrial	Absence of industrial
infrastructure	industrial	infrastructure being	infrastructure and
	infrastructure and	developed	facilities
	facilities	·	

(a) Based on the information provided in the table, decide where you would set up your factory and justify your choice.

(b) What other factors would influence your decision? Briefly explain how each factor would affect your decision.

3.

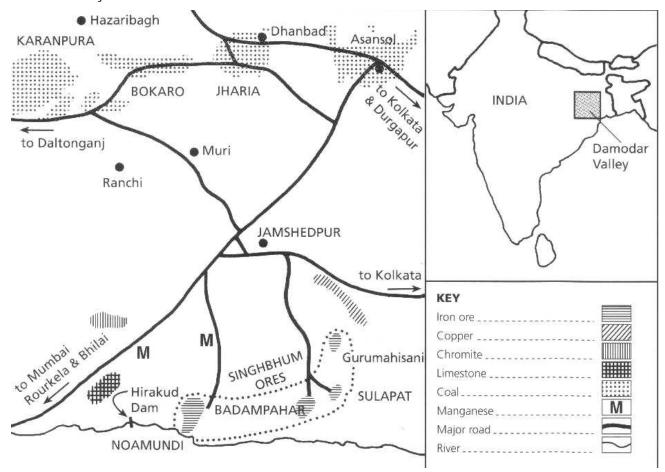
- a) Why are some industries located in urban areas despite the high land or rental cost?
- b) In the past, physical factors were more important than human factors in the location of industries. With reference to specific examples, explain why this is no longer the case today.
- 4. The diagram below shows the importance of different locational factors of industries A and B. The size of the boxes represents the relative importance of different factors.



- (a) Why are there differences in importance of factors in each respective industry?
- (b) Describe industry A and B.
- (c) Name one industry each that fits the description in (b).
- (d) What are characteristics of the labour force that are important to all industries?
- (e) Why was labour seen as an important factor in choosing Singapore?

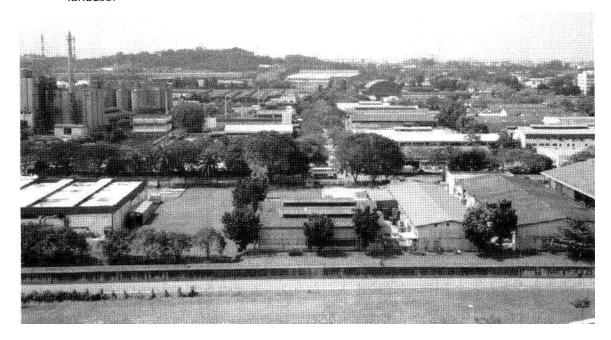
5.

- a) Explain how factors that influence industrial location vary for the following types of industries:
  - (i) A steel manufacturing industry
  - (ii) A computer assembly
  - (iii) A textile industry
  - (iv) A plastic industry
  - (v) Wooden-furniture factory
- b) Given the choice of India and Singapore, explain why and how will the industry (ii) and (iv) are located.
- 6. A map below shows the main industrial area in the northeast of India, known as the Damodar Valley.



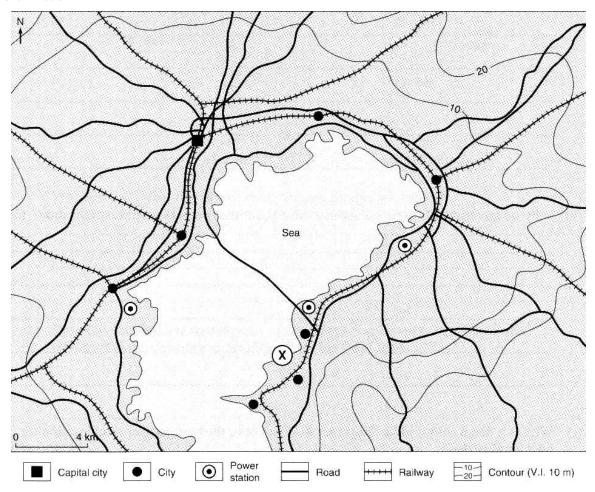
- (i) State the type of industries that would most likely to be attracted to this region.
- (ii) Using information above, explain the factors that have made this area successful in its industralisation programme.

- 7. The photograph below shows an industrial estate.
  - (i) Describe the main features and landuse shown below.
  - (ii) What type of industry do you think is found? Explain your answer.
  - (iii) Give the possible advantages and disadvantages associated with this type of landuse.



