



# STUDY GUIDE

## Chapter 7, Section 1

For use with textbook pages 157–164.

### Living in the United States and Canada

#### Terms to Know

**free market economy** Economic system in which people can own, operate, and profit from their own businesses (page 157)

**post-industrial** Emphasizing service and high-technology businesses (page 158)

**commodity** An agricultural or mining product (page 158)

**retooling** Converting old factories for use in new industries (page 161)

**pipeline** A long network of underground or aboveground pipes (page 162)

**monopoly** Total control of an industry by one person or one company (page 162)

**trade deficit** The difference in value when a country's imports exceed its exports (page 163)

**tariff** A tax on imported goods (page 163)

**trade surplus** The difference in value when a country's exports exceed its imports (page 163)

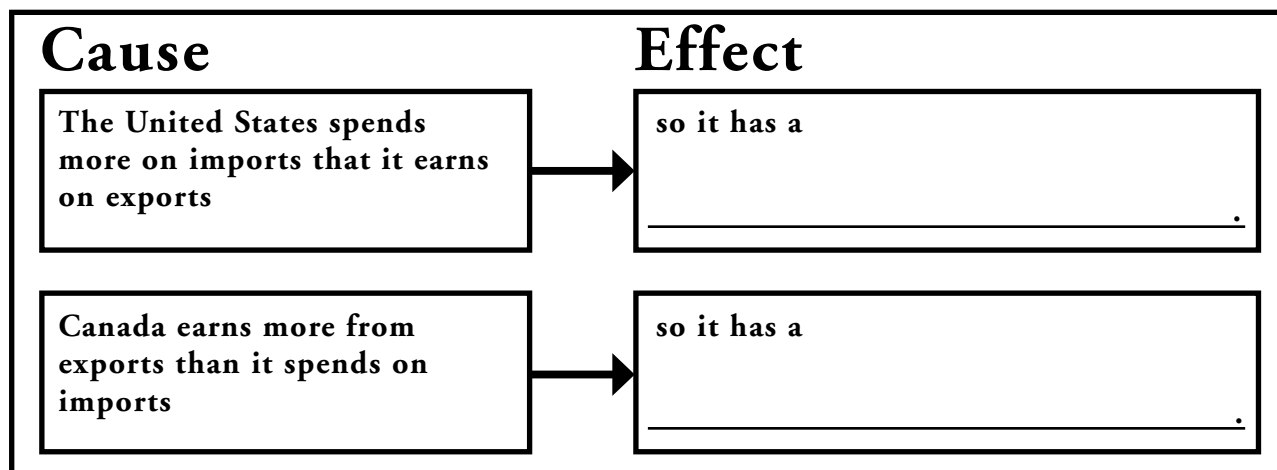
#### DRAWING FROM EXPERIENCE

What kinds of transportation and communication systems do you use on a daily basis? How would your lifestyle change if you did not have these systems?

This section focuses on the economies of the United States and Canada.

#### ORGANIZING YOUR THOUGHTS

Use the cause-and-effect diagram below to help you take notes as you read the summaries that follow. Think about how trade affects the economies of the United States and Canada.



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### READ TO LEARN

#### **Introduction** (page 157)

The United States and Canada have rich resources and technological skills to place them in the world's top 10 economic powers.

1. Why are the United States and Canada leading economic powers?

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#### **Economic Activities** (page 157)

The United States and Canada have **free market economies**. Individuals and companies are allowed to own, operate, and make a profit from their businesses. In Canada the government owns and manages broadcasting and health care services. Private corporations provide these services for profit in the United States. Both countries are said to have **post-industrial** economies because they are moving from older ways of manufacturing to service and high-tech industries.

