

## 2.4 Products of Peru

TECHTREK

myNGconnect.com For photos of agricultural products of Peru



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**Main Idea** Agriculture and mining industries in Peru are helping the economy to grow.

What do asparagus and gold have in common? They are both products of the mountains of Peru. Agriculture and mining are key industries in this country.

### High Mountain Agriculture

The Andes Mountains in Peru feature high peaks and low, steep valleys. The valleys are fertile in some areas, but often not suitable for agriculture. **Erratic**, or inconsistent, rainfall and rugged terrain make large-scale farming in the mountains difficult. The few crops that do grow well in these conditions include potatoes, wheat, corn, vegetables, and quinoa. These crops are generally grown for local people and are not exported. The limited cash crops grown for export include sugarcane, wheat, coffee, and asparagus, a vegetable valued in international markets.

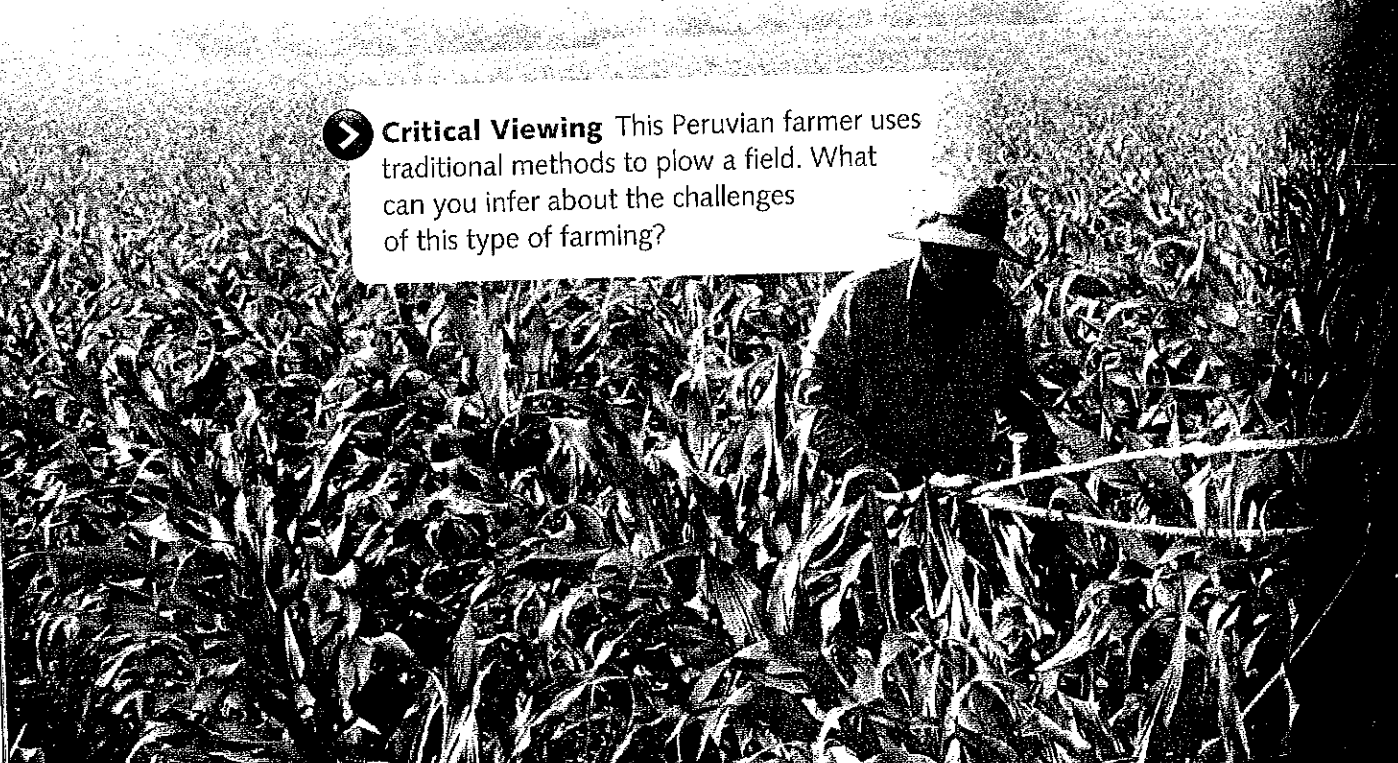
Other economic activities in the Peruvian mountains include cattle and alpaca ranching. By far, though, the most profitable economic activity in Peru is mining.

