Yosemite National Park

Yosemite National Park symbolizes the historic westward expansion of the United States and the U.S. government's progressive efforts to designate and protect natural and historic areas as national parks. Today, the park is visited by more than 4 million people each year and stands as a contemporary symbol of the abundant physical beauty and natural environmental diversity present throughout the territorial expanse of the United States.

Photo: © Joseph P. Dymond.

chapter 12

North America

POINT COUNTERPOINT

North American Free Trade Agreement

The formal implementation of the North American Free Trade Agreement (NAFTA) in 1994 created one of the world's largest trading blocs. The United States, Canada, and Mexico moved toward an extensive elimination of trade barriers to increase the economic activity between them and strengthen their economic and political positions at the global scale. The three countries tied by NAFTA are now each other's largest trading partners.

NAFTA still has many proponents and critics in each of the three countries. The similar living standards in the United States and Canada contrast sharply with poverty conditions common to millions in Mexico. Proponents of NAFTA claim it creates jobs, strengthens and expands business and industry, diversifies the economies of each of the three country partners, enhances foreign revenues, and fortifies each country's ability to compete in a global trade arena. Those opposing NAFTA assert that the agreement exports jobs and revenues from Canada and the United States to Mexico, perpetuates harsh labor conditions for Mexican workers, degrades the natural environment in all countries, and grants nearly supreme powers to big business and industry at the expense of workers, consumers, and those living in the shadow of production facilities.

The North American Free Trade Agreement supersedes the U.S.-Canada Free Trade Agreement implemented in 1989. Political leaders from the three NAFTA partners (Mexican President Carlos Salinas de Gortari, 1988–1994; U.S. President George H. W. Bush, 1989–1993, and later U.S. President Bill Clinton, 1993–2001; and Canadian Prime Minister Brian Mulroney, 1984–1993) signed the 1992 trade pact. The respective legislative bodies then passed the agreement, which was formally implemented in 1994. The agreement effectively removed most tariffs immediately and established a timeline by which all tariffs would be eliminated within 15 years of implementation. NAFTA eroded barriers, restrictions, and red tape, making it nearly effortless for companies from the three countries to conduct business and sales anywhere in the region.

The United States led efforts to push NAFTA forward in hopes of creating a trade bloc competitive with the European Union. The majority of NAFTA proponents, who pushed through an accelerated legislative process in the United States, were representatives of large corporations. Labor unions, human rights groups, and environmentalists were strongly united against the rapid development of a trade agreement between the three countries and hoped to stop fast-track legislation. They argued that they were largely excluded from the negotiations. Environmental critics of NAFTA claim many of the key negotiators rapidly pushing NAFTA through the U.S. Congress were among the United States' biggest polluters.

Proponents of NAFTA assert that the trade agreement forces the equal treatment of corporations and industry throughout the region. Business leaders claim the package promotes fair and equal business opportunities for all companies in the three countries. Corporate leaders also assert that equal treatment reduces the risks of governmental interference in free market flows. Mexico has a long history of protectionism, or imposing restrictions, taxes, and quotas on goods and services produced outside Mexico, and nationalization of industry (government takeover and control of business and industry, thus removing private ownership). Business proponents claim protectionist policies would be heavily curtailed under NAFTA. Business leaders firmly believe that capitalism thrives best in NAFTA-created conditions in the region, and this will promote and fortify economic and political stability for all three countries.

Strong opposition to NAFTA emanates from labor unions in the United States. Union leaders argue that the agreement exports thousands of jobs from the United States to Mexico. Working conditions in production facilities in Mexico are dramatically different from those in the United States. U.S.-based companies are able to manufacture products in Mexico with significantly lower labor costs and with far fewer environmental or labor restrictions. U.S. labor leaders say these factors are far too attractive for U.S. companies to forgo, and they claim that numerous companies are shifting production to Mexico and therefore replacing U.S. workers with Mexican ones. Unions assert that thousands of jobs have been lost already in the United States, and they project thousands more as NAFTA progresses and removes any remaining trade barriers.

