When Factories Change

Tracing causes and effects in the U.S. economy after 1980

USH.7.5 "Explain the causes and impacts of deindustrialization and globalization in the United States after 1980."

NAME _____ DATE _____

1 READ AND MARK

Read it twice

YOUR JOB Underline two causes of reduced factory employment, circle two effects on workers or towns, and number a sentence that shows how global trade could benefit Americans. Use your marks to trace how economic changes affected different people.

A Changing Auto-Parts Town

1. In 1985, a worker at a Midwestern auto-parts plant might have stamped metal pieces for cars assembled nearby. By the 1990s, that plant could have needed fewer workers even if it still made parts. Computer-controlled machines raised output per worker, while some carmakers bought parts from cheaper suppliers abroad. When a plant cut shifts or closed, laid-off workers lost wages, and nearby diners and stores lost customers. This shrinking of manufacturing jobs and activity is called deindustrialization. It did not mean that Americans stopped making goods. Factories could produce more with fewer people.

2. Globalization connected U.S. companies and consumers more closely to other countries. Cheaper shipping, faster communication, and trade agreements made it easier to coordinate production across borders. A car company might design a vehicle in the United States, buy parts made in Mexico, and sell finished cars in several countries. Competition from imports pushed some U.S. firms to lower costs, sometimes by moving work abroad. Yet overseas customers also bought American products, and imported goods could cost U.S. shoppers less. Globalization changed both the jobs available and the prices families paid.

3. The effects were uneven. A worker whose plant closed might have to take a lower-paid service job or move to find work. A town could lose tax revenue used for schools and roads just as more residents needed help. Some regions attracted new industries and gained jobs linked to worldwide trade, but these jobs did not always appear where factory jobs disappeared. Training could help workers qualify for new work, though it could not guarantee a job nearby. To explain changes after 1980, consider both forces that reduced factory hiring and the different effects on workers, towns, and shoppers.

2 ANSWER WITH EVIDENCE

Use the passage

1. How could an auto-parts plant make more parts with fewer workers, and how might that change affect nearby businesses?

2. Explain how two changes made it easier for a U.S. car company to buy parts made in another country.

3. Why could globalization lower prices for shoppers while reducing jobs at a local parts plant?

4. Why might new jobs linked to worldwide trade fail to make up for a factory closure in a particular town?

3 YOUR TURN

Your own words

Imagine your town council can fund either job training for repair and logistics work or tax breaks to attract a new auto-parts plant. Write one paragraph recommending a choice. Explain how at least two forces from the passage affect your decision, and discuss one possible benefit and one limitation for local workers.

ANSWER KEY

When Factories Change

HIGH SCHOOL · USH.7.5

PART 1 · READ AND MARK

Underline two causes of reduced factory employment, circle two effects on workers or towns, and number a sentence that shows how global trade could benefit Americans. Use your marks to trace how economic changes affected different people. Accept any marking that follows this job and points at the right text.

PART 2 · ANSWERS

#	QUESTION	ANSWER
1	How could an auto-parts plant make more parts with fewer workers, and how might that change affect nearby businesses?	**Computer-controlled machines could raise output per worker. If the plant cut jobs, nearby businesses could lose customers.**
2	Explain how two changes made it easier for a U.S. car company to buy parts made in another country.	**Cheaper shipping made moving parts less costly, and faster communication made it easier to coordinate production across borders. Trade agreements also made cross-border production easier.**
3	Why could globalization lower prices for shoppers while reducing jobs at a local parts plant?	**Imported goods could cost shoppers less, while competition from cheaper suppliers abroad could lead a carmaker to buy fewer locally made parts.**
4	Why might new jobs linked to worldwide trade fail to make up for a factory closure in a particular town?	**The new jobs might be in other regions, so workers in the town could still lose income or need to move.**

PART 3 · YOUR TURN (SAMPLE ANSWER)

I would fund job training for repair and logistics work. Computer-controlled machines let factories produce more parts with fewer workers, so a new plant might not hire many people. Global trade also lets carmakers buy parts abroad, making it uncertain whether a local plant would keep its contracts. Training could help laid-off workers qualify for jobs that support shipping or maintain equipment. However, those jobs might not be available in our town. The council should check with local employers before choosing courses, since training alone cannot guarantee that workers will find nearby jobs.

Accept other accurate cause-and-effect explanations grounded in the passage. For Your Turn, either council choice is valid if the student explains two relevant forces, a potential benefit, and a limitation.