Summary: Resources of the Midwest

Using Midwestern Resources
The Midwest has many natural resources. Water, rich soil, and minerals helped the region become a major farming and manufacturing center. Water is an important resource. Farmers water crops with it. Rivers and lakes provide transportation.

Large manufacturing cities have grown along waterways. The rich soil and climate support forests that provide lumber and other wood products. The Midwest produces corn, wheat, and soybeans. Farmers also grow hay, fruits, and vegetables. They raise hogs and dairy cows. Wisconsin is called America’s Dairyland. Some workers build tractors. Others ship food worldwide. Miners dig minerals from the ground. Lead is used to make batteries and computers. Iron ore is used to make steel. Steel is used to make cars, boats, planes, and bridges.

The Midwest’s Economy
Many manufacturers build factories in the Midwest. The region has many natural resources. It has skilled workers. It has waterways for moving goods. Service industries also have grown in the Midwest. People in the transportation industry provide a service. They move raw materials to factories and finished products to stores. Cleveland, Chicago, and Kansas City are important transportation centers. Banking, health services, and communications are also important service industries in the Midwest.

The concepts of supply and demand can help you understand the economy. Supply is the amount of a product that producers make. The demand is the amount of that product consumers will buy at different prices. If there is great demand for a product and a small supply, the producer may raise the price of the product.

For example, a company makes a new cereal. If many people want to buy it, the price rises. But if the price is too high, people may stop buying. The demand for the product falls. Producers lower prices and improve quality to compete successfully. As the supply rises, the price drops. The government helps farmers when supply and demand vary by keeping farm prices from dropping too low.