

## Chapter Summary

### **Section 1: Industrialized Nations After the Cold War**

Europe united its east and west after the Cold War and created the European Union to compete with the U.S. and Japan. Russia struggled to create a market economy, and the Pacific Rim emerged as an economic power.

### **Section 2: Globalization**

As trade between nations became freer, the countries of the world became more interdependent. Globalization made goods cheaper for consumers and led to higher standards of living in India and China.



## **Chapter Summary** (continued)

### **Section 3: Social and Environmental Challenges**

Despite some progress, poverty remained a significant problem due to population growth and other factors. Natural disasters such as the tsunami in the Indian Ocean and environmental changes such as global warming challenge leaders.

### **Section 4: Security in a Dangerous World**

After the end of the Cold War, many hoped for a more peaceful world. However, a rise in terrorism, including the 2001 attacks on the United States, led to increased security measures.

## **Chapter Summary** (continued)

### **Section 5: Advances in Science and Technology**

Advances in science and technology have changed millions of lives. After the Cold War ended, nations began to work together to explore space. The personal computer made many tasks easier, and breakthroughs in medicine increased life expectancies.

## Objectives

- Examine social, political, and economic trends in Europe after the Cold War.
- Analyze how the United States' and Russia's shifting roles have affected the balance of global power.
- Understand how important economic changes have affected Asia since the end of the Cold War.



## Terms and People

- **European Union** – an international organization made up of over two dozen European nations, with a common currency and common policies and laws
- **euro** – the common currency used by member nations of the European Union
- **default** – to fail to make payments on a loan
- **Vladimir Putin** – president of Russia from 2000–2008, then prime minister

## Terms and People (continued)

- **Barack Obama** – President of the United States; took office in 2009
- **surplus** – money left over after expenditures
- **deficit** – the gap between what the government spends and what it takes in through taxes and other resources
- **Pacific Rim** – the vast region of nations that border the Pacific Ocean



## **How did the end of the Cold War affect industrialized nations and regions around the world?**

The end of the Cold War marked the beginning of a global economy.

This global economy became a driving force in shaping the world in the early twenty-first century.

## **Europe faced new challenges after the end of the Cold War.**

- Large-scale immigration from developing countries
- A rise in anti-foreign discrimination
- Rising unemployment

**Nations in Eastern and Western Europe needed to cooperate to meet these challenges.**



**Many were pleased to see Germany reunified in 1990.**



- However, East Germany's economy had to be modernized.
- Unemployment rose as communist-era factories were closed.
- Neo-Nazis blamed immigrants for economic troubles.
- **Twenty years after reunification Germany remained a strong leader and an economic power.**

**The Warsaw Pact dissolved at the end of the Cold War.**

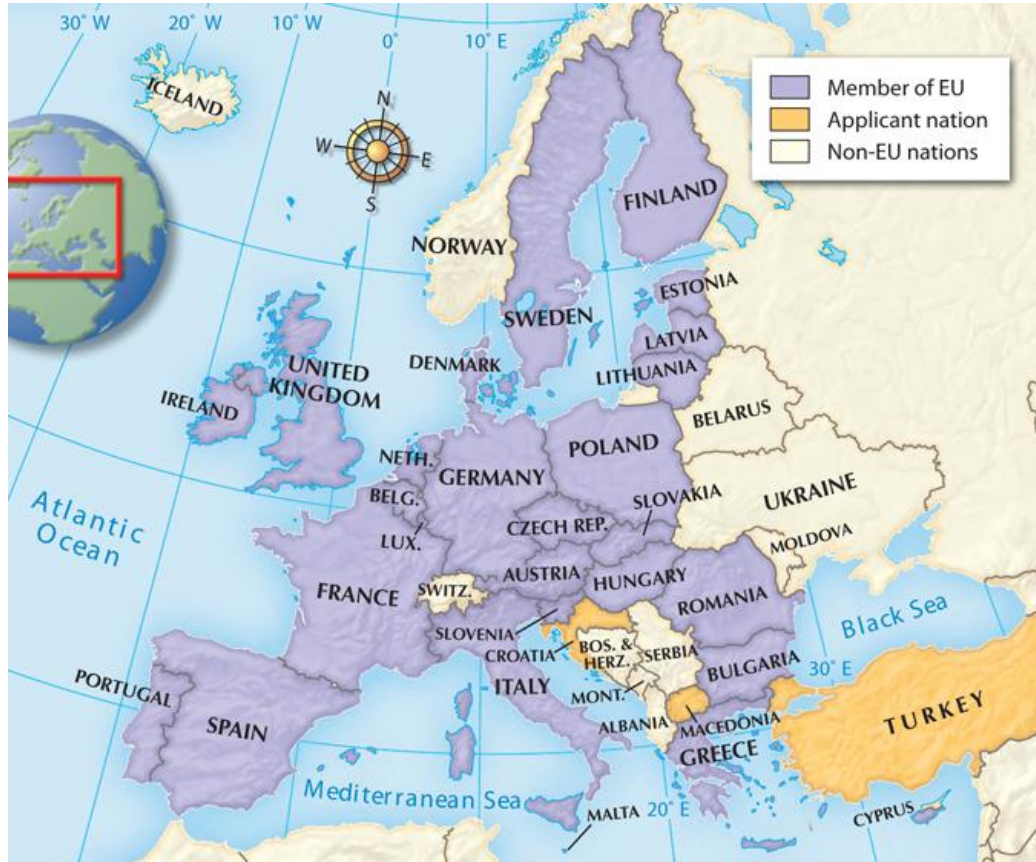
The countries of Eastern Europe wanted to join NATO, which expanded to include Poland, Hungary, and the Czech Republic.