The Mexican Border Industrial Program, first implemented in 1965, slowly opened the door for foreign firms to establish production facilities in Mexico. The idea of the program was to stimulate growth in northern Mexico, create jobs, and infuse capital into a region that had operated under protectionist and nationalist economic policies for decades. The program created a manufacturing zone across northern Mexico known as the *maquila* zone (the factories are referred to as *maquiladoras*; see Chapter 11). The idea was that foreign firms, such as U.S. companies, could import raw materials or parts, pay Mexican workers low wages to refine or assemble them into finished goods, take the goods back across the border (to the United States for a U.S. firm) relatively tax free, then sell them to consumers. Although maquila enterprise is now permitted virtually anywhere in Mexico, the greatest concentration remains in the border region in the north.

Environmental conditions in the maquila zone in northern Mexico are among the worst in the world. Research suggests that an array of health problems and ecological damages are growing due to the concentration of factories in a country with loose environmental and worker safety laws. The health and environmental problems in northern Mexico also exist across the border in the southwestern part of the United States. Cancer rates along the Texas-Mexico border are some of the world's highest. When NAFTA

The U.S. population of 309.6 million in 2010 could rise to nearly 351.4 million by 2025. Demographic analysts assert that the immigrant population in the United States is helping the country to avoid the demographic decline currently plaguing many of Europe's more developed countries. The age–sex diagram for the United States details both a maturing population and new growth in younger age groups due to immigration and higher birth rates among some ethnic populations (Figure 12.15).

Both Canada and the United States received immigrants in the early 1900s, but two world wars separated by a major economic depression in North America deterred further large-scale increases until after World War II. In the post-World War II era, population growth in Canada was rapid, discussions began, proponents argued that the agreement would ease the problems critics claim were created by maquila enterprises. Since NAFTA's implementation, critics of the agreement argue that production in the border region of northern Mexico is growing and thus increasing the workers' and residents' health problems, as well as the related environmental damage. Labor abuses, drug trafficking, and crime are widespread throughout Mexico's northern border region.

The controversy surrounding NAFTA is far from over. Activist groups both for and against NAFTA will continue to lobby the respective governments, especially the U.S. government, to promote their views on the future of the agreement. There are proponents and critics in each of the three countries involved. Depending on the source, convincing statistics touting its value and success, or its detriment to society, the economy, and the health of the region's citizens all make compelling arguments.

SUPPORTERS OF NAFTA	CRITICS OF NAFTA
NAFTA opened new markets for the three countries.	NAFTA primarily opened new markets for Mexico and Canada.
Competition of lower-priced goods produced in Mexico forces down the price of goods produced in the United States and Canada; thus U.S. and Canadian consumers "win" with lower-priced goods.	Low labor costs in Mexico and lower-priced goods in the United States and Canada cause U.S. and Canadian companies to move their production operations to Mexico; thus thousands of jobs are lost ("exported") to Mexico, hurting employment in the United States and Canada.
NAFTA strengthens the global economic weight of the three countries and makes them better able to compete with the EU and other trade blocs and countries of the world.	Significant economic disparity exists between the affluent United States and Canada and the relatively materially impoverished Mexico, placing Mexico at a disadvantage and creating more of a service role for Mexico to Canada and especially the United States, rather than truly making it an equal trade partner and stronger international economic player.
NAFTA promotes democracy and political stability in Mexico and strengthens the Mexican economy, thus ensuring greater stability for North America.	Perceptions by some Mexicans of heightened economic disparity in their country due to NAFTA result in political instability such as the Zapatista uprising (see Chapter 11).
NAFTA creates thousands of jobs in Mexico. Cities and towns in northern Mexico, where the majority of NAFTA-related production (maquila) takes place, enjoy much higher living standards and higher rates of employment than most other parts of the country.	Cultural distinctions are blurred in all three countries. U.S. culture may overpower parts of Canada and especially northern Mexico. Fast food is replacing traditional food; U.S. holiday celebrations are replacing traditional celebrations. Areas in the U.S. Southwest are developing a watered-down culture that is a mixture of U.S. and Mexican elements. The increased use of the Spanish language in parts of the United States, especially areas in the Southwest, increases tension with some English-speaking residents.
NAFTA strengthens Mexican environmental conditions through environmental side agreements negotiated along with the primary trade agreement, resulting in a healthier environment for Mexico and especially the border region; it reverses environmental damage on the U.S. side of the border.	The side agreements negotiated with NAFTA fall far short of strengthening environmental laws and enforcement in Mexico. U.S. companies are further attracted to relocating in Mexico due to lax enforcement. The wording of NAFTA facilitates environmental abuse by companies in all three countries as NAFTA protects the companies' rights to free trade over the rights of people living in areas polluted by factories and other production facilities.
NAFTA forces the equal treatment of corporations in the three countries.	Corporations are too powerful under NAFTA.

