





# Consumption Patterns in the United States: The Impact of Living Well

## 7.1 Introduction

Americans are eager consumers. They buy and use a lot of goods and services. Shopping centers in the United States offer consumers a huge variety of products, and supermarkets are filled with foods for every taste. Stores large and small begin selling holiday merchandise months in advance to encourage shoppers to buy more. Car dealers tempt buyers with row upon row of shiny vehicles. Meanwhile, the Internet has turned the home computer into a virtual shopping mall.

Americans have made **consumption** a way of life. Consumption means the using up of goods or services. Some goods, like food, can be consumed only once. Others, like clothing, can be used again and again until they are worn out or go out of style.

The average American spends thousands of dollars each year on personal consumption. These purchases include spending on everything from food and clothes to gas and rent. This amount is typical for people living in **developed countries**, which are wealthy countries like the United States and Canada. But it is more than most people in **developing countries** earn in a year. Developing countries are poor countries like Mexico and India.

In this chapter, you will read about consumption patterns in the United States. You will discover how they compare with those of other countries, both developed and developing. And you will read about the impact of American consumption on the resources and environment of the planet.

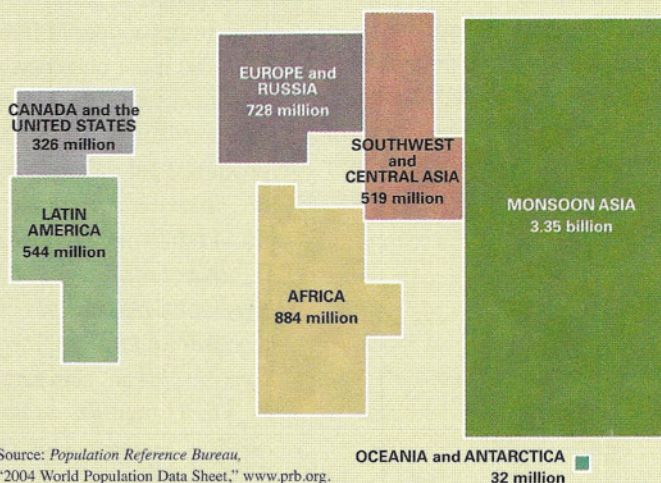
### Essential Question

**How do American consumption patterns affect people and the planet?**

This special type of map is called a *cartogram*. Cartograms are used to compare numerical data about different places. This map compares the populations of the world's seven regions. The more people a region has, the larger it will appear on the cartogram. Think about this map as you try to answer the Essential Question.

### Graphic Organizer

#### World Population, 2004

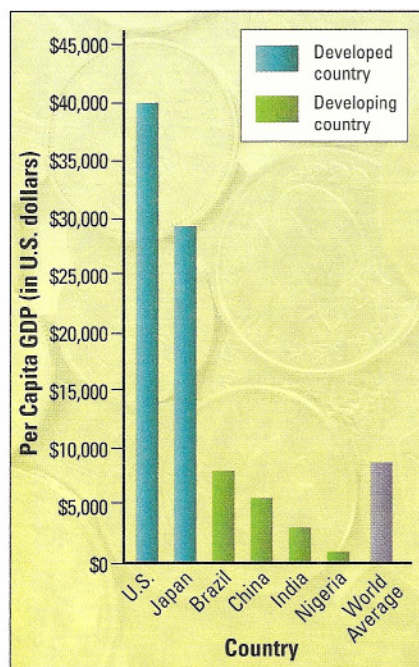




## 7.2 The Geographic Setting

In 2005, the United States had a population of around 300 million people, which made it the third most populated country in the world. But in terms of population, the United States was still much smaller than the two largest countries, China and India. They each had a population of more than 1 billion people. Despite having fewer people, the United States consumed far more than did either China or India. This difference was the result of many factors. The most important factor, however, was the countries' different levels of development.

### Gross Domestic Product in Six Countries, 2004



Source: Central Intelligence Agency, "CIA Factbook," [www.cia.gov](http://www.cia.gov).

### Levels of Development

This bar graph compares per capita GDP in six countries. Per capita GDP is the value of goods and services produced per person in a country in a year. Developed countries have a high per capita GDP. People in those countries have more money to spend on consumer goods. As a result, they consume more.