The United States has more cropland than any other country in the world. Canada has less land suitable for farming, but still devotes millions of acres to agriculture. Most farming in the United States and Canada is commercial. Agricultural goods, or **commodities**, are produced by large corporations for sale. Only 2 percent of Americans and 4 percent of Canadians work in agriculture. Many people cannot afford to be farmers, for several reasons. Modern farming requires expensive machines and fertilizers. Market prices for commodities are sometimes so low that farmers do not make a profit. Natural disasters, such as floods or droughts, can wipe out entire crops or herds overnight.

The United States and Canada produce large amounts of the world's beef, milk, eggs, corn, wheat, and other grains. They export these products to markets around the world.

2. Why do few people work in agriculture in the United States and Canada?

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#### **Manufacturing and Service Industries** (page 160)

Manufacturing makes up about 20 percent of the economies of the United States and Canada. The two countries produce and export large amounts

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of transportation equipment and machinery. Robotics and computerized automation have changed manufacturing in the two countries. A greater amount of goods can be produced today with fewer workers than in the past.

The post-industrial economy of the region is growing quickly. About 75 percent of the people in the United States and Canada are now employed in service industries. Both countries produce high-tech equipment for use in computer sciences, telecommunications, and biotechnology. Many cities that were heavy industrial manufacturing centers are **retooling**. This means that they are changing old factories for use in new industries.

3. How are cities adapting to a post-industrial economy?

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### **Transportation and Communication** (page 161)

The United States and Canada have advanced transportation and communication systems. Both countries have invested heavily in the building and maintenance of highways, roads, and bridges. Urban transportation includes subways, elevated and commuter trains, cars, and buses. The region has a busy network of airlines, railroads, and buses for long-distance travel. Railroads and long-haul trucks carry freight. **Pipelines**, or long networks of underground or above-ground pipes, carry much of the region's gas and oil.

Canada's broadcasting and telephone systems are publicly owned. In the United States, the government regulates private ownership of these industries in order to make sure that monopolies do not exist. A **monopoly** is total control over a type of industry by one person or one company. Most people own telephones, televisions, and radios. Computer use is also high in the region.

4. What kinds of transportation and communications systems does the region have?

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### **Trade and Interdependence** (page 162)

The United States and Canada trade with other countries because they produce surpluses of certain products. They export agricultural and manu-

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factured goods and raw materials. Canada also exports seafood and timber products. The two countries are also major importing nations. Canada has a **trade surplus**. This means that it earns more from export sales than it spends for imports. The United States has a **trade deficit** because it spends more on imports than it earns from exports.

The United States and Canada are each other's largest trading partners. In 1988 the two countries agreed to remove tariffs and other trade restrictions between them. In 1994 this agreement, the North American Free Trade Agreement (NAFTA), included Mexico. NAFTA allows the free flow of labor among the three countries.

5. Which country is the largest trading partner for the United States?  
For Canada?

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### **United Against Terrorism** (page 163)

On September 11, 2001, terrorist attacks on New York City's World Trade Center and the Pentagon in Washington, D.C., stunned the United States and the rest of the world. Americans responded quickly to aid victims and rescue workers. To show their resolve and unity, Americans put up flags, attended candlelight vigils, and participated in prayer services. Political leaders and law enforcement officials took action to hunt down terrorists and to protect Americans from further attacks.

The United States won international support for a wide-ranging response to terrorism. The first military action of this war on terrorism began in Afghanistan, which harbored Osama bin Laden, the Saudi exile believed to be responsible for the September 11 attacks.

6. Why did the first military action of the war on terrorism take place in Afghanistan?

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# STUDY GUIDE

## Chapter 7, Section 2

For use with textbook pages 165–169.

### People and Their Environment

#### Terms to Know

**clear cutting** Taking out whole forests when harvesting timber (*page 165*)

**acid rain** Precipitation that carries abnormally high amounts of acidic materials (*page 166*)

**smog** A visible haze caused by the sun's rays interacting with automobile exhaust and industrial pollution (*page 167*)

**groundwater** Freshwater in the earth that supplies wells and springs (*page 167*)

**eutrophication** The process by which a body of water becomes rich in dissolved nutrients, leading to overgrowth of small plants (*page 168*)

#### DRAWING FROM EXPERIENCE

Have your eyes ever been irritated when you are outside? Have you ever had difficulty breathing when playing outside? These health problems may have been caused by air pollution.