doubling from 1941 to 1971 before slowing to a one-fourth increase from 1971 to 1991. Canada's total fertility rate of just under 2 is less than that of the United States, but its population growth rate is similar. Canada's 2010 population of 34.1 million is projected to increase to 39.7 million by 2025. Canada has lower death rates than the United States, and its continued immigration rates almost match those of the United States. Canada's age–sex diagram (Figure 12.16) resembles that of the United States.

Population Distribution: Increasing Urban Density

The United States is a highly urbanized country, with over three-quarters of its population living in urban areas and just over half in metropolitan centers of over 1 million

FIGURE 12.23 **The United States of America: The 50 States and Major Cities.**

families continue to garner greater material wealth, while those who are located in impoverished regions or places with fewer educational opportunities struggle to acquire the basic necessities of nutrition, shelter, and health care.

The gap between the materially wealthy and materially poor in the United States widened from the 1970s to the early 2000s. The materially poor areas of many inner cities have lower-quality buildings and services such as education and health care because of the inability of small jurisdictions with predominantly poor populations to support such services. Such effects create a downward spiral of living conditions. The contrasts produced by uneven development are illustrated in the example of Boston, where some of the best public secondary education in the country is found in the suburbs while some of the worst is in Boston's inner city—both ends of the spectrum in the same metropolitan area.

Although the poorer groups in American society gain some sympathy, there is less pressure for taxing the materially wealthy further to support the poor than is found in many other wealthy countries. Although a percentage of tax revenues is used for welfare, public health, and infrastructure programs, redistribution of income on a scale comparable to that in European countries does not occur.

Congregation and Segregation

The income and material wealth gaps are often linked to perceived ethnic and racial differences. High income-earning people have many choices with respect to where they live. Many choose to congregate with those of similar socioeconomic standing and cultural tastes in trendy inner-city areas or suburban neighborhoods. They may live close to shopping, ethnic restaurants, cinemas, places of worship, or recreation facilities. Less affluent groups in U.S. society have fewer opportunities for choosing where they live, so they become segregated into communities that more affluent groups avoid. Such segregated groups often occupy inner-city areas that contain high proportions of African American or Hispanic people and have poor access to high-quality education and job opportunities.

Economic Development

The United States of America is the world's most developed country in terms of economic prosperity and influence. Although its economy is subject to growth fluctuations, the United States maintains the largest total GNI PPP of any country in the world.

(a)

(b)

FIGURE 12.24 United States: Railroad Networks. (a) 1860. (b) 1990. The network was virtually complete by 1900; the extension across the continent between the late 1860s and 1900 was linked to the settlement of the U.S. West, although the building of transcontinental routes was held back until after the Civil War of 1861–1865. In the second half of the 1900s, many lines in the East were closed as truck transportation increased on the interstate highway system. **Source:** From P. Guinness and M. Bradshaw, *North America*. Copyright © 1985 Hodder & Stoughton Education, London. Reproduced by permission of Hodder & Stoughton Ltd.