The primary goal of NATO shifted. It became a peacekeeper and protector of human rights.

**The European Union (EU) was founded in the 1990s to promote free flow of capital, goods, and labor.**



- This allowed European nations to **better compete with the United States and Japan.**
- The **euro** became the common currency in 2002.
- Some applications to the EU caused concern: Eastern Europe for economic reasons and Turkey for human rights and population reasons.



**27 countries  
joined the EU  
by 2007.**

## Russia rebuilt after the fall of the Soviet Union.

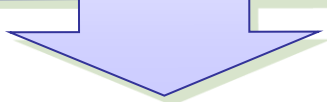
Russia struggled to become a market economy, and **defaulted** on its foreign debt in 1998.



President **Vladimir Putin** helped rebuild the economy, but his government was plagued by corruption.

As it rebounded Russia clashed with the West.

**The United States became the world's only superpower and had great global influence.**



**2001**

President  
George W.  
Bush declared  
a "war on  
terror."

**2002**

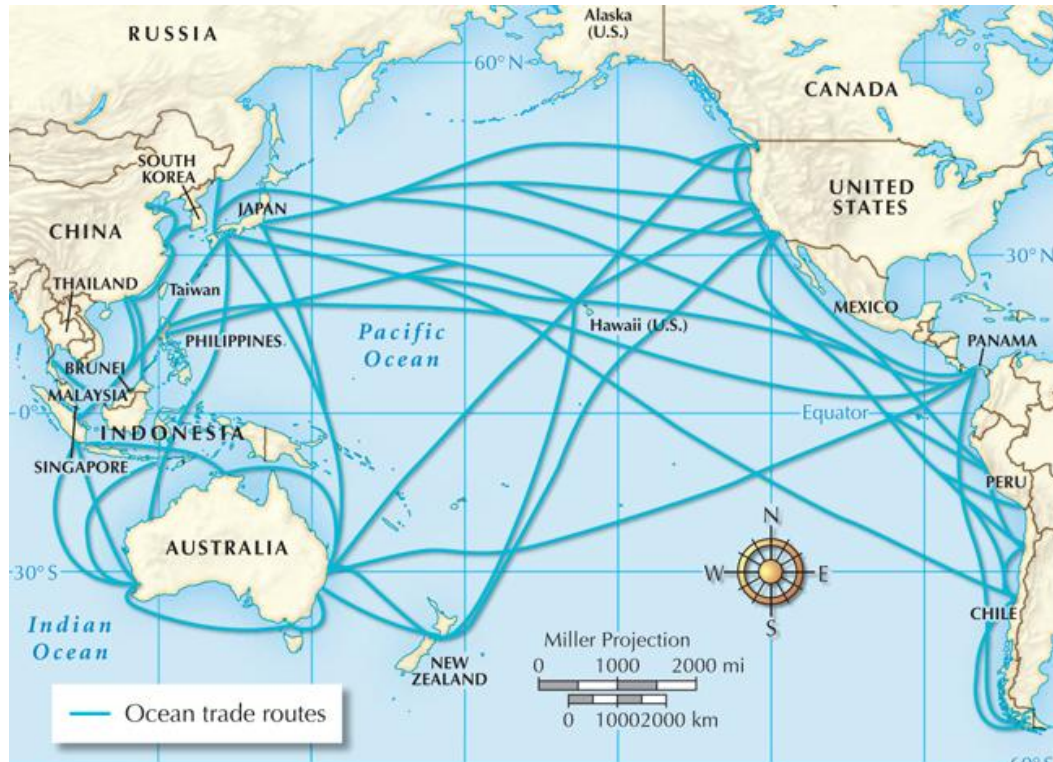
U.S. sent forces  
to Afghanistan,  
where the 2001  
terrorist attacks  
had been  
planned.

**2003**

U.S. forced  
invaded Iraq  
and toppled  
dictator  
Saddam  
Hussein.

## The economy of the United States went through ups and downs.

- An economic boom in the 1900s created a **surplus**.
- However, slower growth, tax cuts, and increased spending led to a **deficit** in the 2000s.
- The 2008 financial crisis weakened the American economy and sparked a global recession. President **Barack Obama** called for an economic stimulus package.



**Asia joined the global economy.**

The **Pacific Rim** became a rising force in the 1990s. The volume of trade across the Pacific became greater than across the Atlantic.



Japan dominated the Asian Pacific Rim for decades, but as its economy slowed down China's economy boomed.



Taiwan, Hong Kong, Singapore, and South Korea surged economically during this time and earned the nickname "Asian tigers." Their growth resulted in part from their workers' long hours and low wages.

## Objectives

- Describe the ways in which countries around the world are interdependent.
- Understand how international treaties and organizations make global trade possible.
- Analyze the costs and benefits of global trade.



## Terms and People

- **globalization** – the process by which national economies, politics, cultures, and societies become integrated with those of other nations around the world
- **interdependence** – the dependence of countries on each other for goods, resources, knowledge, and labor from other parts of the world
- **outsourcing** – the practice of sending work to the developing world to save money or increase efficiency

## Terms and People (continued)

- **multinational corporation** – a corporation with branches and assets in many countries that sells its goods and services throughout the world
- **World Trade Organization (WTO)** – international organization set up to facilitate global trade
- **protectionism** – the use of tariffs and other restrictions that protect a country's home industries against competition

## Terms and People (continued)

- **bloc** – a group, such as a trade group that works for the common needs of its members
- **sustainability** – the ability to meet present needs for food, resources, and shelter without harming future generations



## How is globalization affecting economies and societies around the world?

**Globalization** began 500 years ago. By 2000 globalization was taking place at a rapid rate.

The growth of the world economy has led to multinational corporations, lower prices, and other results.

