Louisiana’s Resources

As you read, look for:
• Louisiana’s natural resources,
• the role natural resources, capital resources, and human resources play in the economy, and
• vocabulary terms mineral resources, nonrenewable, lignite, biological resources, renewable, pulpwood, and labor union.

An economic system uses natural resources, human resources, and capital resources to produce goods and services.

Natural Resources
Natural resources are gifts of nature and include air, water, and soil. Louisiana’s abundant natural resources have supported the development of its economy.

Figure 4
Most Important Crops, 2003

1. Sugar Cane
2. Cotton
3. Rice
4. Soybeans
5. Corn

Below: Sugar cane, seen growing here in Terrebonne Parish, is the principal source of sugar.
The rich soil of Louisiana has produced generous harvests since the Native Americans first planted corn. Agriculture today has shifted from the small farms and plantations of the past to huge agribusiness systems. Fewer people work on farms, but the amount of crops grown has not decreased. In 2003, Louisiana ranked second in the United States in the production of sugar cane and sweet potatoes. Rice, cotton, and soybeans are also important crops.

The fertile soil and good climate also provide the right conditions for raising cattle. Herds of beef cattle range in pastures around the state. Dairy farms are still found in rural Louisiana, but they are a smaller part of today’s economy.
An abundant water supply benefits Louisiana. Surface water and underground water sources supply water for agriculture, industry, and human use. Waterways also provide transportation and recreation.

Mineral Resources

Mineral resources are inorganic substances that were formed by Earth’s geological processes. Louisiana’s mineral resources are important to its economy. They are nonrenewable; that is, these resources are not replaced by nature once they are extracted (taken) from the environment.

Oil, natural gas, salt, sulphur, and lignite are mineral resources found in Louisiana. The state also has deposits of sand, gravel, and limestone that are used in the construction industry.

Oil

Plants that decayed millions of years ago created the oil used for today’s energy. Louisiana contains more than 10 percent of the known oil reserves in the United States. Even more oil waits beneath the floor of the Gulf of Mexico. These deposits have made Louisiana one of the top oil-producing states in the United States.

The twentieth century began with the drilling of Louisiana’s first oil well in 1901. A wooden derrick held that drilling rig in Jennings. The drill bit struck oil 1,800 feet beneath the surface.

More oil was soon located in Caddo Parish, and the first offshore oil well was drilled in Caddo Lake. Another large deposit was discovered in Claiborne Parish.
Soon hundreds of oil derricks hinted at the possible riches across Louisiana. But those early years of oil exploration were based more on hunch than on geology; sometimes the landowner got a dry hole instead of a gushing oil well.

The richest recent discovery was the Tuscaloosa Trend in South Louisiana, found in the 1970s. During the oil boom of that decade, many people reached their dream of getting rich. The crash of oil prices in the 1980s changed their luck.

More oil deposits lie beneath the Gulf of Mexico. Geologists discovered this oil by using sound waves to produce images of Earth’s crust. The first platform in the Gulf was built in 1947; since then, thousands of oil wells have been drilled off Louisiana’s coast.

Large refineries process this “black gold” for hundreds of uses. Louisiana refineries produce enough gasoline each year to fill 800 million automobile gas tanks. Jets fly around the world using fuel refined in Louisiana. An almost unlimited list of other products is created from the chemicals refined from oil.

**Natural Gas**

Louisiana’s natural gas deposits are even larger than its oil deposits. More than a quarter of the nation’s supply of natural gas comes from Louisiana. Underground pipelines move this natural gas throughout the United States.
During the early days of the oil rush, natural gas was burned as waste at the well sites. In 1917, however, a process was developed to convert natural gas into *carbon black*. Carbon black is used in making tires, ink, and other products. The large Monroe natural gas field, which had been discovered in 1907, became very valuable.

Later, natural gas became an important source of energy for homes and industry. This clean fuel is still widely used. Natural gas can even serve as fuel in modified vehicles. In recent years, some Mardi Gras floats have been pulled by trucks powered by natural gas. The Clean Cities Coalition wanted to show how clean-burning natural gas fuel reduces pollution.

**Salt**

Both humans and animals need salt to survive. The first people to use the salt in Louisiana were Native Americans. They found animals licking the soil where the salt had made its way to the surface. The Native Americans used the salt from these *salt licks* in trade. Later, people used salt as a form of money.

