

Unit 4

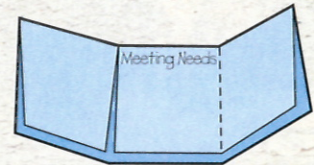
EXPLORE
The
Big
Idea

Essential Question
How do people in
a community meet
their needs?

FOLDABLES™
Study Organizer

Cause and Effect

Make a Three-Tab Book
Foldable to take notes
as you read Unit 4. Write the words
Meeting Needs at the top.

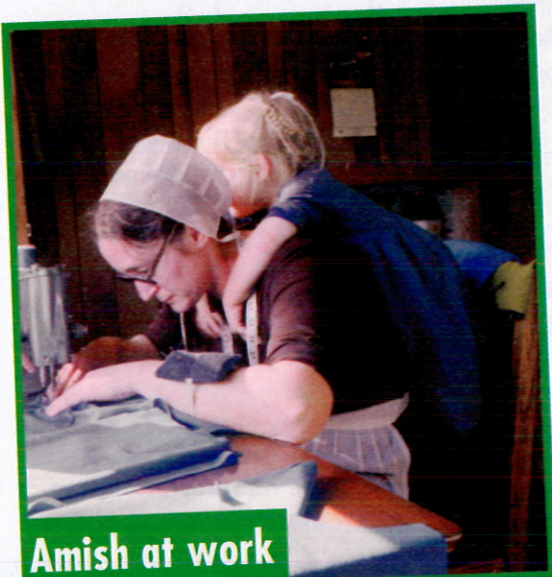


**LOG
ON**

For more about Unit 4 go to
www.macmillanmh.com

Communities at Work

PEOPLE, PLACES, AND EVENTS



Amish at work



Elkhart County, Indiana



Amish settle in Indiana

1839

The first Amish settlements are established in Elkhart County, Indiana.

The **Amish** believe that hard work helps build communities. The first Amish in Indiana settled in **Elkhart County**.

Today Amish families in Indiana live and work much as they did at the time of the early settlements.



For more about People, Places, and Events, visit www.macmillanmh.com



Race Team



Indianapolis Motor Speedway



100th Anniversary

2009

The Indianapolis Motor Speedway celebrates its 100th anniversary.

The **Indianapolis Motor Speedway** was built in 1909 and is home to the Indianapolis 500. **Race teams** work hard all year to prepare for the exciting contest.

Today cars race around the track at over 200 miles per hour!

Businesses in the Community

Lesson 1

VOCABULARY

employee p. 149

producer p. 150

consumer p. 150

profit p. 151

economy p. 152

READING SKILL

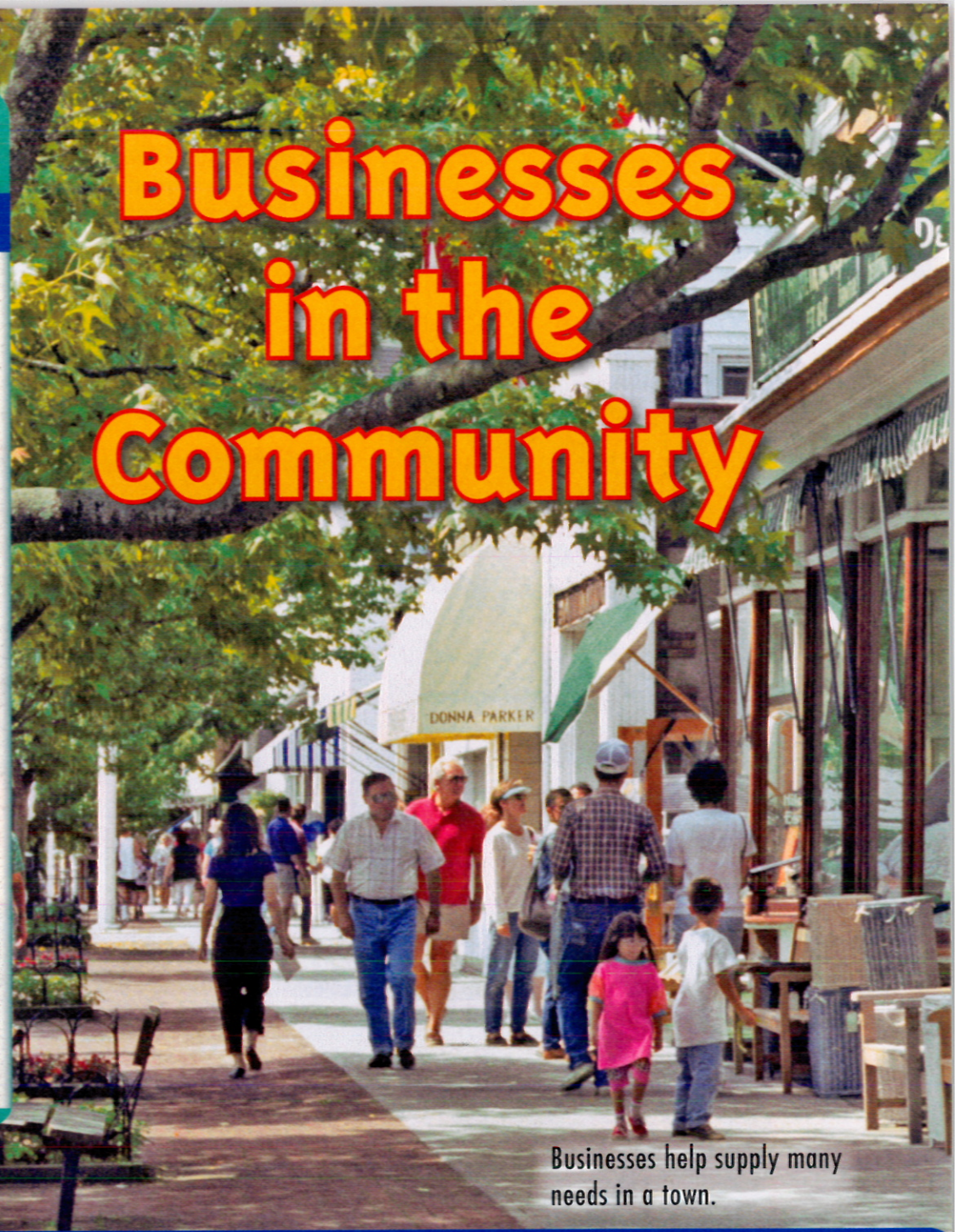
Cause and Effect

Copy the chart below. List the things that cause prices to go up or down.

Cause	→	Effect
	→	
	→	
	→	

INDIANA ACADEMIC STANDARDS

3.1.2, 3.1.3, 3.1.4, 3.1.8, 3.3.9, 3.4.2,
3.4.4, 3.4.5, 3.4.7



Businesses help supply many needs in a town.

Visual Preview

How do people and businesses make money?



A People work at many different jobs to earn money.



B Farmers sell their crops to buyers for money.



C Businesses buy from other businesses to supply needs.



D Most people use money to pay for needs and wants.

A**PEOPLE EARN MONEY**

What jobs do people have? Doctors, plumbers, sales people—there are so many different jobs. Some people work outdoors, while others work in an office or a factory.

Almost everyone works at some kind of job. People work to earn money for all the things they need, such as food, clothing, and shelter. They work to have money for fun things like vacations, too. People also work because they enjoy what they do. Working at a job you really like is fun!

