



# ECONOMIC GEOGRAPHY



 Brand South Africa

# STRUCTURE OF THE ECONOMY

**RAJENDRA DAVECHAND**



## **THE STRUCTURE OF THE ECONOMY**

### **1. Economic sectors – definitions and examples.**

- Primary economic activities/sector.
- Secondary economic activities/sector.
- Tertiary economic activities/sector.
- Quaternary economic activities/sector.

### **2. Contribution of economic sectors to the South African economy.**

- Value/Contribution to GNP and GDP.
- Employment.

### **3. Use/Interpretation of statistics and graphic information.**



## Primary economic activities/sector

- Is the extracting or harvesting of products from the earth such as basic foods and raw materials.
- Associated activities include agriculture farming (both subsistence and commercial), mining, forestry, grazing, hunting and gathering, fishing, and quarrying.





## Secondary economic activities/sector

- Is the processing (manufacturing/transforming) of raw materials into products or goods.
- Examples: iron ore to iron and steel, food manufacturing, textile manufacturing motor vehicle manufacturing.





## Tertiary economic activities/sector

- Is the provision of services to consumers.
- Has a wide range of activities e.g. from commerce to administration, transport, financial and real estate activities, business and personal services, education, health and social work.





## Quaternary economic activities/sector

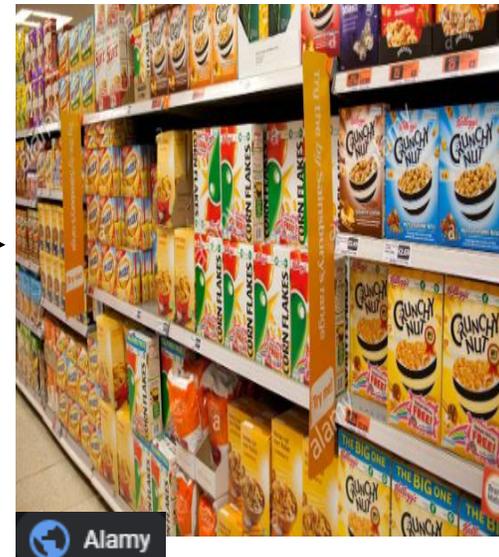
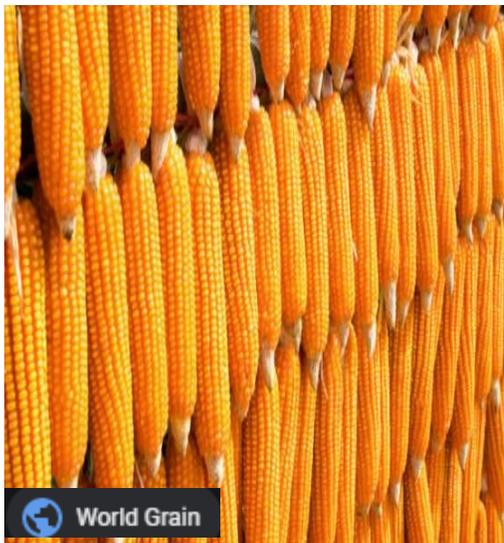
- Is the getting, processing and sharing of information.
- Examples are information technology, geographic information systems (GIS) and research.





## Relationship between economic activities/sector

- They are linked and are dependent on each other.
- Example maize → production of breakfast cereals (secondary) → supermarket selling breakfast cereals (tertiary) → research on peoples preference for type of breakfast cereals (quaternary)



### Marketing Research



Delhi School of Internet Marketing



**Gross domestic product (GDP)** measures the value of goods and services produced within a country's borders, by citizens and non-citizens alike for a specific period e.g. a year

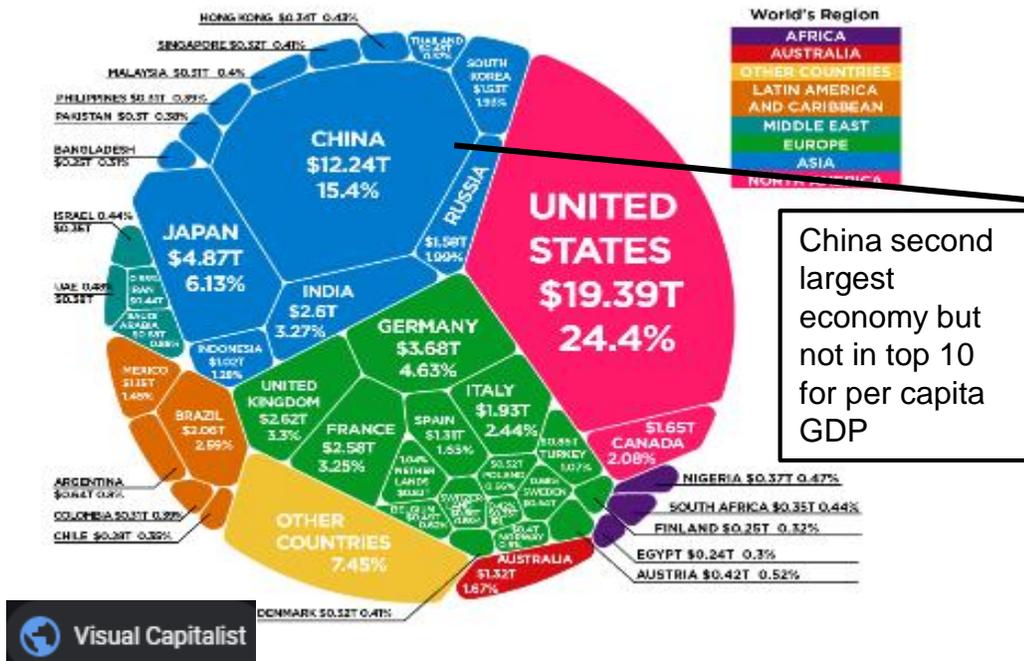
**Gross national product (GNP)** measures the value of goods and services produced by only a country's citizens but both domestically and abroad for a specific period e.g. a year.



