Trade Takes Shape

Follow choices and specialties from a neighborhood to other nations.

E.C.11.1 "Explain how trade among individuals, regions, and nations reflects voluntary exchange and specialization."

NAME _____ DATE _____

1 READ AND MARK

Read it twice

YOUR JOB Number the paragraphs 1, 2, and 3 for individual, regional, and national trade; in each paragraph, underline what someone specializes in and circle words showing that buyers and sellers choose to trade.

The Trades Behind a Bike Shop

1. At a neighborhood bike shop, Mara can repair a flat tire in twenty minutes. Luis, who runs a bakery nearby, could fix his own bike, but the job would take him most of an afternoon. Mara could bake bread, but she would have to close her shop to do it. Instead, Luis buys a repair from Mara, and Mara buys a loaf from Luis. Each chooses to trade money for something useful rather than produce everything alone. Their choices let Mara focus on repairs and Luis focus on baking. Neither trade would happen if a buyer and seller did not agree on its terms.

2. Mara orders steel bicycle racks from a factory in the Great Lakes region. The factory makes many racks with equipment and workers trained for that task. Her coastal region has businesses that make bright bike lights, and some Great Lakes bike shops order those lights. The rack factory and light makers do not need to be equally good at both products. Each can focus on a product it makes efficiently and offer it to buyers elsewhere. The orders move goods between regions, while prices and delivery terms give each buyer and seller a chance to decide whether to trade.

3. Trade also crosses national borders in Mara's supply chain. A factory in Vietnam makes bicycle tires and sells them to a United States distributor, which sells them to shops such as Mara's. Meanwhile, a United States company sells tire-making machines to factories in Vietnam. The tire maker focuses on producing tires, while the machine maker focuses on equipment. Both sales require willing buyers and sellers who expect a benefit from the deal. The tires do not have to be traded directly for machines. Money allows each sale to occur separately, even when the goods travel in opposite directions.

2 ANSWER WITH EVIDENCE

Use the passage

1. How do Mara's and Luis's different specialties help explain why each chooses to buy from the other?

2. How do the rack and bike-light orders show both specialization and voluntary exchange between regions?

3. How do the tire and machine sales show specialization and voluntary exchange between nations without requiring a direct swap?

4. How are Mara and Luis's trades similar to the tire and machine sales, despite the difference in distance?

3 YOUR TURN

Your own words

Invent a trade between two regions that sell different goods or services to each other. In four or five sentences, name both regions, describe each specialization, and explain why buyers and sellers on both sides might choose to trade.

ANSWER KEY # Trade Takes Shape

PART 1 · READ AND MARK

Number the paragraphs 1, 2, and 3 for individual, regional, and national trade; in each paragraph, underline what someone specializes in and circle words showing that buyers and sellers choose to trade. Accept any marking that follows this job and points at the right text.

PART 2 · ANSWERS

#	QUESTION	ANSWER
1	How do Mara's and Luis's different specialties help explain why each chooses to buy from the other?	**Mara focuses on repairs and buys bread rather than closing her shop to bake. Luis focuses on baking and buys a repair rather than spending most of an afternoon fixing his bike.**
2	How do the rack and bike-light orders show both specialization and voluntary exchange between regions?	**Great Lakes businesses focus on making racks, while coastal businesses make bike lights. Buyers in each region order goods from the other, and buyers and sellers can decide whether to accept the price and delivery terms.**
3	How do the tire and machine sales show specialization and voluntary exchange between nations without requiring a direct swap?	**The Vietnam factory focuses on tires, while the United States company focuses on machines. Willing buyers and sellers use money for separate sales, so they do not have to swap tires directly for machines.**
4	How are Mara and Luis's trades similar to the tire and machine sales, despite the difference in distance?	**In both cases, producers focus on different work, and buyers and sellers choose whether to exchange money for what others produce.**

PART 3 · YOUR TURN (SAMPLE ANSWER)

Florida growers specialize in oranges, while Wisconsin dairies specialize in cheese. Wisconsin grocery stores might choose to buy Florida oranges so they can sell oranges without growing them locally. Florida grocery stores might choose to buy Wisconsin cheese to offer customers cheese made by those dairies. Each sale happens only if the buyer and seller agree to its terms.

Accept other passage-based explanations that identify both a specialty and a voluntary choice to trade. For the open task, accept plausible regions and goods or services if the response explains why buyers and sellers on both sides might agree to trade.