Commercial Farming Base

Commercial farming regions developed as the combination of natural resources (climate, land, soils, water) and economic factors led to areas of specialization. The Midwest grain-livestock area, the Mississippi Delta cotton area, the Great Plains feedlots, and the irrigated lands of California became among the world's most productive areas. Drier and higher parts of the U.S. West became low-productivity grazing land.

Manufacturing Becomes Central

Manufacturing developed from local crafts (pottery, smithing, weaving) in the early 1800s in southern New England, New Jersey, and eastern Pennsylvania. It was based mainly on water mill power and produced metal goods, textiles, and leather goods. Numerous small mill factories required new transportation facilities to take their products to widespread markets. Local capital, accumulated by merchants, was invested in the early factories, often under family ownership.

By 1860 railroads reached west to Chicago (Figure 12.24a) from several East Coast cities, and their construction formed the basis of iron industry expansion. In eastern Pennsylvania, the use of charcoal gave way to coal in the iron-smelting process, then diffused westward to Pittsburgh.

Major growth in manufacturing occurred after the 1860s with the adoption of steel production. Many of the manufacturing industries of this phase were tied closely to their raw materials, such as coal and iron ore. New industrial areas emerged inland from the primary markets on the East Coast. New markets also developed as the interior of the United States was settled.

Major federal investments in transport infrastructure stimulated much of the economic growth. Beginning in the 1860s, the transcontinental railroads were financed by federal and state governments granting lands along the routes to the railroads, which sold them and encouraged homesteading.

In 1860 the value of U.S. manufactured goods exceeded the value of commercial farm products for the first time. Agriculture became industrialized with the increasing use of mechanization and chemicals; markets for crops and livestock products were linked to the growing railroad network (Figure 12.24b).

Manufacturing was the primary engine fueling the expansion of the U.S. economy until 1950. New products developed in consumer goods and transportation vehicles, including cars, trucks, and airplanes. These were market-based or assembly industries where the best locations were central to a range of component producers or large markets. The Manufacturing Belt, however, was both the main market area and the location of basic metal industries and continued to be where most of these developments occurred. Factories were built in established market locations such as the New York City area and around Chicago with its central location on the national railroad network, or in new locations such as Detroit, in which the auto industry was centered.

Manufacturing industries expanded along the West Coast and in the southern United States after World War II, where they had been located during the war. The previous concentration in the northeast became more widespread, satisfying new markets in what had been the periphery of the country and relating more clearly to growing markets overseas in Latin America and Asia.

Constructing interstate highways, distributing electricity to rural areas, and developing a network of airline routes facilitated the wider geographic diffusion of manufacturing industries. The interstate highway system, begun in 1956, created nearly 80,000 km (50,000 mi.) of limited-access highways across the United States, opening many previously isolated parts of the country to economic development.

While products diversified and became more technologically sophisticated, production and management techniques developed. American-based multinational corporations took their products to the world and opened factories in many countries in Europe and other continents.

The United States is a world leader in applying high technology to manufacturing and service industries. An increasing range of high-tech goods is produced in the newer industrial areas, including the globally known Silicon Valley of California; metropolitan Boston (Figure 12.25);