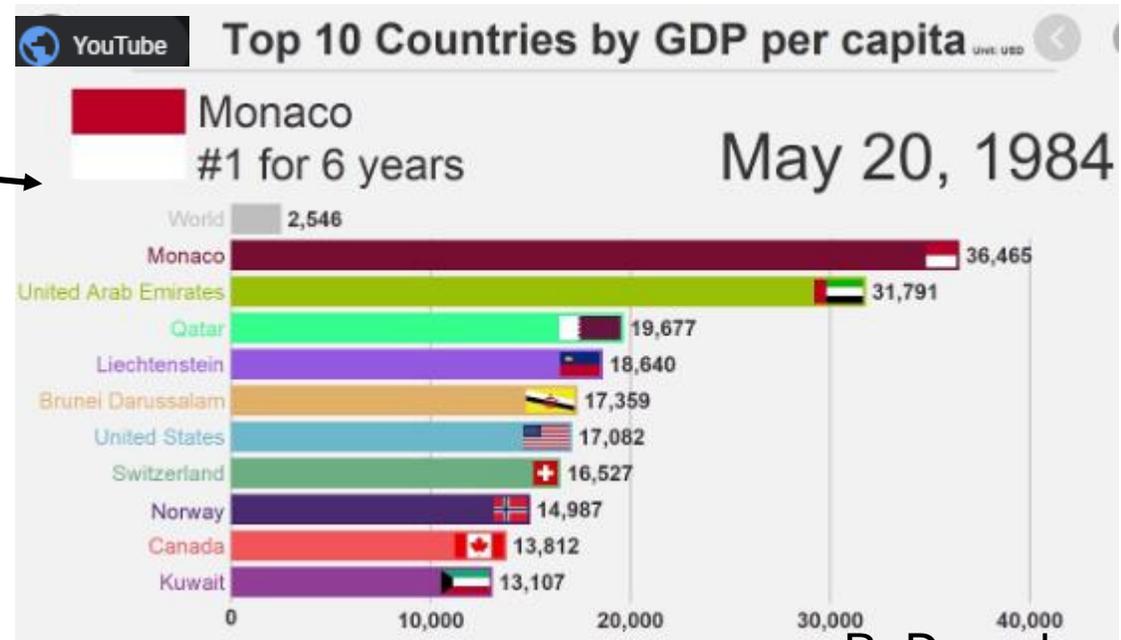


# GDP and GNP

- Used to indicate size of a country's economy (not necessarily how developed it is). GDP is the main indicator used.
- Per capita gross domestic product (GDP) is the country's economic output per person and is calculated by dividing the GDP of a country by its population.

