

Exercise walk-through

9.4

A Changing Economy

AP United States History

Identify a development before explaining its cause

Teacher-written cases grounded in CED Topic 9.4

- A** Digital communication helps a business coordinate work and reach customers across national borders.
- B** Manufacturing employment falls while service-sector employment rises.
- C** Computing and the internet change how people work, find information and communicate.

Try it: Connect A–C with **globalization**, **deindustrialization** and **technological change**. Where can the categories overlap?

A describes a possible mechanism. B is a pattern to explain; it does not identify a cause by itself.

Worked classification: overlap does not prove causation

A: Globalization and technology. Cross-border economic connections can be supported by digital communication. One example can involve both developments.

B: Deindustrialization. A decline in manufacturing employment describes a sectoral shift. It does not by itself show that every job moved abroad or that manufacturing disappeared.

C: Technological change. Computing and the internet changed daily activity and access to information. Their effects extend beyond international trade.

Identify what the evidence shows, then explain a mechanism. Do not use three labels as three interchangeable causes.

Can higher productivity coexist with unequal gains?

Teaching evidence paraphrased from CED Topic 9.4

Digital communication increased productivity and worldwide economic opportunities. Service employment grew, manufacturing employment and union membership declined, and working- and middle-class real wages stagnated amid growing **income inequality**.

Try it: Assess this claim: *“Because productivity rose, all workers must have received equal economic gains.”*

Distinguish total productive capacity, types of employment and the distribution of income.

Worked judgment: growth and distribution are different

Judgment. Higher productivity does not require equal gains for every group. The CED describes increased productivity alongside stagnant real wages for working- and middle-class people and growing inequality.

Explanation. Changes in employment and union membership help describe the setting in which gains were distributed. Comparing these trends is not a measurement of each factor's causal weight.

Support an explanation with evidence about the group, time and mechanism. Do not infer that one development alone caused every economic outcome.

A Changing Economy, continued

Digital communication increased productivity and worldwide opportunities. These gains coexisted with stagnant working- and middle-class real wages and growing **income inequality**.



a container terminal

Exercises 2.1-2.2

2.1 State what improvements in digital communications enabled. [2]

2.2 State what happened to employment and union membership. [3]

Exercises 2.1-2.2

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2.1

- increased American participation in worldwide economic opportunities, which raised economic productivity
-

2.2 State what happened to employment and union membership. [3]

2.2

- employment increased in service sectors; it decreased in manufacturing; union membership declined

Exercise 2.3 (a)

2.3 Productivity and wages diverged.

(a) State the CED's claim about real wages.

[2]

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2.3 Productivity and wages diverged.

(a) State the CED's claim about real wages.

[2]

(a)

- real wages stagnated for the working and middle class amid growing economic inequality

Exercise 2.3 (b)

2.3 Productivity and wages diverged.

(b) Name the three technological innovations.

[1]

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2.3 Productivity and wages diverged.

(b) Name the three technological innovations.

[1]

(b)

- computing, digital mobile technology and the internet

Exercises 3.1-3.2

3.1 Real wages for the working and middle class

[1]

☐

A stagnated

B doubled

C were abolished

D rose with productivity

3.2 Employment increased in service sectors and decreased in

[1]

☐

A manufacturing

B agriculture only

C government

D education

Exercises 3.1-3.2

3.1 Real wages for the working and middle class

[1]

- ☐ **A** stagnated
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3.1 A

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3.2 Employment increased in service sectors and decreased in

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- ☐ **A** manufacturing
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D education

3.2 A

- manufacturing

Exercise 3.3 (a)

3.3 Productivity rises and real wages do not.

(a) State what this implies about the gains.

[1]

Exercise 3.3 (a)

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[1]

(a)

- that they went elsewhere than to those wages

Exercise 3.3 (b)

3.3 Productivity rises and real wages do not.

(b) Explain the connection to declining union membership.

[2]

Exercise 3.3 (b)

3.3 Productivity rises and real wages do not.

(b) Explain the connection to declining union membership.

[2]

(b)

- unions were concentrated in manufacturing, which shrank, so the bargaining power that had converted productivity into wages declined with them

Exercise 3.4

3.4 An invented practice table gives total employment 200 then 250, and manufacturing employment 60 then 50. Calculate both manufacturing shares and explain one claim the table supports and one causal claim it cannot establish. [4]

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3.4

Shares $60/200 = 30\%$ and $50/250 = 20\%$; manufacturing employment and its share fell; the table alone cannot establish a particular technology or policy as the cause, without additional evidence.