**Consumption Depends on Levels of Development** The United States is one of the world's developed, or wealthy, countries. Today there are about 30 developed countries around the world. Most countries in Western Europe belong to this group. So do Japan, South Korea, Canada, Australia, and New Zealand.

People in developed countries live well compared to most of the world. Most people in developed countries live in urban areas and work in factories or offices. Their governments provide them with many benefits. These benefits include public schools, fire protection, and safe drinking water. Most workers in developed countries earn good wages. They can afford to consume a lot of goods and services.

In contrast, there are more than 150 developing nations in the world today. These are countries that are still building their economies by improving agriculture, developing industries, and increasing trade. This group includes most of the countries in Asia, Africa, and Latin America. Most of these countries have too few industries to provide good jobs for their people, and many also lack a strong and stable government.

People in developing countries are more likely to live in rural areas and work on farms. Their governments provide them with only limited benefits. They may not have access to good schools or safe drinking water. Most of these people earn low wages. As a result, their consumption may be quite limited, their homes modest, and their possessions few.

**Per Capita GDP Is One Measure of Development** There are many ways to measure a country's level of development. One method of evaluation is to look at how many years of schooling people in the country have. Another gauge of development is to look at average **longevity**, or how long its people live.

The most common measure of development is based on a country's **gross domestic product**, or **GDP**. This is the total value of goods and services that a country produces in a year. Goods are things that are produced for sale or use. Food, clothing, and cars are all goods. Services are tasks done by some people for other people. Teaching is a service. So is repairing a car or a computer.

A country's level of development depends on its **per capita GDP**. Per capita means "per person." Per capita GDP is calculated by dividing a country's total GDP by its population. The result, the average production for one person, serves as a rough measure of how rich or poor a country is. The United States has a high per capita GDP. This means that it is a wealthy country. This fact strongly influences how much Americans consume year by year.



## ▶ Geotermis

**consumption** the using up of goods and services. This term is also used to describe the purchase and use of goods and services by consumers.

**developed country** a wealthy country with an advanced economy. Developed countries have many industries and provide a comfortable way of life for most of their people.

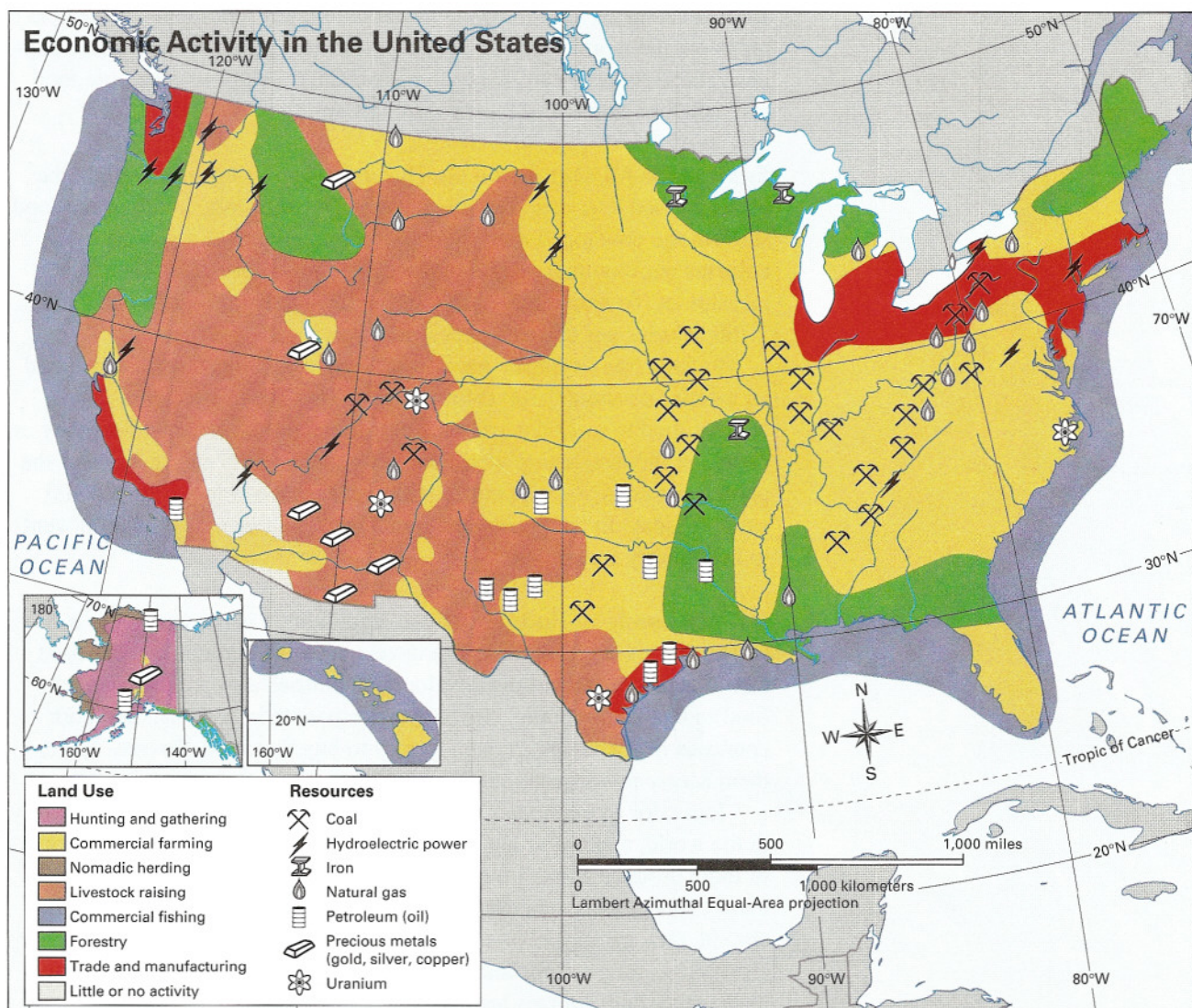
**developing country** a poorer country with a less advanced economy. In general, developing countries are trying to increase their industries and improve life for their people.

