



Market and Command: A Comparative and Contrastive Unit

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This curriculum unit is recommended for:
Social Studies World History/9th Grade
Civics Economics/ 10th Grade
CTE Marketing/Secondary Grades

Keywords: Economics, Command Economy, Market Economy, Capitalism, Free Enterprise, Economy, John Smith, Karl Marx, Cold War.

Teaching Standards: [See Appendix 1](#)

Synopsis: The ideas and concepts surrounding production, selling, purchasing, and trading have evolved over time taking on many labels and names. This unit will explore two prominent modern economies, command and market, by allowing students to research, react, and respond individually, in small groups, and publicly. *Market and Command: a comparative and contrastive unit on the two economic systems that shaped the 20th century*, will primarily focusing on the Cold War era of 1945-1991, and how the 20th century in turn reshaped both of them (primarily contrasting the original intent and structure to modern application). The unit will climax with a highly interactive, multi-day, and real world connection role play where students will create their own product (from concept to budget to development to marketing to market) in a simulation involving the entire school.

*I plan to teach this unit during the coming year to **200** students in **World History, 9th Grade.***

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Fred Whaples

INTRODUCTION

John Cander wrote these words (later sung in the Broadway hit, *Cabaret*), “Money makes the world go around. The world go around. The world go around. Money makes the world go around. It makes the world go 'round. A mark, a yen, a buck, or a pound. A buck or a pound. A buck or a pound. Is all that makes the world go around, that clinking clanking sound can make the world go 'round.”¹

For as long as there have been people there have been products, purchasing, and struggle for power. Entire empires have risen and fallen over the issues surrounding the management, distribution, and acquisition of an economic system. Today we can't turn on the television, surf the internet, talk to others, or even attend worship, without concerns over economy coming to the forefront.

Great religious leaders, like Jesus or Allah, spent more time addressing the issue of money than any other single topic. 11 of Jesus' 39 parables specifically dealt with money.² Mohammad wrote in the Quran, "O you who believe! Lo! many of the (Jewish) rabbis and the (Christian) monks devour the wealth of mankind wantonly and debar (men) from the way of Allah. They who hoard up gold and silver and spend it not in the way of God, unto them give tidings (O Muhammad) of a painful doom.”³

Great writers relented on the topic of finance. Shakespeare said of money, “O thou sweet king-killer and dear divorce.”⁴ Maya Angelou shared these words of wisdom, “You can only become truly accomplished at something you love. Don't make money your goal. Instead pursue the things you love doing and then do them so well that people can't take their eyes off of you.”⁵

Great government thinkers have shared their insights. In the Communist Manifesto, Karl Marx presented an economy without the use of money itself. “The theory of Communists may be summed up in the single sentence: Abolition of private

property.”⁶ Instead the community would care for its members equally and justly. Adam Smith, father of capitalism, expressed the opposite of Marx when he wrote that a successful economy is one where “private ownership is the means of all production.”⁷

It is these two final economists’ contrasting views that students need to clearly understand so they are able to articulate the differences and recognize the elements of both economic viewpoints in our current world affairs. Whether a person is inclined to believe in Adam Smith’s capitalistic viewpoints, Karl Marx’s communist ones, or somewhere in the middle, it is imperative that students clearly comprehend and apply the knowledge and implications of each and are able to identify elements of each economy within one another, as in a mixed system.

CONTENT RESEARCH

In teaching 9th Grade World History for several years it has become increasingly clear that students are ill-equipped in their knowledge and application of the economic systems that have developed in our world. At the onset of the school year 2015-2016 only 4% of the 215 students on Whaples World History rosters could identify the definition of market and / or command economies. In 2014-2015, out of 118 students only 3% could achieve similar results. It is my hope, in the course of this study, students will achieve comprehension, application, and identifiable traits of each economy. This will be accomplished by having students compare and contrast these ideas, defining moments in history where the ideas emerged or were applied, investigate influential people of each movement and through the evaluation of future direction of both economies. The unit learning will culminate with a capstone experience in the market economy. By the end of the unit, students will be much better equipped to enter 10th grade Civics and Economics and to immediately engage in the expectations set forth by the NC Standards.

For the purposes of this paper, and based on the vernacular of the state of North Carolina, from this point forward “Capitalism” will be referred to as “Market” or “Free Market” and “Communism” will be referred to as “Command.” Market/Free Market is to be defined as “an economic system where the means of production are privately owned and operated.”⁸ Command Economy is to be defined as, “An economic system where the means of production are commonly or publicly owned.”⁹

The primary goal of market economy is the acquisition of personal property and wealth, whereas the primary goal of the command economy is the “distribution of wealth and social equality.”¹⁰

In a market economy, the majority of land, labor, capital, and raw materials are privately owned and products produced for public purchase and consumption. The exceptions being government maintained infrastructure, services or durable goods produced by the same. Classes exist based on property ownership, value, and each individual's success/use of opportunity. The challenges however are the development of class systems, discrimination, and economic tensions due to greed and human nature. While minority populations have more opportunity for education and advancement in a market economy over a command economy it can be argued that pure capitalism creates higher discrimination. That being said, "more good is accomplished by relying on the judgement and resourcefulness of private individuals than by government intervention to remedy apparent ills of modern society."¹¹

In an ideal command economy, classes cease to exist, as does the "state." Common ownership is the rule, wage labor ends, private property is no longer attainable nor necessary, and free access to articles of consumption are attained. The challenge with the command economy is the impossibility of achievement, the removal of purposeful livelihood, and the door to elitist greed it opens.

It must be noted that an "ideal" command economy, like an "ideal market" economy, has not been fully realized at any moment in history. There has never a time when a community so successfully implemented care for one another that money was no longer needed. Nor has there been a time when a society completely eliminated private ownership, yet for the purpose of this curriculum unit we will continue to focus more on the extreme characteristics of the command and market economies.

Karl Marx, father of the command economy, stood firmly behind the thought that the market economy was, in and of itself, unequal and unjust. The power, control, and authority of the market economy always rests in the hands of the capitalists, the owners. This would mean that a market economy would always have classes, economic disparity, and a relatively select group of elitist wealth.¹² Marx believed the most advanced nation is: "a combination of agriculture with manufacturing industries; gradual abolition of the distinction between town and country, by a more equitable distribution of the population over the country."¹³ In this dream world there would be harmony and care for all and by all. Marx was so convinced of this fact that he advocated citizens of market economies to lead revolutions and rebellions. This thought often led to dictatorships and the exchange of a corrupt leader for another corrupt leader.

"Ludwig von Mises, an Austrian economist, argued that command economies were untenable and doomed to failure because no rational prices could emerge without competing, private ownership of the means of production. This would lead to necessarily massive shortage and surpluses."¹⁴

To illustrate this truth let's examine the "Retail Price of Goods Expressed as Work Time Units in March of 1982."¹⁵

<u>Item</u>	<u>Washington (Free Market)</u>	<u>Moscow (command)</u>
1 kilogram flour	5 minutes	28 minutes
1 kilogram pork	63 minutes	176 minutes
12 liters milk	72 minutes	264 minutes
18 eggs	14 minutes	99 minutes
1 liter of vodka	87 minutes	646 minutes
TV Set (b/w)	38 HOURS	299 HOURS
Small Car	5 MONTHS	53 MONTHS

The contrast is striking. Command, while striving for an unprecedented and admired equality, creates an enormous overworked and under-rewarded population.

In the course of this research there has been clear evidence that citizens in a market economy live longer, have higher fertility and survival rates, more reliable infrastructure, have better education, are wealthier, and experience greater levels of happiness than in a command economic influenced society. Students in this the course of this study, using the CIA Factbook Websource, will have the opportunity to examine specific examples of the command, market, and developing economies. Through their study they will evaluate which economy creates the best environment for its citizens and reflect on how the economic type effects birth rate, survival, infrastructure, etc.

