Skills Build Output

Trace how education and training can affect GDP per capita.

SS6E9.b "Explain the relationship between investment in human capital goods (education and training) and gross domestic product (GDP per capita)."

NAME ______________________ DATE ____________

1 READ AND MARK

Read it twice

YOUR JOB Underline each investment in education or training, circle each result for production or GDP per capita, and number one cause-and-effect chain from 1 to 3.

From Skills to Output

1 Human capital is the knowledge and skills people gain through education and training. Governments, businesses, and families invest in it when they pay for schools, apprenticeships, job courses, or worker training. These investments build people's ability to do work. They are different from buying machines or constructing buildings, but they can work together. For example, a factory needs trained workers who can safely use new equipment and solve production problems more quickly and accurately every day.

2 Workers with stronger skills can often produce goods or services more efficiently, create useful ideas, and adapt to new technology. A baker trained in food safety may reduce waste. A technician trained to repair rail equipment may keep trains running. When many workers become more productive, businesses may sell more output or improve services. GDP measures the value of final goods and services produced in an economy. GDP per capita is GDP divided by the number of people.

3 Investment in human capital does not automatically raise GDP per capita. Trained people also need jobs, tools, transportation, and customers for their work to add to production. A country with good schools may still face a recession or a shortage of openings in some fields. Over time, however, education and training can help a larger share of workers use skills that increase output. If total output grows faster than the population, GDP per capita can increase.

2 ANSWER WITH EVIDENCE

Use the passage

1. Name two ways people can invest in human capital. What do both investments build?

2. How could training a rail-equipment technician affect a country's production?

3. Explain the chain from education or training to a possible increase in GDP per capita.

4. Why might investment in human capital fail to raise GDP per capita right away? Give two conditions workers also need.

3 YOUR TURN

Your own words

Invent a European town that invests in one education or training program. Write exactly three sentences that explain the investment, its possible effect on output per person, and one condition needed for that effect to happen.

ANSWER KEY **Skills Build Output** GRADE 6 · SS6E9.b

PART 1 · READ AND MARK

Underline each investment in education or training, circle each result for production or GDP per capita, and number one cause-and-effect chain from 1 to 3. Accept any marking that follows this job and points at the right text.

PART 2 · ANSWERS

#	QUESTION	ANSWER
1	Name two ways people can invest in human capital. What do both investments build?	**Examples include paying for schools, apprenticeships, job courses, or worker training. Both build people's knowledge, skills, and ability to work.**
2	How could training a rail-equipment technician affect a country's production?	**The technician may keep trains running. This can help businesses provide services or move goods, adding to output.**
3	Explain the chain from education or training to a possible increase in GDP per capita.	**Education and training build worker skills. Skilled workers may produce more goods or services, raising total output. If output grows faster than population, GDP per capita can increase.**
4	Why might investment in human capital fail to raise GDP per capita right away? Give two conditions workers also need.	**Trained workers need conditions such as jobs, tools, transportation, and customers. A recession or a shortage of job openings can also limit production.**

PART 3 · YOUR TURN (SAMPLE ANSWER)

In the European town of Liora, leaders fund training for wind-turbine technicians. Workers gain skills, companies can complete more turbine repairs, and the town's output per person could rise. This is more likely if businesses have jobs and equipment for the trained workers.

Accept equivalent cause-and-effect explanations that connect education or training to worker productivity, total output, and GDP per capita. For the open response, accept any realistic training investment, a logical output effect, and a needed condition such as jobs, tools, transportation, or customers.