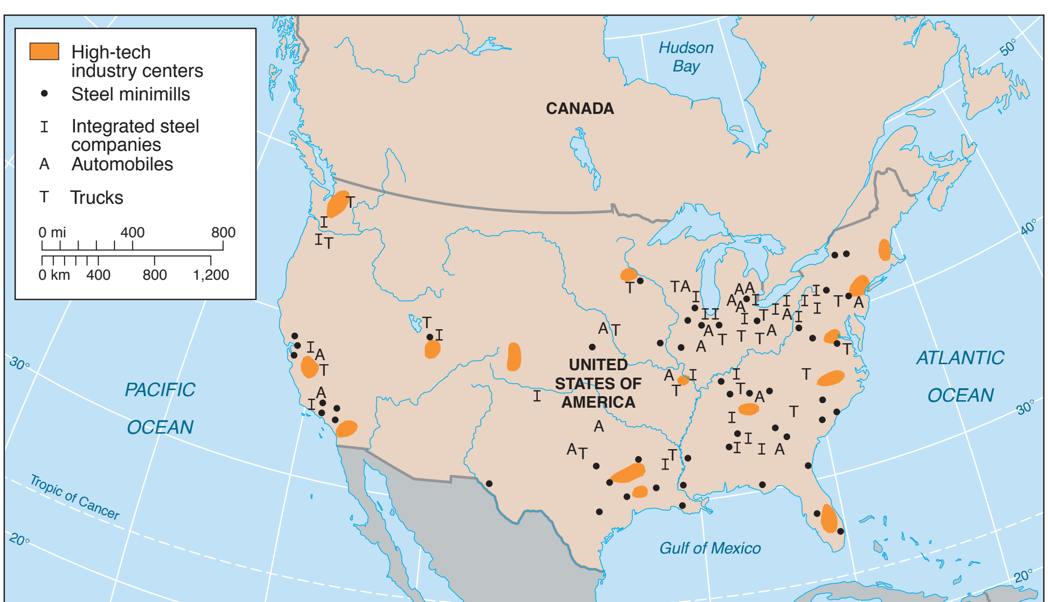

FIGURE 12.25 United States: Distribution of Some Major Manufacturing Industries. The continuing concentration of steelmaking and vehicle manufacturing in the Manufacturing Belt contrasts with the widespread nature of high-tech industry centers. Steel production in minimills has become more widely distributed since 1970.

metropolitan Washington, D.C. (primarily Fairfax County, Virginia); the Research Triangle region in North Carolina; metropolitan Austin, Texas; the Denver-Boulder region in eastern Colorado; and areas of the Pacific Northwest. These all have national as well as regional markets.

While comprising a small proportion of U.S. GNI today, the primary sector contributes important raw materials and fuels. Mining, forestry, fishing, and agricultural outputs were often linked to the manufacture of metal goods, energy supplies, paper, fertilizer, textiles, and food products. They were commonly produced by multinational corporations and involved high inputs of capital and technology with declining numbers of employees.

Service Industries

U.S. economic development from the late 1900s focused increasingly on the growth of information-based occupations, including financial services, publishing, computer services, and design services. Tourism and leisure-based services also became a leading part of many local economies. In 2008, 58 million tourists from other countries visited the United States, while 64 million went from the United States to other countries, and many millions of Americans were tourists in their own country. Such industries locate economic activity away from the workshop and factory. The United States, with its economic and technological lead, has so far been able to take greater advantage of this new economic base than any other country and is investing to maintain the lead.

Regional Policies

During the 1900s, rapid growth in some parts of the United States coincided with slower growth and even poverty in others. **Uneven development** reflected the concentration of capital investments in some regions and cities rather than in others. Both favored and less fortunate regions changed over time. Prior to the Civil War, the South was prosperous for a privileged group of planters whose wealth was possible only through the enslavement of African peoples. After the Civil War, the South became a large and long-lasting region of poverty for the United States. Southern Appalachia was also extremely poor, with hill farmers living on small plots of eroded land. The plight of southern Appalachia was first attacked after 1933 by the establishment of the **Tennessee Valley Authority (TVA),** one of the few federal programs designed to stimulate economic growth in lagging regions. The TVA was initially viewed as a possible model for action in other regions, but the dominant political views in the United States were against government-funded regional aid. The huge investments in hydroelectricity and other forms of inexpensive electrical power generation in the Tennessee Valley provided economic and population growth, with a negative side effect of localized environmental degradation.

