# Boats and Choices

Compare how economic systems affect people and growth.

**7.P.2.4.B** "Identify different types of economic systems, comparing advantages and disadvantages for citizens and the growth of a nation's economy."

NAME _____ DATE _____

## 1 READ AND MARK

Read it twice

**YOUR JOB** Read the passage. In each paragraph, underline who makes production choices, circle one benefit for citizens, and write 1 beside a detail that could increase growth or 2 beside a detail that could slow growth.

### Three Islands Need Boats

1. Imagine three island nations that all need fishing boats. In Port Luma, a market economy lets people own boat shops and choose what to make. Buyers decide which boats are worth their money. A builder who invents a cheaper, safer boat may earn more, hire workers, and help the economy grow. Competing shops can also lower prices. Yet shops may focus on customers who can pay the most. Families with little money might struggle to buy boats and earn a living, leaving fewer people able to add to the economy.

2. In North Cove, a command economy puts major production choices in the hands of government planners. They decide how many boats factories build and where the boats go. Planners can send boats to families who could not afford them, giving more people a chance to fish. They can also direct workers and materials toward building a large new harbor, which may support growth. However, if planners order too many heavy boats and too few small ones, fishers have fewer useful choices. Shortages and wasted materials can slow growth.

3. In Reed Isle, a traditional economy relies on customs passed through families. Elders teach younger people to build the same small boats that have worked for generations. Families know their roles, share skills, and often trade with neighbors they trust. This can give citizens stability and preserve knowledge about local waters. But builders may be slow to try new designs, even when stronger storms make changes useful. That can limit how quickly boat making expands. In real nations, economies usually mix features of these systems rather than follow just one.

## 2 ANSWER WITH EVIDENCE

Use the passage

1. Compare who decides what boats to build in Port Luma and North Cove. How can this difference affect fishers' choices?

2. Which system could better provide a boat to a family that cannot pay for one, Port Luma's or North Cove's? Explain one drawback citizens might face in that system.

3. Compare one advantage for citizens in Reed Isle with one advantage for citizens in Port Luma.

4. How might Port Luma and Reed Isle differ in economic growth? Give one detail from each nation.

## 3 YOUR TURN

Your own words

A fourth island has many small farms and needs affordable food and better farming tools. Propose a mixed economy using ideas from two systems in the passage. In five sentences, explain who would make two different decisions, one benefit and one drawback for citizens, and one likely effect on economic growth.

ANSWER KEY

# Boats and Choices

GRADE 7 · 7.P.2.4.B

## PART 1 · READ AND MARK

Read the passage. In each paragraph, underline who makes production choices, circle one benefit for citizens, and write 1 beside a detail that could increase growth or 2 beside a detail that could slow growth. Accept any marking that follows this job and points at the right text.

## PART 2 · ANSWERS

| # | QUESTION | ANSWER |
|---|---|---|
| 1 | Compare who decides what boats to build in Port Luma and North Cove. How can this difference affect fishers' choices? | **Boat shop owners decide in Port Luma, while government planners decide in North Cove. Fishers in North Cove may have fewer useful choices if planners order the wrong boats.** |
| 2 | Which system could better provide a boat to a family that cannot pay for one, Port Luma's or North Cove's? Explain one drawback citizens might face in that system. | **North Cove's command economy could provide the boat. Citizens might receive boats that do not meet their needs if planners order the wrong kinds.** |
| 3 | Compare one advantage for citizens in Reed Isle with one advantage for citizens in Port Luma. | **Reed Isle's customs give families stability and shared skills. Competition in Port Luma can lower boat prices.** |
| 4 | How might Port Luma and Reed Isle differ in economic growth? Give one detail from each nation. | **Port Luma may grow as builders invent better boats and hire workers. Reed Isle may grow more slowly because builders are slow to try new designs.** |

## PART 3 · YOUR TURN (SAMPLE ANSWER)

The island's government would decide how much basic food to buy from farms for families who cannot afford it. Toolmakers would choose which new tools to build and sell to farmers. The food plan could help more citizens eat enough. However, if planners buy too much of one crop, citizens may have fewer kinds of food to choose from. Farmers using better tools could grow more food and help the nation's economy expand.

Accept other supported comparisons in Part 2. For Part 3, accept any workable mix of two systems that identifies two decision-makers and explains a citizen benefit, a citizen drawback, and an effect on growth.