



Place • Forestry is a major industry in Russia. These harvested logs are being floated downriver to be processed. ▶

Prices are no longer controlled by the government. This means that companies can charge a price that is high enough for them to make a profit. At the beginning of the 21st century, however, people's wages have not risen as fast as prices. Many people cannot afford to buy new products.

Some Russians have done well in the new economy. On the other hand, people with less education and less access to power have not done as well. Also, today most new businesses and jobs are in the cities, which means that people in small towns have fewer job opportunities.

BACKGROUND

The Russian government is unable to enforce tax laws. Many people don't pay their taxes. Without that money, the government cannot provide basic services, such as health care.

SECTION 2 ASSESSMENT

Terms & Names

1. Explain the significance of: (a) Mikhail Gorbachev (b) parliamentary republic (c) coalition government (d) ethnic cleansing (e) Duma

Using Graphics

2. Use a flow chart like this one to outline the changes in Eastern Europe and Russia from 1988 through 2000.

1988:

↓

↓

Main Ideas

3. (a) What happened to the governments of the former Soviet republics after independence?
 (b) How have the economies of Eastern European countries changed now that those countries are free?
 (c) In what ways has life in Russia improved since the breakup of the Soviet Union?

Critical Thinking

4. **Making Inferences**
 Why do you think many Eastern European countries would like to join NATO?

Think About

- what happened to the Warsaw Pact
- the economies of Eastern Europe
- the relationship between Eastern Europe and Russia

ACTIVITY -OPTION-

Reread the information in the Spotlight on Culture feature. Write a short, personal essay that describes a special family, school, neighborhood, or holiday celebration in which you participated.

The European Union



TERMS & NAMES

- European Union
- currency
- euro
- tariff
- standard of living
- Court of Human Rights

MAIN IDEA

Europeans want to maintain a high quality of life for all citizens while preserving their unique cultures.

WHY IT MATTERS NOW

A prosperous and culturally diverse Europe provides goods and markets for the rest of the world.

DATELINE

WESTERN EUROPE, DECEMBER 2001—Starting next month, people in many Western European nations will begin trading their old bills and coins for euros—the new money of the European Union (EU). The design of the bills, below, is the same for all EU members.

The design of the euro coins, however, will be different. Individual countries are minting their own. As shown here, one side has a standard euro design. The other side has national symbols that relate to each country. In 1996, artists and sculptors from all over Europe entered a contest to design the coins. The winner was Luc Luyckx (lewkw lowx) from Belgium.



Region • Euros reached the European market in January 2002. ▲

Western Europe Today

Today, in Western Europe, all national leaders share their power with elected lawmakers. Citizens take part in government by voting and through membership in a variety of political parties. The Unit Atlas on pages 260–269 shows modern Europe.

TAKING NOTES

Use your chart to take notes about modern Europe.

Aspect	Under Communism	After Communism
Government		
Economy		