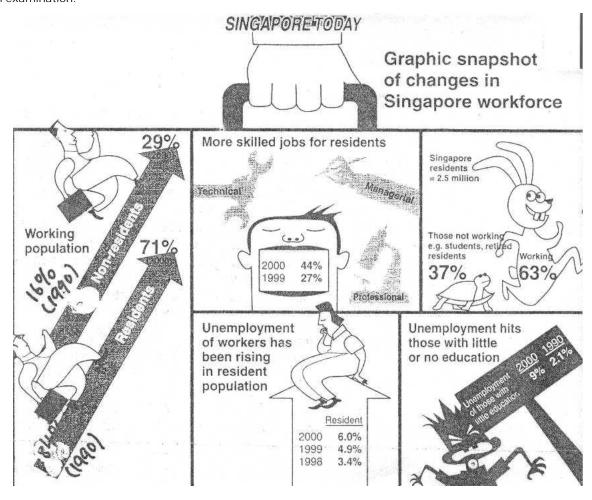
8.

a) The map below shows an area marked 'A' has been chosen as the site for location of heavy industries.



Why do you think area A was chosen as the site for the location of heavy industries?

- b) With reference to examples from Singapore, explain the difference between light and heavy industry.
- c) How do factors influencing the heavy industry differ from those of a light industry?
- 9. Singapore is one of the NIE in Asia. The labour force of the country is a major factor in encouraging industrial development.
  - (a) Look at the diagram below and explain why changes in employment have taken place in Singapore in recent times.
  - (b) Suggest measures being taken to overcome the problems described in (a).



- 10. The governments of Singapore has encouraged industrialization in a number of ways including:
  - Promoting an educated work force and IT
  - Encouraging R&D
  - Establishing industrial estates and business parks
  - Encouraging foreign investments
  - Developing transport links to serve industry
  - Promoting economic cooperation with other countries within South East Asia
- (a) Describe and explain the role of government to the growth of Singapore industry with the above bulleted points
- (b) Compare the distribution of the industrial estates between the 1970s 1990 s and now and give reasons why such industries are located.
- (c) Companies are attracted to Singapore for varied reasons. With reference to specific examples, explain why the MNCs chose to locate in Singapore.

11. The table below compares developed countries with Asian NIE in certain years.

	Average Annual	Change in number of people employed in	Change in share of global
	growth of GNP (%)	manufacturing industry	manufacturing
		(million)	(%)
Developed countries	2.0	-7.6	-4
Asian NIE	6.5	+40.2	+5.9

- (a) Based on the evidence from the table above, describe the changes shown in the table.
- (b) Based on the evidence from table above, explain the shift in location of manufacturing industries from developed countries to Asian NIEs.
- (c) Explain how improvements in transport and communication have facilitated in the global industrial shift.

12.

- (a) Illustrate examples about technology that has allowed manufacturing industries in Europe and the United States to move towards global production?
- (b) **Figure 1** below represents factors influencing the development of industries. Using a named country from Monsoon Asia, **excluding** Singapore and Peninsular Malaysia, explain how these factors influence the growth of an electronics industry.

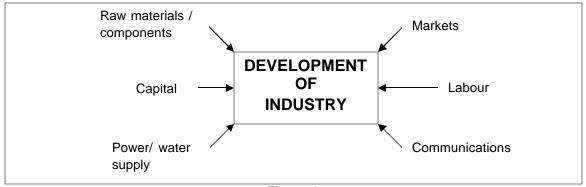


Figure 1

(c) Table 2 below displays domestic exports of goods by different types of industries in Singapore.

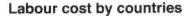
Product categories (%	2000	2001

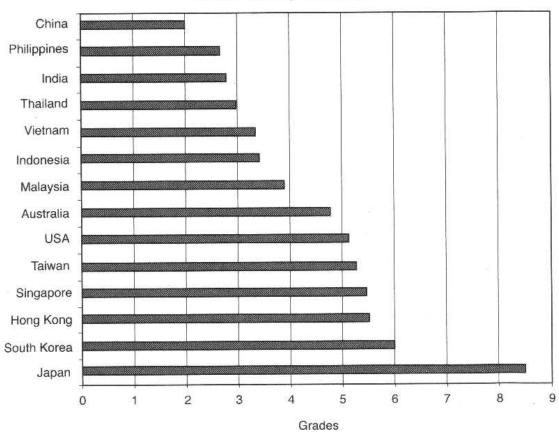
share)		
Electronic Products	54.7	49.8
Machinery & Transport	8.4	8.2
Equipment		
Mineral Fuels	16.8	18.3
Chemicals	7.9	10.2
Food, Beverage &	1.2	1.4
Tobacco		

Source: Singapore International Trade 2002 by Research & Statistics Division, International Enterprise

Table 2

- 13. The figure below shows the cost of labour in some countries.
  - (a) Based on the figure, describe the trend observed and explain how such trend will affect the decisions of MNCs on locating their industrial operations.





Note: Grades ranging from 0 to 10, with 0 being the lowest cost possible and 10 the highest.

- (b) With reference to the figure above, explain why some MNCs will find Singapore to be less attractive for investments in manufacturing industries?
- (c) Suggest what should be done by Singapore to ensure it can continue to be attractive for manufacturing industries.

