# Lanterns Across Borders

Use economic data to weigh choices and trade-offs.

**7.P.2.4** "Identify the principles of economic systems and develop an understanding of the benefits of a market system in local, national, and global settings. Analyze, interpret, and compare economic data from multiple charts and graphs..."

NAME _____ DATE _____

## 1 READ AND MARK

Read it twice

**YOUR JOB** Underline who makes decisions in each economic system, and circle the sentence about a risk of trade. Put a star beside two numbers in the table that suggest buyers may benefit.

### A Town Shops for Light

1 In the fictional town of Harbor Point, families need lanterns during power outages. Local shops make lanterns and choose their prices. Buyers can compare models, and shops compete for sales. This is a market system: many buying and selling decisions are made by people and businesses, rather than set by a central government. Shops still follow safety rules.

2 Next, shops buy rechargeable batteries from producers in another country and use faster testing tools. The table shows made-up monthly results before and after both changes. More lanterns sell at a lower price, but the town has fewer repair jobs. Because trade and new tools arrive together, the data cannot show which change caused each result.

**HARBOR POINT LANTERN SALES, MADE-UP MONTHLY DATA**

| Period | Price per lantern | Lanterns sold | Repair jobs |
|---|---|---|---|
| Before both changes | $30 | 80 | 12 |
| After both changes | $22 | 140 | 8 |

3 Trade links Harbor Point to battery makers abroad. Shipping delays could leave local shops short of parts. In a command system, officials might set lantern prices and production targets. They could direct supplies to places in need, but might not know which models buyers prefer. Neither system guarantees that every family can afford a lantern.

## 2 ANSWER WITH EVIDENCE

Use the passage

1. How can buyers influence lantern sales in Harbor Point's market system, compared with a command system?

2. Compare the before and after prices and sales. How much did each change?

3. What possible cost to workers appears in the table? Why can't the data prove that trade alone caused it?

4. If a storm hits a neighborhood with few shops, what advantage might a command system have? What disadvantage might it bring?

## 3 YOUR TURN

Your own words

Imagine your town is choosing how to supply water filters. In four to five sentences, propose a mix of buyer choice and government action, explain how importing a part and using a new machine might affect price or access, and name one number you would track to test your prediction.

ANSWER KEY

# Lanterns Across Borders

GRADE 7 · 7.P.2.4

## PART 1 · READ AND MARK

Underline who makes decisions in each economic system, and circle the sentence about a risk of trade. Put a star beside two numbers in the table that suggest buyers may benefit. Accept any marking that follows this job and points at the right text.

## PART 2 · ANSWERS

| # | QUESTION | ANSWER |
|---|---|---|
| 1 | How can buyers influence lantern sales in Harbor Point's market system, compared with a command system? | **Buyers can compare models and choose what to buy, while competing shops set prices. In a command system, officials might set prices and production targets.** |
| 2 | Compare the before and after prices and sales. How much did each change? | **The price fell by $8 per lantern, and monthly sales rose by 60 lanterns.** |
| 3 | What possible cost to workers appears in the table? Why can't the data prove that trade alone caused it? | **Repair jobs fell by four. Trade and new testing tools arrived together, so the data cannot separate their effects.** |
| 4 | If a storm hits a neighborhood with few shops, what advantage might a command system have? What disadvantage might it bring? | **Officials could direct lanterns to the neighborhood, but they might choose models that buyers do not prefer.** |

## PART 3 · YOUR TURN (SAMPLE ANSWER)

I would let stores compete to sell water filters while the town gives vouchers to families who cannot pay. Stores could import filter membranes and use a machine that cuts parts more quickly. These changes might lower prices and let more families get clean water, although stores would depend on shipments. I would track the average filter price each month to see whether prices actually fall.

Accept other reasonable mixes of buyer choice and government action. Predictions should connect both trade and technology to price or access, and the proposed number should help test a prediction.