

Summary: Technology and Trade

Leading the Computer Industry

The first computers were very large and difficult to use. But two men—Steven Jobs and Stephen Wozniak—changed the future of computers in 1977 when they introduced one of the first personal computers, the Apple II. People could use it in their homes. The two men grew up in an area in California that came to be known as Silicon Valley, named after the tiny silicon chips inside computers.

Silicon Valley grew up around Stanford University. Professor Frederick Terman, a professor at Stanford, set up a research park near the University. By the 1960s, nearly all the companies that made computer chips were in Silicon Valley because of cooperation between Stanford and businesses. By 2000, nearly half a million people worked there. It is home to computer companies, software developers, and Internet businesses. Another high-tech area, the Tech Coast, stretches from Santa Barbara to San Diego. It's a center for medical research. High-tech industries around Sacramento are also growing. About one-fifth of all high-tech goods exported to other countries from the United States comes from California.

Trade Around the World

California's location on the Pacific Ocean makes international trade easier for California companies. Many California companies trade with nations on the Pacific Rim. These are nations with coastlines on the Pacific Ocean. The largest international markets for California's goods and services are Mexico, Japan, and Canada. The state's biggest exports are computers and electronic products.

In 1992, Mexico, Canada, and the United States signed the North American Free Trade Agreement (NAFTA), to make trade among them easier. In 2003, California sold more than \$26 billion in goods to NAFTA nations.

In 2002, the state opened a 20-mile-long high-speed railroad track called the Alameda Corridor to link the ports of Los Angeles and Long Beach with train yards in Los Angeles. Goods can now be unloaded and quickly carried by rail to trucks, trains, and planes all over the country.



Before You Read

Find and underline each vocabulary word.

high-tech *adjective*, short for high technology; it is technology that is very advanced

international trade *noun*, trade between countries



After You Read

REVIEW What made Silicon Valley grow?

Highlight the sentences that explain the growth.

REVIEW How does its location help California's international trade?

Underline the sentences that explain how the state's location helps trade.