**gross domestic product (GDP)** the total value of goods and services produced in a country in a year

**per capita** by or for each person. A per capita figure is calculated by dividing the total amount of something by the number of people in a place.

### Resources Help Development

As this map shows, the United States has many natural resources. It has fertile farmland and vast forests. It is rich in minerals and fossil fuels. Over time, Americans have used these resources to develop the United States into one of the world's richest countries.







### More Than Enough Food

Food is plentiful in the United States. Supermarkets offer a wide range of foods from around the world.

## 7.3 Food Consumption Patterns

Imagine a wealthy diner sitting down to eat in a fancy restaurant. The table is set with fresh flowers and fine china. The food looks as good as it smells and tastes. Outside, however, a poor person clothed in rags is picking scraps of food from the restaurant's trash bin. These two people represent the world's rich and poor countries. As your mental image suggests, such countries are likely to have different ways to distribute food and different patterns of food consumption.

**Enough for All, But Some Go Hungry** There is enough food on the planet to feed everyone, but it is not distributed evenly. Much of the food stays in the developed world. People in rich countries consume more **calories** per day than people in the developing world. Calories are a measure of the amount of energy in food. On average, adults need about 2,700 calories per day to live healthy lives.

In 2002, the average person in many developed countries consumed an average of about 3,300 calories a day. This intake was more than enough food to meet one person's nutritional needs. Meanwhile, many people in the developing world did not get enough to eat. In some of the poorer countries, average consumption per person was less than 2,400 calories a day. In the poorest parts of Africa, half of the population went to bed hungry each night.

**Poverty Leads to Hunger** As you read, hunger is not caused by a worldwide shortage of food. The developed world produces more food than it can consume. Many developing countries also produce enough food to feed their people. However, poor people in both rich and poor countries may not earn enough money to buy that food. Poverty denies them access to adequate nutrition.

India, for example, has the largest number of people living in poverty in the world, and it also has the largest number of hungry people. Farmers in India produce enough food to feed the entire population, but many of them export their crops to other countries. When they sell their crops abroad, they get higher prices for them than they would at home. Higher crop prices are good for Indian farmers. However, they may mean that many other poor Indians have less to eat.



## 7.4 Oil Consumption Patterns

Picture morning rush hour in any city in the developed world, where the streets are filled with gas-guzzling cars, motorcycles, and buses. Now picture that same scene in a city in the developing world. You will still see lots of cars, buses, and motorcycles, but most people are riding bicycles or walking to work because they cannot afford the cost of using motorized transportation.

