Economics Modules

Module 1: Trade Creates Value
In this module, students are randomly assigned one of twenty items and asked to rank it on a scale of 0-10, with 10 signifying high value. They are allowed, but not required, to trade within a small city area. After this, they rank their item again. Then, they can trade throughout an entire city and rank their item a final time.

Module 2: Property Rights
Students visit a pond where they can fish several rounds under the rules of common ownership. At the end of each round, the fish are counted. If enough remain to reproduce for another round, fishing continues. If not, it is halted. Students then fish several rounds under the rules of private ownership. This module's activity demonstrates property rights.

Module 3: Supply and Demand
On a trading floor, students participate in several rounds as buyers and sellers. As sellers they are assigned minimum prices to obtain. As buyers they are assigned maximum prices they can offer. In the group trading at that time, students are assigned different values according to supply and demand schedules. Through their transactions, the market gravitates toward an equilibrium outcome.

Module 4: Production Costs
In a factory environment, students choose between manufacturing a variety of weapons that have different prices and productive capacity. These weapons can kill zombies to earn income. They participate in several rounds of production to investigate the relationship between marginal product and cost.

Module 5: Taxes
As an extension of the supply and demand activity, this module introduces taxes which are imposed on the transactions. This demonstrates the effects of taxes on market equilibrium.

Module 6: Public Goods
Students contribute to a firework display over various rounds. In each round, their names are displayed on a board for all participants to see. In round 1, the display indicates which students participated, but not whether each contributed. In round 2, it shows which contributed, but not how much. In round 3, it shows which contributed and the amount contributed. This module identifies differences in choices as more revealing information is displayed about each student.

Module 7: Business Regulation
To start a business, students are randomly assigned a series of tasks in order to receive approval to begin. The series range from a small number of tasks to a large number. A small number means the business can begin earning revenue more quickly. The tasks include visiting offices inside a government regulation building to receive approval for various aspects of the business.

Module 8: Monopoly
Students select one of the businesses in a town to distribute their new product. They are provided cost schedules for production. Through a series of selling rounds, they offer different prices to create a demand schedule. Along the way they find the profit-maximizing price and quantity.

Module 9: Comparative Advantage
Students are provided with production targets but the only way to meet them is by trading with foreign producers. They search the globe looking for countries that have a different comparative advantage than them in order to find trading partners to meet their targets.

For more information please contact your local Pearson representative or send an inquiry to hello@cndg.info

Economics Modules cont.

Module 10: Real vs Nominal Values
This module takes place in a restaurant. Students are provided with $20 and sent back in time to various years to buy food from the restaurant. They soon discover that $20 buys a lot of food in 1973 but only a small amount in present day.

Module 11: Foreign Exchange
Students are charged with purchasing supplies from around the world. They must find the countries with the most attractive foreign exchange rates in order to meet their budget and supply goals.

Module 12: Political vs Market Choice
In a module that explores political vs market choice, students vote on two shopping carts at a grocery store to meet basic needs. They are then allowed to shop and select the individual items for themselves. The total amount spent and the total subjective value from the items are compared at the end. The value is greater, and the amount spent is less, when students buy items themselves.

Module 13: Broken Window Fallacy
To demonstrate the broken window fallacy, students collect sales data from a variety of businesses to gauge the current economic conditions in a city. Then, a building is destroyed. Sales data is collected from those same businesses after the destruction. Students can identify which businesses are helped and which are hurt in the aftermath. The net effect of economic conditions in the city is zero.

Module 14: Special Interest Effect
Students visit a restaurant to enjoy a meal on two occasions. For the first, they spend their own money. For the second, they can spend someone else's money. They usually spend more when someone else is paying. This simulates spending through fiscal policy and shows the inefficiencies of spending on behalf of others.

Module 15: Monetary Policy
Students attend an auction to bid on items and learn concepts of monetary policy. In each round of bidding they are given dollars to spend. Prices rise as the number of dollars increase. This illustrates Friedman's claim that inflation is always and everywhere a monetary phenomenon.

For more information please contact your local Pearson representative or send an inquiry to hello@cndg.info