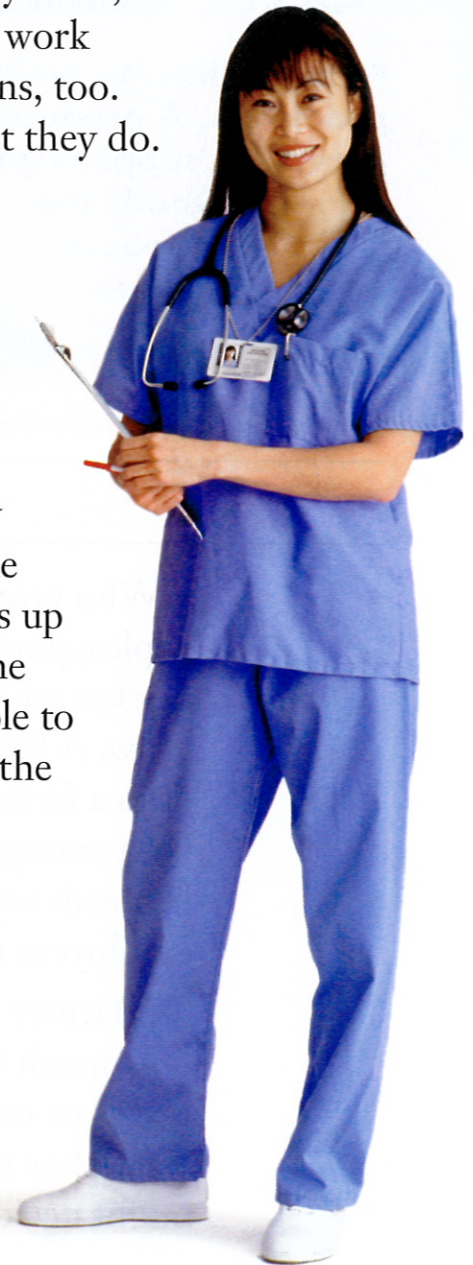
Most people work for someone else. They are **employees**. An employee is a person who gets paid to work for someone else—a company or a person—called an employer.

Think about a grocery store. A grocery store is a private business. Who orders the food and puts it on the shelves? Who puts up the price signs? Employees, of course! The owner or manager of the store hires people to do these and other jobs. The owner pays the employees a salary for their work.

QUICK CHECK

Cause and Effect Why do people work?

Many people work as doctors or nurses. ►





Farmers like Mr. Smith are **producers**. A producer makes, grows, or supplies goods or services. Goods are something people buy, like apples.



Mr. Smith needs money to run his farm. He has to buy tall ladders, trucks, and boxes. Then he has to pay employees to pick the apples, put them in boxes, and load them onto trucks.

B

SELLING THINGS FOR MONEY

Who grows or makes the things people buy? The apples, pumpkins, lettuce, and carrots sold at a farmers' market are grown on farms. Farmers sell the goods they grow. A farmer might sell a bag of apples for \$4.00. How does a farmer decide on a price? The price needs to be high enough so that the farmer can pay for the things he needs to run the business—tools, equipment, and the employees needed to grow the apples.

A farmer also listens to **consumers** when deciding how much to charge. A consumer is a person who buys goods or uses a service. If consumers think a price is too high, they might not buy the product. Then the farmer might decide to lower the price so more people will buy.



Selling Price	\$4.00
- Cost of Growing	\$3.00
(tools, equipment, employees)	
= Profit	\$1.00



Farmers sell their goods to make a **profit**. Profit is money a business makes after paying for tools, employees, and other costs. At the farmers' market, Mr. Smith has competition—other farmers who are selling apples.

Mr. Smith uses some of his profit to pay for more things he needs for the farm. But he can also use some of it to buy his son a new guitar!

Consumers Decide

Many farmers sell apples. If you are the seller, what can you do to get people to buy from you? You could advertise. You could grow a kind of apple that no one else sells. You might even shine all your apples so they look attractive and people will want to buy them.

What if you are the consumer? How do you decide where to buy an apple? Maybe you will buy from the seller with the lowest price. Perhaps you will buy from a farmer you know and trust. If you do not want to walk very far, you might buy from the closest market.

QUICK CHECK

Summarize How does a seller decide how much to charge?



BUSINESS AND THE COMMUNITY

Think of some things you will use today. Do you picture clothes, food, books, and pencils? These things probably come from stores in your community. These stores are part of your community's **economy**. The economy is the way a place uses its money, goods, natural resources, and services.

Sometimes a community needs goods and services from another community. Restaurants in New York City might depend on farmers in Washington or California to grow fresh ingredients for their meals. The farmers also depend on the restaurants to buy their fruits and vegetables. The two communities are interdependent. Their economies depend on each other. Countries buy and sell from one another as well.



QUICK CHECK

Cause and Effect Why are some communities interdependent?



▲ Food grown in Washington state is served in New York City.

Global Connections

A Dollar in Canada

Canada is an independent nation in North America. It has its own money. Canadian coins are made in the same values as United States coins—one cent, five cents, ten cents, twenty-five cents, and fifty cents.

Canada also has a dollar—but there is no dollar bill in Canada. In Canada, the dollar is a coin only. There is even a two-dollar coin. If you want to use paper money in Canada, you would need to trade five Canadian dollar coins for a Canadian five-dollar bill!

When people or businesses in different countries buy and sell to one another, they use different kinds of money. For example, Mexico's money is called the peso. Russia's money is the ruble. The Japanese pay for things with yen.



Canada

Canadian dollar ▼



United States dollar ▼



▲ Japanese yen



▲ Russian ruble



▲ Mexican peso



Write About It Write a paragraph describing how Canadian money is similar to and different from United States money.

D WHY DO WE USE MONEY?

Before money was invented, people used to barter, or trade. For example, Farmer John raises pigs and Farmer Katie grows carrots. Farmer John would trade a baby pig for Farmer Katie's carrots. But a pig is worth much more than a carrot, so it would take a lot of carrots to equal one pig. Even if Farmer John only needed 5 pounds of carrots, he might get 100 pounds of carrots for his pig. That is a lot of carrots to eat! And what if you had to carry a pig around every time you wanted to buy something?

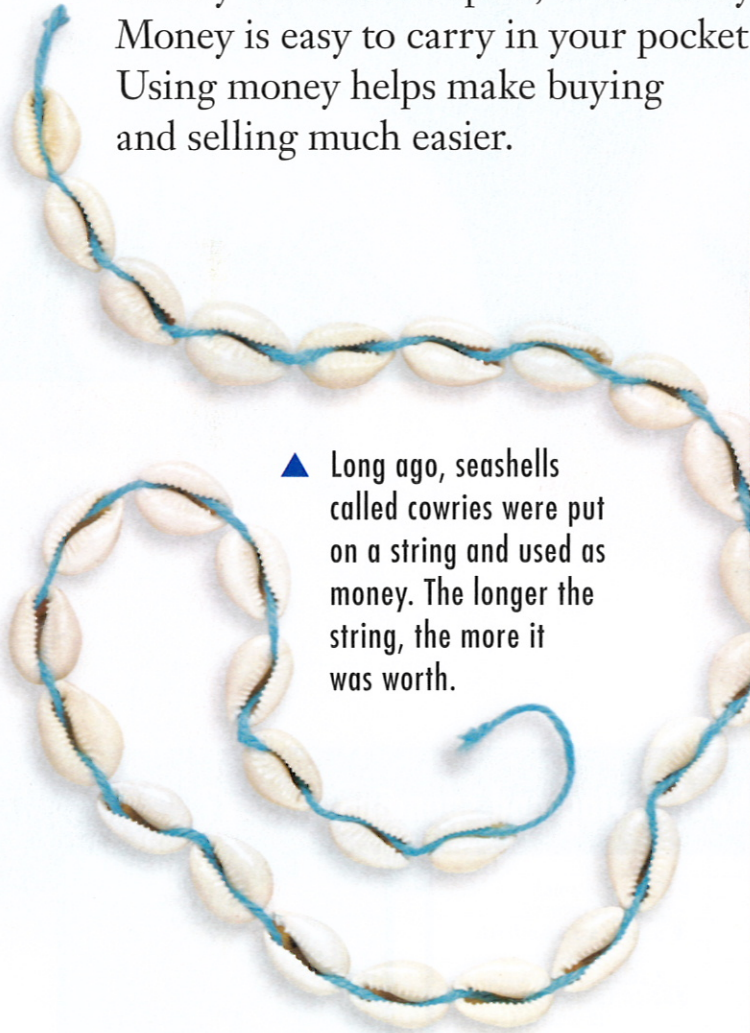
- ▼ Before people used money, a farmer might trade to get what he or she needed.



Money Is Easy to Use

To solve the problems caused by bartering, people in Asia invented money. Instead of bartering, Farmer John could sell his pig for money. Then he could use some of the money to buy carrots and spend the rest on other things.