As these mental images suggest, oil, or petroleum, consumption follows a pattern similar to food consumption. Developed countries use more than developing countries. Oil is a **fossil fuel** that has many uses. It is refined into gasoline. It is used to make asphalt to cover roads. Petroleum is also used to make plastics, nylon, and other products.

**Oil Fuels the Developed World** Developed countries depend on oil to meet most of their energy needs. Their cars, trains, and planes burn fuels made from oil, and they use oil to heat buildings in the winter. Their power plants burn oil to generate electricity.

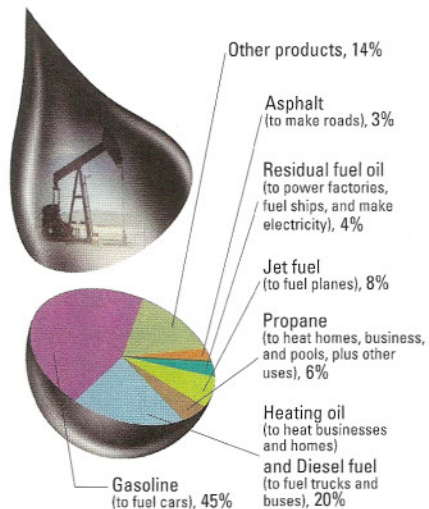
The United States leads the world in oil consumption. Americans make up just 5 percent of the world population, but they consume 25 percent of the oil pumped out of the ground each year. Most of the oil Americans consume is burned as gasoline.

**Oil Use in the Developing World Is Growing** As poor countries develop their economies, more of their people are able to afford luxuries like cars. Oil consumption is rising in many developing countries as a result.

China is a good example. In 1990, there were slightly more than 5 million cars in China; 10 years later, China had more than 16 million cars. By 2015, that number could rise to 50 million. To keep all those cars running, China will need far more oil than it uses today.

At present, there is enough oil to meet world demand. But oil will run out someday. Some experts expect oil production to peak around 2020. Others believe this peak could occur even earlier, after which oil production will begin to decline. If they are right, the world may face an oil shortage in the not-too-distant future.

## U.S. Fuel Oil Uses, 2003



Source: Energy Information Administration, [www.eia.doe.gov](http://www.eia.doe.gov).

## How Americans Use Oil

This circle graph shows the major ways oil is consumed in the United States. Notice how much oil is used to fuel motor vehicles and airplanes. A smaller share is used for heating. Think about how we might we might meet these various needs if the world ran out of oil.

### Goods Made from Oil

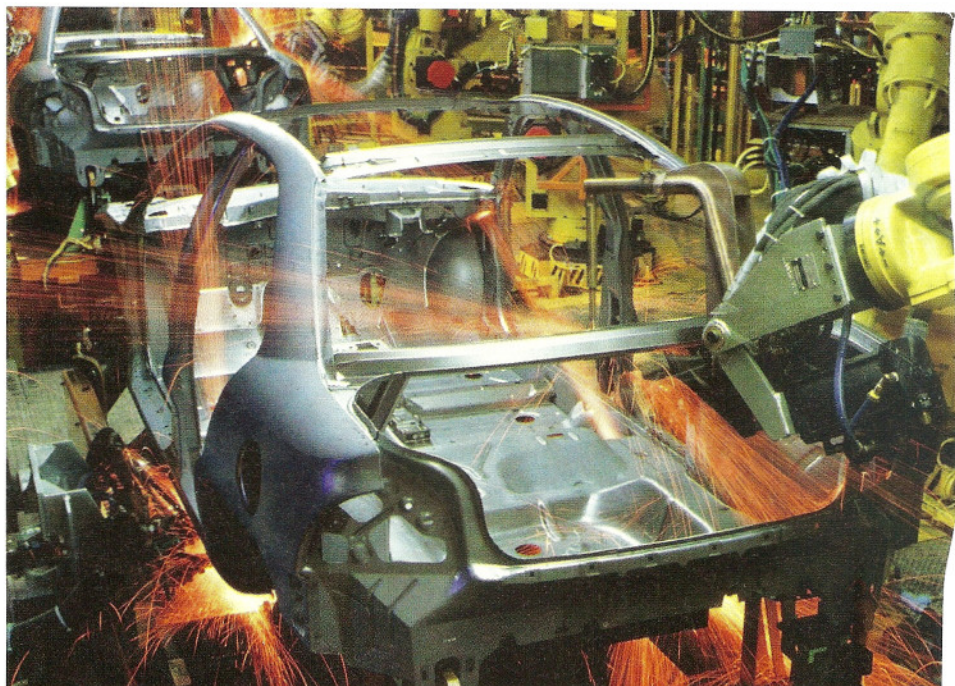
Oil is the main ingredient in most goods made of plastic, nylon, or vinyl. This family in Ohio is shown with everything they own that was made from oil.





