

Understanding Prosperity Through Scarcity, Choices, & Consequences

Student Guide Answer Key

Anticipate:

Directions: As you watch Prosperity video, think about what prosperity means or looks like to you or how it might be achieved.

Students should note specific examples of what prosperity looks like to them. Answers may include money, a thriving community, etc.

Engage:

Directions: As you watch the Scarcity video, consider the following questions:

- What products do you use in your daily life that would cause difficulty if they became scarce?
- How would you describe scarcity to a younger student?
- How would you describe how people or countries deal with scarcity to a younger student?

Answers may vary and could include things like food, shelter, or technology. Students should describe scarcity as the fact that there is a limited amount of resources in the world. People or countries deal with scarcity by cooperating with others, protecting property, and applying laws equally to everyone.

Directions: For each of the following action scenarios, identify the connection between scarcity, the choices we make, and the consequences of those choices by filling in the empty spaces. Or, try and create your own scenarios in the empty lines.

What is Scarce?	The Choice	Consequence
Time, Motivation	I choose not to do homework	Failing grade, zero on the assignment, not understanding the concept

Time, Money	I choose to work after school	<u>Time:</u> not being able to participate in sports/extra curricular activities, not being able to complete homework assignments/study for test <u>Money:</u> have money to pay gas/insurance/family bills/weekend activities
Money	I choose to buy ____ with my money	Other things not purchased, money lost in savings, interest earned on savings/investments
Oil	Drilling, fracking, finding oil alternatives such as electric cars	<u>Positive:</u> cheap energy sources, home heating, transportation, creation of jobs (depending on point of view taken) <u>Negative:</u> pollution, environmental concerns, loss of jobs (depending on point of view taken)
Land in New York City	Building skyscrapers, building subways & other public transportation networks	<u>Skyscrapers:</u> fire escape issues (9/11), increased residential and businesses capacity, increased pollution, problems getting rid of waste etc., lack of parking <u>Subways/Public Transportation:</u> decreased need for personal vehicles, increased efficiency to moving large numbers of people, less pollution from fewer private cars
Clean Drinking Water	Aqueducts, Drilling wells, Water treatment facilitation plants	Clean water on demand, lack of water borne illnesses, being able to build cities away from direct water sources (for example: Vegas built in the desert)

Time	Effort, studying, giving up video games/entertainment time/time on mobile devices and social media, not having a job, prioritizing and managing workload of all classes and activities, getting a tutor	Getting an “A” on a test
Time, Ethical Behavior	To volunteer, to tutor classmates, to follow school rules, consider the effect of your actions on others	Being named 11th grade “Citizen of the Week”

Directions: As you watch the Choice video, think about what kinds of economic decisions or choices you make, or what happens when governments make economic choices for you.

Answers may include items students purchase, how much they save, or their career goals. When the government makes economic choices for someone, the ability to prosper weakens since it doesn’t understand what someone wants as well as the individual does.

Explore:

Country Notes

United States	India
How involved is the government in the economy? The government has a small amount of involvement in the economy.	How involved is the government in the economy? The government is fairly involved in the economy.
Impact on economy and/or individuals: The government creates a stable society that encourages people to invest in the economy. Some argue that the increasing amount of regulations and tariffs limit the ability of individuals to freely trade with each other.	Impact on economy and/or individuals: Government involvement in the economy has led to large amounts of corruption and limited foreigners from investing in the economy.
Venezuela	New Zealand

<p>How involved is the government in the economy? The government is very involved in the economy.</p> <p>Impact on economy and/or individuals: The government has complete control over the economy and controls the judiciary. This prevents individuals from receiving fair treatment under the law. Additionally, the government owns most industry and prevents citizens and foreigners from investing. The government is able to pick winners and losers in the economy.</p>	<p>How involved is the government in the economy? The government has a very small amount of involvement in the economy.</p> <p>Impact on economy and/or individuals: The government is strong enough to protect property rights and the equal rule of law while still limiting regulations to allow individuals to create businesses and trade freely.</p>
Greece	Cuba
<p>How involved is the government in the economy? The government is somewhat involved in the economy.</p> <p>Impact on economy and/or individuals: Greece has developed free trade agreements that allow individuals greater opportunity to become involved in economic ventures. However, corruption still exists, preventing people from feeling fully confident enough to invest since their property rights could be violated.</p>	<p>How involved is the government in the economy? The government is very involved in the economy.</p> <p>Impact on economy and/or individuals: The government is completely ruled by a single political party, which controls the judiciary. Its state run industries have a monopoly on producing many goods, preventing individuals from starting their own businesses. Additionally, the government determines who can receive credit and can therefore pick who it wants to have financial success and who it doesn't.</p>

Analysis:

Identify principles upon which free societies are based. Explain the importance of each principle to a free society.
Rule of law, private property, voluntary associations, free enterprise, free press, and limited government are some of the principles students might name, explaining the importance of each.
Using the countries you just read about and the principles needed for a free society, create a "Free Society Continuum" illustrating where these countries fall. How do these principles of freedom contribute to prosperity?

<p>Venezuela</p> <p>Greece</p> <p>New Zealand</p> <p>Cuba India</p> <p>United States</p> <p>Least free</p> <p>Most free</p>	
How do these principles of freedom contribute to prosperity?	
In the most prosperous societies, social, legal and economic systems emerge which allow the decisions of individuals to benefit others, and the talents of individuals to be rewarded.	
Who benefits from freedoms being restrained? Why?	
When freedoms are restrained, the people who benefit most are those who do the restraining as it concentrates power and therefore wealth. Others who benefit are those who receive direct protection from the restraint, e.g. those who benefit from a legally enforced monopoly, such as taxi cab companies when ride-sharing services like Uber and Lyft are prohibited from operating in most cities.	
Who is harmed from freedoms being restrained? Why?	
When freedoms are restrained, the people harmed most are those who are restrained, as it eliminates choice and access to opportunities freely chosen. Ultimately, society at large is hurt, since decisions that emerge from minds and markets are being blocked, replaced by decision making of the restrainers.	

Directions: Choose two of the above countries and write an economic scenario of your own. Choose one of the following situations:

- Buying goods and services in a new culture
- Having a job and providing for a family
- Starting your own business

Each scenario should clearly demonstrate how the level of government involvement influences individual economic decision-making in that country.

Country 1:	Country 2:
Student answers should mention details like how the government helps them or hurts them with their scenario.	

Assess & Reflect:

Directions: Select either the Self Reflection or Societal Reflection to respond to. If you choose to write a response, do so in the provided space. If you record your response, provide a link to it in the provided space.

Self Reflection

Respond to the following questions: What is a goal you have for (this year/semester/after HS)?

Answer at least two of the provided questions in your response.

- What are some choices you make that affect the outcome of this goal?
- What outside factors will contribute to the achievement of your goal?
- What outside factors will create barriers to achieving your goal?
- How will achieving or not achieving your goal impact your prosperity?

You can respond by writing, or by recording your answer on Flipgrid or another video tool. Be sure to answer in complete sentences.

Students should take information they learned from this lesson on topics like choice, prosperity, and limited government and apply it to their own lives.

Societal Reflection

Select a current event from another country. After reading your current event, apply what you have learned in this lesson by analyzing choices made by individuals and their government, as well as how those choices either have or will affect that country's prosperity.

You can respond by writing, or by recording your answer on Flipgrid or another video tool. Be sure to answer in complete sentences.

Students should take information they learned from this lesson on topics like choice, prosperity, and limited government and apply it to their own lives.