It should be noted at this point for a command economy to work, it must limit each person's freedom, something that any capitalist would find incredibly unacceptable in any form. For a command economy to work, a small group of elitist leaders coordinate decisions about the production and when to limit freedoms for the betterment of all. This would therefore never fully destroy the class system. Since a centralized power controls the means of production (who is employed, where they are employed, what is produced, how it is produced, and how it is distributed), the classless goal can never fully be realized and the unfairness that Marx accused capitalism of shows its ugly head yet again. While it can be argued that command economies have far greater equality and much lower levels of unemployment, the disadvantages that result from the removal of competition and lack of efficiency far overshadow those positives.

In contrast to the command economy ideals, the market economy is where private companies and individuals decide production based on demand from the consumer. Workers, wages, and cost are all driven by the supply and demand. Unemployment can often skyrocket due to responses in the market. More unpredictability over command can be the expectation. In addition, since profit is the driving force and decision maker in a market economy, inequality and unfair conditions for the worker are often the case.¹⁶

Adam Smith echoed this sentiment as he wrote the great capitalist guide, The Wealth of Nations, when he admitted, “Wherever there is great property, there is great inequality.”¹⁷ Karl Marx extended this same thought when he declared, “The history of all hitherto existing society is the history of class struggles. Freeman and slave, patrician and plebeian, lord and serf, guildmaster and journeyman, in a word, oppressor and oppressed, stood in constant opposition to one another, carried on an uninterrupted, now hidden, now open fight, that each time ended, either in the revolutionary reconstitution of society at large, or in the common ruin of the contending classes.”¹⁸

It should be no surprise that the command economy never fully realized. Instead of the idealistic community proclaimed and envisioned by Marx the world was left with a corrupt and far more selfish system than capitalism.

	Marxist Theory	Stalin's Reality
Society Without Classes	Marx desired a society in which class lines were dissolved. He wanted to end the constant struggle between the working class (proletariat) and the owners (bourgeoisie).	Under Stalin, important members of the Communist Party were given large homes and other luxury items.
Private Property is Eliminated	According to Marx, private property made laborers feel alienated. Private property should only exist, "as the relationship of the entire community to the world of things".	The land reform revolution that Stalin enforced was devastating to the peasants. The process of forcing peasants on to commonly owned "collective farms" resulted in millions of deaths.
Equality Between Genders	According to Marx, oppressing one gender is the same as oppressing a class (like the proletariat) and must be stopped.	In reality, Soviet women were expected to perform double duty. In addition to new demanding careers, they were also charged with all housework and child-rearing duties.
Social Ownership	Marx felt that the proletariat (working class) should own the	Industrial gains were made, but the workers suffered through

of Production	means of production.	terrible conditions. Workers were punished, often with violence, for not meeting nearly impossible quotas.
Role of Government	Government Will Eventually Fade Away Marx felt that a classless society would govern itself. Eventually, governing institutions would not be needed.	Government Controls with Fear Stalin created a totalitarian state. All aspects of life were controlled by the state - often through fear.

As we consider these economic ideals, it should be no surprise that “if capitalism means the exploitation of many by the wealthy few—and socialism means government ownership of the economy—two thirds...favored social welfare and private property.”¹⁹ Think of it, 67% preferred a blended (or mixed) economy over strictly one or the other. The blended economy has emerged today to address the failures of both the command and market economies. Government oversight and regulation has been added to promote safer working conditions, wages that are more fair, and to reduce pollution and emissions. Command economies like Russia, Cuba, China and North Korea are now permitting limited private ownership. The journey for the “right” economy will never end. We have, since the beginning of time, and will to the end of time, struggle with the one thing that “...makes the world go around. The world go around. The world go around....”²⁰

INSTRUCTIONAL IMPLEMENTATION

Day 1: Activities and instruction was selected to supply basic knowledge of economic concepts.

- Whole Group Teacher Lecture: PowerPoint Presentation defining “market” and “command” then providing context/history
- Whole Group: Video (<https://goo.gl/QzXUXC>)
- Small Group Discussion: Real world scenarios to be labelled “market” or “command”
- Individual: Market and Command DBQ (Document Based Questions)

Day2: Activities and instruction will begin digging deeper into the market economy, give students more familiarity concerning key terms, and allow students to check for understanding with responsive activities.

- Whole Group: Video explaining command economy

- Individual Chunk, Chew and Challenge (a reading with annotations and questions) on market economy.
- Pairs/Individual: Key Vocabulary activity
- Individual Build a StoryBoardThat Timeline representing China's road to command

Day 3: Activities and instructions were selected to allow students more familiarity with the command economy and the similarities/differences from it to the market economy.

- Whole Group: Video explaining market economy
- Small Groups/Individual: Compare and Contrast Market and Command Economies
- Individual: Create StoryBoardThat to represent your understanding by illustrating to real world examples.

Day 4: Activities and instruction were selected to allow students to gain facts on various current economies in existence and implemented in current countries around the world, then create a summary as to which economy results in the betterment of a society.

- Group Work: Table work using the CIA Factbook Websource
- Group Work: Complete a comparative chart on a command (North Korea), market (USA), developing (Liechtenstein), and under developed (Chad) economies
- Group Work Complete summary questions using data from CIA Websource to draw high order conclusions.

Day 5-6: Activities and instruction were selected to enhance the understand and application of the market economy through a real world simulation.

- Group Work: Market Economy Simulation: Students will have the opportunity to assume the roles of executives in their own cellular device company. They will then design their company from the ground up and develop a cellular product to take to market at the school

Day 7-9: No teaching activities. The products of the simulation will be on display in the cafeteria to allow students school wide to select which market company did the best job in creating a product they would desire.

Day 10: Celebration of Market! Google Hangout with proponents of the market and command economies (politicians, business owners, or just accountants are great options)

APPENDIX 1

Teaching Standards

WH.H.8 Analyze global interdependence and shifts in power in terms of political, economic, social and environmental changes and conflicts since the last half of the twentieth century.

World History curriculum is based on the North Carolina Essential Standards and paced according to the CMS yearly pacing guides. Lessons, activities, and student learning are geared to allow each student a personalized approach to the topic. Pre-Assessing each unit is essential to ascertain the learning track each student will assume. Tracks vary in activities and lessons but equip the student to gain the knowledge, terminology and understanding as dictated by the NC Essential Standards. World History is highly interactive, and allows the students to self-assess in a variety of ways as they are gaining the tools necessary to surpass NC Final expectations.

Personalized learning is instruction that offers pedagogy, curriculum, and learning environments to meet the individual student's needs. The experience is tailored to learning preferences and the specific interests of different learners. Use of Chromebooks and an enormous variety of programs is essential to creating the PL environment that permits each student the ability to express and engage learning at their interest level.

Charlotte Mecklenburg Schools World History instruction is based on the North Carolina Essential Standards. Designing goals and activities based in these standards will create a unit consistent with state World History objectives. “The desired outcome of this course is that students develop relevant enduring understandings of current world issues and relate them to their historical, political, economic, geographical and cultural contexts. As students examine the historical roots of significant events, ideas, movements, and phenomena, they encounter the contributions and patterns of civilizations of the past and societies around the world. Students taking this course will broaden their historical perspectives as they explore ways societies have dealt with continuity and change, exemplified by concepts such as civilization, revolution, government, economics, war, stability, movement, technology, etc. This course is intended to be taught as a high school course that will receive high school credit. Thus, it has been developed based on the concepts, content and skills that are developmentally appropriate for students at the high school level.” NC Essential Standards for World History, Dec. 2010

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Day 1 Lesson Plan

Learning Objective: Students will review the key concepts, difference, historical implications, and modern applications of both market and command economies.

Essential Question: Which economic belief, market or command, would be the most beneficial to issues facing our society?

