Power After Storms

Compare how economic systems handle a shared challenge

GE.2.3 "Evaluate the strengths and weaknesses of various economic systems."

NAME _____ DATE _____

1 READ AND MARK

Read it twice

YOUR JOB Underline one strength and circle one weakness of each economic system in the passage so you can compare its tradeoffs.

Who Restores the Power?

1 A coastal region needs electricity after a powerful storm. Imagine three ways it might organize its power system, each emphasizing a different economic system. In a mostly market system, competing companies set many prices and decide where to invest. The chance to earn profits can push firms to repair busy neighborhoods quickly and test better equipment. Yet firms may delay restoring service to remote homes where repairs cost more than customers can pay. Competition also does not guarantee low bills if only one company can afford the local power lines. Public rules may still exist.

2 In a mostly planned system, a government agency owns the power network and directs crews, equipment, and prices. Officials could send crews to remote homes even if restoring those lines will not bring in much revenue. They could also keep basic service affordable by setting rates below the full cost for some households. But a central office may lack detailed information about each damaged street. If officials make slow decisions or fail to replace old equipment, people may wait longer for repairs. The low rates also need funding, often from taxes or charges to other users.

3 In a mixed system, private firms may run power plants while a public agency sets safety rules, limits prices, or pays for service in costly areas. Firms can respond to demand and try new technology, while public policies can protect remote customers. This combination is not a free fix. A subsidy must be paid for, and poorly designed rules can discourage firms from upgrading equipment. After the storm, a region must decide which goals matter most: quick repairs, affordable bills, reliable service everywhere, or careful use of public funds. Its choice can change as conditions change.

2 ANSWER WITH EVIDENCE

Use the passage

1. If restoring power to remote homes is the top priority, how does a mostly planned system compare with a mostly market system?

2. Why might a mostly market system repair a busy neighborhood quickly but still leave some households with high bills?

3. Evaluate one benefit and one cost of keeping basic service affordable in a mostly planned system.

4. How could a mixed system combine two strengths after the storm, and what weakness might still remain?

3 YOUR TURN

Your own words

A hilly county must organize bus service for crowded routes and distant villages. In four to five sentences, recommend a mostly market, mostly planned, or mixed approach; explain one likely strength, one likely weakness, and why it serves the county better than one other approach.

Power After Storms

PART 1 · READ AND MARK

Underline one strength and circle one weakness of each economic system in the passage so you can compare its tradeoffs. Accept any marking that follows this job and points at the right text.

PART 2 · ANSWERS

#	QUESTION	ANSWER
1	If restoring power to remote homes is the top priority, how does a mostly planned system compare with a mostly market system?	**A planned system could direct crews to remote homes even when repairs bring in little revenue. Market firms may delay those repairs because they cost more than customers can pay.**
2	Why might a mostly market system repair a busy neighborhood quickly but still leave some households with high bills?	**Profit can motivate quick repairs in busy areas, but bills may remain high where only one company can afford the power lines.**
3	Evaluate one benefit and one cost of keeping basic service affordable in a mostly planned system.	**Setting rates below the full cost can make basic service affordable for some households, but the difference needs funding through taxes or charges to other users.**
4	How could a mixed system combine two strengths after the storm, and what weakness might still remain?	**Firms could respond to demand and try new technology while public policies protect remote customers. Subsidies would still need funding, and poorly designed rules could discourage upgrades.**

PART 3 · YOUR TURN (SAMPLE ANSWER)

I recommend a mixed approach in which companies operate buses and the county pays for some village routes. Companies could adjust service on crowded routes as demand changes, while county funding could help distant residents get rides. The funding would cost taxpayers money and would need careful oversight. This approach serves the county better than a mostly market system, which might leave villages without service if those routes do not earn enough revenue.

Accept other comparisons supported by the passage. For Part 3, accept any recommended system if the response explains a plausible strength, weakness, and comparison tied to the county's bus needs.