Money is easier in lots of ways. It can be divided into smaller amounts. Money will not fall apart, or run away! Money is easy to carry in your pocket. Using money helps make buying and selling much easier.



- ▲ Long ago, seashells called cowries were put on a string and used as money. The longer the string, the more it was worth.

QUICK CHECK

Cause and Effect What was the effect of inventing money?

Check Understanding



- VOCABULARY** Draw and label a picture to illustrate the vocabulary words below.
employee **producer** **consumer**

- READING SKILL Cause and Effect** Use the chart from page 148 to write a paragraph about what causes prices to go up or down.

Cause	→	Effect
	→	
	→	
	→	



- Write About It** Write a paragraph to explain how businesses in a community help people meet their needs.

Lesson 2

VOCABULARY

budget p. 157

income p. 157

expense p. 157

opportunity cost p. 161

savings account p. 162

READING SKILL

Cause and Effect

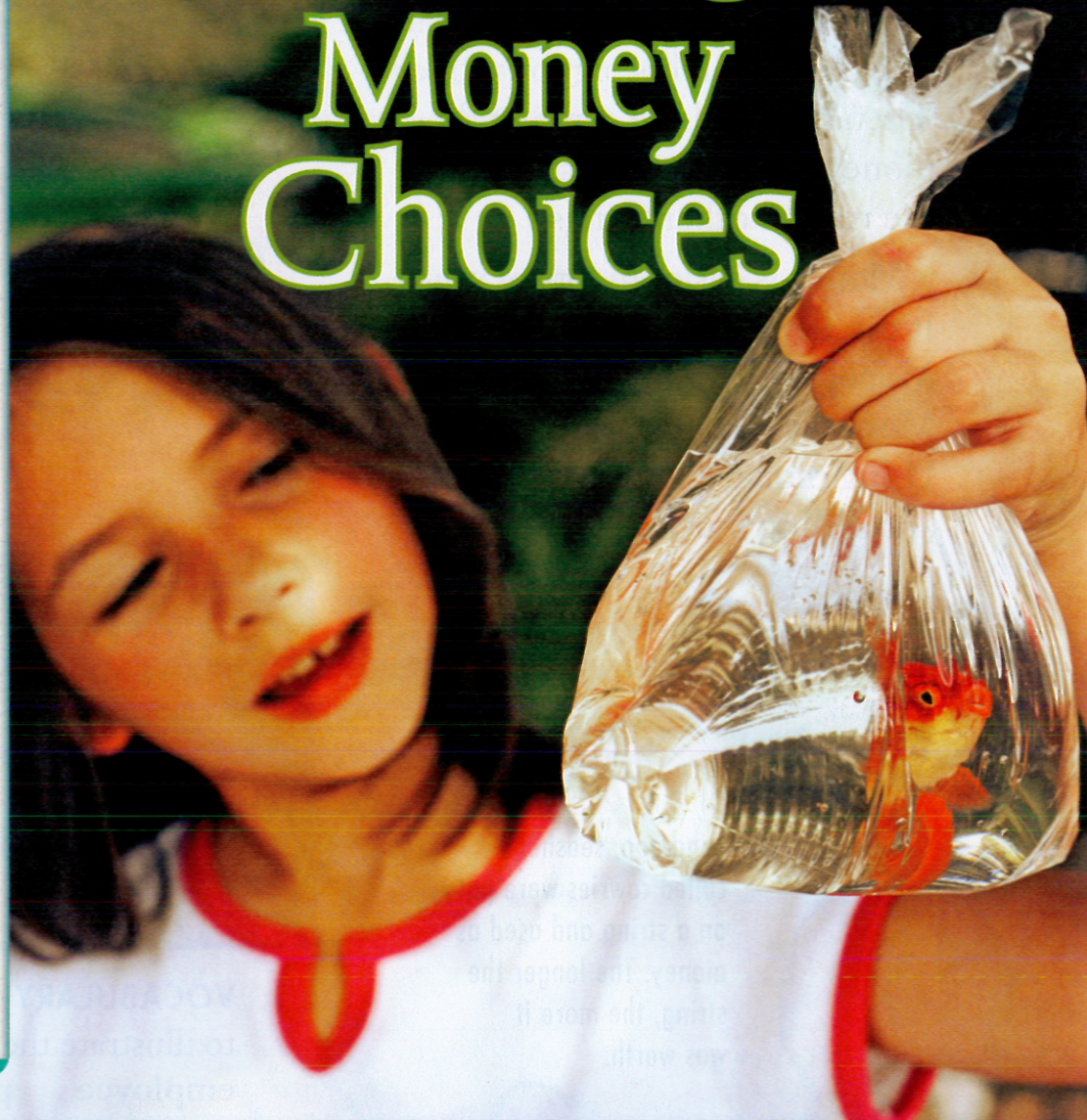
Copy the chart below. As you read, list how a budget can help you make choices.

Cause	→	Effect
	→	
	→	
	→	

INDIANA ACADEMIC STANDARDS

3.4.1, 3.4.6, 3.4.8

Making Money Choices



Visual Preview

How do people make choices about saving and spending money?



A People spend money on both needs and wants.



B A budget helps families plan how to spend money.

```
$ 15.00 (income)
-10.00 (expenses)
$ 5.00 (savings without popcorn)
x 10
$ 50.00 (savings over 10 weeks)
```



C A budget can help people find ways to save money.



D Some people use banks to save for what they need and want.

A MANAGING MONEY

Suppose you have earned enough money to buy a pet goldfish. Then you remember that you need a new tire for your bike. How do you decide how to spend your money?

People plan how to spend their money by deciding what they need and want. To help them make smart money choices, people often make a **budget**. A budget is a plan for using money.

One thing people include in a budget is **income**—the amount of money someone receives for working. An employee earns income by doing a job. A budget also includes **expenses**. An expense is something people spend money on, such as something they buy or do.

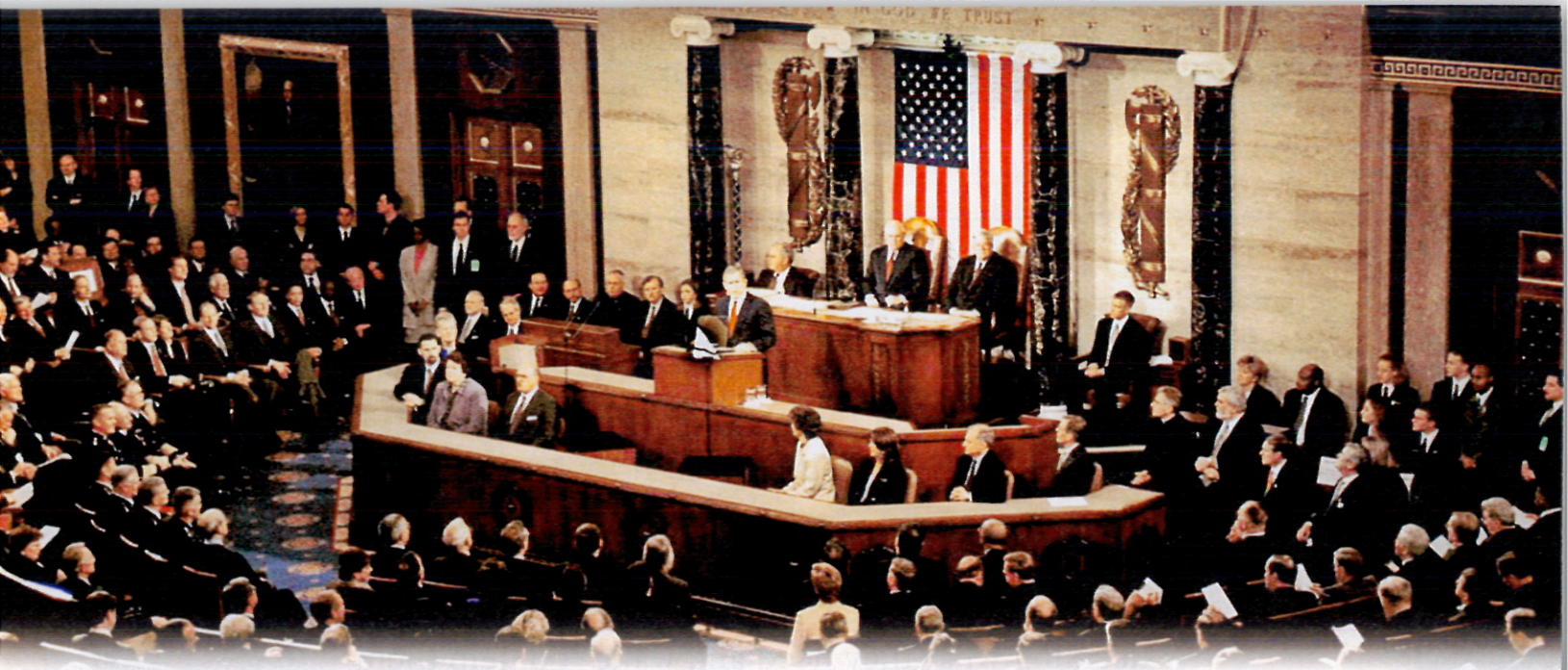
When making a budget, people first plan to pay for the things they need, like food and clothing. With the money left over, they can make choices about buying the things they want, like movie tickets. If you really need that new tire, you may have to wait to buy that pet goldfish you want!

