Trade Connections

Follow how goods, prices, and policies link countries.

SS.6.E.3 "Understand the fundamental concepts and interrelationships of the United States economy in the international marketplace."

NAME ____________________ DATE ____________

1 READ AND MARK

Read it twice

YOUR JOB Underline each example of an import or export. Circle each statement that explains how an event or policy in one country can affect people or businesses in another country.

The Marketplace Beyond Borders

1 Every morning, a Florida grocery store receives bananas from Ecuador and coffee from Colombia. The United States buys these imports because some countries have climates and resources that make certain goods easier or less costly to produce. In return, U.S. businesses sell exports such as airplanes, software, wheat, and medical equipment to buyers abroad. Trade connects workers, farms, factories, stores, and consumers in many countries. A choice made by a shopper can support jobs both in the United States and elsewhere.

2 International trade also means that events in one country can affect prices in another. Suppose heavy rain damages a cocoa crop in a major producing country. With less cocoa available, U.S. candy makers may pay more for it. They might raise candy prices, use less cocoa, or look for another supplier. Consumers may then buy fewer candy bars. This chain shows how a resource problem abroad can affect U.S. businesses and families, even when the candy is made in the United States.

3 Governments sometimes place a tariff, or tax, on imported goods. A tariff can make an imported product cost more. It may help U.S. producers compete if similar imported goods become more expensive. However, stores and families may pay higher prices, and other countries may respond with tariffs on U.S. exports. Trade decisions involve benefits and costs for different groups. Understanding those connections helps people explain why the United States is part of an international marketplace.

2 ANSWER WITH EVIDENCE

Use the passage

1. Why does the United States import bananas and coffee in the passage?

2. Explain how damaged cocoa crops could affect a U.S. family buying candy.

3. How could a tariff on imported goods help one group in the United States but create a cost for another group?

4. What might happen to U.S. exports if another country responds to a U.S. tariff with its own tariff?

3 YOUR TURN

Your own words

Choose a product not named in the passage. Write four sentences explaining how an event in another country could affect a U.S. business and U.S. buyers of that product.

Trade Connections

PART 1 · READ AND MARK

Underline each example of an import or export. Circle each statement that explains how an event or policy in one country can affect people or businesses in another country. Accept any marking that follows this job and points at the right text.

PART 2 · ANSWERS

#	QUESTION	ANSWER
1	Why does the United States import bananas and coffee in the passage?	**Some countries have climates and resources that make those goods easier or less costly to produce.**
2	Explain how damaged cocoa crops could affect a U.S. family buying candy.	**Less cocoa can make U.S. candy makers pay more. They may raise candy prices, so families may pay more or buy fewer candy bars.**
3	How could a tariff on imported goods help one group in the United States but create a cost for another group?	**It can help U.S. producers compete because similar imports cost more. Stores and families may then pay higher prices.**
4	What might happen to U.S. exports if another country responds to a U.S. tariff with its own tariff?	**U.S. exports may cost more in that country, which can make them harder to sell.**

PART 3 · YOUR TURN (SAMPLE ANSWER)

A U.S. bicycle company imports rubber tires from Thailand. A storm there reduces the tire supply. The company may pay more for tires and raise bicycle prices. U.S. customers might buy fewer bicycles, while another tire seller could gain business.

Accept any plausible product and accurate four-sentence chain that connects an event abroad to a U.S. business and U.S. buyers. Students should identify a change in supply, price, or trade and explain at least two linked effects.