18.

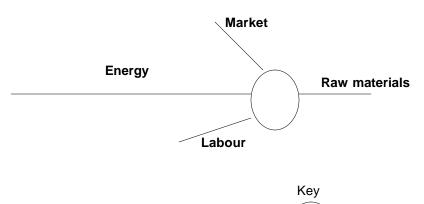
a) The table below shows the percentage of industrial sector making up GDP.

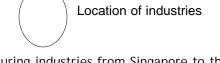
	1975	1985	1995	2003
China	42.8	43.1	48.0	51.2
India	23.7	28.1	28.9	25.0
Thailand	25.8	31.8	37.6	40.0

- b) Describe the trend observed above.
- c) Account for the reasons for this trend.
- d) "The increasing numbers of labour force in manufacturing benefits the country only" How far do you agree? Explain your answer.

19.

a) From your knowledge, name a company with a similar location as illustrated in the figure below. Explain why the named example is located at that particular location.





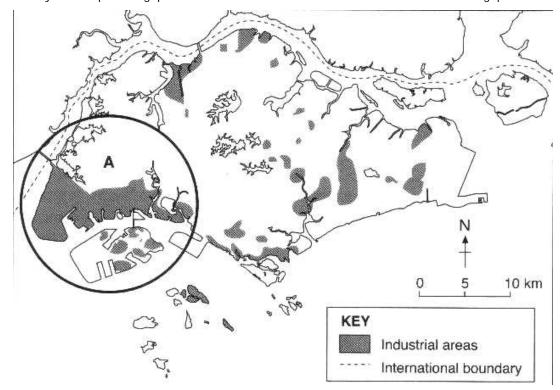
b) The diagram below shows the relocation of manufacturing industries from Singapore to the less-developed countries.

Singapore 

Vietnam
China
India
Malaysia
Indonesia

What developments have made it possible for companies to shift these manufacturing industries from Singapore to the developing countries?

20. Study the map of Singapore below that shows the location of industries in Singapore.



- a) Using the information above, describe and account for the distribution of industrial estates in Singapore.
- b) With reference to examples from Singapore, explain the difference between light and heavy industry.
- c) Account for the location and the character of the industrial development of A.
- 21. The below table shows the percentages of businesses that have and want to outsource their jobs to other countries.

PERCEN	TAGE OF BUSINESSES THAT HAVE DONE SO
Hong Kong	30 per cent
Singapore	16 per cent
Taiwan	12 per cent
Netherlands	9 per cent
Germany	6 per cent
Italy	6 per cent
Pakistan	6 per cent
United States	6 per cent
PERC	CENTAGE OF BUSINESSES THAT WANT TO
Taiwan	15 per cent
Singapore	14 per cent
Mexico	9 per cent
Hong Kong	8 per cent
Netherlands	8 per cent
Sweden	8 per cent
India	7 per cent

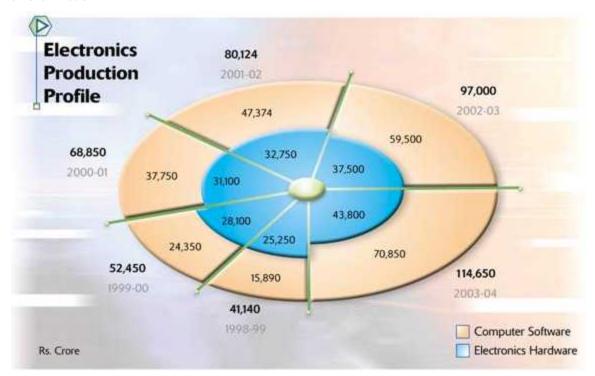
Ireland 7 per cent
SOURCE: RANT THORNTON'S INTERNATIONAL BUSINESS OWNERS SRUVEY 2004

Extracted from: The Straits Times, 16 May 2004

- d) Describe the trend observed in the above statistics...
- e) Account for the reasons for countries to outsource their jobs.
- f) Using specific examples on what type of industries are likely to outsource to other countries. Comment on the reasons that other countries have enticed them.
- g) India is one of the countries where most of the countries will like to shift their industries. Give reasons on why India is keen of shifting its industries?
- h) How this trend can affect Singapore and what has Singapore done about this problem?

22.

- a) The figure below shows testimonials from some clients at Bangalore Tech Park, India. Using the Information from the figure below and studies you have made, describe and explain the factors which have led to the growth of Bangalore as a tech park in India.
- "Bangalore Tech Park is a great place to work in. I like the global environment, which fosters a common spirit of cooperation among people of many different races and cultures. There are many related companies which are willing to share ideas and methods of research and development with us. We have so much to learn from one another! "
- Mrs. Chatterjea, deputy Director of an electronics company
- "Our company believes in delivering the best quality service to customers in India. We find this place an ideal place to deliver our services as Bangalore is well linked to many other cities in India. The quiet atmosphere and the beautiful landscaped park help our busy employees to relieve stress. The facilities here also help make working here almost a lifestyle, with health clubs and banks, restaurants and shopping centers within easy reach."
- -Mr. Tofie Ackerman, GM of a telecommunications company
- b) The graph below shows the trend in electronics production in India from 1998 to 2004.