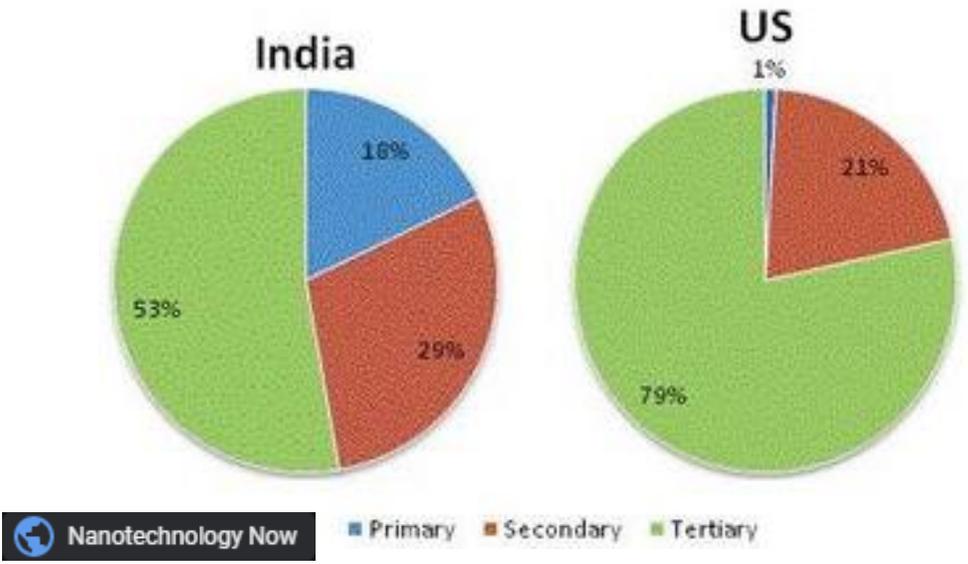


China second largest economy but not in top 10 for per capita GDP





# Development and Sectors



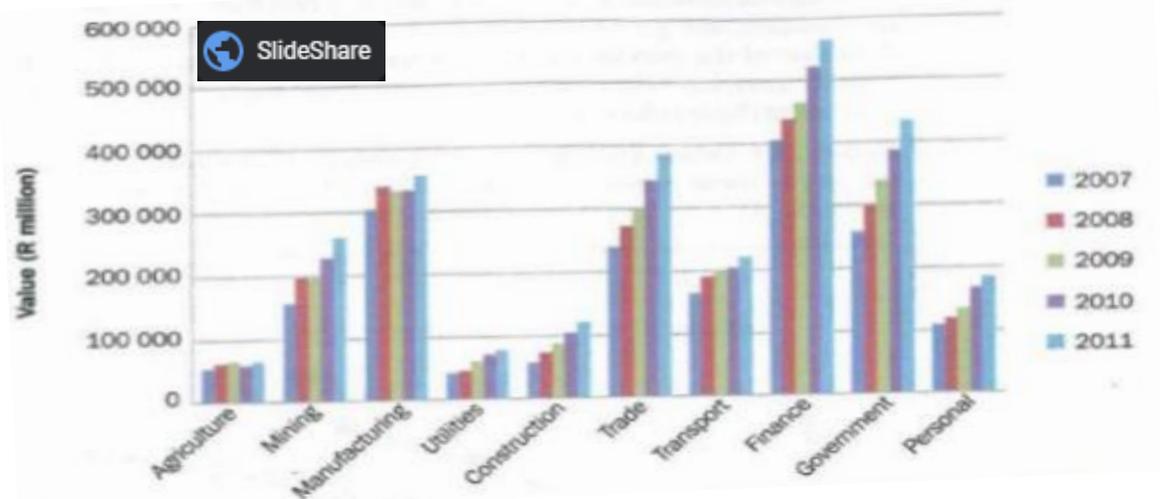
- In developed countries they have a larger percentage of labour force involved in tertiary activities (Quaternary activities are in this case included in tertiary activities) and a small percentage involved in primary activities compared to developing countries.

## Question

**Explain the difference in percentage of employment in the different sectors between India and the United States of America and give reasons for your answer.**



## Trends regarding contribution of different sectors to GDP in South Africa



Sector	2001	2011
Primary	10.7%	7%
Secondary	14.8%	13.7%
Tertiary	74.5%	79.3%

Adapted from Via Africa Geography Grade 12 Learner's Book

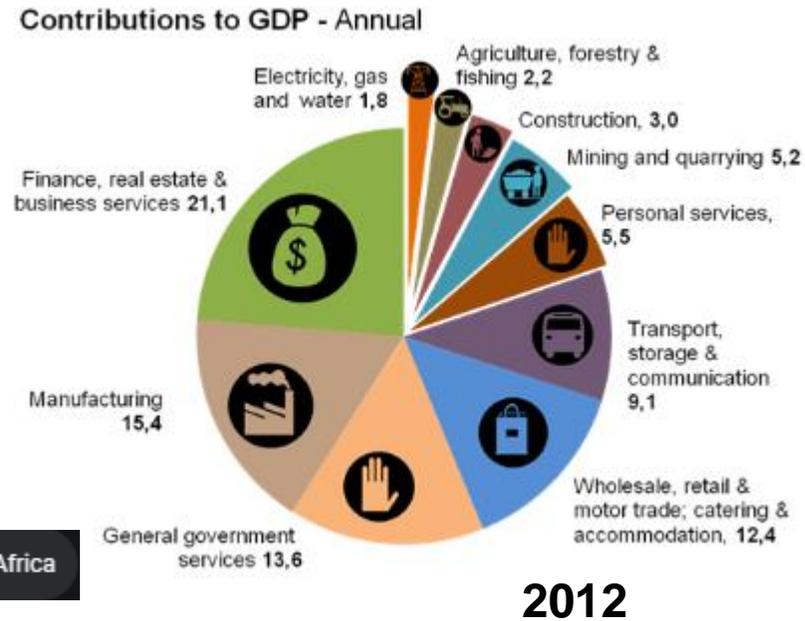
- It must be noted that there is generally an increase in contribution for all sectors
- The percentage contribution is increasing at a faster rate for tertiary activities and decreasing for secondary and primary activities.
- The largest decrease is for primary activities.

### Question

**South Africa is showing growth regarding development. Give reasons to Support this statement.**



## Activity



1. State the activity that contributed the most and the least to the GDP respectively.
2. To which sector does the following activities belong. Give a reasons for your answers.
  - a) Construction.
  - b) Real estate.
  - c) Mining.
3. State the percentage contribution of the primary sector.