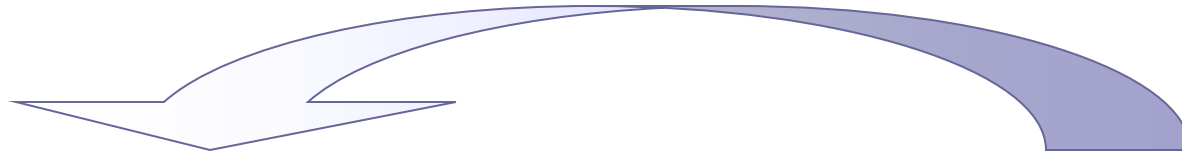
The rise of free trade, improvements in transportation and communication, and the spread of democratic systems has increased interdependence.

**Interdependence**  
is a major effect  
of globalization.



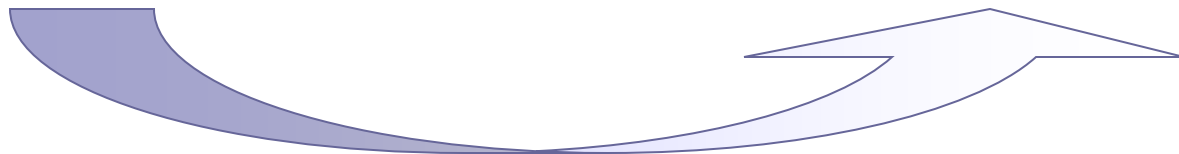
- Nations depend on each other for goods, resources, knowledge, and labor.
- These connections create opportunities and challenges.

## Rich and poor nations of the world are linked.



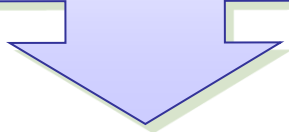
Wealthy countries depend on developing nations for **low-paid labor** through **outsourcing**.

Developing nations depend on wealthier countries for **capital, trade, and technology**.



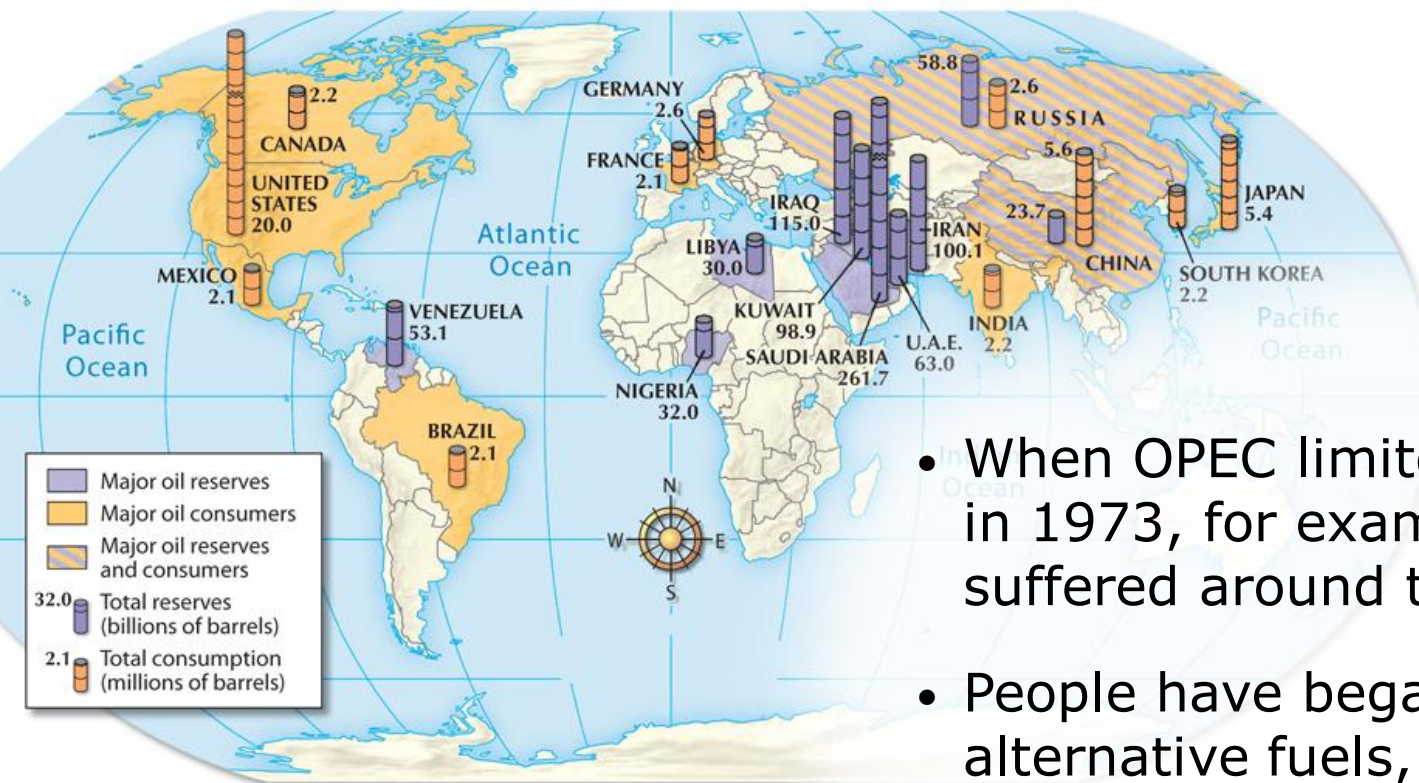


**Globalization led to the growth of multinational corporations.**



- Proponents of these corporations argue they invest in the developing world, provide jobs, and improve infrastructure.
- Critics say they take profits out of developing countries and pay workers wages that are too low.