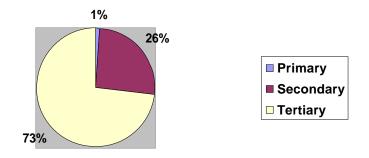
Extracted from: http://www.mit.gov.in/dbid/eproduction.asp

- (i) Describe the trend in the electronics production for India.
- (ii) Account for the factors that may have contributed to the above trend.
- 23. The figures below show the employment structure and GDP (Gross Domestic Product) of two countries, A and B.

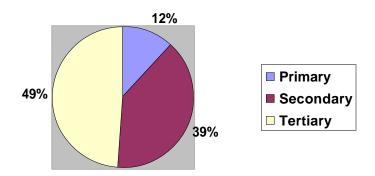
Type of Economic	Country A	Country B
activity	Labour force by occupation (%)	Labour force by occupation (%)
Primary	5	54
Secondary	25	15
Tertiary	70	31

GDP- Composition by sector

Country A



#### Country B



- a) How are the employment structures of the two countries different?
- b) Suggest reasons for the differences shown in the industrial structure in the two countries?
- c) Comment on the composition of GDP by sector for both countries.
- d) Which country do you think will likely to entice MNCs to come if country A and B are keen to industrialize? Explain your choice.

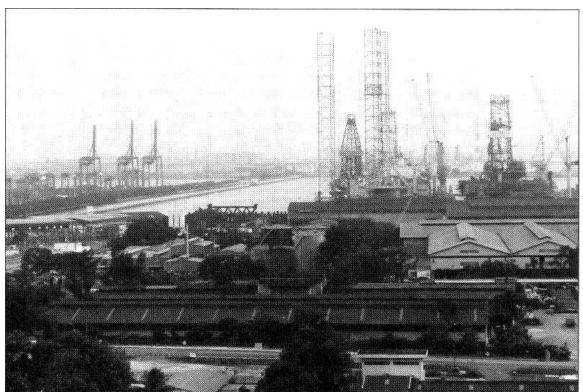
24.

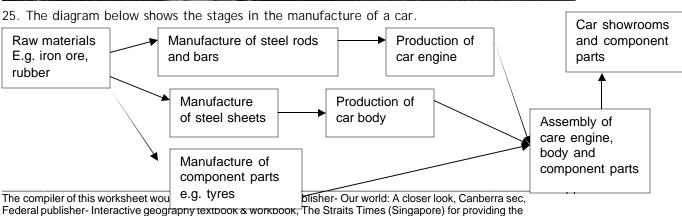
a) Read the information below; choose an ideal location for R&D unit that would be using high tech machines. Justify your choice.

	Country A	Country B	
Accessibility	a) Linked to 160 cities around the	c) Linked to some major cities around	
	world by air and sea.	the world.	
	b) Advanced telecommunications	d) Moderate telecommunications like	
	like IDD (International Direct	IDD, STD	

	Dialing) , STD (Standard Trunk	
	Dialing) and video conferencing	
Government	e) Stable, has been in power for g) New government in power, no clear	ar
	past 30 years policies	
	f) Favourable policies towards h) Has promised people that country	
	high technology investments will be tax free	
Labour	i) Highly skilled j) Lowly skilled and cheap	
Electricity	k) Reliable I) Occasional blackouts as electrical	
Supply	cables are poorly maintained	

b) Based on the picture below, describe the factors that have led to the growth of the industrial area shown.





resources to successfully compile this geography worksheet.

- a) With reference to the diagram, suggest how an MNC would organize this production process and the factors that would influence its decisions.
- b) Many developed countries have moved their manufacturing activities to developing countries. What are the factors that have led to this shift?
- c) What developments have made it possible for companies to locate part of the manufacturing process in other countries? Explain how these developments have contributed to this trend.

26.

- a. With reference to the software industry in Bangalore, explain how the actions of the Indian government have helped to increase foreign investments in the software industry.
- b. Suggest a suitable location within Singapore for each of (i) and (ii).
  - i. A large petrochemical plant to produce materials for the manufacture of products such as plastics in both the chosen country and other neighbouring countries in Southeast Asia.
  - ii. A factory for an American computer assembly firm using parts made both locally and imported from America and distributing its products worldwide.

Give reasons for your choice of location.