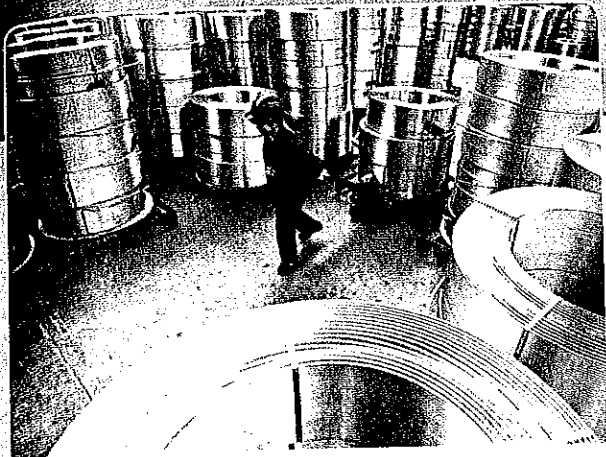
### Peru's Mining Economy

Peru is a leading exporter of metals and minerals such as silver, zinc, lead, copper, tin, and gold. These products are used in many industries worldwide. For example, copper is made into wire for electrical and telephone systems. Lead is used for automobile batteries, and gold is made into jewelry and electronic parts. Exports of metals and minerals alone supply nearly two-thirds of Peru's total **export revenue**, or the money earned from exports.

Two developments helped Peru increase export revenues from mining so that it became more profitable than agriculture. The first was new government policies on mine ownership, which began in

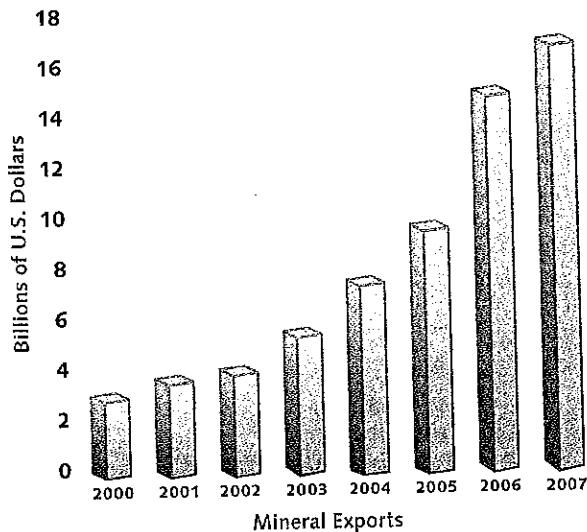
**Critical Viewing** This Peruvian farmer uses traditional methods to plow a field. What can you infer about the challenges of this type of farming?





**Critical Viewing** Copper is made into electrical wire and into tubes and pipes used for plumbing. Based on the photo, what can you infer about the importance of this export?

### MINING EXPORTS OF PERU (2000-2007)



Source: Ministry of Energy and Mining, Peru, 2007

the early 1990s. These policies brought about private ownership of the mines. This shift allowed for investment in needed improvements and upgrades, which led to a rapid growth of the mining industry in Peru. Existing mines became more **profitable**, or financially successful, and new mines opened. Today the Yanacocha gold mine, which opened in Peru in 1993, is the largest gold mine in South America.

Peru's mining revenues also increased because of an upward trend in world prices for silver, gold, and other metals and minerals since the late 1990s. Because Peru is a top producer of these industrial raw materials, the country has become competitive in the global economy.

### Before You Move On

**Monitor Comprehension** What exports have helped Peru's economy to grow?

### ONGOING ASSESSMENT

## DATA LAB

- Identify** Look at the bar graph. What happened to mining exports between the years 2000 and 2007?
- Interpret Graphs** What is the difference in mining revenues between 2000 and 2007, measured in dollars? What accounts for that difference?
- Summarize** What governmental policy change in the 1990s led to a growth of the mining industry between 2000 and 2007?