When Money Tightens

Trace how economic pressure reaches government and daily life

SS24.WH.17b "Describe how economic challenges confronting least developed and developing countries impact their political system and society."

NAME _____ DATE _____

1 READ AND MARK

Read it twice

YOUR JOB Underline each economic challenge in the passage, circle one related effect on people's lives, and number one government choice connected to each challenge. Use your marks to trace how economic pressures affect both society and political decisions.

Hard Choices in Belora

1. In the fictional developing country of Belora, many farmers grow cocoa for export. When world cocoa prices fall, buyers pay less even if farmers harvest the same amount. Families have less money for food and school supplies, while the government collects less tax from trade and businesses. Officials must decide whether to keep funding clinics and schools or delay repairs to roads that farmers use to reach markets. A lower price abroad thus reaches both household budgets and public services at home. Countries that depend heavily on one export can be especially exposed to such shifts.

2. Suppose Belora also owes money to foreign lenders. When tax revenue drops, its leaders may borrow more or cut spending to keep up with debt payments. If they reduce support for public clinics, patients may travel farther or pay more for care. A family with little savings might put off treatment, while wealthier households can still use private care. Lawmakers may disagree over which programs to protect, and voters may demand an explanation for the cuts. Debt does not force one fixed response, but it narrows the choices leaders can make without raising taxes or finding other revenue.

3. Now imagine that imported cooking oil becomes more expensive at the same time. Shop owners raise prices, and families already earning less from cocoa have to stretch their budgets further. Some residents organize a peaceful march asking lawmakers to lower import taxes on basic goods. Leaders could lower those taxes to help ease prices, but doing so would reduce revenue that pays for services. They could instead focus help on the poorest households, which requires deciding who qualifies. These debates can affect trust in government: people may feel heard when leaders explain their choices, or shut out when decisions are hidden.

2 ANSWER WITH EVIDENCE

Use the passage

1. How could a fall in cocoa prices affect both families and government decisions in Belora?

2. How might debt payments shape lawmakers' choices and patients' access to care?

3. How could a rise in the price of imported cooking oil lead to both public action and a difficult budget decision?

4. How could Belora's economic pressures change people's trust in government, depending on what leaders do?

3 YOUR TURN

Your own words

In another fictional developing country, tourists suddenly stop visiting, and local businesses earn less. In 4 to 5 sentences, trace how this economic challenge could lead to one government decision and two different effects on people's lives, then explain a trade-off leaders face.

ANSWER KEY

When Money Tightens

GRADE 9 · SS24.WH.17b

PART 1 · READ AND MARK

Underline each economic challenge in the passage, circle one related effect on people's lives, and number one government choice connected to each challenge. Use your marks to trace how economic pressures affect both society and political decisions. Accept any marking that follows this job and points at the right text.

PART 2 · ANSWERS

#	QUESTION	ANSWER
1	How could a fall in cocoa prices affect both families and government decisions in Belora?	**Families would have less money for food and school supplies. With less tax revenue, officials might have to choose between funding services and repairing roads.**
2	How might debt payments shape lawmakers' choices and patients' access to care?	**Lawmakers might borrow more or cut spending to keep up with debt payments. Cuts to clinics could make patients travel farther or pay more, and some might delay treatment.**
3	How could a rise in the price of imported cooking oil lead to both public action and a difficult budget decision?	**Families facing higher prices might march for lower import taxes. Lowering those taxes could help ease prices but would leave less revenue for public services.**
4	How could Belora's economic pressures change people's trust in government, depending on what leaders do?	**Hard choices about taxes and services could affect trust. People may feel heard if leaders explain their decisions, or shut out if leaders hide them.**

PART 3 · YOUR TURN (SAMPLE ANSWER)

When tourists stop visiting, hotel workers lose wages and the government collects less tax revenue. Leaders could fund temporary jobs to help workers buy food. To pay for those jobs, leaders might delay repairs to public clinics. Hotel workers would gain income, but families who use the clinics might wait longer for care. Leaders must weigh immediate relief against access to health services.

Accept other plausible links between an economic challenge, a political choice, and effects on society when the passage supports them. For Your Turn, look for two distinct effects on people's lives and a clear trade-off.