In the last section, you read about the economic activities of the United States and Canada. This section focuses on the environmental challenges facing the two countries.

#### ORGANIZING YOUR THOUGHTS

Use the chart below to help you take notes as you read the summaries that follow. Think about the problems caused by pollution and how pollution can be prevented.

| Environmental Challenges | Effects | Prevention |
|--------------------------|---------|------------|
|                          |         |            |
|                          |         |            |
|                          |         |            |
|                          |         |            |

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### READ TO LEARN

#### **Introduction** (page 165)

Strip mining and other resource-based industries can cause damage to the environment. Today, these industries are working to limit damage to the environment.

1. Which industries can cause damage to the environment?

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#### **Human Impact** (page 165)

The United States and Canada do not always wisely manage their natural resources. **Clear cutting**, or cutting down a whole forest for its timber, has destroyed many of the region's old-growth forests. This practice endangers wildlife and causes erosion and flooding. Fishing has depleted many freshwater and ocean fisheries. Natural resource management includes watching the impact of human activity on the environment.

2. What are two ways that human activity has damaged the environment of the region?

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#### **Pollution** (page 166)

Industrial development in the United States and Canada has interfered with the natural environment to cause pollution. Four types of human-made pollution are:

- A. Acid rain** is precipitation that carries unusually high amounts of toxic chemicals. It forms when pollution from cars, power plants, factories, and oil refineries reacts with water vapor in the air. Acid rain eats away at buildings, damages plants, and pollutes water and soil. Plant life and fish cannot survive in highly acidic waters.

Winds carry acid rain far from its source. Acid rain from the coal-burning factories of the Midwest blows eastward to the Adirondack Mountains. About 26 percent of the lakes in this region are acidic. Acid rain from the United States has also polluted many provinces in Canada.

- B. Smog** adds to air pollution. As the sun's rays interact with automobile and industrial exhaust, a visible haze known as smog appears. Smog

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damages or kills plants and irritates people's eyes, throats, and lungs. To prevent the effects of smog, health officials measure the air quality of cities. If they find dangerous levels of smog, they issue smog alerts urging people to stay indoors.

Authorities also may restrict driving or industrial activity. Cars are now being designed that use energy sources other than fossil fuels. Lawmakers are working on laws that would reduce the amount of emissions released into the air. People are being encouraged to use public transportation.

- C. **Water pollution** in the region is caused by acid rain and by industrial and agricultural wastes that are dumped into rivers and streams. Sometimes these wastes find their way into the **groundwater**. This is the freshwater in the earth that supplies wells and springs. Water pollution kills marine life, birds and other animals that live in wetlands. The pollution can harm the health of humans who use polluted water supplies.

Water pollution increases the process known as **eutrophication**. In this process a lake or other body of water becomes rich in dissolved nutrients, causing the overgrowth of algae. The algae use up the oxygen in the water, leaving too little oxygen for the fish to breath. Eutrophication can, over time, turn the lake into dry land. The United States and Canada signed the Great Lakes Water Quality Agreement to reduce water pollution. The United States has also passed the Clean Water Act to restore the quality of the nation's waterways.

- D. **Global warming** is a worldwide environmental concern whose causes are not completely understood. Effects of global warming include the melting of polar ice caps, thinning of sea ice, and thawing of permafrost. When polar ice melts, ocean levels rise. This causes coastal and river flooding. Thinning sea ice cause animals to move further north. Thawing permafrost buckles the land and weakens the foundations of houses. Warmer, higher seas cause changes in climate patterns, such as El Niño.

3. How has industrial development in the United States and Canada caused pollution of the environment?

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