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Economic geography Article Critique International trade is one of the core revenue earners for a majority of countries. International trade can be defined as the situation whereby countries do business with each other. This, however, sometimes results in unfair competition between locally manufactured products and foreign products manufactured that are in most cases superior. The New York Times article that has been selected seeks to expound on an example of such a scenario.
The article expounds on the legal battles between Chinese solar manufacturers and locally based solar manufacturers. Thus, this feud best exemplifies the complexities associated with international trade. As such, this is the rationale behind the selection of this particular article. According to this article, the American solar industry has been characterized with unfair competition (CARDWELL, 1). This unfair competition is primarily sourced from Chinese firms. This stems from the fact that the Chinese government provides subsidies to them, thus making their products cheaper and more competitive in the global market. The article gives the benefits of the decision by the United States international trade commission to uphold the tariffs. Proponents argue that the decision gives a life line to local solar panel manufacturers. However, critics argue that it is detrimental to the solar panel industry.
The first aspect of economic geography is depicted by the presence of international trade of solar panels between the Chinese firms and the American customers. The fact that products are manufactured in a different locality from one it is being sold at, is a great example of the aspect of economic geography. Additionally, the article states that Chinese firms are opting to assemble their products with parts bought from a different location. This, strangely enough, guards them from being impacted by the tariffs. This change in location for acquiring raw materials is also an aspect of economic geography. Aside from this rather clever tactic, other firms are opting to increase their interaction with their foreign supply chains.
Simply, they ship their components to foreign countries to be manufactured into cells only to ship them back to china. As such, before the product reaches the final consumer it would have transverse between three or more countries. Simply put, the Chinese products have their components manufactured elsewhere, and then the components are in turn assembled in a different country and finally the finished product is sold in a different country. This intrinsic web of change of localities is an excellent illustration on economic geography.
This article offers two contradictory assertions, these being based on the overall impact of the tariffs. I am of the opinion that the decision by the trade commission is to the detriment of the American economy. The article gives conclusive evidence backing this stance. The decision by the commission seems to be ill-informed. As such, it is necessary to discuss this topic to get a better understanding why the commission chose to adopt this avenue.
Work cited
CARDWELL, DIANE. " Solar Tariffs Upheld, but May Not Help in U. S." 7 November 2012. The New York Times. 30 January 2013 .