### Computers Making Cars

Computers control the machines at work in this automobile assembly plant. Only the more developed countries have the technology to make cars this way.



## 7.5 Computer and Internet Use Patterns

Walk into almost any school in the United States today, and you will see students and teachers using computers. Walk into a school in a poor village in India, and you may not see a single computer. In fact, you may not even see a light bulb; many Indian villages do not yet have electricity.

Developed and developing countries differ in their access to **technology**. Technology is the creation and use of tools to meet practical needs. Most people in poor countries are limited to cheap and simple technologies such as water pumps and irrigation systems. People in wealthy countries have access to advanced technologies such as computers and the Internet.

**Computers Are Everywhere in the Developed World** It is hard to imagine life in developed countries without computers and the Internet. Governments and businesses use computers to store and manage information. Businesses also use the Internet to reach customers. Families use computer email to stay in touch with relatives, and the Internet to buy goods, share photographs, and read late-breaking news.

Computers and the Internet were invented in the United States. Americans also lead the world in their use of this technology. By 2005, about 75 percent of American adults reported using a computer and the Internet. The majority of U.S. households also owned a computer.

**Developing Countries Face a Digital Divide** Access to computers is more limited in the developing world. By 2003, only 6 of every 100 people in China used the Internet. In India, the number of Internet users was less than 2 out of 100. This gap between people with access to computers and the Internet and those without is called the **digital divide**. Without computer and Internet access, it is becoming more and more difficult to participate in the modern economy and climb out of poverty.

Many poor countries are working to reduce this divide. India is an example. Today more than 1,150 colleges and universities in India offer computer classes to students. India is also bringing Internet access to thousands of schools across the country.



## 7.6 The World's Greatest Producers

You have read that the United States consumes more goods and services than many other countries—but it also produces more. The GDP of the United States is greater than that of China and India combined. Several factors contribute to this high GDP. They include abundant natural resources and advanced technologies. However, the greatest source of wealth for any country is its people.

**An Educated Workforce** The United States has a highly skilled workforce. It was one of the first countries to create a public education system. Today most young people in the United States complete high school. About half of these graduates continue on to some form of higher education after high school. Many adults return to school during their lifetime to learn new skills. All of this schooling helps to make American workers among the most productive in the world. Worker productivity is measured by the value of the work done per hour.

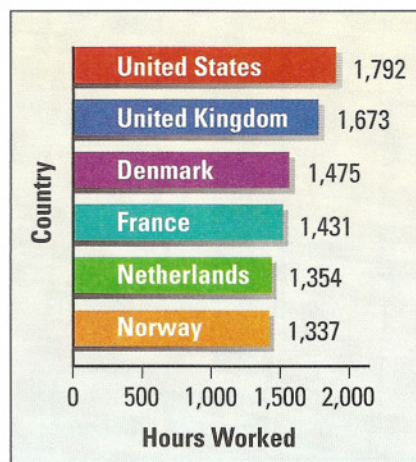
**A Strong Work Ethic** Education is not the only reason Americans are so productive. Another factor is the American work ethic, which is the belief in the moral value, or goodness, of hard work. Most Americans believe that working is good for people. They believe that work gives purpose to life and that it benefits families and communities.

This strong work ethic is tied to another belief. Most Americans grow up believing that they can be successful in life. Many of them view success as making a lot of money, while others see success as having work they love to do. In either case, Americans believe that hard work produces success.