00-05 Welcome/Attendance/Chromebook Distribution

10-15 Video. Reagan and Obama explain economics-- <https://goo.gl/QzXUXC>

15-30 Direct Instruction Slideshow defining each economy-- <https://goo.gl/GGK1DU>

30-45 Partner Work: Market or Command real world scenarios --<https://goo.gl/aDUQUUn>

45-65 Individual Work—Market and Command DBQs.- <https://goo.gl/uNqzPu>

65-75 Essential Question Class Discussion

Make sure to discuss poverty/wealth, starving/well fed, minimum wage, etc

75-80 Clean up / Chromebook Retrieval

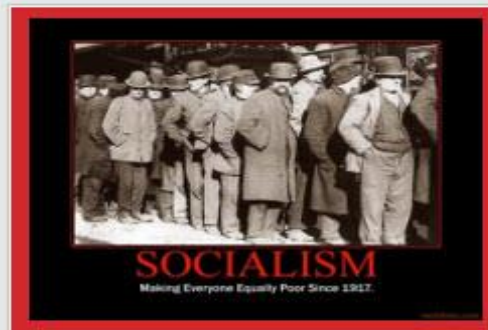


1

Market Economy

- An economic system where the means of production are privately owned and operated
 - Means of Production—the stuff needed to make stuff—Land, Labor, Capital, Raw Materials
- Word Association: US has capitals
- Weakness: Greed

2



Command Economy

- A social and political system that aims for:
 - A classless society
 - A stateless society
 - Cash-less society
 - Common ownership of the means of production
 - Free access to articles of consumption
 - The end of wage labor
 - The end of private property
- Weakness: Motivation

3

Command Vs Market Economy Partner Work

NAME: _____

On the following worksheet, read each sentence and decide if it is an example of **COMMAND** or **MARKET**. Type the correct term in the blank following each.

1. I grew 3 apples, the government took those apples, gave one to me and one to each of my two neighbors. _____

2. Your small business hit a rough patch and you lost all of your money. You have to close the business and find a job elsewhere.

3. I make \$20,000 a year, so does the heart surgeon who lives down the street from me. _____



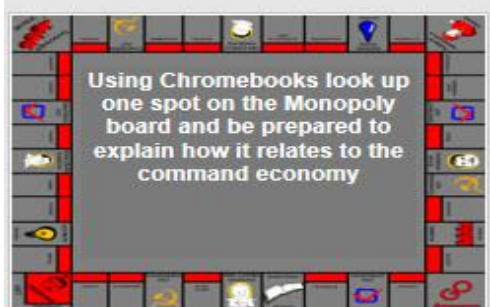
As a table discuss the symbolism of this cartoon. What are the hidden messages?

Mixed Economy

- An economic system where the means of production are commonly or publicly owned
 - The primary goal is the distribution of wealth and social equality
 - Wealth is based on a person's contribution to society
- Word Association: Society
- Weakness: Perception

3

4



7

4. I

go to
Chap
man's
Foods
and
buy
whate
ver
grocer
ies I
want
to
buy.

5. I

only
make

\$20,000 a year, but the teacher who lives down the street from me won the lottery and made 30 million in one day. _____

6. Your small business hit a rough patch and lost all of its money, you are still given your salary and may have a chance to get the business back on its feet. _____

7. I go to the grocery store and buy the same goods as everyone else in the store. _____

8. I have a great idea to improve computers, I will call it “Microsoft” and will sell it to millions of people and become one of the richest people in the world. _____

9. I have a great idea to improve computers, I will call it “Microsoft.” The government will take my idea and make sure that I receive the same amount of money for my work as every other person. _____

10. I am a talented basketball player (seriously, NBA quality), I am going to go professional and make millions of dollars a year.

Adapted from article written by Makayla Joseph

DBQ: Command Economy vs. Market Economy

Who better cares for their people, communist or capitalist countries?

Explain your answer

Be prepared to answer this question after reading the article

Market Economy is the better policy for everyone, because there is a higher standard of living. Market countries provide the people with more products and better quality. A free market economy encourages people to work harder and take pride in their property. Free market economies require people to rely on themselves. People have to rely on their own skills to survive. This creates pride for the people living there. They take pride in what they learn to do and what they earn.

When people are provided with everything they do not always take good care of it. Take a child for example, if their parents give them whatever they want, they most likely will not take as good care of it as if they bought it themselves. Or even people renting apartments, who do you call when something's broken? The landlord. It is their responsibility to fix any problems, and sometimes they never get fixed. That leaves the house in bad shape and the tenant cannot take care of it on their own. This is exactly what happens in a command economy, except that the government owns all the housing! The government is all about getting and keeping money, they're not going to spend money to come and fix people's houses. The people can't fix the homes either because it's the government's responsibility. That's why housing is so run down. Like what Ralph Waldo Emerson says, "Open the doors of opportunity to talent and virtue and they will do themselves justice, and property will not be in bad hands. In a free and just commonwealth, property rushes from the idle and imbecile to the industrious, brave and preserving." This means that when people have to care for themselves they will take pride in their property and it will be well kept. With responsibility comes reward, at least in a free market economy.

We all know that one person at school or work who does not doing anything but slack off. Imagine experiencing that everywhere you go! Frustrating right? Consider this; what if no matter how hard you worked you always got paid the same amount of money. No matter what skill level you have, experience or work ethic. Imagine working at a job for 20 years and someone who knows next to nothing comes in and gets paid the same amount of money as you do. I don't know about you but I would be discouraged, I would feel like everything I worked hard for doesn't make a difference. That's just how it is in a command economy. People get no reward for working hard.

“They are constantly on a sort of slow-down strike...” agrees T.P. Whitney. The workers figure why should they work hard if they do not get compensated for it? In the Rise of China when workers were all working in the stocking factory every single one of them got the same wage. Some of them have been there for years and others on a few days. On the upside China is transitioning to a free market economy so people can now own their own businesses letting them control their own income.

When living in a command economy you cannot take any matters into your own hands. The government controls businesses, wages and everything else imaginable. All businesses are owned by the government and they control all aspects of business. In the Rise of China, the beginning of the movie is all about a man who owns a motorcycle manufacturing company. They tell us about how he has become very rich and successful, he even bought a new house for his family. If China never started transitioning this would have never been possible. Adam Smith, a writer at The Wealth of Nations is very fond of laissez faire (free market). “It advocates the liberation of economic production from all limiting regulation in order to benefit the people...” he says.

Command Economy

Advantages:

- It's easier for the government to direct resources in accordance with specific national goods
- Higher growth rates as resources will be mainly directed towards investment
- There will be a more equitable distribution of income as goods and services are largely distributed on a needs basis
- More efficient planning and training of labor to avoid unemployment.
- Essential goods such as public goods and merit goods are readily produced while demerit goods are avoided
- Social repercussions of production and consumption can be taken into account and externalities can be reduced

Disadvantages:

- The planned economy is the system of centralized and elective decision making that requires a huge bureaucracy to plan implement and monitor centralized decision making. This can be both expensive and cumbersome
- Arbitrary pricing can lead to shortages and surpluses (shortages and surpluses signify mis-utilization of resources) i.e., if the price of wheat is set too low quantity demanded will exceed quantity supplied and the market will run short of the commodity
- Lack of incentive in form of profit to entrepreneurs would mean lack of productivity
- Considerable loss of individual liberty at work and individual liberty to purchase goods consumers want (loss of consumer sovereignty)

Market Economy

Advantages:

- Consumer sovereignty and greater use of the price mechanism. Thus more efficient allocation of resources producing what the market wants
- Incentives to entrepreneurs in the form of profits and to workers in the form of higher wages, thus influencing productivity and innovation.
- Greater choice and better standards of competitive pricing because of increased competition
- Greater efficiency because the market is intolerant of inefficient producers who are knocked out if they fail to minimize losses (this market breeds efficiency)
- Foreign investment may be encouraged as investors seek to make profits in freely functioning markets with minimum government intervention

Disadvantages:

- The private sector firms in minimizing cost can compromise on safety and environmental issues.
- Consumer sovereignty. This is limited to those who have not only the willingness but the ability to pay as well. This means that low income groups and underprivileged have no say in redirecting the allocation of resources in the economy
- Public goods and merit goods are underdeveloped and demerit goods are over-provided
- Modern technology and facilitated mass production means that large producers have gained market power and domination. Thus limiting the growth of competition and reducing the benefits which competition brings
- The development of major corporations and large firms with their ability to promote and advertise may influence and manipulate consumer sovereignty.

