Canal Choices

Use economic ideas to explain how the Erie Canal changed life and trade.

SS5E1 "Use the basic economic concepts of trade, opportunity cost, specialization, productivity, and price incentives to illustrate historical events."

NAME ______________________ DATE ______________

1 READ AND MARK

Read it twice

YOUR JOB Number five details in the passage: 1 for trade, 2 for specialization, 3 for productivity, 4 for a price incentive, and 5 for opportunity cost. Your numbers will show how economic choices shaped the Erie Canal.

The Erie Canal Opens Trade

1 In 1817, New York began building the Erie Canal, a waterway linking the Hudson River near Albany to Lake Erie at Buffalo. Before the canal, moving wheat, flour, and other goods east over rough roads was slow and costly. The canal opened in 1825. Boats could carry heavy loads between western farms and eastern cities more easily.

2 The canal expanded trade between the Great Lakes region and the East. Farmers could send grain to eastern markets, while merchants sent tools and cloth west. Higher prices in some eastern markets gave farmers a price incentive to grow crops for sale. People also specialized: canal crews operated boats, farmers raised crops, and mill workers ground grain into flour.

3 Canal boats could move large loads with a small crew, increasing transportation productivity, or the amount moved for the work used. New York borrowed money and used workers and materials for the canal. This choice had an opportunity cost: those resources could have supported other public projects instead. The canal changed where people worked and sold goods.

❷ ANSWER WITH EVIDENCE

Use the passage

1. What two-way trade did the canal make easier? Name one good sent east and one good sent west.

2. How did specialization and productivity each help the canal economy? Use one passage detail for each idea.

3. What price incentive encouraged some farmers to grow crops for sale?

4. What was one opportunity cost of building the Erie Canal?

❸ YOUR TURN

Your own words

Choose a different United States historical event involving transportation or industry. Fill in the table to explain how each economic concept shaped that event.

ECONOMIC CONCEPT	HOW IT SHAPED THE EVENT

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PART 1 · READ AND MARK

Number five details in the passage: 1 for trade, 2 for specialization, 3 for productivity, 4 for a price incentive, and 5 for opportunity cost. Your numbers will show how economic choices shaped the Erie Canal. Accept any marking that follows this job and points at the right text.

PART 2 · ANSWERS

#	QUESTION	ANSWER
1	What two-way trade did the canal make easier? Name one good sent east and one good sent west.	**Grain, or flour, could be sent east. Tools, or cloth, could be sent west.**
2	How did specialization and productivity each help the canal economy? Use one passage detail for each idea.	**People specialized by doing different jobs, such as operating boats, farming, or grinding grain. Productivity rose because canal boats moved large loads with a small crew.**
3	What price incentive encouraged some farmers to grow crops for sale?	**Higher prices in some eastern markets encouraged farmers to grow crops to sell.**
4	What was one opportunity cost of building the Erie Canal?	**The money, workers, and materials used for the canal could have been used for other public projects.**

PART 3 · YOUR TURN (SAMPLE ANSWER)

ECONOMIC CONCEPT	HOW IT SHAPED THE EVENT
Trade	The transcontinental railroad linked western goods with eastern markets after 1869.
Specialization	Track layers, engineers, and telegraph operators did different jobs.
Productivity	Trains carried freight farther and faster than wagon travel.
Price incentives	Rail companies used freight rates to attract shippers.
Opportunity cost	Money and workers used for the railroad could not be used for other projects.

Accept equivalent details from the passage, including either listed good for the trade question. For the table, accept another accurate historical event if each economic concept is applied logically and specifically.