QUICK CHECK

Cause and Effect How does the amount of income affect what someone can buy?

Buying a baseball mitt is an expense. Is a mitt a need or a want? ►





B EVERYONE BUDGETS

Primary Sources

“The U.S. has never really budgeted for the kinds of unexpected things that go on every year, even though something happens every year. There’s an earthquake. There’s a fire. There’s a hurricane.”



Douglas Holtz-Eakin
Director of the Congressional Budget
Office, 2003-2005, February 6, 2006

Write About It Write a paragraph describing the kinds of expenses the United States government might have after a hurricane hits a town.

▲ Members of the United States government make decisions about the country’s budget.

Not only people make budgets. Businesses make budgets, too. For example, a company that builds houses spends money on supplies, such as wood and nails. It must pay employees, too. To make sure it does not spend more money than it makes, the company includes its income and expenses in a budget.

Even the government of the United States makes a budget. Read on this page about some of the challenges the government faces in making its budget.



Income (per month)	Expenses
Mom + Dad \$ 7,800.00	Food \$250.00
	Electricity \$ 150.00
	Phone \$ 85.00
	Clothes \$500.00
	Emergencies \$1,500.00

▲ Budgets help families decide how to spend their money. Groceries are part of this family's budget.

A Family Budget

Families need budgets, too. They have to pay for things like food, electricity, and clothing. They also try to save money for the future and for emergencies—things that happen without warning. What if the car needs new brakes or the roof is leaking? A family budget should include money for emergencies such as these.

Making a budget involves decisions. It often means comparing the cost of something with the benefit of having it. A benefit is something that is good or helpful. For example, the special TV movie channel costs extra money each month. Your family loves to watch movies. The service would be a benefit, so your family has to decide if the cost is worth the benefit. If they want the special channel enough, they might even decide to give up something else to have it!

QUICK CHECK

Main Idea and Details Why do families need to make a budget?

C MAKING A BUDGET

Lola is 12 years old. She has a business walking her neighbors' dogs. Each week she earns an income of \$15. Lola has expenses, too. Each week she goes to a movie with her friends. After the movie, she buys some treats for the dogs.

While walking the dogs one day, Lola stopped in front of a bike store. In the window, she saw the perfect bike. The price tag said \$50. "I can save \$50," Lola said. That night Lola made a budget. First she wrote her weekly income at the top of the budget. Then she wrote her expenses below. There was no money left over! How could Lola save money?

▼ Lola walks dogs to earn money.



My Budget \$\$\$

Budget A

Income each week \$15.00

Expenses each week

Bus ticket	\$ 0.75
Movie ticket	4.25
Popcorn	5.00
Dog biscuits	+ 5.00
<u>Total expenses</u>	<u>\$15.00</u>

each week

\$15.00 (income)
<u>-15.00 (expenses)</u>
0.00 (savings each week)

Budget B

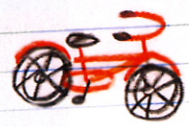
Income each week \$15.00

Total expenses each week

Bus ticket	\$ 0.75
Movie ticket	4.25
Dog biscuits	+ 5.00
<u>Total expenses</u>	<u>\$10.00</u>

without popcorn at movie

\$15.00 (income)
<u>-10.00 (expenses)</u>
\$ 5.00 (savings without popcorn)
<u> x 10</u>
\$50.00 (savings over 10 weeks)



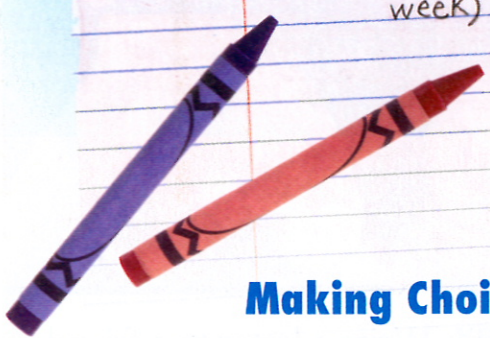
Making Choices

Lola thought hard. Then she thought of a way—if she does not buy popcorn at the movies, she can save \$5 a week. After ten weeks, she will have saved \$50!

By choosing to save money to buy a bike, Lola also chose to stop buying a snack at the movies. This was her **opportunity cost**. An opportunity cost is the value of the thing you give up when you choose one thing instead of another. In saving for a bike, Lola's opportunity cost was not getting to eat popcorn at the movies.

QUICK CHECK

Summarize How did making a budget help Lola?



D

SAVING MONEY

Money in the Bank

Lola put money into her piggy bank each week. After Lola had saved enough money for the bike, she decided to keep saving. She went to the bank and opened a **savings account**. A savings account is money a person keeps in a bank.

Lola knew her savings account would earn interest, money a bank pays people for keeping their money in the bank. The interest is added to the money Lola saves. The more money Lola saves, the more interest she earns.

Many people use banks to help them save for things they want. Benjamin Franklin, a famous American leader, knew the importance of saving. He once said,

“If you would be wealthy, think of saving as well as getting.”

QUICK CHECK

Main Idea and Details Why is it a good idea to put money into a savings account?



Check Understanding



1. **VOCABULARY** Write a letter to a friend about how you spent money this week. Use the following words.

budget **income** **expense**

2. **READING SKILL Cause and Effect** Use your chart from page 156 to write a paragraph on how a budget can help you decide how to spend money.

Cause	→	Effect
	→	
	→	
	→	



3. **Write About It** Make a list of some ways that you could save money.

Citizenship

Points of View

How do we make decisions about spending money?

Every time we buy something we make choices. Sometimes we must give up one thing to buy something else. Read three points of view on making money choices.



"It is not good to just buy something because you can afford it right away. Sometimes it is better to save your money and buy something you really want."



Emily
Evansville, Indiana

"I make my allowance last the whole week. I make a budget that helps me figure out how much money I can save. If something really fun comes up I might have enough money to do it."

Marcus
Muncie, Indiana



"One time I really wanted to go to the movies but I also wanted to buy a new purse. I decided to buy the purse because I could use it a lot of times. I could only go to the movies once. I feel like buying the purse was a better way to spend my money."

Keisha
Valparaiso, Indiana



Write About It Write a paragraph about choosing to buy one thing over another.

Lesson 3

VOCABULARY

human resource p. 165

capital resource p. 165

demand p. 168

supply p. 168

scarcity p. 168

READING SKILL

Cause and Effect

Copy the chart below. As you read, list the ways that supply affects price.

Cause	→	Effect
	→	
	→	
	→	

INDIANA ACADEMIC STANDARDS

3.3.4, 3.3.7, 3.3.8, 3.4.1

Farm Communities



Wheat is an important farm product.

Visual Preview

How do farmers produce goods for the economy?



A Farmers use many resources to grow crops.