***Who better cares for their people, communist or capitalist countries?
Explain your answer***

Market and Command: A Comparative and Contrastive Unit

Day 2 Lesson Plan

Learning Objective: Students will review the key concepts, difference, historical implications, and modern applications of both market and command economies.

Essential Question: What are the pros and cons of each economic system? Which would you prefer to live under and why?

00-05 Welcome/Attendance/Chromebook Distribution

10-15 Video. Command Economy Explained -- <https://goo.gl/q2pTs0>

15-45 Chunk, Chew, and Check (reading with annotations) on market economy and vocabulary awareness check--<https://goo.gl/FZNTmF>

45-75 Command in China Timeline

The story of communism developing in China is complicated. It involved domestic struggle and international conflict. Creating a chronology of these events will help students understand why communism was initially so appealing to many Chinese citizens

Create a storyboard timeline of the development of communism in China in the 20th century. The timeline should include 8-10 cells and must include each of the following events and a short description of each event.

- The role of Sun Yixian, Mao Ze Dong, and Jiang Jieshi
- The role that both WWI and WWII played in creating circumstances for political change in China
- The tensions between the Nationalists and the Communists
- The Long March
- The Great Leap Forward
- The Cultural Revolution
- The harm and benefits of Mao's implementation of communism

75-80 Clean up / Chromebook Retrieval

WORDS

business = company

compete = to try to get people to buy your goods and not the ones from other companies

competition = a situation in which people or organizations try to be more successful than other people or organizations

consumer = someone who buys and uses products and services

demand = the need to have certain things

determine = here: control

drive out of business = if you have to stop producing things because you cannot compete with others

economic = financial

economy = the system of producing goods and selling them

exchange = to give and get things

feature = the main ideas of

free enterprise = to allow companies and business to operate without much control

goods = things that are produced so that you can sell them

government = the leaders who rule a country

income = the money you get when you have a job and work

labour = work

offer = to give people the things that they want

owner = a person whom something belongs to

private household = people who live privately in one house

profit = the money you get

CAPITALISM: Chunk, Chew, Check

Capitalism is an economic system in which private people, not the government, own and run companies. These companies compete with other companies for business. They decide what products they want to produce, how much they should cost and where to sell them. Companies do all these things in order to make profits for their owners. People who use their money to start companies or run companies are called capitalists.

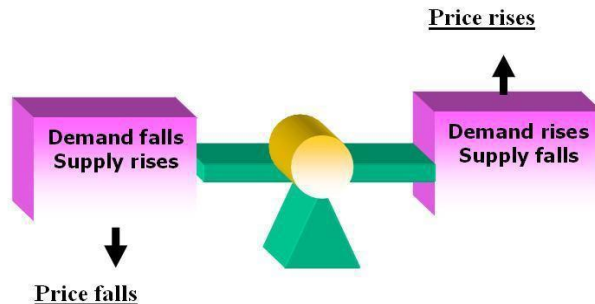
Even though a pure form of capitalism does not exist and governments control the economy in some ways it remains the world's most popular economic system. In the United States the government keeps itself out of the economy as far as possible but in some European countries economic control is much larger. Other names for capitalism are free-market economy or free enterprise.

FEATURES OF CAPITALISM

In a capitalist system private households need goods. They buy these goods from the income that they have. Some households have more income than others. Sometimes only one member of a household has a job, at other times both husband and wife go to work. Then they have more money to buy goods. This is the demand side of the economy.

On the other side companies and businesses offer private households goods and services. They produce the goods that they think consumers will want to buy. To do this they need workers to produce these goods and services. This is the supply side of the economy.

Companies and households get together at markets. Here they exchange goods, services and jobs (labour). A market is a place where people buy and sell things. In a capitalist society the prices of goods, services and labour are determined by supply and demand. If a lot of people want to buy a certain product its price will go up. Products that are mass produced usually have low prices.



Another important feature of capitalism is competition. Many companies may sell the same type of product. Companies will try to sell better products at a cheaper price so that they can get consumers to buy their products. Firms that cannot compete are very often driven out of business. The same can be said about wages. In some cases businesses have to pay workers more money to get them to work. In other cases low paid work often exists in areas where there are more workers than are needed.

HOW GOVERNMENTS REGULATE THE ECONOMY

In today's world governments get involved in the economy in certain ways and leaders must often make economic decisions.

A government must make sure that there is enough competition to keep prices low the quality products high. If only a few companies produce products they may agree to keep prices high. In a monopoly, only one company produces goods and services that everybody needs, so it can set the price.

In the second half of the 19th century companies started to get bigger and bigger by taking over

agree = if two or more people have the same opinion about something

business cycle = the ups and downs of the economy over a certain time

certain = special

competition = a situation in which people or organizations try to be more successful than other people or organizations

condition = same as "state"

decision = what someone chooses to do or decides

economy = the system of producing goods and selling them

expert = person who knows a lot about something

factory = building where you produce goods

goods = things that are produced so that you can sell them

interest rate = the percentage that you have to give a bank when you get money from it or the money that you get from the bank when you keep money there

involve = to get mixed up in ; to be a part of

law = a set of rules that a country has

monopoly = if one company, government or person controls everything

pollute = to make dirty

pour = to make water flow into it

services = work that you do for a person or an organization

society = people in general

stabilize = here: to stop the economy from getting worse

state = condition, situation

survive = to continue to exist, live on

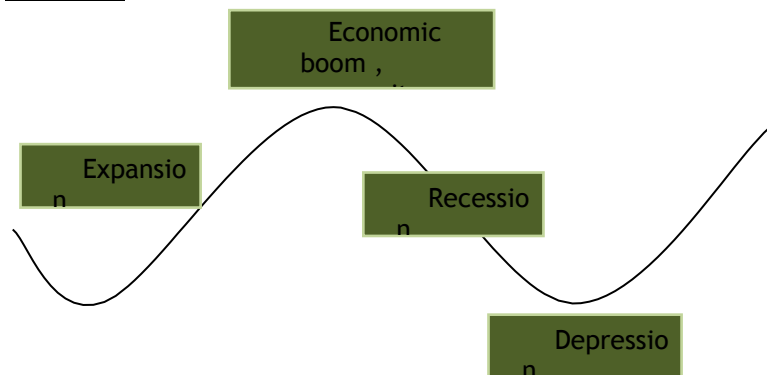
smaller ones. Soon these so-called trusts had a lot of power and controlled the market and the prices. At the beginning of the 20th century the United States passed a law which helped smaller companies survive.

WORDS

accept = recognize, agree to
afford = if you have enough money that you can buy the things you need
ancient = old
argue = to say things that others don't think are right
collapse = break down
combine = mix creation = the making of
depression = when an economy almost breaks down completely
describe = tell, show, explain
earn = to get money for the work you have done
economist = a person who knows a lot about how business works
economy = the system of producing goods and selling them
encourage = to tell someone they should do something that is good
evenly = to give everyone the same
exist = to be here
free trade = if you can buy and sell things freely in your country and in other countries
government = the leaders who rule a country
Great Depression = the bad times that followed the stock market crash in 1929
growth = development
law = the set of rules a country has
lead to = to make something happen
oil wells = large structures you use to pump oil out of the earth
own = to have something that belongs to you
popular = liked by a lot of people
population = the people who live in a country
protect = guard, defend
remain = stay
run = to be in control of
social market economy = economy in which the government takes more money away from richer people and helps poorer ones
spread = give
state = country
suggest = recommend, give advice
take over = to take control of something or buy a company
tax = money that everyone must pay to the government
trade = to buy and sell things
trade union = organization that helps workers and defends them against company owners

Business leaders often do not care about what their decisions may do to our society. For example, a factory may pollute a river by pouring dirty water into it. It is the job of government organizations to make sure that this does not happen.

The state of economy is not the same all the time. Normally, there are always ups and downs. Sometimes the economy of a country is in good condition, everybody has enough money and lots of goods are produced. On the other side there may be years in which there are a lot of unemployed people and factories cannot sell their products. The business cycle shows the economy in four phases.



