CHAPTER 32
The End of the Cold War and the Challenge of Economic Development and Immigration, 1975–2000

BEFORE YOU BEGIN
The Cold War divided much of the world into teams in the generation after World War II. By the 1970s, the basic structure that both created and resulted from the Cold War was beginning to break down. This forced much of the world to ask the perplexing question, “If political struggle between capitalism and communism is not the primary question defining politics and economics around the world, what is?” This chapter probes the struggle to answer this complex question. The period is also recent enough that it is not yet clear what answer will prevail.

Superior students will be able to analyze several aspects to the New World Order that began to emerge by the early 1990s: Politically, the United States emerged as the sole superpower, but that didn’t mean there was a lack of political conflict around the world. Economically, the distribution of wealth and resources around the world has gained renewed attention. Demographically, there is a new wave of migration that differs significantly from previous eras, as well as a global population growth rate closely related to the economic status of each region.

LEARNING OBJECTIVES
After reading Chapter 32 and completing this study chapter, you should be able to:

• Explain how the state of the world in the late twentieth century was influenced by the Cold War, new technology, population growth, and changes in the worldwide economic system.

• Discuss how population has grown worldwide in the last 150 years, leveling out in industrialized countries but escalating in developing nations, and what impact population levels have had on the economies of countries as well as on their use of resources.

• Discuss how people have migrated both within their own countries and to new countries, and how cities have continued to grow as part of this process.

• Explain how, although technology brings benefits to peoples and nations, it does not always do so equally, and how technology can both help and hinder the growth of society.

• Discuss what people and governments are doing to mitigate damage done to the environment by industrialization and how they may approach sharing the world’s remaining resources.
IDENTIFICATIONS
Define each term and explain why it is significant, including any important dates.

proxy wars

Salvador Allende

dirty war

Sandinistas

neoliberalism

Ayatollah Ruhollah Khomeini

Saddam Husain (Hussein)

keiretsu

Asian tigers

newly industrialized economies (NIEs)
Deng Xiaoping

Tiananmen Square

Mikhail Gorbachev

glasnost

perestroika

Solidarity

ethnic cleansing

Rwanda

Thomas Malthus

demographic transition
MULTIPLE-CHOICE QUESTIONS

Read the entire question, including all the possible answers. Then choose the one answer that best fits the question.

1. The dramatic economic growth and rapid technological progress of the post–World War II era has
   a. coincided with greater peace and security worldwide.
   b. benefited only the industrialized nations.
   c. coincided with growing social dislocation and inequality.
   d. finally allowed developing countries to catch up with the West.

2. What is a proxy war?
   a. Another name for limited nuclear war
   b. A war in which only two combatants are chosen out of many factions
   c. A style of one-on-one combat favored by Second World nations
   d. Conflicts in which the rival superpowers financed and armed competing local factions
   e. An economic rather than military war

3. Which of the following programs pursued by Fidel Castro caused conflict with the United States?
   a. He sought to end U.S. domination of Cuba and uplift the Cuban masses by changing the economy.
   b. He wanted to create a Pan-South American league to keep U.S. investors and the U.S. military from interfering in South American politics.
   c. He wanted to escape Soviet domination, but he also resented U.S. attempts at annexation.
   d. He wanted extensive financial aid from both the United States and the U.S.S.R.
   e. He sought more aid from China.

4. What is the Brazilian solution?
   a. The great success story of South America
   b. A combination of entrepreneurialism, humanitarianism, and industrialization
   c. A combination of dictatorship, violent repression, and government promotion of industrialization
   d. A process by which gold refining became more environmentally responsible
   e. A secret plan by the United States to control the economy of Brazil

5. How did the Ayatollah Khomeini view the United States?
   a. As a big brother that would lead Iran to economic prosperity
   b. As a partner in promoting Middle Eastern peace
   c. As a competitor in OPEC oil production
   d. As an unbiased ally in the United Nations
   e. As a Great Satan opposed to Islam