B Different crops grow in different regions of the country.



C The price of a crop depends on how much of it there is.

A THE BUSINESS OF FARMING

Beautiful, golden grains of wheat! Somewhere a farmer worked hard to grow the wheat to make your bread, rolls, and muffins.

Agriculture is an important part of the United States economy. Agriculture is the business of growing crops or raising animals for food. From apples to corn to wheat to zucchini, a lot of work is involved in getting the food we buy to market.

Farmers use natural resources—soil, water, and sunlight—to grow crops. They also need **human resources**, the people, both employers and employees, who work for a business. **Capital resources** are needed, too. Capital resources are the tools, machines, and buildings people use to produce goods.

Tractors and computers are some capital resources farmers use. Stores sell farmers the resources and supplies they need. Farmers sometimes borrow money from banks to buy capital resources. They make an agreement with the banks to pay the money back.

QUICK CHECK

Cause and Effect Why do farmers sometimes borrow money from banks?

This tractor is a capital resource. ►



B**FARMS AND PRODUCTS**

Washington's sunshine and cool summer nights are perfect for apples.



Idaho's climate of warm days and cool nights is good for potatoes.



Strawberries grow well in California.



Farmers in the United States grow lots and lots of food! Most agricultural communities grow food crops or raise animals. Some grow other crops such as cotton or flowers. Farms can have fields of crops, orchards of fruit, or land where animals graze. Most farms are located in rural areas that have open land.

The climate and soil in different regions of the United States are not the same, so no farm grows everything. How do people in Illinois get oranges and people in Washington get cotton if those things aren't grown there? Crops are transported by truck, train, or plane to sell in other regions.

New York's thick grass is food for cows.



Rich soil in the Midwest helps corn, wheat, and soybeans grow.



Farms in the warm Southern states grow cotton.



Florida's warm climate is good for growing oranges.

QUICK CHECK

Main Idea and Details What things make specific regions in the United States good for growing different crops?

C BUYING AND SELLING

Everyone needs to eat, so there is always a high **demand** for food. Demand is the number of people who want certain goods or services.

Suppose corn is for sale at a farmers' market. If only one farmer is selling corn, there is a low **supply**. Supply is the amount of goods or services that are available. A small supply of corn leads to **scarcity**. Scarcity means a shortage of certain goods or services.

If lots of people want to buy corn, then there is a high demand. As people line up to buy the corn, the farmer may raise the price. Since the demand is high and only one farmer is selling it, many people are willing to pay the higher price.



High demand means the farmer can charge more for his corn. ►

EVENT

Each year in Brazil, Indiana, the **Popcorn Festival** celebrates famous popcorn producer, Orville Redenbacher. At the festival, you can listen to bands, ride carnival rides, and eat delicious popcorn.



Popcorn Festival

Making Choices

What if the demand for corn is high, but there is a scarcity of human resources to pick the corn? A farm owner might have employees who usually do other jobs pick corn instead. Then the farmer will have enough corn to meet the high demand. When human resources or capital resources are low, farm owners need to make choices about how they use their resources.

Some people might not pay the high price for the corn. They may go to a grocery store to look for cheaper corn, or even buy something else. This is how our free enterprise economy works. Free enterprise is the freedom to run your business the way you decide. It is also the freedom to buy from whomever you want.

QUICK CHECK

Summarize What is a free enterprise economy?



▲ Grocery stores buy a lot of corn, so they often sell it at lower prices.

Check Understanding



1. **VOCABULARY** Write a sentence to explain each vocabulary term below.

human resource

capital resource

supply

scarcity

2. **READING SKILLS Cause and Effect** Use your chart from page 164 to write a paragraph about how supply affects price.

Cause	→	Effect
	→	
	→	
	→	



3. **Write About It** Write a letter explaining why you decided to buy something at a certain place.

Chart and Graph Skills

Use Line Graphs

VOCABULARY

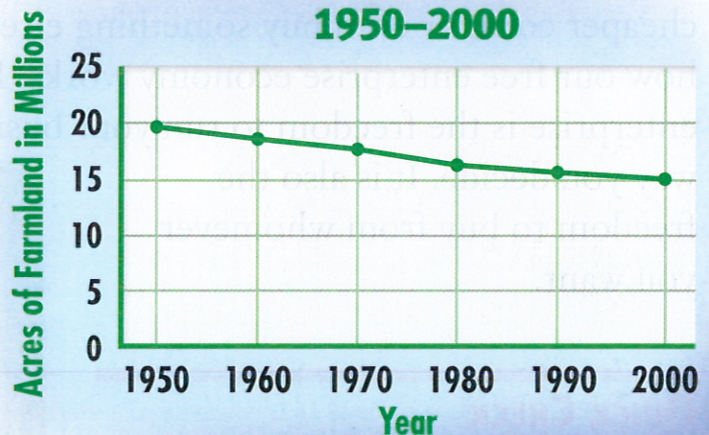
line graph

Suppose you are reading a book about farms in the United States. You come to a diagram like the one below. It is a **line graph**. A line graph shows information that changes over time. Let's see how to get information from a line graph.

Learn It

- Read the title. The graph title tells you that this graph is about farmland in Indiana from 1950 to 2000.
- The numbers on the left show the acres of farmland. The years are shown at the bottom.
- To read the graph, find the dot above each year. Put your finger on the dot, then move it to the left to find the acres of farmland for that year.
- The dots are connected to make a line. The line shows that the acres of farmland has gone down since 1950.

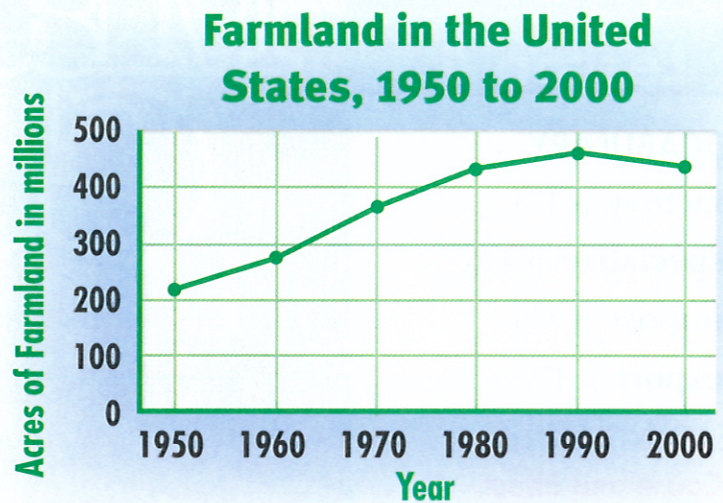
Farmland in Indiana,
1950–2000



Try It

Look at the graph at right.

- What does this graph show?
- What do the numbers on the left show?
- How did the amount of land used for farming change between 1950 and 2000?



Apply It

Now make your own line graph. Use this information about a third-grade class that printed and sold T-shirts.

- Week 1, 10 T-shirts sold
- Week 2, 20 T-shirts sold
- Week 3, 50 T-shirts sold
- Week 4, 25 T-shirts sold

- What title will you give your graph?
- What information will you put at the bottom of the graph? What will you put along the side?
- What does the graph tell you about the class's T-shirt sale?



Making Goods

Lesson 4

VOCABULARY

factory p. 173

specialize p. 176

import p. 178

export p. 179

READING SKILL

Cause and Effect

Copy the chart below.

As you read, list ways the growth of the auto industry affected other industries.

Cause	→	Effect
	→	
	→	
	→	

INDIANA ACADEMIC STANDARDS

3.3.7, 3.4.2, 3.4.9

Workers follow many steps to manufacture airplanes.

Visual Preview

How do communities meet their needs for goods?



A New methods helped produce goods quickly and more cheaply.



B Many factories and towns were built to produce manufactured goods.



C People can buy products that are made in other nations.



D The United States trades with other nations to get the products it needs.

A**A FASTER WAY**

As the line of cars moves along, workers and machines put them together. Your job is to put the doors on. When the car reaches the end of the line, it is complete.

