**United States and Canada**

Economic Characteristics

Industry

►Most productive industrial region in the world

►Major Industries:  automobiles, technologies, foodstuffs

Agriculture

►Most productive agricultural region in the world

►Agricultural Products:  beef, corn, wheat

►US and Canada use commercial farming

►Needs for commercial farming:  arable land, capital, technology

Wealth

--US and Canada are extremely wealthy compared to other regions of the world

--GDP Per capita:  the average income for a person in a country

            --US:  $40,100

            --Canada:  $31,500

            --Reasons for high GDP per capita

                        --low fertility rates

                        --high literacy rates

                        --abundance of natural resources

Developed infrastructure

            --infrastructure:  The basic facilities, services, and installations needed for the functioning of a             community or society, such as transportation and communications systems, water and power lines,     and public institutions including schools, post offices, and prisons.

                        --infrastructure in Bridgewater:

                                    --schools, roads, water lines, etc.

Diversified economies

            --The US and Canada have diversified economies; many different types of industries

            **--Diversify—to spread out into many businesses and industries so that if one becomes weak    the country remains strong**

            --countries that do not diversify their economies risk economic collapse if one industry begins to         struggle

            --Countries that depend on one industry:

                        --Saudi Arabia, Kuwait

Banking and Trade

            --Banking provides capital (money) for business expansion

            --people and businesses can buy more products

                        --things often purchases with money from loans:

                                    --cars, homes, new businesses

            --more purchases help businesses, help economy

            --banks earn money from interest

Stock Exchanges

            --New York hosts one of the world’s major stock exchanges

                        --other two major stock exchanges can be found in:

                                    --Tokyo, London

            --stock exchanges:  people can invest their money by buying stock in companies; if the companies         earn money, the investors earn money

                        --why stocks are risky:  stocks can lose value; investor can lose money

                        --major stock market crash occurred in 1929

Exports

►Technology

►Consumer goods

►Information systems

►Agricultural products

Influence of Popular Culture

►Globalization:

--American/Canadian businesses, media spread throughout the world:

McDonald’s, Coca Cola, Movies, CDs, MTV, Blue jeans

Globalization

►Backlash against American culture

            --many country’s with traditional cultures are offended by American culture

Economic Unions

►NAFTA (North American Free Trade Agreement)

Member countries:  US, Canada, Mexico

Reasons for joining an economic union:

            --new markets for US companies to sell to; access to more products/resources

Multinational Corporations

--companies that overate worldwide by selling to foreign markets and/or manufacturing overseas

►Examples of American/Canadian multinational corporations:

            --Microsoft, IBM, General Motors, Ford, General Electric

Sustained Economic Growth

--US and Canada have continued to get richer

            --no major changes in government

            --having money helps you earn more money

            --countries that have been hurt economically because of changes in government:

                        --Russia, Afghanistan

Widening Gap Between Rich and Poor

            --more demand for skilled labor

            --education necessary for high-paying jobs

            --jobs in demand:  computer skills, interpreters, other jobs in that require education and specific skills