6. Which of the following cannot be said to have contributed to the success of the newly industrialized economies (NIEs)?
   a. They all have disciplined, hard-working workforces.
   b. The governments invest heavily in education.
   c. Their people have a high rate of personal savings.
   d. They all have a hands-off policy regarding government control and regulation.
   e. They emphasize outward-looking export strategies.
7. How many people in Africa live with HIV?
   a. 1 million
   b. 4 million
   c. 12 million
   d. 20 million
   e. 28 million

8. Which of the following factors is not thought to be particularly helpful in controlling the birthrate of any country?
   a. Government controls
   b. Education levels, especially of women
   c. The material values of consumer culture
   d. Availability of contraception
   e. Female employment outside the home

9. Regarding the monetary situation of the world's poor in 2003,
   a. they are much better off than they were in 1960.
   b. they are as poor or poorer than they were in 1960.
   c. most are much worse off than they were in 1960.
   d. only those living in industrialized nations have benefited during the twentieth century.
   e. little change has occurred in poor countries since 1960.

10. Which of the following has generally encouraged people to migrate to urban areas in the twentieth century?
    a. Employment brokers canvass the countryside to recruit laborers.
    b. The cities offer good opportunities.
    c. Urban areas often have good social services.
    d. More money can be made in the cities.
    e. The countryside can no longer support them.

11. Environmental protection has progressed furthest in societies
    a. that are ideologically closest to nature.
    b. that have the most to lose.
    c. with the most economic resources.
    d. with the most outspoken environmentalists.
    e. with the most stringent environmental laws.

12. Why has the United States introduced robots more slowly into its factories than has Europe or Japan?
    a. Labor costs are lower in the United States.
    b. Strong labor unions have prevented it.
    c. U.S. robotics technology lags far behind that of Europe and Japan.
    d. Robots would bring the price of goods down too far for profitability.
    e. The United States is ideologically against mechanization.

13. Modern economies are driven by
    a. production of goods for domestic and foreign markets.
    b. high levels of personal savings.
    c. high levels of consumption.
    d. low levels of consumer debt.
    e. low levels of national debt.
14. By 2000, smog levels in the United States were
   a. down nearly one-third from 1970 levels.
   b. down nearly one-half from 1970 levels.
   c. roughly the same as in 1970.
   d. up 20 percent from 1970 levels.
   e. the highest ever.
15. Who may eventually have to fund global environmental improvements?
   a. The United States
   b. The United Nations
   c. Third World nations
   d. All the industrialized nations
   e. Independent entrepreneurs
16. The Asian tigers include all of the following countries or territories except:
   a. Japan
   b. South Korea
   c. Taiwan
   d. Singapore
   e. Hong Kong
17. What shared characteristic distinguished the Asian tigers?
   a. A liberal human rights record
   b. Membership in a collective defense alliance
   c. Modern industrial and commercial economies
   d. Aggressive military ambitions
   e. Self-restricting policies to protect ecological assets
18. Since the 1970s, China has experienced
   a. radical economic growth without serious political reform.
   b. collapse of both economic and political orders.
   c. an acceleration of the birthrate and resulting social pressures.
   d. improved agricultural production inspired by Mao Zedong’s policies.
   e. increasing isolation from the international community.
19. Which of the following did not encourage the collapse of communism in eastern Europe and the
    Soviet Union?
   a. Inherent inefficiencies of a centrally planned economy
   b. The election of a Polish pope, John Paul II
   c. The relaxation under Mikhail Gorbachev of Soviet political control over eastern Europe
   d. Protest movements by writers like Alexander Solzhenitsyn and unions like Poland’s Solidarity
   e. The slowing of the Cold War arms race with the United States
20. All of the following trends occurred in eastern Europe and the former Soviet Union surrounding
    the breakup of the Soviet Union except:
   a. increased conflict between rival ethnic groups.
   b. decreased nationalism among former Soviet republics.
   c. collapse and disintegration of the Warsaw Pact military alliance.
   d. the creation of several new European countries.
   e. the overthrow of unpopular political leaders in East Germany and Romania.
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