

Understanding Prosperity Through Change, Progress, & Trade

Student Guide

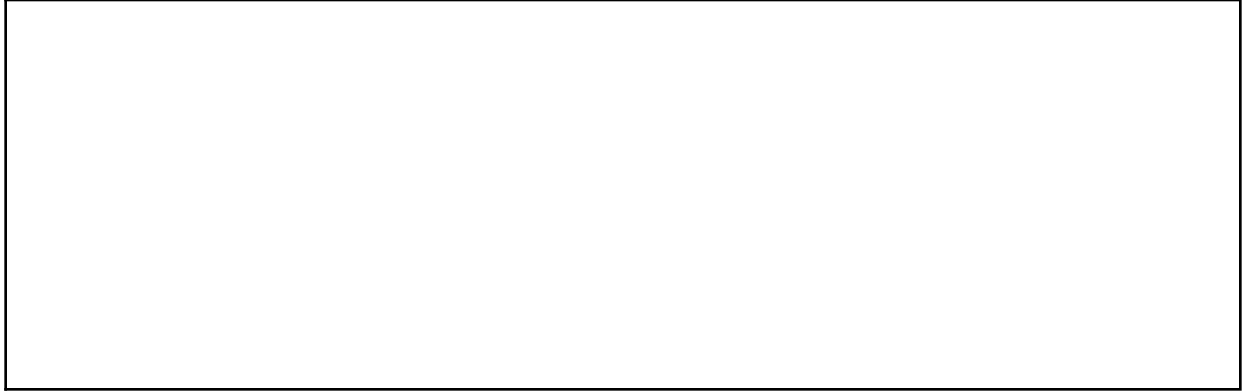
- How does trade increase individual and societal prosperity?
- How has the world made economic progress in the past few centuries?
- What does it mean to prosper individually versus living in a prosperous society?

In this activity, you will...

- ☐ Students will define economic change, progress, double coincidence of wants, comparative advantage, division of labor, and specialization.
- ☐ Students will examine examples of change and progress throughout history
- ☐ Students will evaluate the costs and benefits of change and progress on society
- ☐ Students will use cost/benefit analysis to identify the relationship between trade and prosperity.
- ☐ Students will explain the connection between the principles of a free society, economic change, and economic prosperity.

Anticipate:

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



Engage:

Directions: As you watch the Trade video, think about how trade impacts your daily life.



Directions: Consider Baron de Montesquieu's quote on trade. What do you think it means, and why is it important?

Directions: Reflect on the Brown Bag Trade Game and answer the following questions:

- What made you decide if you wanted to trade or not?
- How did the ratings change across each round of change?
- How did expanding the number of people students could trade with affect student ratings?

Explore:

Directions: As you watch the Progress video, think about examples of social, political, and economic improvements in the United States.

Directions: As you watch the Change video, think about how changes in technology, medicine, and production affect your life.

Directions: As you read each case study, answer the following questions:

- Based on what you just read, what circumstances made economic change possible?
- What are the costs and benefits of the impacts of each period of economic progress?

Assess & Reflect:

Directions: Take the skills and concepts learned in this lesson and think of them in relation to an entrepreneur of your choice. You may choose one from the list below or select your own. Research this individual and answer the following questions.

- Henry Ford (affordable automobiles)
- Madam C.J. Walker (African-American hair care products)
- Jan Ernst Matzeliger (low-cost shoes)
- William Boeing (jet airplanes)
- Clarence Birdseye (Frozen vegetables)
- Mary Kay Ash (cosmetics)
- Michael Dell (computers)
- Steve Jobs (Apple)
- Thomas Edison (inventor)
- Larry Ellison (computer/tech company)
- Ray Kroc (McDonalds)
- James J Hill (The Great Northern Railroad)
- Levi Strauss (Jeans)
- Oprah Winfrey (reporter/entrepreneur)
- Ted Turner (Cable news)
- Sam Walton (Wal-Mart)
- Walt Disney (Disney World)
- Guillermo Gonzalez Camarena (Color TV)
- Arturo Arias Suarez (earthquake seismology technology)
- Tom Love (Love's travel stops)

What did your entrepreneur specialize in?
How did that specialization lead to your entrepreneur gaining a comparative advantage?
What unique insight(s) did your entrepreneur have that others in the same industry did not?

How does/did the work of your entrepreneur lead to economic change and progress?
How has your entrepreneur's work/specialization affected prosperity locally, nationally and/or internationally?
What trait or skill did your entrepreneur demonstrate which you think might be helpful if you applied it in your daily life?

Directions: Select one of the innovations listed below and evaluate the impact it has had on progress in your daily life: Airplanes, Computers, Internet, Cell phone, GPS

To do so, talk to adults who can help you reflect what life might have been like without your chosen innovation. Write a reflection that addresses the following question:

- What would your life be like had some of these things not been invented?
- What are the costs and benefits of progress?

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Extend

- Contemplate the following quotes. Choose two and then briefly explain in their own words what the quote means in a modern context.
 - “Peace is the natural effect of trade. Two nations who traffic with each other become reciprocally dependent; for if one has an interest in buying, the other has an interest in selling; and thus their union is founded on their mutual necessities. The total privation of trade, on the contrary, produces robbery.” – Baron de Montesquieu (1689-1755)
 - “If goods don’t cross borders, armies will.” – Frederic Bastiat (1801-1856)
 - “Go into the London Stock Exchange...and you will see representatives from all nations gathered together for the utility of men. Here Jew, Mohammedan and Christian deal with each other as though they were all of the same faith, and only apply the word infidel to people who go bankrupt. Here the Presbyterian trusts the Anabaptist and the Anglican accepts a promise from the Quaker.” – Voltaire (1694-1778)
 - “Commerce tends to wear off those prejudices which maintain distinction & animosity between nations. It softens & polishes the manners of men. It unites them, by one of the strongest of all ties, the desire of supplying their mutual wants. It disposes them to peace, by establishing in every state an order of citizens bound by their interest to be the guardians of public tranquility. As soon as the commercial spirit gains...an ascendant in any society, we discover a new genius in its policy, its alliances, its wars, and its negotiations” – William Robertson (1721-1793)

Quote Author:
Modern context of quote:

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