1. Read the below quotation from the Straits Times on 18<sup>th</sup> February 2004.

"Bangalore (India) - Siemens will move most of the 15,000 software programming jobs from its offices in the US and the western Europe to locate such as China, India, and Eastern Europe. US-based software giant PeopleSoft announced it would hire another 1,000 software professionals in India by the end of the year."

- a) What makes Siemens and PeopleSoft to hire India's labour and relocate their industries?
- b) Describe the pull factors that entice these companies to outsource their industries.
- 2. Read the news article on 'IT scenario in Bangalore' and answer the following questions.

#### IT scenario in Bangalore

In the last few years, Bangalore has transformed itself from being a 'Pensioner's Paradise' to the 'Silicon Valley' of India. From a mere 13 software units in 1991-92, the units have increased to 938 as of August 2001. And they presently employ over 80,000 IT professionals.

Not only that, investments are also pouring into Bangalore at an alarming rate. In 2000-2001, there is at least one company with 100% foreign equity set up in the city every week. Till date, most of the world's leading IT companies like GE, Texas Instruments, Cisco, Digital, IBM, HP,

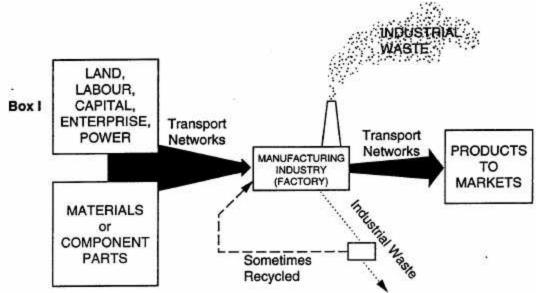
Compaq, Motorola, Lucent Technologies, Microsoft, Sun Micro Systems, Oracle, Novell etc. have set-up shops in Bangalore.

This is the kind of growth Information Technology has experienced in Bangalore. Other state governments have tried to emulate Bangalore, many of them with some success. But despite the attempts of many state governments to promote their own IT industry, Bangalore still remains as India's undisputed Silicon Valley.

Source: The Vijay Times, 30th Dec 2002

With the aid of the article above,

- (a) Explain and describe the factors that have attracted many of the software companies to Bangalore.
- (b) Explain how has MNCs impact on Bangalore when they set up their operations there.
- **3.** The figure below shows an industrial system.



- (a) Explain the importance of all the factors named in box 1 in influencing the location of a manufacturing industry (factory).
- (b) Why do some factories locate closer to sources of raw materials or components whilst others locate nearer to markets?
- (c) Factories sometimes produce 'industrial waste'. How might this affect the environment?
- (d) Explain your view about the importance of protecting the environment from industrial pollution.

30.

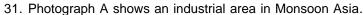
(a) Figure 1 lists some of the factors which have helped to make Bangalore the 'electronics capital of India.'

#### Figure 1

- o Bangalore has a pleasant climate and a relatively dust free environment.
- o There is a large number of research establishments and an educated workforce
- o Communications by road, rail and air are excellent.

Use the information in figure 1 to explain why Bangalore is an important centre for the electronics industry.

- (b) Singapore is a large investor in the Bangalore Technology Park. Give reasons why the Singapore government invested in a technology park in India.
- (c) Using examples you have studied, explain how government policies influence the location of industries.





- (a) With evidence from the photograph, explain the factors which would attract industries to locate here.
- (b) Explain how physical factors can affect the location of industries.

32.

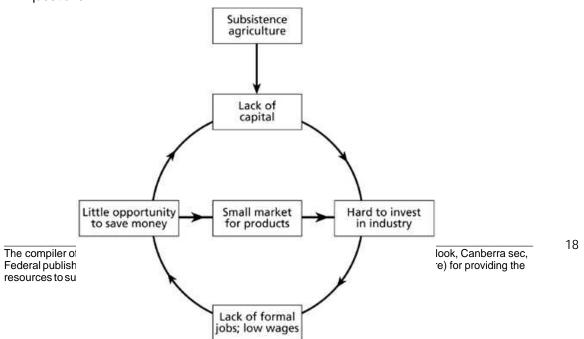
(a) Study the information provided below which is an advertisement for companies to locate on the newly-reclaimed Jurong Island.

# JURONG ISLAND A world-class petrochemical hub

- Ready-built infrastructure specially catered to the petrochemical industry.
- The most advanced technology already installed, including a fibre optic network.
- Save on operating costs by making use of the efficient land-based transport network. Newlybuilt causeway links Jurong Island to the road network on the mainland via the Ayer Rajah Expressway.
- Travelling time from the mainland to the furthest part of the island is only 10 minutes. Shuttle bus services provided from Jurong Pier Road and Jurong East MRT Station.
- Fire station on the island will respond to emergency situations in less than 8 minutes.
- Good social amenities including a food court, a restaurant, convenience stores, a 24-hour medical clinic and recreational facilities.
- Landscaped gardens create a pleasant environment for work and play.