## Natural resources—especially oil—play a huge role in the global economy.



- When OPEC limited oil exports in 1973, for example, economies suffered around the world.
- People have begun to invest in alternative fuels, but the world is still dependent on oil.

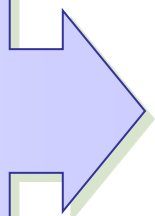
## The world is connected financially.

Bank interest rates rose in the 1980s. Developing nations could not repay loans they had taken out to modernize.

They spent income from exports on payments to foreign lenders. Banks were stuck with bad debts.

To solve the crisis, banks lowered interest rates and cancelled some debts. Lenders also required developing nations to adopt market reforms.

**International organizations and treaties have greatly expanded since 1945.**



- The United Nations is one example of this trend. Its main goal is peacekeeping, but it also deals with political and social issues.
- Other organizations, such as the World Bank and the International Monetary Fund (IMF), deal with economic issues.

## Treaties were signed and expanded to guide global trade

- The General Agreement on Tariffs and Trade (GATT) was expanded in 1995 to form the **World Trade Organization**.
- It opposes **protectionism** and seeks to keep the flow of world trade smooth and free.

**Nations have also formed regional groups to promote trade.**



- Among the biggest of these **blocs** are the EU and NAFTA (North American Free Trade Agreement).
- APEC (Asia-Pacific Economic Cooperation) eases trade among Pacific Rim nations, and OPEC regulates the production of oil.

## Global trade has costs and benefits.

|                 |   |
|-----------------|---|
| <b>Benefits</b> | <ul style="list-style-type: none"><li>• Brings consumers variety and low prices</li><li>• Exposes people to new ideas</li><li>• Earns money that can be used to provide services such as education</li><li>• Promotes democracy</li></ul>                                 |
| <b>Costs</b>    | <ul style="list-style-type: none"><li>• Can cause poor countries to go into debt and lower their standard of living</li><li>• Disrupts indigenous people's land and culture</li><li>• Encourages too-rapid development, which compromises <b>sustainability</b></li></ul> |



**The anti-globalization movement targets the World Bank, the IMF, and the United States.**

They **oppose the tough changes** that the organizations require nations to make and accuse developed nations of exploiting poorer countries.



## Objectives

- Explain the causes and effects of global poverty, disasters, and disease.
- Analyze whether the basic human rights of people around the world are being upheld.
- Discuss the environmental challenges that have resulted from industrial development.



## Terms and People

- **tsunami** – very large, damaging wave caused by an earthquake or very strong wind
- **epidemic** – a disease that spreads rapidly
- **famine** – when large numbers of people in a region or country face death by starvation
- **refugee** – a person who is forced to move because of poverty, war, natural disaster, or persecution

## Terms and People (continued)

- **acid rain** – a form of pollution in which toxic chemicals in the air fall to earth as rain, snow, or hail
- **deforestation** – destruction of forest land
- **erosion** – the wearing away of land
- **global warming** – the rise of the Earth's surface temperature over time

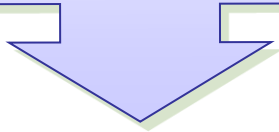


## **How do poverty, disease, and environmental challenges affect people around the world today?**

Globalization has brought poverty, disease, environmental threats, and human rights abuses to the world's attention.