Some experts believe that the government must stabilize and help the economy in bad times. It should lower taxes and interest rates so that people can borrow money more easily.

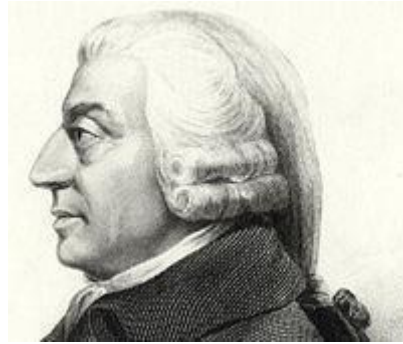
In capitalist countries some are very rich and can afford to buy everything. Others have little money and need clothing, food and a place to live. Many European countries have systems in which poor people are helped by the government and richer people have to pay more taxes etc. This system is called social market economy.

HISTORY OF CAPITALISM

Capitalism has existed since ancient times. But it became important in the 15th and 16th centuries with the growth of trade, industry and banking. Until the 1700s governments encouraged their population to make more money by selling goods to other countries. Imported goods were made more expensive so that countries could sell their own products. This became known as mercantilism.

The Industrial revolution brought changes to the economies of many countries.

Factory owners did not want governments to control trade any more. They wanted to run their companies by themselves. This idea became known as *laissez-faire*, which means “allow to do” in French. In his book, *The Wealth of Nations*, British economist Adam Smith described how *laissez faire* should. Great Britain became the first country to change its laws and allow free trade.



During this period countries produced more and more products and goods and many capitalists became rich. However, normal workers did not earn very much and had to work up to 16 hours a day, sometimes in dangerous places. These problems led to the creation of trade unions, which protected workers.



In the middle of the 19th century socialism became popular. The German Karl Marx suggested that the government should take over and control the economy. It should own all the land, the factories and companies. In a socialist economy the government tries to spread money evenly among the workers. Many countries followed these socialist ideas, which later on led to Communism.

Capitalism almost collapsed during the Great Depression of the 1930s. Many banks, factories and stores had to close and millions of people lost their jobs. Many did not believe in capitalism any more. As a result the British economist John Maynard Keynes argued that the government had to do something to fight depression. In America Franklin D. Roosevelt introduced a program called New Deal in which he gave Americans help that they needed in bad times.

Today Keynes' theory is widely accepted and modern countries combine capitalism with some kind of government control. The state may own industries that are important to the country's economy, like oil wells, banks or airlines. Most people feel that free market economy should remain but the government should still be around to see that economic rules are kept.

Adapted from Teachers Pay Teachers

1 ANSWER THE FOLLOWING QUESTIONS IN YOUR OWN WORDS!

What is the aim of companies and businesses in capitalism? _____

What are other names for capitalism? _____

Who is on the *demand* side and who is on the *supply* side of the economy? _____

What happens when to the price when more and more people want to buy a certain product? _____

What happens when companies cannot compete with others? _____

How does the government get involved in the economy?

How did the Americans help smaller firms survive at the end of the 19th century?

What are the four phases of the business cycle?

1 _____ 2 _____ 3 _____ 4 _____

What can the government do to help the economy in bad times? _____

What is a social market economy? _____

When and how did today's capitalism start? _____

Which was the first country to allow a freer form of trade? _____

When did the first trade unions come up and what was their job? _____

What happened during the 1920s and 30s? _____

What kind of theory did Karl Marx have and to which system did it lead to? _____

2 TRUE OR FALSE

	T	F
Only pure forms of capitalism exist in the world today.		
Some European countries control economy more than the Americans do.		
Prices are mostly determined by supply and demand.		
In capitalist countries companies that cannot compete are helped by the government.		
Sometimes businesses have to pay workers more money to get them to work.		
Monopoly is a bad thing for the economy.		
The USA passed a law at the beginning of the 20 th century to help small companies survive.		
In times of depression factories sell most of their products.		
Up to the 18 th century mercantilism was a popular form of the economy.		
Germany became the first country to have free trading laws.		
Trade unions helped the company owners in their fight against workers.		
Karl Marx wanted the government to take over all the land and the factories.		
The ideas of Marx later on led to Communism.		
Capitalism almost collapsed after the end of World War II.		
In America, Franklin D Roosevelt introduced a help programme called New Deal.		
Today economists think that there must be some kind of government control.		

3 MATCH THE WORDS WITH THE DEFINITIONS

A	trade union		the bad times that followed the stock market crash of 1929
B	tax		someone who buys and uses products and services
C	own		money that everyone must pay to the government
D	Great Depression		to stop from getting worse
E	encourage		if one company, a person or a government controls everything
F	earn		things that are produced so that you can sell them
G	collapse		a person who knows a lot about how businesses work
H	trust		organization that helps workers and defends them against company owners
I	stabilize		the money you get from selling things after you have paid your costs
J	monopoly		to allow companies and businesses to run without much control
K	business cycle		the money you get for the work you have done
L	goods		the leaders who rule a country
M	profit		to break down completely
N	free enterprise		to have something that belongs to you
O	consumer		building where you produce goods
P	government		the ups and downs of the economy over a certain time
Q	factory		if you have enough money so that you can buy things that you need

R	economist
S	afford

	to tell someone that they should do something that is good
	group of companies that work together so that small companies cannot compete with them

Market and Command: A Comparative and Contrastive Unit

Day 3 Lesson Plan

Learning Objective: Students will review the key concepts, difference, historical implications, and modern applications of both market and command economies.

Essential Question: What do you believe should be a fair minimum wage for an entry position requiring no experience or education? How do you justify the cost?

00-05 Welcome/Attendance/Chromebook Distribution

10-15 Video. Market Economy Explained -- <https://goo.gl/JMe7MI>

15-40 Individual Work: Market & Command Comparative Chart--<https://goo.gl/jp4KYn>

40-75 Create a StoryBoardThat explaining market & command to a 1st grader
(www.storyboardthat.com)

75-80 Clean up / Chromebook Retrieval

Command and Market Economy Comparative Chart

	Command	Market
Idea from:		
Source:		
Main ideas:		
Who owns the factors of production:		
Advantages:		
Disadvantages:		

Market and Command: A Comparative and Contrastive Unit

Day 4 Lesson Plan

Learning Objective: Students will review the key concepts, difference, historical implications, and modern applications of both market and command economies.

Essential Question: How would your life be different if you lived in a command or developing economy?

00-05 Welcome/Attendance/Chromebook Distribution

05-10 Show students the CIA Factbook site and explain to them the worksheet and process.--<https://goo.gl/nqZw>

10-55 Complete a comparative chart on a command (North Korea), market (USA), developing (India), and under developed (Chad) economies--<https://goo.gl/eA5Esd>

55-75 Complete summary questions using data from CIA Webservice to draw high order conclusions.--<https://goo.gl/eA5Esd>

75-80 Clean up / Chromebook Retrieval

Comparative Economic Systems

Table Challenge

What would life be like in the North Korean economy? How would things be different in the economy of Chad? Why is Liechtenstein so wealthy?

Economic Systems:





The institutional framework of formal and informal rules that a society uses to determine what to produce, how to produce and how to distribute goods and services.

In this lesson, you will have the opportunity to compare these three economies to the U.S. economy, and you'll practice using some tools that can help you to study any economy in the world.

You will work as a table to complete this assignment. There are four countries to investigate so divide the work but be ready to share your findings with one another before you can answer the reflection questions at the end. Start with ONE person adding all your Table Members names to the top of the document then share this Google Doc to your table members so you can work off the same document.

1. Complete the data worksheet by using the CIA World Factbook at <https://www.cia.gov/library/publications/the-world-factbook/index.html>
 - If you copy and paste answers – format text appropriately to ensure readability on final copy (suggested 11pt. Times New Roman font)
2. Answer the eight reflection questions after gathering the data.
3. Complete the assignment and ONE person from your table submit into the Google Drive Shared Folder with Mr. Whaples.