During the Civil War, an underground salt deposit was discovered on Avery Island. This deposit was almost pure rock salt. The Confederacy relied upon that salt until the Union troops destroyed the mining operation. Other salt deposits have been discovered, including some more than 50,000 feet deep and at least a mile across! Salt in these deep deposits is recovered by mining it.
Most of us think of salt as a seasoning in a shaker. But most Louisiana salt is used to make chemicals that in turn make hundreds of other products. Poly-vinyl chloride is a plastic made in a process that begins with salt. This plastic makes PVC pipe for plumbing, as well as many other products.

**Sulphur**

Sulphur is a mineral used to make matches, gunpowder, medicine, plastic, and paper. The first major discovery of sulphur in Louisiana, made in 1869, was called the “richest 50 acres in the world.” The town of Sulphur in Calcasieu Parish developed around this industry. Port Sulphur in Plaquemines Parish also owes its name to sulphur mining. Freeport Sulphur built the town as a model community for its employees.

Other deposits of sulphur were discovered in salt domes and along the coast of the Gulf of Mexico. The mineral’s value to Louisiana’s economy has decreased. Sulphur was mined until recent years. The low price of sulphur from other countries has made it unprofitable to mine Louisiana sulphur.

**Lignite**

Lignite is a soft, brownish-black coal that burns poorly because of its high water content. Although it is the lowest-quality coal, Louisiana lignite has been mined since the 1970s. Because of the oil supply crisis of that decade, the United States government encouraged the use of other sources of energy such as lignite.

The lignite deposits in Louisiana lie mostly in DeSoto Parish. Surface mining there produces more than a million tons of lignite each year. Lignite mined in Louisiana fuels an electric power station near Mansfield.
Biological Resources

Biological resources are plants and animals, also called flora and fauna by scientists. Biological resources are renewable; that is, they replenish themselves over time.

One unusual form of vegetation that once was an economic resource is Spanish moss. The plant, gathered from live oak and cypress trees, was sold as stuffing for mattresses and furniture. The early Model T Fords even had seats stuffed with Louisiana Spanish moss.

Forests

Money may not grow on trees, but trees can certainly bring money to the economy. Trees are Louisiana’s second-largest income producer. Almost half of Louisiana is covered in forests. Trees are sold from the forests of fifty-eight parishes.

More than 90 percent of the trees cut are pine, and more than 75 percent of those pine trees are cut for pulpwood. These smaller, softer trees are shredded into pulp, which is then made into paper. The amount of pulpwood cut each year would make enough paper to print more than a billion copies of the Sunday New York Times.

Large trees cut for lumber are called sawtimber. More than one billion board feet of timber are cut from these trees, enough to build over 150,000 houses. Most of the sawtimber is also pine, although some is cut from hardwood trees such as oak. The hardwood sawtimber is used for specialty products such as furniture and flooring.
The forestry-related industry includes paper mills, lumber mills, and plywood plants. Louisiana trees make bags and boxes as well as kitchen cabinets.

The forestry industry is now regulated and can no longer leave the land bare after trees are cut. Today, over 100 million trees are replanted each year.

The Office of Forestry in the Louisiana Department of Agriculture provides help with forestry management. That department also helped start a special economic activity—Christmas tree farms. Families who want to cut their own trees can now select their favorite from the planted forest.

**Wildlife**

Animals have always helped satisfy human needs. Louisiana's natural regions provide a home for a variety of wildlife. These animals continue to be an economic resource for trappers, and hunting is a tradition throughout the state. Seasons and limits on both activities are set by law and enforced by the state Department of Wildlife and Fisheries.

Louisiana once sold more than a million fur pelts annually. That number has decreased by about 75 percent. Trapping has declined as the demand for furs has dropped.
Hunters in Louisiana continue a generations-old activity. Hunting has long been a source of food; today it is also recreation. Hunting also generates millions of dollars each year for the state’s economy.

The early years of timber cutting and clearing land for crops reduced the forest land. The numbers of forest animals decreased as their habitats were lost. Proper management has increased the animal population in recent years. White-tailed deer have increased to more than a million animals in the state. Other game animals include squirrels and rabbits. Game animals can be hunted but cannot be sold commercially.