The Appalachian region had emerged as the poorest in the United States by the 1960s. The federal government established the **Appalachian Regional Commission (ARC)** in 1965 to make numerous financial aid packages available to this region. The administration of President Ronald Reagan reduced ARC's funding and effectiveness in the 1980s.

The rural problem grew, however, as the metropolitan centers of the United States assumed increasing dominance in the economic and social life of the country. The wealthiest farming regions in the United States continue their efforts to overcome the impact of overinvestment in the 1970s and of subsequent periods of drought.

Urban Landscapes

Urbanization within the United States produces distinctive landscapes through the types of building, the differentiation of land uses, and the distribution of groups of people. Human variation in the landscape includes the materially wealthy and the materially poor, diverse ethnic groups, and new immigrants. American cities grew from colonial ports and inland market centers to 1800s industrial and 1900s commercial metropolitan centers.

Industrial and Commercial Cities

In the later 1800s and early 1900s, many cities in the east and center of the United States expanded into large conurbations of housing, factories, shops, and offices with the rapid growth of manufacturing and the railroad network. The larger factories and mills required many workers, who were accommodated in surrounding housing units. Areas of worker housing became differentiated from the better housing areas of the managers and owners. New **central business districts (CBDs),** where shops, banks, and other financial services became concentrated, were easily accessible by streetcar to and from the industrial areas and leafy suburbs.

By 1920 American cities often evolved into a concentric pattern of urban zones around the CBD, with poorer housing in inner suburbs and more affluent zones beyond (Figure 12.26). Some of the inner-city areas housed distinct segregated groups such as Slavic or Jewish people in areas that became known as **ghettos** (after Jewish quarters in medieval Italian cities). In cities built across a local relief of hills and valleys, the development of railroads, roads, and commercial activities was concentrated along the valleys, giving the city geography a pattern of wedge-shaped urban sectors of different land uses (Figure 12.26b). In some cities the distinction between land uses was clear, but the distribution was not in such regular patterns, establishing multiple nuclei (Figure 12.26c) in which industrial and commercial activities occurred in several specialized and separated zones, instead of around a single CBD.

During the 1930s and 1940s, American cities grew more slowly than they had in the previous 50 years. The economic depression of the 1930s and World War II made capital either in short supply for house building or directed to military purposes. By the mid-1940s, many families shared cramped inner-city housing units.

and the city plan cooperatively to make possible the amalgamation of services and regional road construction (Figure 12.43). Further growth in metropolitan Toronto was encouraged around hubs outside downtown, including North York, the area adjacent to the international airport, and a new center with coordinated and concentrated development. A major project was also undertaken to redevelop the waterfront.

Toronto was able to cope with increasing immigrant groups moving into older inner suburbs: Italian, Greek, Portuguese, and Chinese districts form distinctive ethnic enclaves of lively congregation but not segregated ghettos. The city capitalizes on the increasing diversity of its residents, and its metro area continues to be a significant draw for international immigrants. Restaurants, stores, art galleries, and festivals reflecting the vast international heritage of Toronto's dynamic population continue to multiply