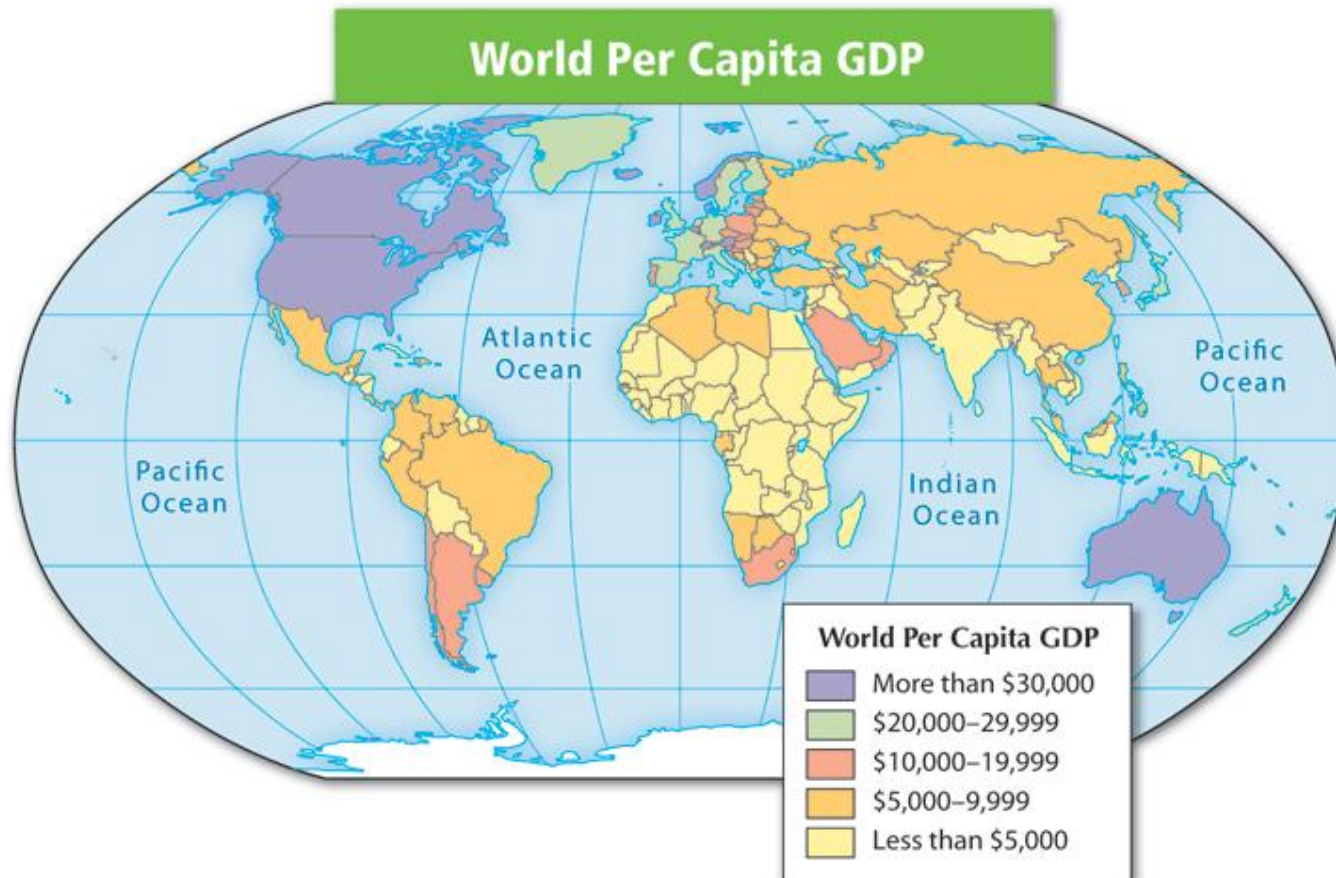
As people work to solve these problems, they have learned that they need to be addressed on a global level.

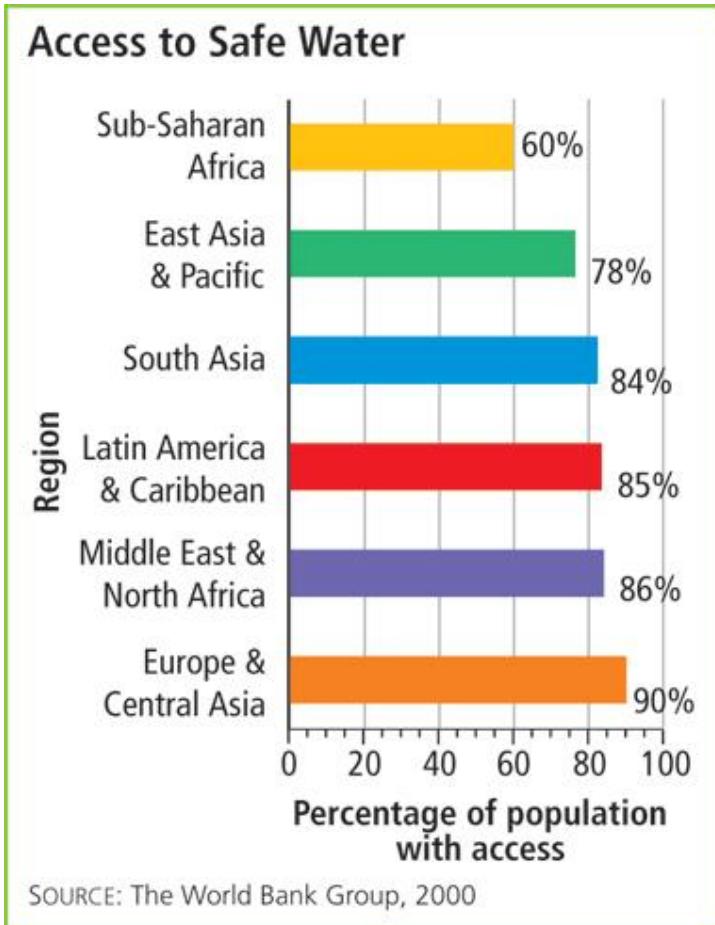
**Though some progress has been made in reducing global poverty, it has many causes and still persists.**



- Developing nations have so much debt that **they can't spend any money improving life** for their people.
- **Political upheavals, war, and bad planning** also block efforts to reduce poverty.
- Finally, **rapid population growth** has made providing services very hard.

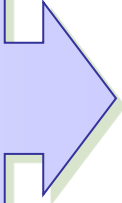
**GDP is one way to measure a nation's wealth.**





**One issue in developing countries is access to safe water.**

**The World Bank believes that ending poverty is key to global peace.**



Two ways to reduce poverty are calling on poor nations to **limit their population growth**, and asking rich nations to **forgive the debts of poor nations**.