Both the work ethic and the drive for success encourage Americans to work hard. On average, Americans work longer hours than workers in most developed countries. They also take less time off for vacation. All of this hard work helps Americans to produce more than workers elsewhere. And because Americans produce more, they have the money to consume more.



### Average Hours Worked per Person per Year, 2003



Source: *San Jose Mercury News*, Organization for Economic Co-operation and Development survey, March 22, 2005.

### Hardworking Americans

This graph compares hours worked per year in six developed countries. Notice that Americans work the most hours. One reason may be Americans' strong work ethic and drive for success.

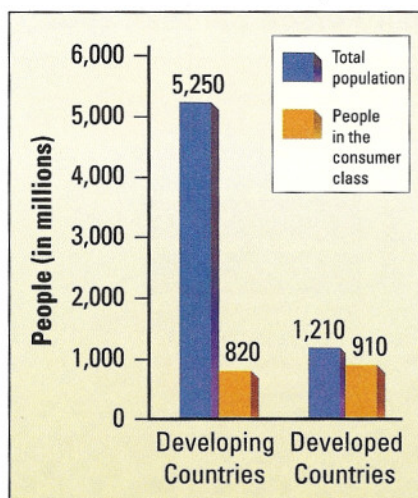
### Educated Americans

In 1900, only about 1 in 10 Americans completed high school. Today more than four fifths of all students graduate from high school. One in 4 goes on to graduate from college. These students graduated from New York City's Baruch College in 2004. So many students graduated that year that Baruch held its ceremony in New York's famous sports and entertainment stadium, Madison Square Garden.



## 7.7 Beginning to Think Globally

### The Consumer Class, 2003



Source: Matthew Bentley, "Sustainable Consumption: Ethics, National Indices and International Relations" (Ph.D. dissertation, American Graduate School of International Relations and Diplomacy, Paris, 2003).

### Growing Consumption

This graph compares the number of people in the consumer class in developed and developing countries. This growing class is made up of people who earn \$7,000 or more a year. In 2002, the global consumer class was 1.7 billion people strong.

In this chapter, you have read about patterns of consumption. You saw that consumption of food, oil, and computers varies in different parts of the world. Generally, developed countries consume more than developing countries. Developed countries like the United States can afford to consume more goods and services because they are more productive than developing countries.

**The Growing Global Consumer Class** Consumption, however, is growing worldwide. One reason is population growth in developing countries. More people means more consumers and greater demand for goods and services.

Another reason is the growth of the global consumer class. This class of consumers is made up of people who earn at least \$7,000 a year. About 75 percent of people in developed countries belong to this group. Only about 16 percent of people in developing countries are members of the consumer class. Still, nearly half of the global consumer class lives in developing countries.

Income levels in the consumer class vary widely. A few people are very rich, though most people have more modest incomes. But even in developing countries, most members of the consumer class can afford televisions and telephones. Those with more money own cars, have computers, and use the Internet to shop.

**Pressure on Resources and the Environment** Wherever they live, most members of the consumer class would like to consume the way people in wealthy countries do. This level of consumption might create two kinds of problems. One is pressure on resources, and the other is harm to the environment.

Most resources in the world are limited. There is only so much fertile land, fresh water, and oil available to meet human needs. If current consumption patterns continue, there may not be enough of these resources to go around. The result could be shortages of food, water, or fuel, rising prices as supplies shrink, and greater competition for resources.

Increased consumption may also do great harm to the environment. China, for example, already has dirty air from burning coal in power plants. As China's consumption of gasoline to fuel its growing number of cars increases, air pollution is likely to get worse.

Increased consumption creates another problem for the environment. The more people consume, the more trash they produce. Most of what people buy is eventually thrown away. Surprising as it may sound, this statement is true for everything from milk cartons to cars.

Air pollution from burning fuels may affect people's health as well, especially the young and the elderly. Research groups study links between air pollution and diseases such as childhood asthma and heart disease to help understand the potential effects.

Much of what consumers throw out ends up in landfills or dumps, but many landfills are already overflowing with garbage. Worse yet, some of the trash in them is toxic, or poisonous. Old computers and cell phones, for example, are filled with toxic materials. Over time, these poisons can leak into water supplies. Tainted water can harm fish and contribute to increases in diseases among humans.