Explain the advantages for locating a petrochemical company on Jurong Island.

- (b) Using examples from Singapore and India,
  - (i) explain how physical factors can affect the location of industries.
  - (ii) explain how labour influences the location of industries.
  - (iii) explain the importance of the government in developing a country's secondary industry.
- (c) Describe and explain how multinational companies have changed the way manufacturing is carried out.
- 33. The figure 1 below shows a typical low investment cycle in a less developed country whose main production is based on subsistence agriculture. Refer to it answer the following questions.



- (a) Describe the cycle of low investment as shown above.
- (b) Explain, using a modified version of the figure above, the changes that would take place if an MNC decides to locate one of its manufacturing operations in this country.
- (c) What benefits would MNC gain from locating one of its operations in such a country?
- 34. Read the article below and answer the questions that follow.

#### China-Made Japan Brands

Japanese companies produce plasma panels only in Japan. To meet increased global demand, Matsushita Electric Industrial will produce them in Shanghai from this autumn. This follows a pattern set by other Japanese electronic products, some of which are now churned out in China. Toyota Chief Hiroshi Okuda feels that Japanese government can help Japanese firms stay ahead by giving tax concessions that will promote corporate investments in research and development.

- a) Describe the reasons for industries from Japan (developed countries) shifting their manufacturing plants to China (Newly Industrialised countries).
- b) Account for the production of plasma panels in Japan.
- c) Why do companies need the government to give tax concessions in research and development?

a) The figure shows a JTC Wafer Fabrication Park in Woodlands. Describe the layout of the wafer fabrication park.



b) Read the article below on "The wafer Fabrication Industry in Singapore."

#### The wafer Fabrication Industry in Singapore

**SINGAPORE** has been encouraging the growth of the wafer fabrication industry in recent years. This industry manufactures thin, circular slices of silicon called wafers which are used to make integrated circuits.

JTC has developed three wafer fabrication parks with specialized infrastructure in Woodlands, Pasir Ris and Tampines. Each wafer fabrication park is equipped with adequate and uninterrupted supplies of electricity and water. They are located near housing estates and well-served by an efficient transport network.

In order to encourage companies to invest in Singapore, all wafer fabrication projects are given quick clearance by the government. Financial incentives are also available to these companies.

The universities and polytechnics have also designed specialised courses to ensure the availability of engineers and skilled technicians in Singapore. The aim is for a cluster of the world's leading wafer fabrication plants to operate in and ship from Singapore by the year 2005.

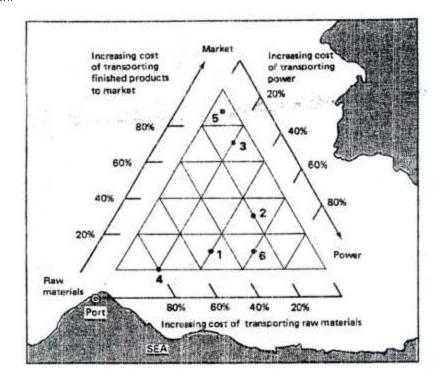
There are also plans to set up more specialised industrial estates such as International Business Park in Jurong East and the cluster of photochemical industries on Jurong Island. The setting up of these industrial estates will provide infrastructure suitable for high-technology businesses,

#### Extracted from: Our World- a closer look, page 121

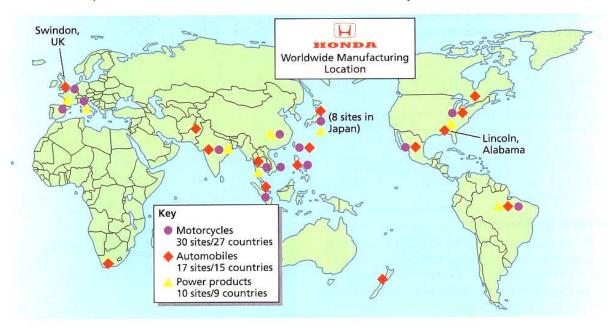
- (i) Using only information from the extract, explain the locational advantage of locating a wafer fabrication factory in Singapore.
- (ii) With your knowledge of Singapore, describe the constraints in setting up a wafer fabrication factory here.

36.

a) The figure below shows the cost of transporting various inputs by percentage for 6 selected industries. Choose the best site for an electronics industry. Justify your choice.



b) The figure below shows the map of Honda's (Japan carmaker) worldwide manufacturing location. What factors (exclude labour and government aid) have encouraged Honda to move its operation to countries like USA, South Africa and Malaysia?



c) Read the article found in Figure 5, and with a case study you have studied, explain what is meant by the sentence: "Bangalore has become a victim of its own success."

## Congestion, Shortages...

The success of India's high tech and outsourcing industry was built on Bangalore but the southern city where the boom began has now become a victim of its own success.

