

# WHERE IN THE WORLD? EXPLORING THE GLOBAL ECONOMY

## ARKANSAS ECONOMICS CHALLENGE 2022

### BACKGROUND

We live in an increasingly connected world. We trade goods, services, knowledge, and more on a global scale, and this increase has led to an increase in individual wealth and a decline in global poverty rates over the past century. How is this possible? Adam Smith asked this very question in his key work, the *Wealth of Nations*. He says:

*"As it is the power of exchanging that gives occasion to the division of labour, so the extent of this division must always be limited by the extent of that power, or, in other words, by the extent of the market. When the market is very small, no person can have any encouragement to dedicate himself entirely to one employment, for want of the power to exchange all that surplus part of the produce of his own labour, which is over and above his own consumption, for such parts of the produce of other men's labour as he has occasion for."*

- Adam Smith, *Wealth of Nations*, Chapter Three

### ESSENTIAL QUESTIONS

- What resources needed for production at various steps in the production process?
- How do supply chain processes develop over time?
- How does natural geography influence where and what goods are produced?
- In what ways has technology changed the way countries trade with one another?

### LEARNING OBJECTIVES

- Students will describe how goods are produced and distributed around the world.
- Students will measure the costs and benefits of global trade networks.

### CONNECTIONS TO AR STANDARDS:

- EM.3.E.1 Analyze the role of consumers in a market economy
- EM.4.E.2 Explain how differences in the extent of competition in various markets can affect price, quantity, and variety
- NE.5.E.2 Evaluate the impact of advancements in technology, investments in capital goods, and investments in human capital on economic growth and standards of living

### PROCEDURE

#### DAY ONE:

##### INTRODUCTION

Recall: How do we get the things that we want and the things that we need? What questions do economists ask about the production process? (Who is producing? What is being produced? How much should be produced?) As a 5 minute bell ringer, have your students work with a partner to write a response to these questions.

##### READ

Out-loud to your students, read the story *I, Pencil* by Leonard Reed. Have students listen and write down some of their thoughts.

## WATCH

Watch the following videos (available for free on YouTube):

- [I, Pencil: The Movie](#) (6:32)
- [It's a Wonderful Loaf](#) (6:34)

## THINK - PAIR - SHARE

Using a [think-pair-share](#) activity, have students discuss what they found interesting about the videos. Divide the following discussion questions between groups to facilitate conversation:

1. Why can no one person in the world make a pencil?
2. How does geography impact what goods, services, and products are available to consumers?
3. What kinds of knowledge do you need to make your own products? How can you obtain that knowledge?
4. How do tools and technology impact the things we create?
5. How many different industries were involved in the production of these products? How do so many different types of work come together for something as simple as a pencil or a loaf of bread?

## DAY TWO:

### WATCH: MODELED EXAMPLE

Watch at least two of the following videos (available for free on YouTube):

- [How to Grow a \\$5,000 T-Shirt in Only 3 Years](#) (21:21)
- [How to Make a \\$1500 Sandwich in Only 6 Months](#) (3:43)
- [Would you Travel 5,000 Miles For a Cup of Coffee?](#) (8:52)

### CREATING TEAMS

Tell students that these videos model their next activity, to select their own product to investigate! Begin by creating student groups of **3-4 students**.\* Each group will be responsible for researching a product, creating presentation materials, and presenting their findings to the rest of their peers.

\*This group size is suggested for teams competing in the Arkansas Economics Challenge 2022, but could be adjusted to fit your classroom needs.

## RESEARCH

While some students may jump right into investigating, others might want some type of guide to follow to assist them in locating information. Have them use the following as a check list of questions to answer and information to include:

- What **natural resources** are used to create the product? Where are those resources located?
- Where is your product **manufactured**? Is it produced in the same country the raw materials came from, or somewhere else? Are there multiple manufactures?
- How are these products **transported**? Do they end up on a cargo ship, a plane, a semi-truck? How many people are involved in transporting goods?
- Where do these products end up? Who sells them? Are they primarily sold online or in retail stores? Is it a globally **distributed** product, or are there targeted markets? What does the product cost?
- Who is **purchasing** the final product? Can you find any interesting consumer data?

## DEVELOP A PRESENTATION

As your students are collecting information about where in the world their products are from, they can use what they learn to outline a presentation. Students can create their presentations in Google Slides, Prezi, or another presentation creator.

The presentation should consist of 8-10 slides and provide answers to the research questions above. Encourage students to create additional questions and provide additional information on interesting things they discover during the research process.

## DAY THREE:

### PRESENTATIONS

As a group, have each team present the story of their product to the rest of the class.

*Presenters:* Each group member be a part of the discussion and responsible for sharing some portion of the information. Each group member should play a role in the final presentation.

*Audience:* Should be prepared to ask questions to the presenting groups about their projects and provide feedback on points they find interesting.

## FINAL REFLECTION

After hearing all of their classmates' presentations, have students complete the included writing prompt for a final reflection.