In 1885 the first automobile was built in Europe. By 1900 companies in the United States had started manufacturing autos, too. Manufacturing, or the making of goods by machines, is an important part of the United States economy. A place where goods are manufactured is called a **factory**.

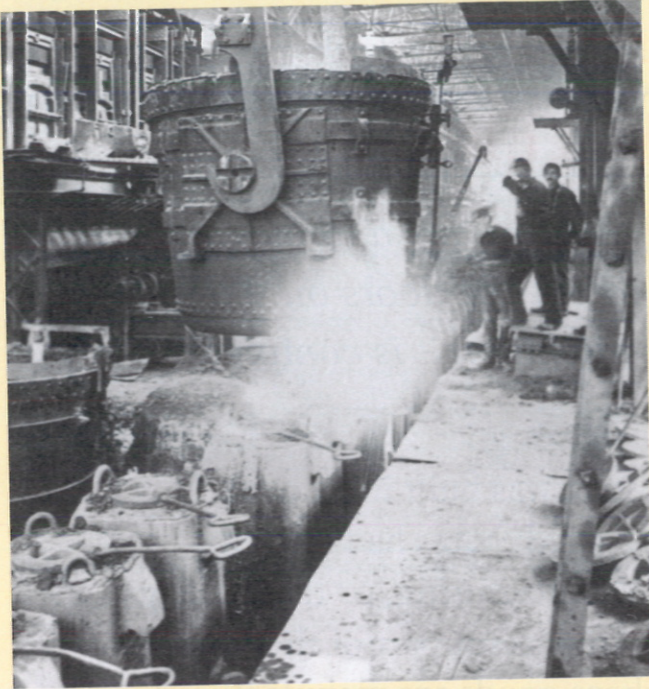
In 1903 Henry Ford started the Ford Motor Company in Detroit, Michigan. At first each car was built from start to finish by one or two people. Each car took a long time to build, so cars were very expensive. By 1913 Ford began using assembly lines in his factories. On an assembly line, each worker has a specific job to do, like putting on wheels or windows. Building cars this way is much faster and costs less money.

QUICK CHECK

Cause and Effect How did Henry Ford change car manufacturing?

Factories today still use assembly lines to manufacture many products. ▶





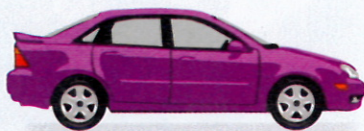
In the late 1880s, steel factories were built in Pittsburgh, Pennsylvania; Gary, Indiana; and Chicago, Illinois, because these places were near coal mining areas.



Many people came to work in the steel mills. The towns around the mills grew rapidly.

B GROWTH OF MANUFACTURING

As the price of cars came down, many more people could afford one. That meant the demand for cars went up, so manufacturers opened more factories and hired more employees to meet the demand. Automobile manufacturing became a huge part of the United States economy.





Today steel is made in new, less expensive ways. One new way uses scrap steel recycled from old bridges, refrigerators, and cars.



Steel manufacturing has made it possible for the United States to make many goods, including machines, tools, bridges, and railroad tracks.

Steel Manufacturing

To make cars, factories needed steel. Lots of steel! That meant the steel industry grew, too. Making steel uses both iron ore and coal, so steel factories were built near where these natural resources were found. The United States still makes many kinds of steel for many different steel products, from playground equipment to pots and pans.

QUICK CHECK

Cause and Effect What made the steel industry grow?





A WORLD OF PRODUCTS

Some businesses or regions make certain products better than others. When businesses or regions have people who are good at making something, they can **specialize** in that product. To specialize means to make one thing very well. Perhaps a region is located near natural resources that are needed to make something. The businesses there can specialize in certain products because they have the resources they need to make them.

Specialized Products

In the 1940s, the United States specialized in making steel and steel products. Why? It was because the United States had plenty of iron ore and coal. Pittsburgh, Gary, and Chicago became known as “steel towns.”

Other countries specialize, too. Spain and Greece specialize in producing olive oil. Switzerland is famous for making watches. Japan is known for electronics. China produces many types of clothing. These countries have what they need to make these products faster, better, or at a lower cost.



Switzerland
watches



Greece
olive oil



China
clothing



Japan
electronics



ASIA

Turkey
rugs



EUROPE

AFRICA

Nigeria
textiles



Australia
computers



AUSTRALIA

ANTARCTICA

QUICK CHECK

Summarize Why do regions or countries specialize?

**D**

GOODS IN AND OUT

What does a country do when it does not make or grow something? It will **import** those goods. To import means to bring in goods made or grown outside of the country for sale or use.

The climate in most of the United States is not good for growing coffee beans. So the United States imports coffee beans from Central America and South America. It imports many fruits from these places, too. The United States also imports toys and shoes from China, and beef from Canada. Read the quote below to learn about some other products that the United States imports.


◀ Most of the bananas sold in the United States are imported.

Primary Sources

“Americans are growing hungrier for Australian beef, Canadian pork, Chilean plums, and Mexican tomatoes.”

A quote from
the *Arkansas Democrat-Gazette*,
April 16, 2006



 **Write About It** Write a paragraph about why you think Americans are “growing hungrier” for these products.



▲ Large ships carry imports and exports all over the world.

When a country makes a lot of something, it can **export** that product. To export means to send goods out of a country to be sold somewhere else. The United States exports many things, such as cars to Canada and wheat to Japan. Importing and exporting helps the economies of both countries.

QUICK CHECK

Main Idea and Details What can a country do to get products that it does not produce?

Check Understanding



1. **VOCABULARY** Use the words below to write a paragraph about making goods.

factory **specialize** **export**

2. **READING SKILL Cause and Effect** Use your chart from page 172 to write a paragraph about how the growth of the auto industry affected other industries.

Cause	→	Effect
	→	
	→	
	→	



3. **Write About It** Write a paragraph to explain why countries import goods.

Lesson 5

VOCABULARY

international trade p. 182

domestic trade p. 184

cooperate p. 186

READING SKILL

Cause and Effect

Copy the chart below.

As you read, list ways communities work together.

Cause	→	Effect
	→	
	→	
	→	

INDIANA ACADEMIC STANDARDS

3.1.6, 3.2.1, 3.2.7, 3.4.3, 3.3.4

WORKING TOGETHER



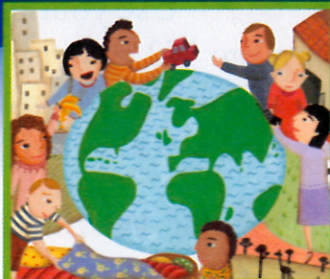
Working on the International Space Station

Visual Preview

How do communities work together?



A People from many countries help each other.



B Countries all over the world buy and sell goods to one another.



C People in different states work together to make goods like this book.



D Cities in the United States form ties with cities in other countries.

A COUNTRIES WORK TOGETHER

It is November 2000. You are aboard the space shuttle with United States astronauts and Russian cosmonauts. There is much work to do, and everyone must work together!

Countries often work together so they can learn from one another. The United States, Russia, and other countries shared ideas to build the International Space Station. Astronauts from different countries continue to live and work at the space station today. They do experiments and research to help improve life on Earth and to search for possible life on other planets.

Countries also work together on Earth to help those in need. Some doctors and nurses work for an international group called Doctors Without Borders. They travel around the world to care for sick people. Groups like this one, which started in France, work to improve hospitals and health services in many countries.

QUICK CHECK

Cause and Effect What are some reasons countries sometimes work together?

A doctor gives a baby a health checkup. ►





B TRADING TOGETHER

Another way countries work together is to exchange goods. What if there are goods that the United States needs that are not made or grown here? Then the United States trades with other countries to get what it needs. Trade between different countries is called **international trade**. For example, the United States exports cars to Canada and imports Canadian wood.

Countries import goods they need and export goods they specialize in making. Trading with each other helps the economies of both countries.

Saudi Arabia, a country in the Middle East, does not make cars. It buys them from other countries, including the United States. The United States needs more oil than it can produce, so it imports oil from Saudi Arabia.

PEOPLE

Isamu Noguchi is a famous designer, architect, and sculptor who spent some of his life in Indiana. His art can be found all over the world including cities like New York, Paris, and Tokyo.



