What Replaces What?

Creative destruction in three Indiana communities

IS.4.5 "Analyze how the concept of "Creative Destruction" has impacted communities throughout Indiana."

NAME _____ DATE _____

1 READ AND MARK

Read it twice

YOUR JOB Underline a change in each community, circle one possible gain, and number the people or services that may face a cost. Use your marks to compare who benefits and who bears the costs.

When Indiana Industries Change

1. In South Bend, cars once rolled out of Studebaker's huge factories. When the company closed its South Bend auto plants in 1963, thousands of workers lost jobs, and nearby shops lost customers. Today, parts of the former factory area have been reused for offices, research, and other businesses. This shift shows creative destruction: new ways of producing and doing business replace older ones. Yet a new tenant does not automatically hire a former assembly worker. The same site can signal opportunity to one family and a lasting loss of steady factory pay to another.

2. Gary grew around steelmaking, and its mills still make steel. Over time, improved machinery allowed mills to produce steel with fewer workers, while competition from steel made elsewhere put pressure on local plants. Fewer steel jobs reduced spending at nearby businesses and strained the city's tax base. More efficient production could help mills stay open and keep some jobs, but those gains did not restore every lost paycheck. Unlike South Bend's closed car plants, Gary shows that creative destruction can reshape a community even when its older industry survives.

3. Cummins, headquartered in Columbus, has long made diesel engines. Its newer business also develops battery-electric and hydrogen fuel-cell technology as customers look for ways to cut emissions. These products could create work for engineers, technicians, and suppliers in Indiana, while some diesel-related skills may become less valuable. Workers may need training to move into new roles, and the number of future jobs is uncertain. In South Bend, Gary, and Columbus, the effects do not arrive evenly: a community can gain a new industry or more efficient production while workers and local budgets bear costs.

2 ANSWER WITH EVIDENCE

Use the passage

1. In South Bend, why might reusing a former factory area help the community without replacing every worker's lost income?

2. How could improved machinery help Gary's steel mills while also creating costs for the community?

3. How did the older industries change differently in South Bend and Gary? Explain one effect of each change.

4. In Columbus, who might gain work from the shift toward newer technology, who might need to adapt, and what remains uncertain?

3 YOUR TURN

Your own words

Choose one community from the passage. Propose a local response to creative destruction, using two passage details to explain a possible benefit and a cost of your plan. Include one trade-off the passage does not state.

ANSWER KEY

What Replaces What?

HIGH SCHOOL · IS.4.5

PART 1 · READ AND MARK

Underline a change in each community, circle one possible gain, and number the people or services that may face a cost. Use your marks to compare who benefits and who bears the costs. Accept any marking that follows this job and points at the right text.

PART 2 · ANSWERS

#	QUESTION	ANSWER
1	In South Bend, why might reusing a former factory area help the community without replacing every worker's lost income?	**New businesses can use the area, but they may not hire former assembly workers or offer them comparable factory pay.**
2	How could improved machinery help Gary's steel mills while also creating costs for the community?	**Machinery could help mills produce steel efficiently and stay open, but fewer jobs mean lost paychecks, less spending nearby, and pressure on the tax base.**
3	How did the older industries change differently in South Bend and Gary? Explain one effect of each change.	**Studebaker closed its South Bend auto plants, leaving workers without those jobs. Gary's mills still operate, but improved machinery has allowed them to make steel with fewer workers.**
4	In Columbus, who might gain work from the shift toward newer technology, who might need to adapt, and what remains uncertain?	**Engineers, technicians, and suppliers might gain work. Workers with diesel-related skills might need training, and the number of future jobs is uncertain.**

PART 3 · YOUR TURN (SAMPLE ANSWER)

As a Gary council member, I would ask mills and the city to share the cost of paid training in equipment maintenance. The passage says improved machinery lets mills make steel with fewer workers, so training could help some residents qualify for jobs that remain. It also says fewer steel jobs have strained the tax base, which could make the city's share hard to afford. A trade-off is that spending city funds on training could delay repairs to neighborhood streets.

Accept other plausible plans grounded in two accurate passage details. The response should explain both a benefit and a cost, plus a reasonable trade-off not stated in the passage.