

5.7 Economic Developments and Innovations in the Industrial Age

Name: _____ Class: _____ Date: _____ **Total: 12 marks**

KEY WORDS free trade 自由贸易 • industrial capitalism 工业资本主义
• transnational businesses 跨国企业 • capital 资本 • standards of living 生活水平

Objective

Build the skills to explain **industrial capitalism** 工业资本主义.

You must be able to:

- state what Western European countries abandoned and adopted
- state what large transnational businesses relied on
- state the CED's careful claim about standards of living
- explain why 'for some' is the whole argument

1 Worked examples

Study these first. Each one shows the method for a task used later.

■ Free trade

Western European countries began **abandoning mercantilism and adopting free trade policies**, partly in response to the growing acceptance of **Adam Smith's theories of laissez-faire capitalism and free markets**. 4.5's mercantilism is what is being abandoned.

■ Transnational business

The global nature of trade and production contributed to the proliferation of **large-scale transnational businesses that relied on new practices in banking and finance**.

■ Standards of living

The development of industrial capitalism led to increased standards of living **for some**, and to continued improvement in manufacturing methods that increased **the availability, affordability and variety** of consumer goods.

■ 'For some'

Two words carrying the whole distributional argument. 5.8 and 5.9 are the CED's account of who the some were not.

2 Practice

2.1 State what was abandoned and adopted, and the theory behind it. [2]

2.2 State the CED's three-part claim about consumer goods. [3]

2.3 The CED writes "for some".

(a) State what those two words do. [1]

(b) State which subtopics develop the other side. [1]

3 Exam-style questions

3.1 Large-scale transnational businesses relied on new practices in [1]

- | | |
|---|---|
| A | B |
| C | D |
- A banking and finance
B agriculture
C military logistics
D shipbuilding only

3.2 The theories the CED names are those of [1]

- | | |
|---|---|
| A | B |
| C | D |
- A Karl Marx
B Adam Smith
C Charles Darwin
D Simón Bolívar

3.3 A society's goods become cheaper and more varied while many workers' conditions worsen.

(a) State what this illustrates. [1]

(b) Explain why both must appear in one answer. [2]
