Market Choices

Read how connected economic components shape a local market.

CE.12.b "describing the critical components of the United States economy, such as limited government, private property, markets, consumer sovereignty, and competition;"

NAME ____________________ DATE ____________

1 READ AND MARK

Read it twice

YOUR JOB Circle each named economic component, and underline one nearby detail that shows how it works at Riverbend Market.

Saturday at Riverbend Market

1 On Saturdays, Riverbend Market fills an empty parking lot with sellers and shoppers. Maya rents a booth to sell homemade candles. The wooden displays, candle molds, and money she earns are her private property. She decides how to use them, while other people must ask permission before taking them. Private property gives Maya a reason to care for her supplies and improve her products. It also lets her keep earnings after paying costs and taxes, or risk losing money if sales do not cover those costs.

2 The market is a place where buyers and sellers meet, so it is part of a market system. Maya posts a price, but shoppers can decide whether the candles are worth that price. Their choices show consumer sovereignty: consumers influence what businesses produce and sell. When shoppers ask for unscented candles, Maya makes more of them. When few shoppers buy tall candles, she makes fewer. Other candle sellers have nearby booths. This competition encourages Maya to compare prices, improve scents, and provide dependable service.

3 Limited government plays an important but carefully defined role in Riverbend. The town requires sellers to have permits, collect sales taxes, and follow fire and safety rules. Courts can enforce contracts and protect property when disagreements arise. These rules help the market operate, but town officials do not tell Maya how many candles to make, set every price, or choose her customers. Maya, other sellers, and consumers make most daily economic decisions. Markets connect their choices through prices and voluntary exchanges.

2 ANSWER WITH EVIDENCE

Use the passage

1. How does Maya's private property affect the choices she makes at her booth?

2. What two shopper choices show consumer sovereignty, and how does Maya respond to each one?

3. How does competition affect Maya's actions as a seller?

4. Give two actions the town government takes and two decisions it leaves to Maya or other market participants. How does this show limited government?

3 YOUR TURN

Your own words

Invent a lunchtime snack cart. In five sentences, explain how limited government, private property, markets, consumer sovereignty, and competition would shape the cart. Include one change the owner makes after noticing customer choices.

Market Choices

PART 1 · READ AND MARK

Circle each named economic component, and underline one nearby detail that shows how it works at Riverbend Market. Accept any marking that follows this job and points at the right text.

PART 2 · ANSWERS

#	QUESTION	ANSWER
1	How does Maya's private property affect the choices she makes at her booth?	**She can decide how to use her displays, molds, and earnings. Owning them gives her a reason to care for supplies and improve products.**
2	What two shopper choices show consumer sovereignty, and how does Maya respond to each one?	**Shoppers ask for unscented candles, so Maya makes more. Few shoppers buy tall candles, so she makes fewer.**
3	How does competition affect Maya's actions as a seller?	**Other candle sellers encourage her to compare prices, improve scents, and provide dependable service.**
4	Give two actions the town government takes and two decisions it leaves to Maya or other market participants. How does this show limited government?	**The town requires permits, sales tax collection, and safety rules, and courts enforce contracts and protect property. It does not tell Maya how many candles to make, set every price, or choose customers. Government has a limited role while individuals make most daily decisions.**

PART 3 · YOUR TURN (SAMPLE ANSWER)

A limited government would require my snack cart to follow health rules and pay sales taxes. I would own the cart, ingredients, and money it earns as private property. At the market, I would choose prices while customers decide whether to buy. If many customers asked for fruit cups, consumer sovereignty would lead me to sell more fruit cups. Competition from another snack cart would push me to improve my choices or prices.

Accept equivalent explanations that accurately connect each component to a choice or outcome in the passage. For the open task, accept varied business ideas if all five components are accurately explained and the customer-driven change is clear.