Texas Ups and Downs

Trace how changing industries affected Texans.

7.7.B “define and trace the impact of "boom-and-bust" cycles of leading Texas industries throughout the 20th and early 21st centuries such as farming, oil and gas production, cotton, ranching, real estate, banking, and computer technology;”

NAME ______________________ DATE ____________

1 READ AND MARK

Read it twice

YOUR JOB Underline every phrase that describes rapid growth or contraction in an industry, then number your underlined phrases in the order the events happened. This will help you trace each boom-and-bust cycle and its effects.

Texas Industries Rise and Fall

1 Boom-and-bust cycles are periods when an industry grows quickly, then shrinks or struggles. Texas farming shows this pattern. During World War I, high demand and prices encouraged farmers to plant more cotton. That expansion was a boom. After the war, prices fell, and many farmers earned less money. Drought, the boll weevil, and the Great Depression made the downturn worse. Farm families cut spending, left some land unused, or moved to towns for work. Ranchers also faced falling cattle prices during hard economic times.

2 Oil and gas production transformed parts of Texas in the twentieth century. Discoveries such as the East Texas field brought a boom of drilling, jobs, and new businesses. By 1931, too much oil was being produced, so oil prices crashed. The Railroad Commission of Texas later limited production to help stabilize prices. In the 1980s, falling oil prices hurt energy companies. The drop also weakened real estate and banks that had made loans for building projects. Many Texas savings and loan institutions failed, and construction slowed.

3 Computer technology created another Texas cycle. In the 1990s, computer and telecommunications businesses grew quickly, especially in Austin and the Dallas area. The growth attracted investment and workers. When the dot-com downturn began around 2000, demand for some technology products and services dropped. Some firms cut jobs or closed, and hiring slowed. Later, new technology businesses expanded again as demand for digital services increased. These cycles changed local communities because workers, stores, lenders, and tax revenues were affected by each industry's rise or decline.

2 ANSWER WITH EVIDENCE

Use the passage

1. What caused the cotton boom during World War I, and what conditions made the later downturn worse?

2. Trace the East Texas oil cycle from the discovery boom to the response after oil prices crashed.

3. How did falling oil prices in the 1980s affect industries besides energy production?

4. What happened during the computer technology boom of the 1990s and the dot-com downturn around 2000?

3 YOUR TURN

Your own words

Write five sentences that trace one Texas industry cycle from the passage. Include the boom, the bust, a cause of the change, and one effect on a linked industry or community.

ANSWER KEY **Texas Ups and Downs** GRADE 7 · TEKS 7.7.B

PART 1 · READ AND MARK

Underline every phrase that describes rapid growth or contraction in an industry, then number your underlined phrases in the order the events happened. This will help you trace each boom-and-bust cycle and its effects. Accept any marking that follows this job and points at the right text.

PART 2 · ANSWERS

#	QUESTION	ANSWER
1	What caused the cotton boom during World War I, and what conditions made the later downturn worse?	**High demand and prices led farmers to plant more cotton. After the war, prices fell, and drought, the boll weevil, and the Great Depression worsened the downturn.**
2	Trace the East Texas oil cycle from the discovery boom to the response after oil prices crashed.	**Oil discoveries brought drilling, jobs, and new businesses. By 1931, overproduction caused prices to crash, so the Railroad Commission later limited production to help stabilize prices.**
3	How did falling oil prices in the 1980s affect industries besides energy production?	**They weakened real estate and banks that had made building loans. Many savings and loan institutions failed, and construction slowed.**
4	What happened during the computer technology boom of the 1990s and the dot-com downturn around 2000?	**Computer and telecommunications businesses grew quickly and attracted investment and workers. Around 2000, demand for some technology products and services dropped, and some firms cut jobs or closed.**

PART 3 · YOUR TURN (SAMPLE ANSWER)

Oil production boomed after discoveries such as the East Texas field brought drilling, jobs, and new businesses. Too much oil was produced by 1931, and prices crashed. The Railroad Commission later limited production to help stabilize prices. In the 1980s, falling oil prices hurt energy companies. The drop weakened real estate and banks that had lent money for building projects, and construction slowed.

Accept equivalent descriptions of growth, decline, causes, and effects that are supported by the passage. For the open response, accept any one industry cycle if all required parts are included and the sequence is accurate.