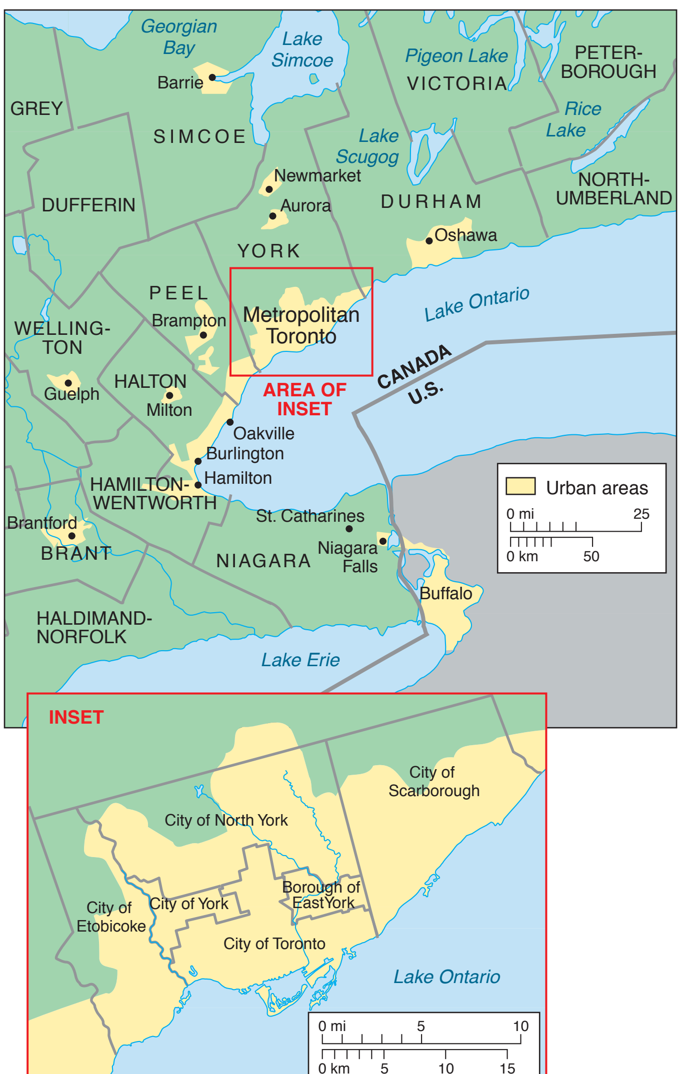

FIGURE 12.43 Canada: Extent of Metropolitan Toronto. The constituent jurisdictions and surrounding counties in southern Ontario. Toronto's development is controlled by the province of Ontario and has been planned carefully.

throughout the city. Locals and tourists alike crowd ethnic business establishments, helping the diversifying economy of the metropolitan region. Toronto retains a busy downtown and surrounding older suburbs, and it has the lowest homicide rate of large North American cities, uniformly good schools, good public transportation systems, and controlled urban sprawl. Many cities in the United States envy Toronto's development situation because they have problems of multiple jurisdictions and limited overriding planning controls that affect only a few functions.

Economic Development

Canadian economic development generally followed that of the United States but often with a lag of several years. Today, Canada combines a continuing emphasis on its natural resource base with being an affluent, high-tech society. It has one of the highest proportions of trade per capita in the world. Canada's GNI per capita rivals that of many European countries but is still not quite equal to that of the United States.

Until the mid-1900s, Canada's economy depended mainly on primary products such as grain, timber, and minerals. Canada remains a major world producer of newsprint, wood pulp, and timber, and is one of the world's leading exporters of minerals, wheat, and barley. Most timber output comes from the west coast forests. The minerals that place Canada in the forefront of world mining countries include coal, oil, and natural gas from Alberta, iron ore from Labrador and Québec, uranium from Ontario and Saskatchewan, nickel from Ontario and Manitoba (Canada is the world's second-largest producer of nickel), and zinc from several places. Agriculture remains significant in the Prairie Provinces, southern Ontario, and the specialized fruit-growing districts of British Columbia, where wine production is gaining international attention.

Diamonds were discovered in the Northwest Territories in 1991 and since have taken on increasing importance in the Canadian economy. Canada capitalizes on its stable and peaceful image and lures consumers with the assertion that all of its diamonds are produced in very transparent conditions and are guaranteed to be "conflict-free."

Industrialization in Canada was a much later phenomenon than in the United States. Beginning before World War II and developing rapidly during the 1940s, the production of aluminum, vehicles, and consumer goods became important as Canada developed import-substitution industries to supply its own markets and to avoid total economic domination by the United States. Hamilton at the western end of Lake Ontario became a steelmaking center. Montréal, Toronto, and Vancouver became centers of financial services and a wide range of commercial enterprises. The signing of NAFTA augmented trade between the two countries, resulting in increased U.S. investment in Canadian industries.