Isamu Noguchi

The United States exports cars to many other countries. The United States also imports cars that other countries make. You can see information about this international car trade in the Datagraphic below.



QUICK CHECK

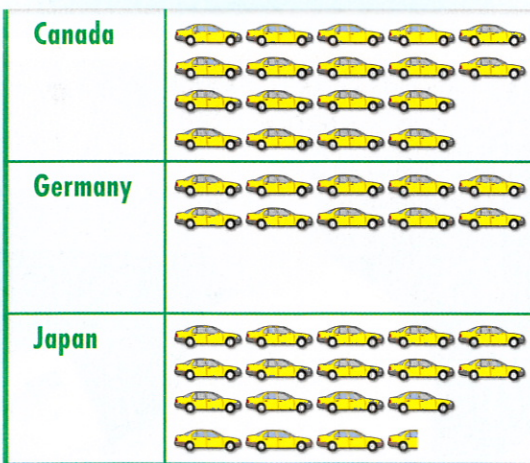
Summarize How does trading together help both countries?

DataGraphic

Trading Partners

The United States does a lot of business in cars! The graph and map show you the major countries for this car exchange.

U.S. Car Imports, 2005



 = \$2 billion in car sales

U.S. Car Exports, 2005



Source: Bureau of Economic Analysis, U.S. Department of Commerce, 2006

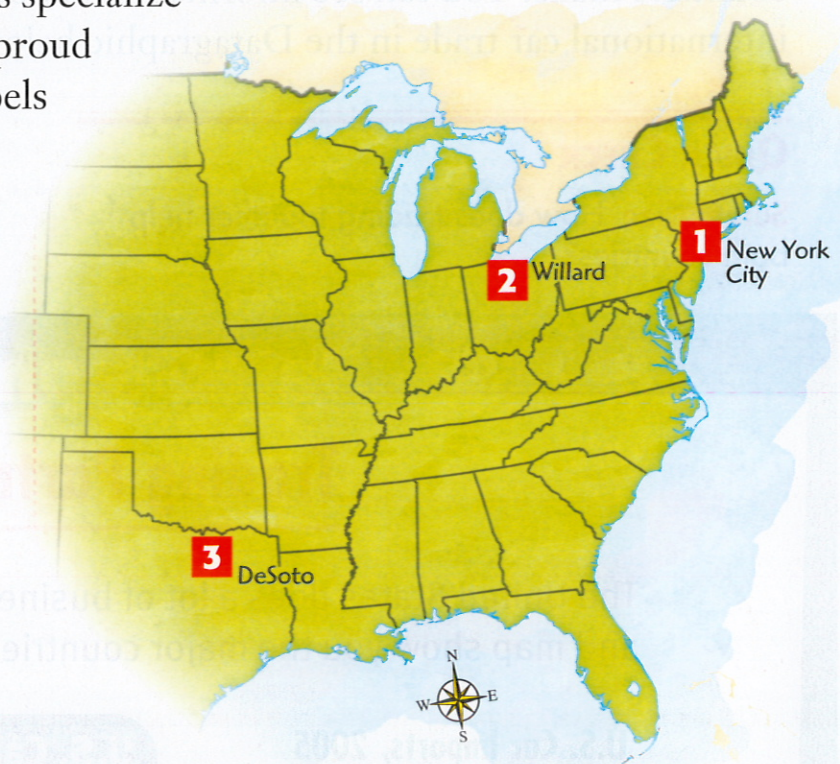
Think About Imports and Exports

1. How many billions of dollars worth of cars does the United States import from Germany?
2. With which country does the United States both buy and sell cars?

C STATES WORK TOGETHER

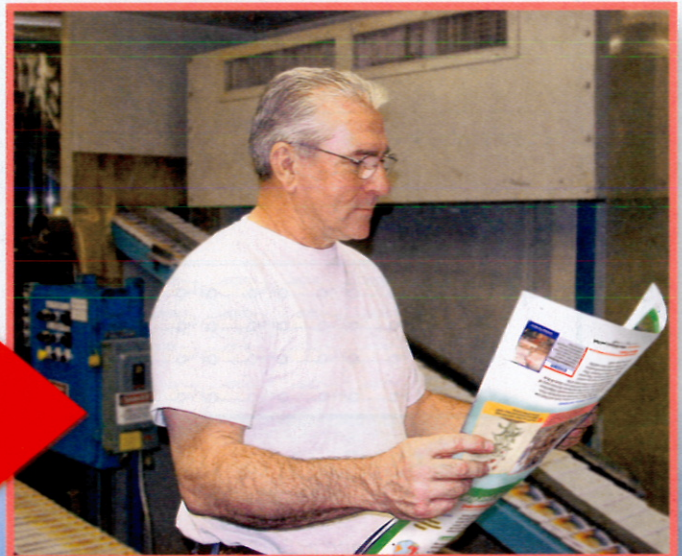
Most states in the United States specialize in making something. States are proud of their products and may put labels on them, like Florida oranges or Washington apples.

States also trade their goods and services. Wherever you live, you can buy goods made in other states. This is **domestic trade**. Unlike international trade, domestic trade is trade that takes place within the borders of a country.



New York City, New York

1 The pages of your textbook are written in New York City, New York. Once the writing and corrections are done, the pages are sent to be printed.



Willard, Ohio

2 In Willard, Ohio, the pages of your textbook are printed and bound together to make a book. Thousands of textbooks are printed here.

People in several states worked together to produce your textbook. It was written in one state and printed in another. The paper it was printed on came from still another state. Look at the map and boxes on these pages to see how people in different states worked together to make your textbook and get it to classrooms like yours.



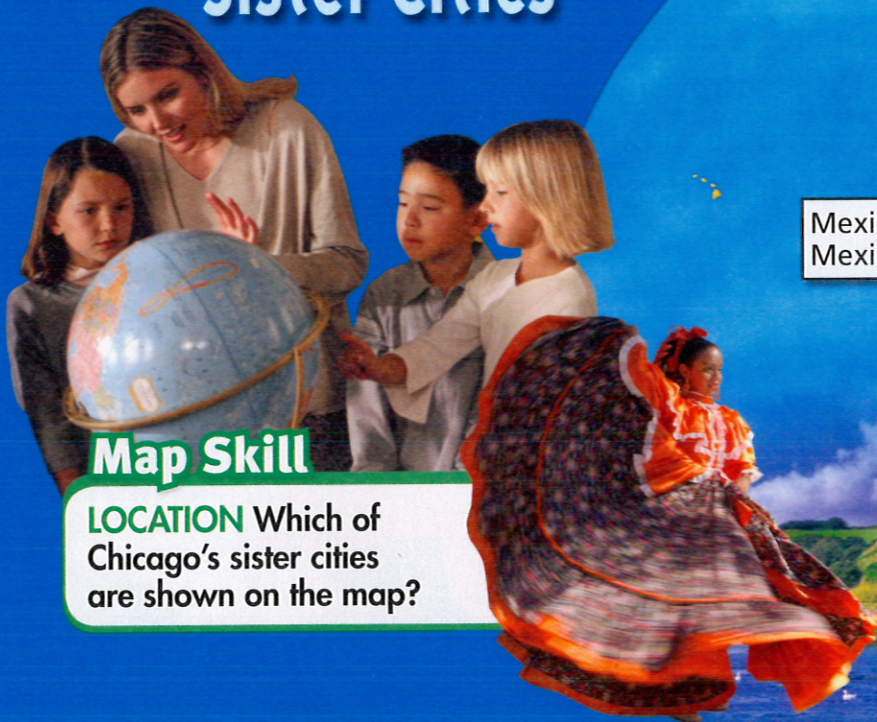
DeSoto, Texas


- 3** The finished textbooks are shipped to a warehouse in DeSoto, Texas. A warehouse is a building where goods are stored until they are sold.


QUICK CHECK

Summarize How is domestic trade different from international trade?

Chicago's Sister Cities



Chicago,
United States 

Mexico City,
Mexico 

Map Skill

LOCATION Which of Chicago's sister cities are shown on the map?