Data Worksheet

	United States 	North Korea 	Chad 	India 
Geography				
Natural Resources – How many and what types of natural resources are available?				
Land Use – What percentage of the land is arable (capable of being farmed)?				

People				
Life Expectancy at Birth – How long are children born today expected to live?				
Total Fertility Rate – How many children does each woman have, on average?				
Literacy Rate – What % of people over the age of 15 can read and write?				
Government				
Government Type – How are leaders elected?				
Government Spending as Percent of GDP (Budget				

Expenditures Divided by GDP). <i>Find in Economy section</i>				
Military Spending as a Percentage of GDP. <i>Find in Military section</i>				
Economy				
Economy Overview – What are the most serious economic problems facing each of these four nations? <i>Summarize from Economic Overview</i>				
GDP Per Capita – What is the value of goods and services produced per person?				
Population Below Poverty Line – How many people live in poverty?				
GDP Composition by Sector – What % of GDP is industry and services?				
Labor Force by Occupation – What % of workers is in agriculture?				

Industries – What are the primary industries?				
Are the industries primarily producing for consumer or government consumption? <i><u>Determine this by assessing the industries and their consumers</u></i> <i><u>– answer not found at CIA World Fact Book</u></i>				
Agriculture Products – What are the primary agricultural goods produced?				
Industrial Production Growth Rate				
Electricity Production				
Communications				
Telephones – Main Lines in Use				
Internet Users				
Transportation				
Railways				
Roadways (Paved and Unpaved Highways				

Airports with Paved Runways				
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Reflection:

1. How can the presence or absence of natural resources and arable land affect a nation's economy, regardless of the type of economic system?

2. How can life expectancy and literacy rates affect the quality of labor in the economy?

3. How can fertility rates affect the use of scarce resources?

4. How can GDP per capita and poverty rates indicate standards of living in each system?

5. How can the size of the industrial/service sector and the agriculture employment rate indicate the level of industrialization?

6. How can electricity, communication, and transportation facilities indicate the potential for industrial growth?

7. Considering the lack of natural resources, the labor problems, and the lack of capital and little industrialization of developing countries, how can developing countries develop? (Hint: Look at Economy - Overview for Chad).

8. Now that you have studied the economic characteristics of these three countries, define the terms market-oriented, command, and developing economy in your own words. For each term, describe the specific characteristics of the countries you studied that would help to support your definition.

Market and Command: A Comparative and Contrastive Unit Day 5-6 Lesson Plan

Learning Objective: Students will review the key concepts, difference, historical implications, and modern applications of both market and command economies.

Essential Question: How would your life be different if you lived in a command or developing economy?

00-05 Welcome/Attendance/Chromebook Distribution

05-20 Explain 2-day Group Project: Market Economy Simulation--
<https://goo.gl/0Qq8MF>

20-75 Market Economy Simulation: Students will have the opportunity to assume the roles of executives in their own cellular device company. They will then design their company from the ground up and develop a cellular product to take to market at the school--

75-80 Clean up / Chromebook Retrieval

Lesson 5:
Cell-ebration!
A Free Market Experience



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Adapted with permission from Josh Lafferty
Teachers Pay Teachers
Used with permission.

Teacher Information

Congratulations! Your classroom has been turned into the island of Manhattan where companies compete daily for their place on the global market! In this simulation, your students will have the opportunity to assume the roles of executives in their very own companies. They will then design their company from the ground up and develop a cell phone product to market and sell to their school! Included in this packet is everything you need to allow your students to experience the free market for themselves! Enjoy!

Materials Needed: at least 1 large sheet of paper for each group, 1 die (optional)

Step 1: Table Groups

Divide your students into groups of four. Your groups can be three or five as well, but some roles will be doubled.

Step 2: Assign CEOs

Each group will need a designated CEO. Read the CEO description in the student's sheet to understand their role. There are several ways to do this: you choose them, have them draw numbers, or have the students roll a die and the highest roll becomes the CEO.

Step 3: Explain the Activity

Make sure that you have familiarized yourself with the assignment. Then, simply walk your students through the Student Assignment Sheet. It is self-explanatory and takes them step by step through the assignment. Allow them to ask questions and make sure they understand their roles and the tasks involved. There are two ways to present the information. Students can either just write it out on notebook paper; or, they can create their company on a large sheet of paper using the diagram on the poster design page.

Step 4: Monitor the Assignment

Turn your students loose creating their companies and their products. This is in many ways a hands off activity for you as you simply have to ensure that students are completing the tasks in a timely manner.

Step 5: Selling the Products

This is your most involved step. You must decide how you want to sell the phones to the school. The first thing you must do is narrow down the number of phones you are actually going to present to the school. You obviously can't bombard the student body or the teachers with 30 or 40 different possibilities. You must narrow it down to less than 10 products. ***The easiest way is to choose the best company and product from each class.*** You can decide which group performed the best and created the best

product or you can allow each class to vote. You then present these 3-6 phones for sell. You must decide if you are going to allow these products to be marketed to the teachers or the students.

When I do the simulation, I have the students create a small version of their billboard advertisement on a sheet of paper and then I scan it into an email. I email this to the teachers and ask them to choose which phone they would buy and explain why. I have received incredible input and responses from teachers who choose the phone they would buy in real life. I usually allow a week for all the teachers to respond and keep a running score where the students can see who is selling the most. You could allow them to create multiple advertisements and sell their products to the student body in the same way. However, students will not usually make their decisions based on which product is best, but based on their friendships. This part of the activity is very open to your interpretation and implementation. Just choose whatever works best for you and your particular students.

Another idea for selling the phones to the student body would be to put the advertisements on a wall outside your classroom with signup sheets. Students could decide which phone to buy and sign their name with an explanation of why they purchased that particular phone. If the explanation is not sufficient, you could disallow the sell, forcing students to provide legitimate input.

Step 6: Decide the Winner

Allow students to calculate their total profits after all of the sales are finalized. The company that made the most money (not the one with the most sales) wins the simulation!

Student Assignment

Welcome to the wonderful world of economics! You are fortunate enough to live in a country where capitalism is the driving force behind the corporate world. As such, you have the opportunity to enter the free market with a product that will revolutionize an industry and make you a player on a global stage. The only thing stopping you from making the Fortune 500 list is you and your fellow participants. (If this simulation were called Socialism! or Communism! this would be a different story). You will create a technology company and a mobile phone product completely from scratch in an attempt to outsmart and outsell your competition. Good luck!

Task 1: Assign Officers

The teacher will explain the process of assigning officers. The four offices are as follows:

- **Chief Executive Officer (CEO)**

The CEO is in charge of the company. They will approve all designs and decisions. It is also the CEO's job to motivate the others in the group and insure that all of the projects are completed. The teacher reserves the right to demote a CEO who is not leading and whose group is not performing well together. It is also possible for a CEO may also step down and assume another role. The CEO will appoint the other officers in the group. Also, the CEO may fire and reassign officers who are not performing their duties well.

- **Chief Marketing Officer (CMO)**

The CMO is in charge of marketing the company. Their job is to put the company and its products on the map. The CMO is also in charge of marketing designs like advertisements.

- **Chief Technical Officer (CTO)**

The CTO controls the technology side of the company. They should be good with numbers and familiar with internet technology.

- **Chief Creative Officer (CCO)**

The CCO is the designer for the company. They need to be adept in sketching. They should also be the most creative person in the group.

Task 2: Create a Company

Your second task is to create a technology company from scratch by developing the following elements. Remember, your company needs to stand out from the rest to help you compete in the global marketplace. Great consideration should be given towards these different elements. (DO NOT choose a name or detail that currently exists. Apple and iPhone are taken.)

- **STEP 1. Company Name**

Design a company name that revolves around technology. This will be the name that people associate you with. Choose wisely.

