

Unit 6 Study Guide
Latin America

1. Which country contains the Amazon Rainforest?
Brazil contains the Amazon Rainforest.
2. Name reasons that the rainforest is being destroyed.
The Amazon rainforest is being destroyed for farming, cattle ranching, and for the lumber.
3. The most polluted city in Latin America is Mexico City.
4. How does the geography of Mexico City contribute to its air pollution?
It is in a "basin" surrounded by the Sierra Madre Mountains, which holds the pollution over the city.
5. What would happen to the climate if the rainforest was destroyed?
Global Warming would increase drastically.
6. What are the harmful effects of oil production in Mexico and Venezuela?
Pollution to the environment, air pollution, illness, and animal habitats being destroyed are some effects of oil production in Mexico and Venezuela.
7. Describe a market economy:
Business owners decide what to produce and how much to produce and charge based on supply and demand.
8. Cuba has a command economy.
9. Brazil and Canada have a market economy.
10. How does literacy rate affect GDP in a country?
A higher literacy usually means a higher GDP.
11. Burning of the rainforest causes negative effects besides clearing the land. Tell what it does to the environment.
Burning of the rainforest increases CO₂, leading to Global Warming, destroys habitats and causes animals to become endangered or extinct, changes the shape of the land, and causes air pollution.
12. The leading cause of deforestation in the Amazon rainforest is cattle ranching.
13. How does Haiti's literacy affect its GDP?
Haiti has a low literacy rate, causing its GDP to be low.
14. Building new factories and using newer technology are examples of investment in physical capital.
15. What type of fuels are used to run Mexico's factories and what do they do to the environment?
Fossil fuels used in Mexico's factories are coal, natural gas, and crude oil. They pollute the air, increasing smog over Mexico City.
16. Name some pollutants that fossil fuels cause in the atmosphere that are poisonous.
Lead, sulfur dioxide, and carbon monoxide are some pollutants that fossil fuels cause.
17. How is smog formed?
Pollutants are released from cars and factories and get trapped in the air to form smog.
18. What are the air quality standards like in Mexico City?
Mexico City's air quality is at dangerous levels.

19. How has NAFTA benefitted the U.S., Mexico, and Canada?
Trade has increased, increasing the GDP.
20. Name 3 trade restrictions.
Three types of trade restrictions are tariff, embargo, and quota.
21. Why do countries use trade restrictions?
Countries use trade restrictions to limit imports and protect jobs.
22. What is an entrepreneur?
A person who takes a risk and opens a business is an entrepreneur.
23. What are some solutions to the air pollution problems that leaders in Mexico City have established?
To solve air pollution, the leaders in Mexico City are encouraging people to use public transportation, emissions testing, restrictions on driving, and burning cleaner fuels.
24. Why have some American companies built factories in Mexico?
Labor is cheaper in Mexico.
25. Who determines what to produce, how to produce, and for whom to produce in a market economy?
Business owners determine what to produce, how to produce, and for whom to produce in a market economy.
26. Problems of command, market, and mixed economies.
In a command economy trying to predict what people will need and the government controlling everything are problems.
In a market economy goods and services may go up in price. Also, a company may go out of business if they don't manage their money well.
In a mixed economy the government control varies so they are not as free as market economies.
27. What is an advantage of specialization?
More goods can be produced faster at less cost. Workers become experts on their part of the job.
28. Human capital is workers, their training, education, and healthcare.
29. Capital goods (physical capital) is factories, machines, technologies, buildings, and property needed to run a business.
30. Problems of oil production in Venezuela.
The coast is polluted with oil. The environment has been damaged and it is hard for fishermen to earn a living. It also contributes to air pollution and contributes to Global Warming.
31. Main causes of pollution in Mexico City: factories, cars, and location
32. Main cause of deforestation of the Amazon Rainforest. Cattle ranching
33. 20% of the world's oxygen comes from the Amazon Rainforest.