The largest wild animal in Louisiana—the black bear—is endangered and can no longer be hunted. The loss of the bear’s natural habitat has made it almost extinct. Fortunately, the state has a program to release bears brought here from other states. Radio collars track the bears so they can be observed and protected.

Benjamin Franklin wanted the wild turkey to be the symbol of the United States instead of the bald eagle. Franklin would be pleased at the efforts that have increased the numbers of this native bird in Louisiana. The gobble of the wild turkey is heard in forests throughout the state.

The wild turkey is classified as a *game bird* in Louisiana. Other game birds that can be hunted in season are dove and quail. Doves are plentiful, but the number of quail has dropped in recent years. The most plentiful game birds are the migratory waterfowl that pass through Louisiana on their way south for the winter. Millions of ducks and geese cover the marsh during November and December.

The alligator is Louisiana’s most famous wildlife. The hide of this reptile makes valuable leather. However, extensive hunting and environmental problems reduced the number of alligators to the endangered level. The states along the Gulf Coast stopped alligator hunting in 1963, and the animal was placed on the federal protected species list. The plan worked. Today more than a half million alligators live in Louisiana. In 1981, after eighteen years, alligator hunting resumed but under strict rules. Alligators produce millions of dollars in hides and meat, and alligator farming brings in almost as much as trapping. The alligator thrives in Louisiana, holding its place in the ecosystem and in the economy.
Fish

In Louisiana, some people fish for fun and others fish for a living. Their equipment ranges from a simple cane pole to huge nets.

The rivers, lakes, and bayous of Louisiana provide freshwater fish such as bream, bass, perch, and catfish. Most of these fish are caught for recreation. The catfish is the main freshwater fish that can be legally caught to sell. The growing demand for catfish led to a new industry—catfish farming. The catfish are raised in ponds.

Crawfish are also raised commercially on crawfish farms. Some rice farmers even produce crawfish as a second crop in their flooded fields. The traditional source of this popular shellfish is the Atchafalaya Basin, which produces millions of pounds of crawfish annually.

Fishing in the Gulf of Mexico attracts tourists as well as commercial fishermen. Old oil rigs in the Gulf have been converted into artificial reefs and attract thousands of fish and many charter boats.

The Gulf of Mexico provides a generous harvest of seafood. Game fish include speckled trout, redfish, drum, mackerel, blue marlin, amberjack, grouper, and tarpon. Game fish cannot be sold commercially.

Commercial fishing is allowed for tuna, sea trout, red snapper, and other fish that are headed for the dinner table. Seafood caught off the coast of Louisiana totals 25 percent of the United States catch each year. Louisiana holds
the U.S. record for the largest catch of fish ever taken in one year—almost 2 billion pounds.

Shrimp, oysters, and crabs flavor our gumbos and help fund our economy. More shrimp and oysters come from Louisiana than any other coastal state.

A fish that no one eats adds millions of dollars to the economy each year. The menhaden, also called the pogy, is used to make fertilizer and pet food. These small sardine-like fish are even used to make the food for farm-raised catfish.

**Capital Resources**

Capital resources are human-made products used to produce goods or services. This includes buildings and equipment. Examples of capital resources in Louisiana are rice mills, sugar refineries, oil refineries, cotton gins, and meat-packing plants. Transportation facilities—bridges, highways, and airports—are also capital resources.

**Human Resources**

Human resources are the people who supply the labor—either physical or mental—to produce goods and provide services. In an economic system, they are paid for this work.

Today’s diverse economies require new skills and specialization. Productivity and flexibility are valued by employers. People who want good jobs know they need education and training.

The desire for satisfying, good-paying jobs led to the rise of labor unions in the twentieth century. Groups of workers organized to demand fair pay and safe working conditions. Labor unions grew strong in Louisiana but have lost much of that power today because of the right-to-work law passed in 1976. This state law says that no one can be required to join a labor union to get a job. Unions say this law takes away their power to protect workers. Business owners say it keeps unions from pushing wages and benefits so high they cannot make a profit.

**Check for Understanding**

1. Name two mineral resources that have helped Louisiana’s economy.
2. Name two uses for Louisiana’s trees.
3. What is a new method for getting crawfish?
4. Name three capital resources in Louisiana.
5. What is a labor union?