SISTER CITIES

In 1956 President Dwight D. Eisenhower set up a program so that cities in the United States could form partnerships with “sister” cities in other countries. People in sister cities agree to learn about culture, trade, and government in each other’s community.

The people of sister cities **cooperate** with each other. To cooperate means to work together. Sister cities cooperate by helping people in need, opening new businesses, and sharing their cultures.

Chicago, Illinois, has 21 sister cities all over the world. The people of Chicago learn about different cultures by sharing with people in their sister cities.

EVENT

The yearly **North Carolina International Festival** is held in Raleigh. At this event, the community celebrates world cultures through art, storytelling, food, and dance.



North Carolina International Festival



Check Understanding



Traveling and Learning

Students from Lake View High School in Chicago traveled to Paris, France—one of their sister cities. They had a wonderful time talking with French students and seeing sights like the Eiffel Tower. Yury G., one of the Chicago students, said,

“They were so nice and friendly to us. Even though sometimes we couldn’t find the right word in English or French, we managed to communicate.”

QUICK CHECK

Main Idea and Details How do sister cities cooperate?

1. **VOCABULARY** Write a sentence for each of the vocabulary words below.
international trade **domestic trade**
cooperate

2. **READING SKILL Cause and Effect** Use your chart from page 180 to write a paragraph about ways communities work together.

Cause	→	Effect
	→	
	→	
	→	



3. **Write About It** Write a paragraph telling how communities benefit from having sister cities.

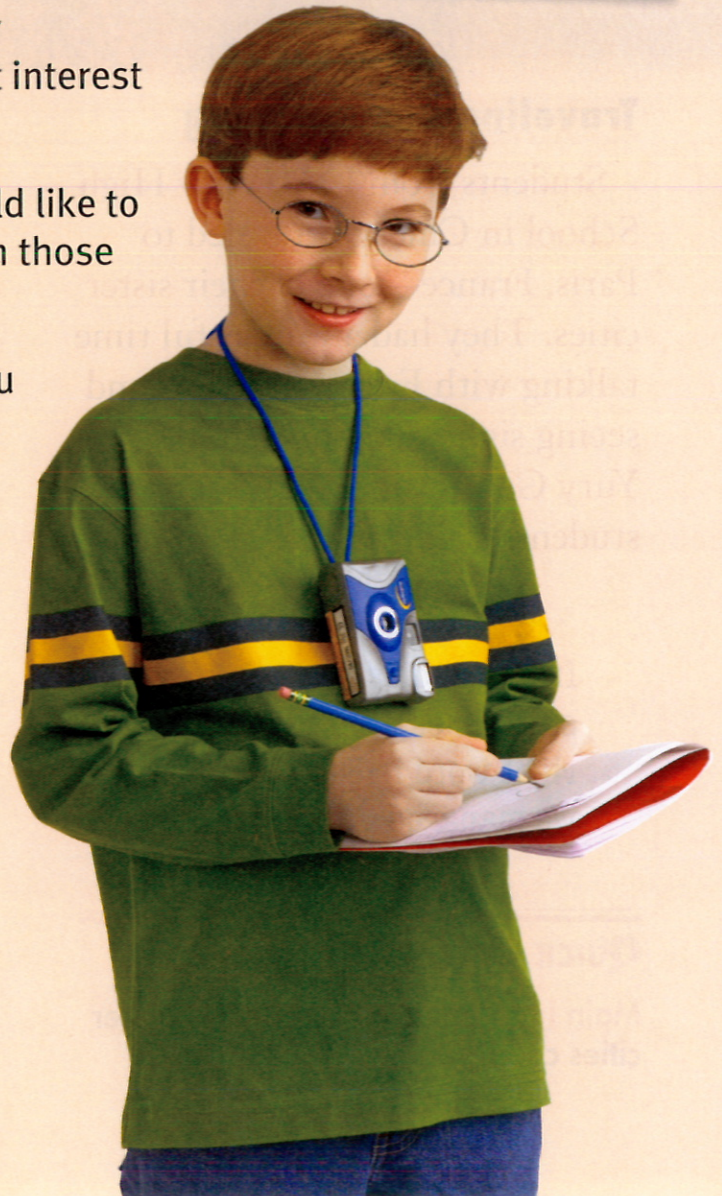
Indiana Connections

Businesses in Your Community

Peter learned about businesses in his community by interviewing people. When Peter got home, he made an accordion book about what he found out. Here's what you can do to learn about businesses in your community:



- Make a list of businesses or jobs in your community that interest you.
- Think of questions you would like to ask people about working in those businesses.
- Have an adult come with you to interview people at three different businesses. Bring a pencil and notebook. Write down what each worker tells you. If you have a camera, ask if you can take pictures of them at work.



For more help with your project visit
www.macmillanmh.com

Economics Activity

Make an Accordion Book

- 1 Gather the notes and photos you took during the interviews.
- 2 To make your book, start with a large piece of stiff paper. Paper that is 36" long by 8" wide is a good size. Fold the paper into even parts.
- 3 On each page, write the name of a worker you interviewed and paste a photo of the person. Summarize the things the worker told you, and write them below the photo or on the back. Make a cover for your book, and give your book a title.
- 4 Share your book with your classmates.

Materials

- notebook
- pencil or pen
- camera
- poster board
- markers
- scissors
- glue



Unit 4

Review and Assess

Vocabulary

Write a sentence or more to answer each question.

1. If you ran a business, how could you be sure you made a **profit**?
2. What are examples of **expenses** a family has?
3. Which do you think are more important in running a business, **human resources** or **capital resources**?
4. Find something in your home that was **imported** from another country and tell where it is from.

Comprehension and Critical Thinking

5. How does a business figure out if it made a profit?
6. How does the United States get the goods it needs?
7. **Critical Thinking** What kinds of things would you include in a family budget?
8. **Reading Skill** What usually happens to the price of something when there is a scarcity of that thing?

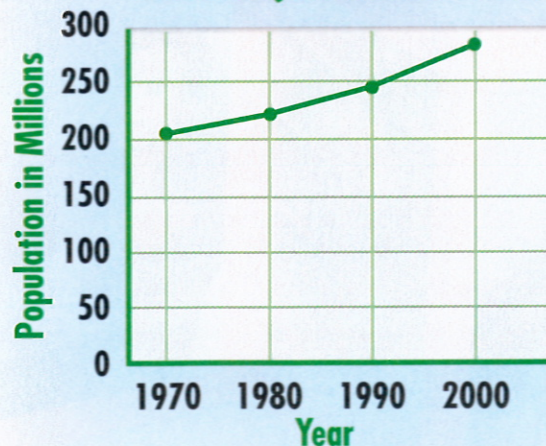
Skill

Use Line Graphs

Write a complete sentence to answer each question.

9. What was the population of the United States in 1970?
10. Did the United States have more people or fewer people in 2000 than it did in 1970?

Population of the United States, 1970 to 2000



Indiana Statewide Test Practice

Read the passage below. Then choose the best answer or write a short response to each of the following questions.

"My new lizard is so cool!" said Ryan as he walked into his classroom on Monday morning. On Saturday, he went to the pet store with his dad and picked out his new pet. "My dad bought the lizard but I will have to pay for the food," he told his friends. "The food will cost me 5 dollars for the month. He eats crickets!" Ryan's friends thought the lizard sounded like a great pet but they wondered how Ryan would get the money to pay for the crickets. "My dad said that if I start doing more jobs at home, he will give me an extra dollar every week. Also, I decided to only buy one comic book each month instead of two. That way, I will always have enough money to buy crickets for my new pet." Ryan's friends wondered if they should get lizards, too!

1 In the story, what day was it when Ryan picked out his new pet?

- (A) Tuesday
- (B) Sunday
- (C) Monday
- (D) Saturday

2 In the story, who bought Ryan's pet lizard?

- (A) his dad
- (B) Ryan
- (C) Ryan's friends
- (D) his mom

3 Why did Ryan decide to buy one comic book each month instead of two?

Write your answer on a separate piece of paper.

4 What will Ryan do at home that will help him buy food for his lizard?

Write your answer on a separate piece of paper.