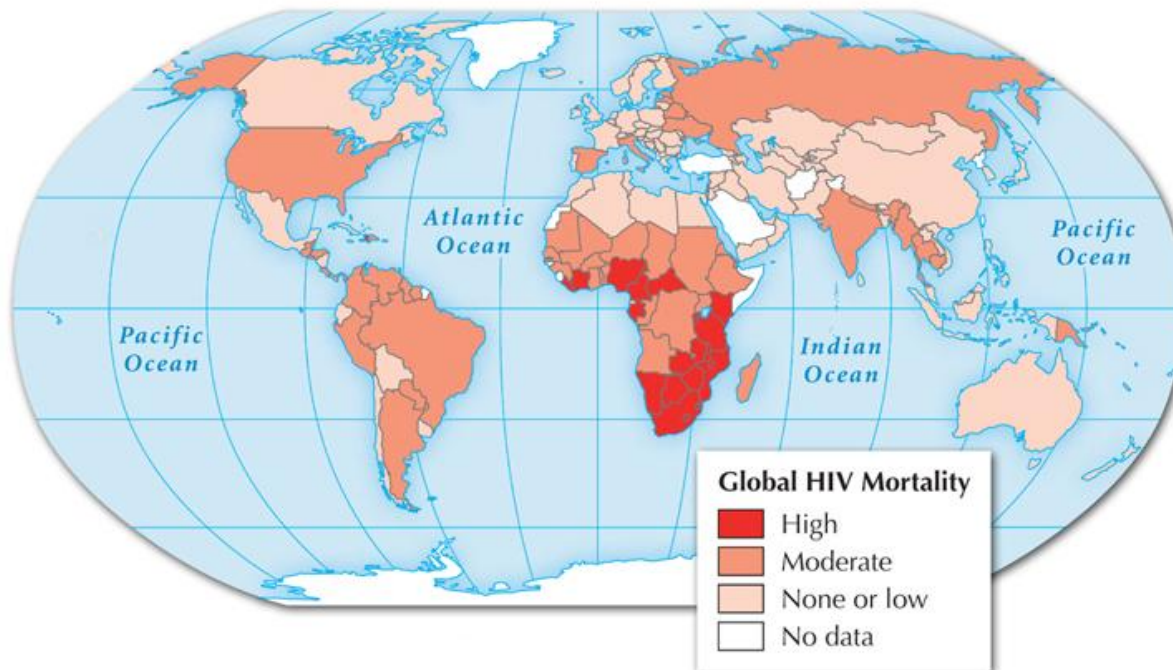
Three billion people in the world live on less than \$2 per day. One billion cannot read or write. Hunger is an issue for 790 million.



## Natural disasters strike all over the world and cause destruction, death, and disease.

- A **tsunami** swept over the islands and coasts of the Indian Ocean in 2004, killing 160,000.
- In addition to the immediate suffering, **natural disasters can wreck local economies**. However, globalization has meant that news and aid travel more quickly.

**Because people now travel more easily, diseases spread rapidly.**

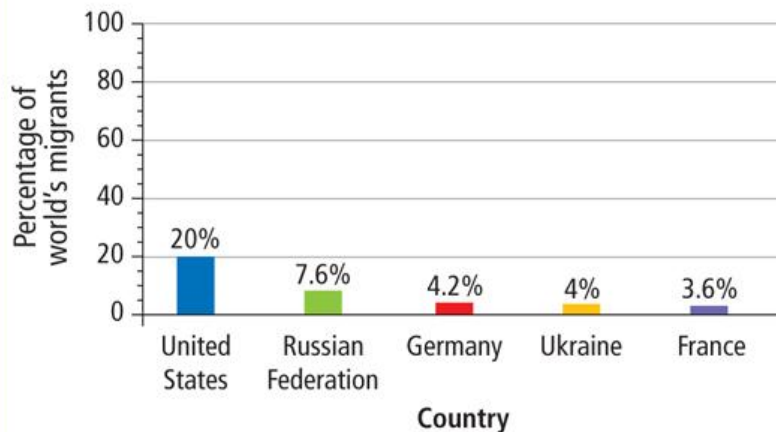


Some diseases become **epidemics**. HIV/AIDS is an epidemic that began in the 1980s. Treating and preventing AIDS has become a global priority.

**Hunger is a major threat for millions of people around the globe.**

- Food is often not distributed to those who need it most.
- Hunger becomes **famine** when large numbers of people die of starvation.
- Both natural disasters and war cause famine. Civil wars in Sudan and Ethiopia in the 1970s and 1980s required the efforts of international aid groups.

Top Five Destination Countries for International Migrants



SOURCE: United Nations, Trends in Total Migrant Stock, 2002

**Globalization has led to greater movement of people around the globe.**

Some of those who migrate are **refugees** forced to move due to war, disaster, or persecution.

Millions of migrants go to Europe, North America, and Asia each year. They are not always welcomed; some people in developed countries fear they'll take away jobs.

UN members approved the Universal Declaration of Human Rights in 1948. Nations signing the Helsinki Accords in 1975 guaranteed basic rights as well.

However, human rights abuses still occur every day. Globalization has brought attention to these abuses.

The world community **pressed countries to end abuses through economic means.** Human rights groups monitor and report on human rights violations.

## **A global women's movement has worked for decades to secure equality and rights for women.**


- According to a report to the UN, **women only receive one-tenth of the world's income, even though they perform two-thirds of all working hours.**
- The UN and other groups monitor the human rights of women, and 165 countries have ratified a women's human rights treaty.

## Children suffer abuses around the world, and many work instead of attending school.



- Ensuring a child's right to life, liberty, and education has been difficult in the face of war, poverty, and AIDS.
- Developed nations and human rights groups are working to end child labor and abuse.

**Land has been forcibly taken from indigenous people in the name of development.**



- Though **the UN has worked to protect the rights of indigenous people**, few have been able to maintain a traditional way of life.
- Many Indians have died of diseases.
- Mayan villagers were targeted by the government in Guatemala's civil war.