- **STEP 2. Company Detail**

The following are questions that provide background for your company:

- year founded
- location of company headquarters
- main methods of selling products (i.e., retail stores, online, mail order catalog)
- main avenues of advertising (i.e., television, radio, print media, etc.)
- what other products do you produce besides mobile phones (needs to be in the technology sector)

- **STEP 3. Company Design**

The following need to be designed and developed by the correct officer:

- **Logo (CCO)** - this is the symbol that people will most associate with your company.
- **Slogan (CEO)** - a company slogan that expresses the spirit of your company. (Nike: Just Do It; Wal-Mart: Save money. Live better; McDonalds: I'm Lovin It.)
- **Mission Statement (CEO)** - a statement that expresses the beliefs and goals of your company. You can find the mission statements for real companies online and pattern yours after them. It is usually 2-5 sentences long.
- **Website Home Page (CTO)** - this can be drawn on a sheet of paper. You don't have to design the whole website, just the homepage. This should contain a profile of your company and possibly your newest product. Look at sample homepages for an example. You will also need a World Wide Web (www) address.
- **Marketing Plan (CMO)** – a marketing plan is your basic intention for how you will market your product. In the plan, you need to discuss the

following: a summary of your product (what is it? what does it do?); your target customers (what specific group are you trying to sell this to? age, gender, etc.); your pricing strategy (is this a bargain product, a mid-tier product, or a top flight product geared towards the top of society); how you will market it (what is your primary method of marketing and advertising your product?)

Task 3: Design Your Product

It is now time to design your company's main product. You are to develop a new cell phone that is going to sweep the markets with both affordability and cutting edge features. In designing the phone, you will follow the instructions from the "Features" page. Each feature that you add to the phone will incur a production cost that causes the price of the phone to rise. The winner of the simulation will be determined by the amount of money your company actually makes selling phones. To calculate this, you will subtract the production cost from the money made in the sell. For example, if you sell your phone for \$200 per phone and it costs \$100 dollars to make the phone, then you will receive \$100 in profit per sale. So you must take into account the cost of each of the features that you add to the phone while also providing the quality and quantity of features that people want in a cell phone. Each project has an officer assigned to it. However, each person may give input and help to complete the other projects as long as the CEO allows. The completed projects must be approved by the CEO. Some projects must wait on others to be finished before they can be started. Do not copy the examples; they are for reference. Good Luck!

- **Phone Features** **CEO/CTO**

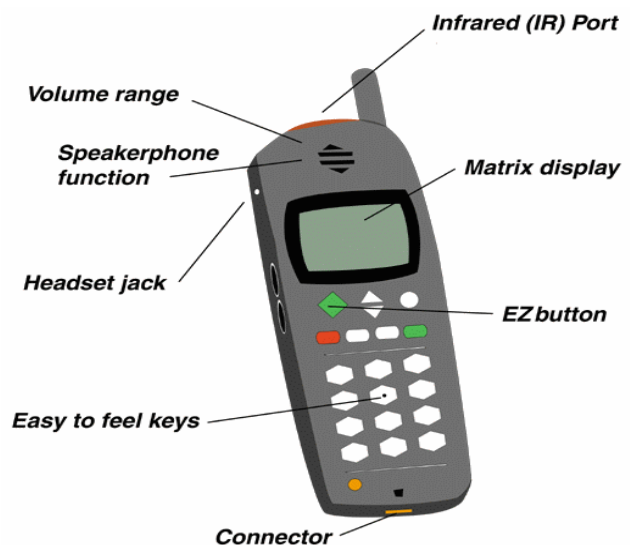
Using the features page, determine what features your phone will have. Remember each one has a production cost that must be considered. As you list your features, calculate the total cost to make each phone. Be sure to check your math, as a miscalculation will cost you money later.

- **Price** **CEO/CTO**

Set the price of your phone. You must calculate your profit margin by subtracting the cost to make the phone from the selling price. You need to set your price high enough that you make decent money per sell, but not so high that no one will buy the phone. If your profit margins are too small, consider changing your features to lower the cost to produce your phone.

- **Phone Design** **CCO**

On a sheet of paper, design the front, back, and sides of your phone. Your design needs to diagram the features that are on the phone. You must show things like cameras, flash, home buttons, on/off buttons, headphone jacks, charging jacks, etc. Essentially, if



it is a part of the external hardware, you must diagram where it will be. Remember, the outside of the phone is what the customer sees and feels first so take this into account in your design.

- **Billboard Design** **CMO**

This will represent your main method of advertisement for the product when you market it to the school. On a sheet of paper or a poster, design an advertisement that displays both the phone and the features. Your advertising needs to be appealing to catch the eye of your customers. It should give enough information that people can decide whether they want to buy the phone based on seeing your billboard. The billboard should contain: the diagram of the phone, features, price, company logo and slogan, and anything else that you think might help sell the phone. (Note: your billboard will require more information than the examples)



- **Implementing Your Marketing Plan** **All**

Discuss how you plan on spreading the word out about your phone. Who is your target group and how will you reach them and convince them that your phone is the best to buy? Discuss strategies that can be implemented within the confines of what your teacher allows. Your billboard will be your main source of advertisement!

- **Final Approval** **CEO**

The entire group should look over every aspect of the phone and billboard. Ensure that every step has been completed and that you are comfortable with the product that you are going to put on the market. All final approvals come from the CEO.

Now sit back and watch the product that you have created sell, sell, sell!!!

Cell Phone Features

These are the available features for your mobile phone. You must choose at least 1 from each category. The number in parentheses identifies the limit for how many of the options in a particular category can be chosen. The number to the right of the feature identifies the cost of adding that option to the phone. This will be used to calculate your production costs. (Note: if your phone is not touch screen, it must have a keypad. Also, you will need a name for your voice command if you choose it. No Siri!!)

<u>Display Size (1)</u> <ul style="list-style-type: none"> • 4.2 inch \$8 • 4.7 inch \$10 • 5 inch \$12 • 5.5 inch \$15 • 6 inch \$20 	<u>Battery Quality (1)</u> <ul style="list-style-type: none"> • Below average \$5 • Average \$10 • Above Avg \$15 • Excellent \$20 	<u>Storage (1)</u> <ul style="list-style-type: none"> • 8 GB \$5 • 16 GB \$10 • 32 GB \$15 • 64 GB \$20
<u>Camera (Unlimited)</u> <ul style="list-style-type: none"> • HD High resolution \$10 • Front facing camera \$10 • Rear facing camera \$20 • Auto focus \$10 • Digital zoom \$10 • LED flash \$10 • Panoramic Pictures \$20 • Face Detection \$5 	<u>Supported Service Providers (unlimited)</u> <ul style="list-style-type: none"> • AT&T \$10 • Sprint \$10 • T-Mobile \$10 • Verizon \$10 • C-Spire \$10 • U.S. Cellular \$10 • Boost Mobile \$10 • Ting \$10 	<u>Misc Options (unlimited)</u> <ul style="list-style-type: none"> • Touch screen \$20 • GPS \$10 • Headphone connection \$8 • HDMI Port \$12 • Micro USB port \$5 • Hi-Definition sound playback \$10 • Hi-Definition display \$8 • Fingerprint Security Recognition \$20 • Voice command \$10 • Email \$5 • Internet Access \$8 • Facetime \$10
<u>Connectivity (unlimited)</u> <ul style="list-style-type: none"> Bluetooth \$10 Wi-Fi \$12 	<u>Optional - Additional Storage (1)</u> <ul style="list-style-type: none"> Memory Card Storage 8 GB \$10 16 GB \$15 	<u>Available Networks (unlimited)</u> <ul style="list-style-type: none"> 4G LTE \$10 4G \$10 3G \$10 Edge \$10

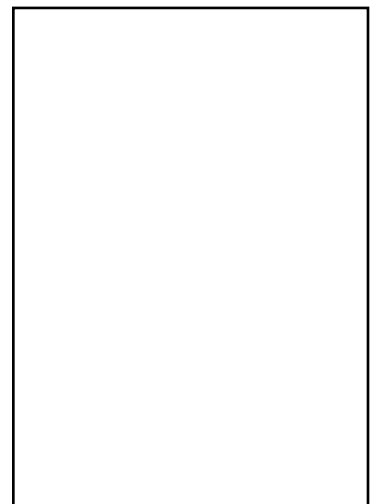
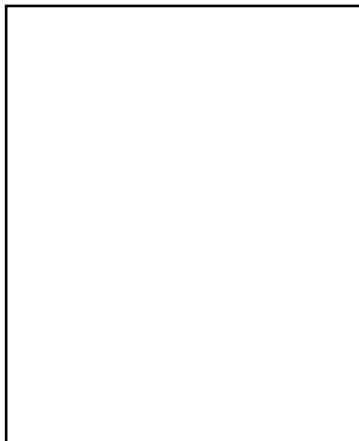
	32 GB \$20	
	64 GB \$25	

Market and Command: A Comparative and Contrastive Unit
Day 7-9 Lesson Plan

No teaching activities. The products of the simulation will be on display in the cafeteria to allow students school wide to select which market company did the best job in creating a product they would desire.

