Three Fishing Islands

Compare economic choices and their effects

6.C.6.2 "Analyze the benefits and limitations of the world's economic systems. Define the characteristics of traditional, market, and command economic systems. Describe how government policies affect economic activities within a nation..."

NAME _____ DATE _____

1 READ AND MARK

Read it twice

YOUR JOB Underline who makes production decisions in each island nation, circle one benefit or limit of each system, and number the two government trade policies 1 and 2.

Who Decides What Gets Caught?

1. Imagine three island nations that all depend on fishing. In Cedar Cove, families teach children the same fishing methods used by their elders. Families share the catch according to long-standing customs. This traditional system keeps local knowledge alive and helps neighbors support one another. Yet a young fisher who wants to try new gear may face pressure to follow old ways. Across the water, buyers and sellers in Open Bay set fish prices by bargaining. Fishers choose where to work and what to sell, hoping to earn more.

2. Open Bay uses a market system: people and businesses make most production decisions. Competition can lead sellers to improve their boats and bring in more fish, but people with little money may struggle to buy enough. In State Harbor, officials run the fishing boats and decide how many fish each store receives. This command system can send food to every neighborhood at a set price. However, a single plan may not match what shoppers want, and fishers have less freedom to start their own businesses.

3. Government choices can also change trade between the islands. Open Bay's government charges a tax on imported fish, called a tariff. Imported fish then costs more, which may help local fishers sell their catch but makes food more expensive for buyers. Cedar Cove and State Harbor sign an agreement to trade fish for boat parts without tariffs. This lowers trading costs for both nations. Cheaper parts could improve Cedar Cove's boats, while State Harbor could gain more fish when its planned catch falls short. Real economies often mix features of these systems.

2 ANSWER WITH EVIDENCE

Use the passage

1. How do decisions about fishing differ in Cedar Cove and Open Bay? Give one possible effect on a fisher in each place.

2. How could State Harbor's plan help equality but limit freedom, compared with Open Bay's system?

3. How does Open Bay's tariff affect local fishers and buyers in different ways?

4. How could the tariff-free agreement benefit both Cedar Cove and State Harbor?

3 YOUR TURN

Your own words

In four sentences, choose an economic system for a new island that makes shoes and explain who decides what to make. Compare one benefit and one limit for prosperity, equality, or freedom with a different system, then propose a tariff or tariff-free agreement and explain how it would affect trade.

ANSWER KEY

Three Fishing Islands

GRADE 6 · 6.C.6.2

PART 1 · READ AND MARK

Underline who makes production decisions in each island nation, circle one benefit or limit of each system, and number the two government trade policies 1 and 2. Accept any marking that follows this job and points at the right text.

PART 2 · ANSWERS

#	QUESTION	ANSWER
1	How do decisions about fishing differ in Cedar Cove and Open Bay? Give one possible effect on a fisher in each place.	**In Cedar Cove, family customs guide fishing, which can make it harder to try new gear. In Open Bay, fishers choose what to sell and may earn more.**
2	How could State Harbor's plan help equality but limit freedom, compared with Open Bay's system?	**State Harbor can send food to every neighborhood, but its fishers have less freedom to start businesses. Open Bay's fishers can make their own production decisions.**
3	How does Open Bay's tariff affect local fishers and buyers in different ways?	**The tariff may help local fishers sell their catch because imported fish costs more, but buyers may pay more for food.**
4	How could the tariff-free agreement benefit both Cedar Cove and State Harbor?	**Lower trading costs could help Cedar Cove get cheaper parts for its boats and help State Harbor get more fish when its planned catch falls short.**

PART 3 · YOUR TURN (SAMPLE ANSWER)

I would choose a market system, so shoemakers could decide which shoes to make. Competition might improve shoes, but families with little money might not afford enough. A command system could send shoes to every neighborhood, although makers would have less freedom to open shops. I would sign a tariff-free agreement to import leather, which could lower makers' costs and increase trade.

Accept other supported benefits and limits that follow from the passage. For Part 3, check that the comparison and trade-policy effect are plausible, even if the student chooses a different system or policy.