The rapid growth is putting major pressure on the city already congested roads. Software companies complain that acute power cuts are taking a toll on business. Bangalore is not a desirable place to live in anymore as the living costs are also being driven up by a shortage of hotels and quality apartment.

Source: the Straits Times, 19th Aug 2004

37.

 a) Illustrate with examples you have studied how the following factors influence the location of industries.

Power

Capital

Labour

Government

- b) Suggest reasons why some Newly Industrialised Countries (NICs) might resent the presence of Multinational companies (MNCs).
- 38. Read the articles below on how the import quotas expire on Jan 1 2005 can affect the textile industry in China and Singapore.

ABOUT 7,000 jobs in Singapore's garment and textile factories could disappear over the next two years once global export quotas on such goods are scrapped in January.

Export quotas under the global Multi-Fibre Agreement started 30 years ago give developing countries a headstart in attracting foreign investments. Poorer nations get larger quotas. On Jan 1 next year, all the quotas will be scrapped.

Mr Ang said the allocated trade quotas, which limit developing countries' exports to the United States and Europe, had been a key reason why labour-intensive garment manufacturing had endured in Singapore. They helped to hold back the flood of clothing exports from cost-efficient China and India.

Extracted from: The Straits Times, 25 November 2004

China is expected to benefit from the elimination of protectionist barriers [import quotas on Jan 1 2005] more than any other nation.

China is poised to dominate the global textile market after the quotas are lifted, and turn out more than half of the world's clothes by 2007, the WTO predicts. Only 17 per cent of all garments were 'Made in China' last year.

There are other countries with cheaper costs of labour than China. But China's advantage is that it has a comprehensive supply chain to support its textile industry.

For example, while South-east Asia can compete with China in garment manufacturing, it lacks the ability to grow cotton. China, on the other hand, is the world's largest producer of cotton.

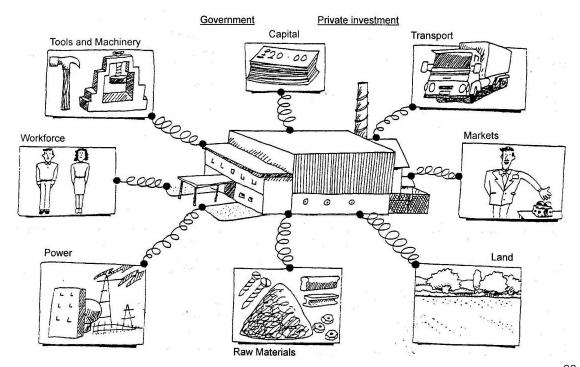
Extracted from: The Straits Times, 27 November 2004

From the article and examples you have studied,

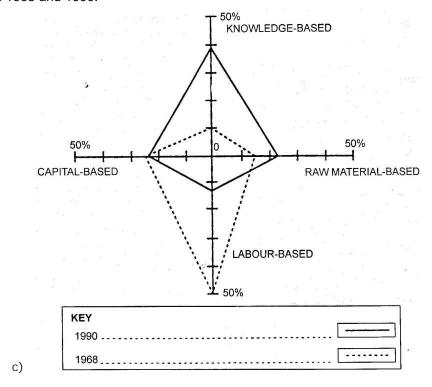
- a) Explain why the import quotas lifted on Jan 2005 can affect China and Singapore textile's industry.
- b) Explain how the import quotas lifted on Jan 2005 can affect the distribution of textile industries.
- c) What are the likely problems that will arise when the import quotas are lifted on Jan 2005 in both Singapore and China? Hence, suggest why such problems are still unable to be solved.

39.

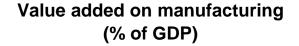
a) With reference to the diagram below, explain why the statement 'Labour is generally seen as the single most important location factor. Yet, we do not always find large manufacturers setting up factories in developing countries where there is a huge population and relatively cheap labour.' holds true in today's electronics industry such as Bangalore.

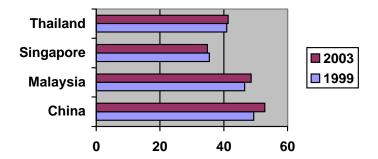


b) The figure below shows changes in the types of manufacturing industries in a country between 1968 and 1990.



- Describe and account for the shift in the location factors of industries.
- (ii) Describe and explain the changes in the types of industries between 1968 and 1990.
- 40. Observe the graph of value added on manufacturing in Asia between 1999 and 2003.





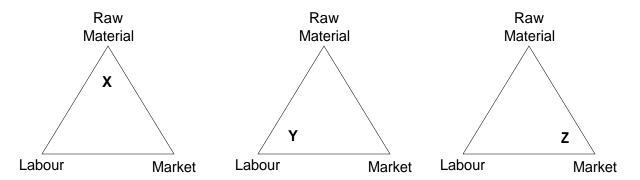
Extracted from: http://www.worldbank.org/data/countrydata/countrydata.html

(a) Explain how the table shown above shows that Singapore is changing into a knowledge-based economy.