## EXTENTION OPTIONS

- **Virtual Resource:** Explore [Adam Smith's Pin Factory](#) and learn about the Division of Labor and Specialization of Trade
- **In Class Game:** Play [the Trade Game](#) to learn how an increase in the number of trading partners can lead to increased happiness over time
- **Primary Source Reading:** Use this guide to read through chapters of [Adam Smith's \*Wealth of Nations\*](#) and discuss the examples he provides
- **Listen:** Planet Money has several short podcast episodes in their [Travels of a T-Shirt series](#).
- **Read:** *Travels of a T-shirt in the Global Economy* by Pietra Rivoli
- **Adam Smith's Wealth of Tweets:** Did you know some scholars got together and tweeted the ENTIRE Wealth of Nations? Discuss Smith using a variety tweets!

# WRITING PROMPT: GLOBALIZATION & TRADE

## ARKANSAS ECONOMICS CHALLENGE 2022

### ESSENTIAL QUESTIONS

- How can people meet their own needs through serving others?
- Who should decide how much of a good or service is provided?
- How many people does it take to make any one product?

### LEARNING OBJECTIVES

- Students will describe economic concepts and their relationships to one another.
- Students will apply economic concepts to real-world examples.

### CONNECTIONS TO AR STANDARDS:

- WHST.11-12.1 Write arguments focused on discipline-specific content.
- WHST.11-12.4 Produce clear and coherent writing in which the development, organization, and style are appropriate to task, purpose, and audience.

### SUBMISSION GUIDELINES:

- 2-3 Pages
- Times New Roman Font
- Double Spaced
- Italicize the key terms and concepts as you're writing

### PROMPT

In the story of *I, Pencil*, we see all of the materials that make a pencil come together through a seemingly magical process. The same phenomenon occurs in Russ Roberts' *It's a Wonderful Loaf*, where he describes a world where people work to meet their individual needs through serving others. Based on what you've learned so far in your economics class, explain this process. Excellent essays will be rich in examples, economic terminology, and quotes and citations from source materials.

# WRITING PROMPT RUBRIC: GLOBALIZATION & TRADE

## ARKANSAS ECONOMICS CHALLENGE 2022

	Superior (4)	Strong (3)	Adequate (2)	Weak (1)	Unacceptable (0)	Comments
<b>Response to the topic</b>	Engaging essay that fully explores and responds to the prompt	Well developed essay that represents an adequate understanding of the topics and prompt.	Essay shows a broad understanding of the topic but lacks connections of ideas to prompt	Attempts to respond to prompt but explanations and examples are unclear	Little/no attempt to respond to prompt inquiry, writing unrelated to prompt.	
<b>Organization, development, and support</b>	Essay is coherently organized and supported by apt reasons with several rich examples that explore key terms in practical real world application.	Essay is coherently organized and includes at least three well chosen examples that explore key terms in practical real world application.	Essay is adequately organized and developed, one or two examples are included to further develop key terms.	Essay has weak organization and development, providing simplistic generalizations of ideas for rather than ideas for real world application.	Little/no organizational thought or examples used to build on topics.	
<b>Grammar, usage, and mechanics</b>	Is generally free from errors in grammar, usage, and mechanics.	May have a few errors in grammar, usage, and mechanics.	May have some errors but generally demonstrates control of grammar, usage, and mechanics	Numerous errors in grammar, usage, and mechanics.	Errors frequently interfere with deriving meaning from work.	

# PRESENTATION RUBRIC: WHERE IN THE WORLD?

## ARKANSAS ECONOMICS CHALLENGE 2022

	Superior (4)	Strong (3)	Adequate (2)	Weak (1)	Unacceptable (0)	Comments
<b>Organization, Development, and support</b>	Students show a full understanding of the topic	Students show a general understanding of the topic	Students show some understanding of parts of the topic	Students show effort but do not demonstrate clear understanding of the topic	Little/no attempt to research or develop a presentation	
<b>Presentation Design</b>	Presentation materials are organized and accurate. Typography and graphics enhance and support research	Presentation materials are organized and accurate. Additional design elements make presentations more interesting and engaging.	Presentation materials are organized and broadly relate to the presentation topic	Presentation materials are unorganized. Information presented only vaguely relates to the presentation topic	Presentation materials include little/no organizational thought or connections to broader topics	
<b>Public Speaking</b>	Each group member presents a portion of the materials. Students speak professionally and knowledgeably about their work and contributions to the project.	Each group member presents a portion of the materials. Students speak professionally and clearly about their topic with minor errors.	Each group member presents a portion of the materials. Students share their work and contributions to the project. They may present the information causally, with few errors or only make vague connections to the topic.	One or more members of this group didn't participate in the presentation. Minimal effort given to presenting information accurately or effectively.	Some members of this group didn't participate in the presentation. Little to no effort put into presenting information accurately or effectively.	
<b>Grammar, usage, and mechanics</b>	Speakers and presentation materials are generally free from errors in grammar, usage, and mechanics.	Speakers and presentation materials may have a few errors in grammar, usage, and mechanics.	Speakers and presentation materials have some errors but generally demonstrates control of grammar, usage, and mechanics	Speakers and presentation materials include numerous errors in grammar, usage, and mechanics.	Speakers and presentation materials include errors that frequently interfere with deriving meaning from work.	