**The environment has been damaged as new industries have been developed.**

- Gases from factories produced **acid rain.**
- **Pollution from nuclear plant disasters** sparked debate on how to safely use this technology.
- Oil spills polluted waterways.
- **Deforestation** led to **erosion.**

**Global warming is debated as leaders determine how to protect the environment while developing the economy.**

Many scientists believe **global warming** results from human activity, but some policymakers contend it is caused by natural swings in the Earth's climate.

A treaty called the Kyoto Protocol went into effect in 2005 with the purpose of lowering the emissions of greenhouse gases. The U.S. did not sign, due to economic concerns.

## Objectives

- Explain why nuclear, biological, and chemical weapons threaten global security.
- Analyze the various terrorist groups and why they are becoming more and more dangerous.
- Describe the various ways in which the United States and other nations have responded to terrorism.



## Terms and People

- **proliferate** – rapidly spread
- **terrorism** – the use of violence by groups of extremists to achieve political goals
- **al Qaeda** – a fundamentalist Islamic terrorist organization led by Saudi Arabian Osama bin Laden

## Terms and People (continued)

- **Afghanistan** – an Islamic country in Central Asia; invaded by the Soviet Union in 1979; later home to the terrorist organization al Qaeda
- **Taliban** – Islamic fundamentalist group that governed Afghanistan for nearly ten years until ousted by the United States in 2002



## **What kinds of threats to national and global security do nations face today?**

An end to global conflict seemed possible at the end of the Cold War.

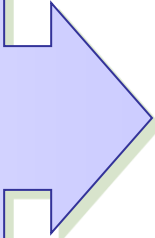
However, threats from terrorism, nuclear weapons, and other weapons of mass destruction continue to endanger the world.

**The Nuclear Nonproliferation Treaty (NPT) exists to stop the spread of nuclear weapons.**



- **Some nations have not signed it**, including India, Pakistan, and Israel.
- Some nations' nuclear energy programs raised fears that they were really designed to develop nuclear weapons.

**When the Soviet Union collapsed, its nuclear arsenal was not secure.**



- The U.S. and Europe gave aid to Russia to dismantle its nuclear weapons.
- However, the nuclear materials from those weapons were not always secure.
- The U.S and Russia held onto their nuclear stockpiles.



## **Weapons of mass destruction (WMDs) come in many different forms.**

|                   |   |
|-------------------|---|
| <b>Nuclear</b>    | Weapons such as the atom bomb                             |
| <b>Biological</b> | Germs that can be released into the air or a water supply |
| <b>Chemical</b>   | Toxins such as nerve gas                                  |

Recently, terrorist groups and “rogue states” have tried to acquire WMDs.

# Nuclear, biological, and chemical weapons are located throughout the world.



**One of the threats to global security today is terrorism.**

**Terrorism** is the use of violence by groups of extremists to achieve political goals.

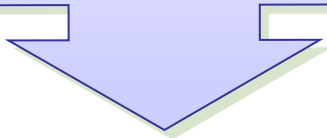
Some terrorist groups are regional, such as the FARC in Columbia, ETA in Spain, and the Shining Path in Peru.

## Conflict in the Middle East has helped fuel terrorism.



- The establishment of the state of Israel angered Arabs.
- Several terrorists groups were formed with the goal of establishing an independent Palestinian state.

**Islamic fundamentalism is a movement that wanted to revive Islamic values, and install governments that follow Islamic law.**



- It is a response to secular governments in Muslim nations, foreign support for Israel, and the presence of foreign powers in the Middle East.
- Islamic fundamentalists blamed Israel and Western nations.

**Al Qaeda** is a powerful Islamic fundamentalist group led by Osama bin Laden.

It helped drive the Soviets out of **Afghanistan** in the 1980s and worked to expel American business interests from Saudi Arabia in the 1990s.

In 2001, **al Qaeda** attacked the United States by hijacking four airplanes and slamming two into the World Trade Center, killing more than **2,500 people**.



**President George W. Bush declared a “war on terror” after the 2001 attacks.**

The U.S. strengthened its intelligence and security services, and launched an effort to cut off terrorist groups’ funding.

Some believed the government used the threat of terrorism to increase its power. Others believed the threat justified strong measures.

## The U.S. worked to find and punish the perpetrators of the 2001 attack.

The **Taliban** in Afghanistan refused to meet U.S. demands to surrender the terrorists. The U.S. and allied forces overthrew the Taliban.

They helped the country hold elections, and lifted harsh Taliban laws.

However, the fighting continued, and the war spilled into neighboring Pakistan.



## **In 2003 the U.S. invaded Iraq.**

- President Bush cited reports that said that Iraq was producing WMDs, and suggested that Iraq was involved in the 2001 attacks on the U.S.
- WMDs were never found and the war was bitterly debated in the U.S.
- A 2008 report revealed that there had been no credible evidence to support the reasons for going to war.

## Nuclear programs posed a threat to global security.



- Tensions focused on Iran and North Korea.
- Iran announced plans to develop nuclear power plants in the early 2000s, and North Korea withdrew from the Nuclear Nonproliferation Treaty in 2003.

## Objectives

- Describe the exploration of space and the practical applications that resulted from it.
- Analyze the development and impact of the computer revolution.
- Explain how advances in medicine and biotechnology have changed life today.