**Living Well While Protecting the Planet** Consumption is a part of life. People need food, clothing, and shelter to survive. Goods like cars and computers improve people's quality of life. Unlimited consumption, however, may be bad for the planet. Fortunately there are ways to live well while consuming less.

One way to promote the health of the planet is to cut back on waste. Most people buy more food than they can eat, leave lights on in unused rooms, and drive cars when they could walk. Buying less, using less electricity, and driving less would reduce such waste. Personal changes such as these would have only a small impact on how well a single individual lives, but multiplied by millions, these changes could have a significant impact on the life of the planet.

A second approach is find ways to do more with less. The first computers, for example, were large machines that filled an entire room. Over time, engineers found ways to make computers smaller. Today a thin laptop can do far more computing than the old giants and can do it much faster, while using far less material and energy to do the job.

A third way is to use cleaner resources. Most of the electricity we use today is generated by the burning of fossil fuels, but this process creates air pollution. However, new technologies are making it possible to use sun and wind power and even the force of ocean tides to generate electricity. None of these alternative energy sources adds air pollution to the environment. And the world is not about to run out of sunshine, wind, or oceans.

Still another way to help the planet is by **recycling**. Recycling turns used goods into materials that can be used to make new ones. Many people already recycle glass, plastic, paper, and metals. Other materials, from lumber scraps to computer parts, can also be recycled. Recycling saves resources and reduces trash. You will learn more about trash and recycling in the next section.

### China's New Consumer Class

China has a huge population. And it is quickly becoming a country of consumers. Every year, the Chinese are buying more televisions, computers, and cars. If all Chinese owned cars, however, there wouldn't be enough oil in the world to keep them running.





## 7.8 Global Connections

The map shows how much municipal waste—garbage and trash collected from homes and businesses—various countries produce. The circle graph shows the makeup of municipal waste in the U.S. The bar graph shows what percentage of various materials was being recycled in 2003 in the U.S.

**Which countries appear to produce the most waste?** Developed countries appear to produce the most waste per person. People there may throw more things away because they consume more. Comparisons between rich and poor countries are difficult, however. Most developing countries do not have data on their waste production. Their governments may not provide trash-collection services. Or trash may be collected but not measured.

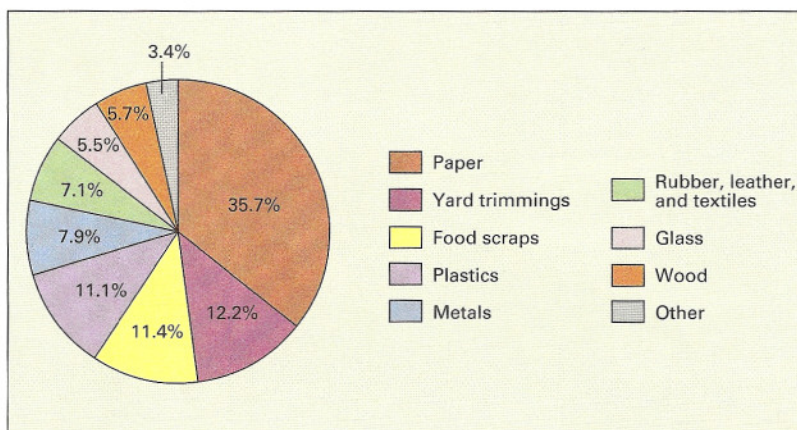
**How effective is recycling as a way to reduce trash?** Recycling can reduce trash in landfills. Between 1990 and 2000, waste per person in the U.S. dropped by about a third because of recycling. Government recycling programs are less common in poor countries; it costs money to build recycling centers, transport recycled materials, and construct factories to process the recycled products. But that doesn't mean that people in poor countries don't recycle. Poverty forces people to reuse everything they can rather than throw it away.

**How can recycling help people and the planet?** Recycling creates jobs, which is good for a nation's economy. And recycling saves resources, which reduces pressure on the planet to provide raw materials for industries. By 2005, for example, two thirds of all the steel produced in the U.S. was made from recycled scrap steel, and more than a third of the paper produced in the U.S. came from recycled paper.

### Municipal Waste Production in Some Countries



### U.S. Municipal Waste, 2003



Source: U.S. Environmental Protection Agency, "Municipal Waste," [www.epa.gov](http://www.epa.gov).