- (b) Explain why the industry in Singapore is changing from labour-intensive to more capital and knowledge-based in recent years?
- (c) Why has manufacturing's share of GDP increased in countries like Thailand and Malaysia?

41.

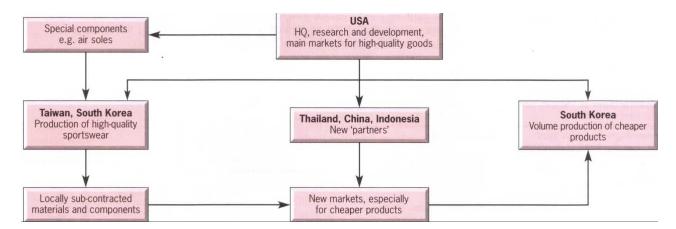
(a) The figure below shows the location of three factories in relation to their distance from three main factors of labour, market and raw materials. With reference to a named example, which location would an electronics industry choose to locate itself in? Explain your answer.



- (b) "Multinational Companies (MNCs) have, in recent times, shifted their production from developed countries to newly industrialised economies. However, they have little regard for the local people and government." Do you agree with this statement? Explain your answer.
- (c) Due to improvements in modern transport and communication, the world is said to be "shrinking". Explain how this affects the global manufacturing economy.

42.

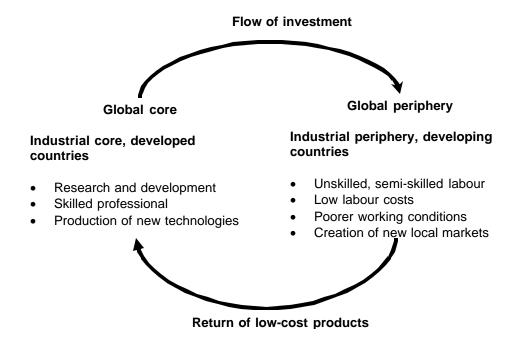
a) The figure below shows the company structure of a sports product manufacturer, Nike. Nike has different operations spread through numerous countries around the world.



# Extracted from: Population, Resources and Development (2<sup>nd</sup> edition), 2000, page 113, fig 6.33

With reference to the above figure, explain how manufacturing processes of multinational companies like Nike can be relocated to various parts of the world.

b) The figure below shows the current trends of the international division of labour.



Identify one global core country and one global periphery country. Explain how the division of labour as shown by the above figure is done in both identified countries

c) Study the table below which shows advantages and disadvantages of MNCs (Multinational companies) in the host countries.

Advantages	Disadvantages
Provides secure employment (in the local area) and a guaranteed income.	Capital intensive nature of modern industry results in relatively small numbers being employed.
Improves level of education and skills	Wages usually low. Profits usually go overseas
Brings investment into the country	Widening the gap between developed and developing countries
Increased personal income can lead to	The company could decide to withdraw at any
increased demand for consumer goods and the growth of new industries	time
Widens the economic base of the country	Exploitation of the workforce
Improvements in roads and other	Insufficient attention paid to health and safety
infrastructures	factors or protection of the environment
Brings new technology to a developing country	Local companies cannot compete with the MNCs

With reference to the above table, consider whether the advantages of MNCs outweigh their disadvantages for the host countries.

43.

a) The article is from The Straits Times describing the impact of free trade in textiles on Bangladesh.

[According to] a Harvard Center for Textile and Apparel Research study shows that Bangladesh garments workers earn US \$0.39 an hour, while the hourly wage for sewing and stitching in China in US\$0.88.

The Bangladeshi garment industry relies heavily on imported textiles. That puts it a cost disadvantage against China.

Foreign investors have found it tough to enter the highly controlled Bangladeshi apparel industry. That has, in turn, slowed infusion of new capital, technology and best practices.

The port of Chittagong handles 80% of the country's trade. On average, a container "dwells" at the port for 18 days; and it takes 30 hours and costs US\$250 to send a 20-foot container by rail from the inland depot in Dhaka to the port. Bribes help speed up the process.

According to a United Nations estimate, Bangladesh loses as much as 4% of its Gross Domestic Product every year to [strikes]. Two working days were lost in May.

It will take Bangladesh many years to improve its investment climate.

#### Extracted from: The Straits Times, 1 June 2005

(i) With reference to the article above, explain why Bangladesh cannot compete with China in Textile industry?



Look at the map above which shows the location of Bangladesh.

(ii) Identify one neighbouring country that is found on the map above that has proven success in embarking industralisation. Hence, explain how the successful policies implemented in embarking industralisation of the identified neighbouring country can be used to improve the investment climate in Bangladesh.