## Terms and People

- **artificial satellite** – a manmade object that orbits a larger body
- **International Space Station (ISS)** – an artificial structure built and maintained by a coalition of nations with the purpose of research
- **personal computer (PC)** – a small computer meant to be used by individuals or businesses
- **Internet** – a huge international computer network linking millions of users around the world

## Terms and People (continued)

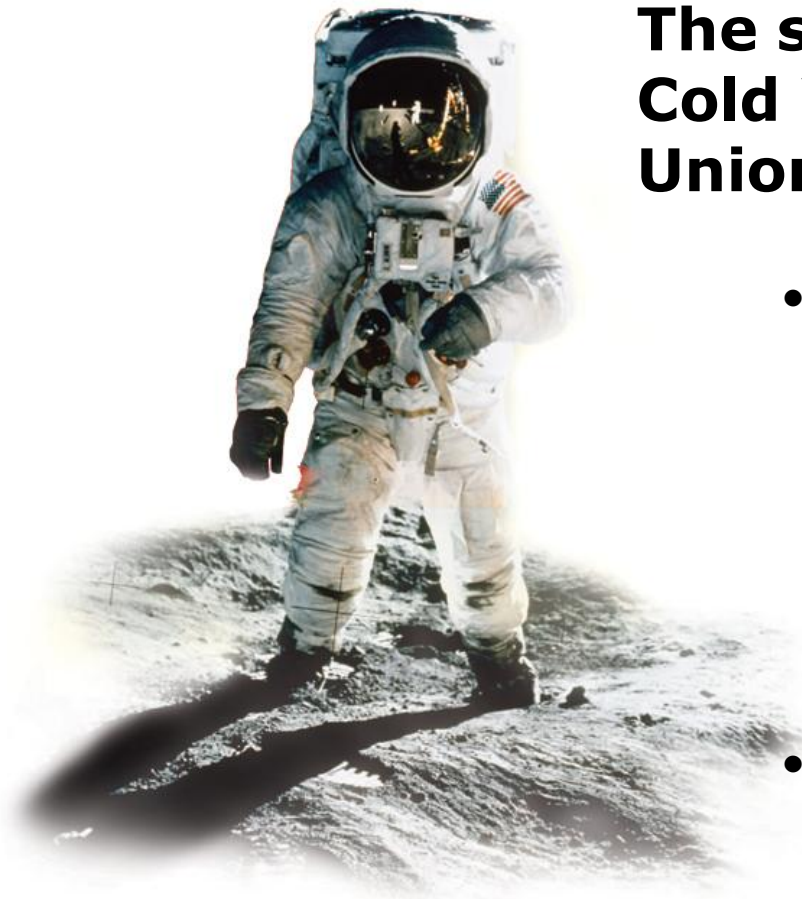
- **biotechnology** – the application of biological research to industry, engineering, and technology
- **laser** – a high-energy light beam
- **genetics** – the study of genes and heredity
- **genetic engineering** – the manipulation of genetic material to produce specific results



## **How have advances in science and technology shaped the modern world?**

Scientific research and technological development have transformed human history.

New inventions including the personal computer and advances in medicine have changed both the world and people's lives.



## The space race began during the Cold War as the U.S. and Soviet Union competed with each other.

- The **space age** began in 1957 when the Soviets launched Sputnik, the first **artificial satellite**. The U.S. Apollo program landed a man on the moon in 1969.
- Since the Cold War ended, the U.S. and Russia have cooperated in space.

## Space science continued to develop after Apollo.

- Scientists and engineers have worked to **launch rockets to other planets** and to land robotic vehicles on them.
- Nations have begun to work together to explore space.

Construction on the **International Space Station** began in 1998 and will be completed in 2010.



**Thousands of satellites have been launched to orbit the Earth, for three specific purposes.**

- **Communication:** television, telephones, high-speed data transmission
- **Observation:** data for scientists, weather forecasters, the military
- **Navigation:** beam precise locations to ships and others

## The invention of the computer created an information revolution.

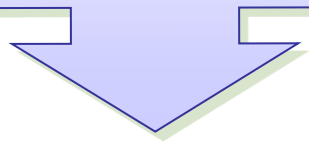


- Computers run businesses and power plants.
- They help scientists do their research and **enable global communication**.
- The creation of the **Internet** made e-commerce possible, which **led to economic growth**. By 2010, a third of the world's population will be online.

## The first computers were built in the 1940s.

- After the **invention of the silicon chip**, it was possible for manufacturers to make **personal computers** (PCs).
- **PCs became available in the 1970s** and replaced typewriters and account books.
- Over time, scientists, teachers, engineers, and urban planners used computers to perform a wide variety of tasks.

**Developments in medicine and biotechnology have given people new tools to combat and prevent disease.**



- Medical researchers developed vaccines in the postwar era. For example, Dr. Jonas Salk created a polio vaccine.
- Medicine was also transformed by surgical advances such as organ transplants and the use of **lasers**. Computers have made diagnosis easier.

Genetic researchers Watson and Crick revealed the “double helix” structure of the DNA.

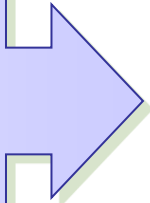


Research in **genetics** and **genetic engineering** has produced new drugs, and new strains of fruits and vegetables. It has also made cloning possible.



These breakthroughs have brought benefits and debate over the ethics of modified foods and the role of science in creating life.

**Overall, science and technology have improved the standard of living for many people.**



- Life expectancies have risen worldwide as a result of increased agricultural production and breakthroughs in treating disease.
- Though significant challenges remain, people will continue to work toward solving global problems in the decades to come.