Market and Command: A Comparative and Contrastive Unit
Day 10 Lesson Plan

Day 10: Celebration of Market! Announce results of Market Simulation Game. Hangout with proponents of the market and command economies (maybe Twig or Jorgen).



STUDENT RESOURCES

Communist Manifesto, Karl Marx

Students should use as a primary source for research

Capitalism and Freedom, Milton Friedman

Excellent resource highlighting main ideas for market economy.

Comparative Economic Systems: Capitalism, Communism, Socialism, Fascism
Cooperation, William Louke

Dig deeper for upper or advanced students

Time Magazine, May 23, 2016. Capitalism: The Markets are Choking Our
Economy.

Real world, market modernization for students to consider.

Economics Music Video: <https://goo.gl/nHAZtB>

Silly but enjoyable music video about world economies

Crash Course Market Economy: <https://goo.gl/MeLEII>

Mr. Green EXCELLENT

Crash Course Socialism and Market: <https://goo.gl/IsF1QH>

Mr. Green Excellent

Comparative Economy Video: <https://goo.gl/QzXUXC>

Excellent cartoon with Obama and Reagan discussing economies

TEACHER RESOURCES

Command Economy real world example:

<https://www.dukeupress.edu/the-russia-reader>

Fordham World History.

Post 1945 Eastern Europe

Command Economy

<http://sourcebooks.fordham.edu/Halsall/mod/modsbook50.as>

Can Capitalism Survive, A. Schumpeter

Interesting thought on the capitalism's ability to last

The Wealth of Nations, Adam Smith

The original and complete thought on the market economy

Article and Worksheets: <https://goo.gl/iUb71p>

Short article with comparative chart to use in class

Teachers Pay Teachers: <https://goo.gl/qlMdzt>

Wellspring of resources, worksheets, videos, etc

Web Resource with tons of easily implementable lesson plans, activities, games, and ideas. Small fees to purchase rights.

Web Article: <https://goo.gl/Ij6rrP>

Short comparative article for market and command

Investopedia: <https://goo.gl/OUKdpc>

Great web-source with articles and data

Economic Flashcards: <https://goo.gl/JeucIz>

Flashcards for review

Communist Manifesto, Karl Marx

Students should use as a primary source for research

Capitalism and Freedom, Milton Friedman

Excellent resource highlighting main ideas for market economy.

Comparative Economic Systems: Capitalism, Communism, Socialism, Fascism
Cooperation, William Louke

Dig deeper for upper or advanced students

Time Magazine, May 23, 2016. Capitalism: The Markets are Choking Our
Economy.

Real world, market modernization for students to consider.

Economics Music Video: <https://goo.gl/nHAZtB>

Silly but enjoyable music video about world economies

Crash Course Market Economy: <https://goo.gl/MeLEII>

Mr. Green EXCELLENT

Crash Course Socialism and Market: <https://goo.gl/IsF1QH>

Mr. Green Excellent

Comparative Economy Video: <https://goo.gl/QzXUXC>

Excellent cartoon with Obama and Reagan discussing economies

END NOTES

1. Cander, John, *Cabaret*, #8
2. Ramsey, Dave and Sharon, *Financial Peace*, p 88-125
3. Khan, Vahiduddin, and Faridah Khanam. *The Quran.*, at-Taubaah 9:34
4. Shakespeare, William. *The Timon of Athens*, Act IV Scene III
5. Angelou, Maya. *Letter to My Daughter*. p 46
6. Marx, Karl, Friedrich Engels, Samuel Moore, and David McLellan. *The Communist Manifesto*. p 110-132
7. Smith, Adam and Edwin Cannan. *The Wealth of Nations*. p. 10-24
8. Ebstein, Alan O, William Ebstein and Edwin Fogleman. *Today's Isms: Socialism, Capitalism, Fascism, Communism*.
9. Louks, Olive. *Comparative Economic Systems*.
10. Ebstein, Alan O, William Ebstein and Edwin Fogleman. *Today's Isms: Socialism, Capitalism, Fascism, Communism*
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12. Ebstein, Alan O, William Ebstein and Edwin Fogleman. *Today's Isms: Socialism, Capitalism, Fascism, Communism*
13. Investopedia.com. *What's the Difference Between a Market Economy and a Command Economy?*
14. Ebstein, Alan O, William Ebstein and Edwin Fogleman. *Today's Isms: Socialism, Capitalism, Fascism, Communism*
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16. Investopedia.com. *What's the Difference Between a Market Economy and a Command Economy?*
17. Smith, Adam and Edwin Cannan. *The Wealth of Nations*.
18. Marx, Karl, Friedrich Engels, Samuel Moore, and David McLellan. *The Communist Manifesto*.
19. Ebstein, Alan O, William Ebstein and Edwin Fogleman. *Today's Isms: Socialism, Capitalism, Fascism, Communism*
20. Cander, John, *Cabaret*, #8

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Angelou, Maya. *Letter to my daughter*. New York: Random House, 2008
Maya's advice for living to her daughter.

Cander, John. Cabaret, B0000007QGL. Disc. 1972. Revised 1998
Powerful Broadway show based on various personalities living in Berlin and around a nightclub during Nazi occupation.

Ramsey, Dave, and Sharon, *Financial Peace*. New York, NY, Viking Press, 1997.
One of America's leading voices on money gives financial tips and insight for living.

Ebenstein, Alan O., William Ebenstein, and Edwin Fogelman. *Today's Isms: Socialism, Capitalism, Fascism, Communism*. Englewood Cliffs, NJ: Prentice Hall, 1994
Well written historical context on financial systems around the world.

Friedman, Milton. *Capitalism and Freedom*, Chicago: University of Chicago Press. 1962
Capitalism in a modern and more liberated world.

Investopedia.com. *What's the Difference between a Market Economy and a Command Economy?* Investopedia. 2014.
Great financial websource with articles on every imaginable topic.
Khan, Vahiduddin, and Faridah Khanam. *The Quran*. New Delhi. Goodword. 2009
The Revised Edition.
Holy book for the Muslim people.

Lafferty, Josh. Joseph, Makayla. Teachers Pay Teachers, *Capitalism*.
Website packed with teacher resources.

Louks, Olive. *Comparative Economic Systems*, Revised Edition. New York, NY. Harper and Brothers. 1943
Excellent resource on various world economic systems. Little more complex to read.

Marx, Karl, Friedrich Engels, Samuel Moore, and David McLellan. *The Communist manifesto*. Oxford: Oxford University Press. 1992
The handbook and guide originated by the father of communist thought.
Challenging to read in entirety.

Schumpeter, Joseph and Joseph, *Can Capitalism Survive*, New York, NY. Harper and Row. 1978

Very interesting perspective on the application of capitalism in a caring and developing society. Thought provoking.

Shakespeare, William and H. Oliver J. *Timon of Athens*. London. Methuen.
Play revolving around the city and characters of Athens, the world's first democracy and shaper of future capitalism.

Smith, Adam, and Edwin Cannan. *The Wealth of Nations*. New York, N.Y.: Bantam Classic. 2003
Long read, but considered the foundation for all thought and systems surrounding capitalism.

United States Constitution, Barrington, MA: American Institute for Economic Research. 2001
Founding principles and guiding light for the United States.