

The Greater Good

Negotiating a Trade Agreement Based on Specialization of
Production and Comparative Advantage

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Introduction

Chapter One

What is Project Based Learning?

Project Based Learning (PBL) is an instructional method in which students:

- Engage in a rigorous, extended process of inquiry focused on complex, authentic questions and problems
- Work as independently from the teacher as possible, and have some degree of “voice and choice”
- Demonstrate in-depth understanding of academic knowledge and skills
- Build 21st-century skills such as collaboration, presentation, and critical thinking/problem solving
- Create high-quality products and performances which are presented to a public audience

PBL is often cited as a valuable method by educators promoting differentiated instruction, multiple intelligences theory, learning-styles theory, 21st-century skills, and the “new 3 Rs” of rigor, relevance, and relationships.

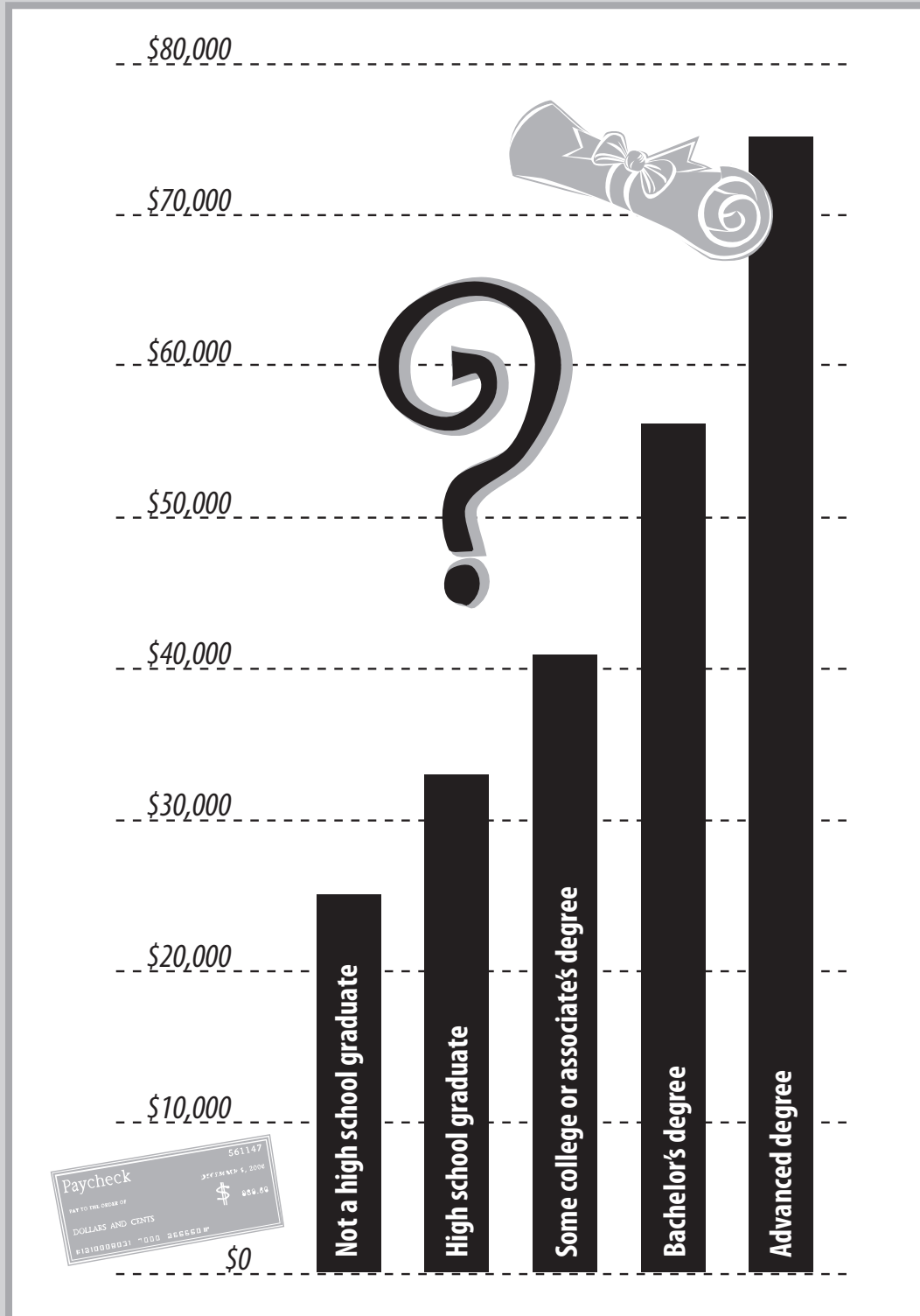
In PBL, the project *drives* the curriculum—it provides the structure for teaching and learning. A project is not just an “applied learning activity” that follows a traditionally taught unit of instruction. Nor is it like discovery learning in its most basic form, in which students are provided with tools and activities that allow them to “discover” knowledge and skills with minimal guidance from a teacher. Instead, PBL challenges students to solve a problem through the application of content knowledge and collaborative resource-gathering, investigation, discussion, and decision-making.

Each project in *Project Based Economics* is a complete unit of instruction centered on a scenario that presents students with an engaging, realistic problem with more than one possible reasonable solution. To resolve the problem successfully, students realize they need to understand economics. This increases their motivation to learn the curriculum. Coaching students to resolve the problem posed in each unit requires a teacher to weave together a number of instructional components while remaining focused on the economic concepts around which the project is organized.

Phases of a Project Based Economics unit: how learning unfolds

Although structured flexibly enough to allow for student discovery and

Median Earnings for Full-time, Year-Round Workers Age 25 and Over by Educational Attainment (2007)



Source: www.census.gov/prod/2009pubs/p20-560.pdf

The Greater Good

Chapter Four

Purpose and Overview

Time required

6–8 class periods

6–8 class periods

Project scenario

When economic production is limited to a single country, it is less than it would be if production were specialized and goods were traded with other countries. With trade and voluntary exchange, countries can specialize and produce only their lower-cost goods, which will net them a comparative advantage in production, then trade with other countries for goods that have a higher relative cost. The trade process increases the goods and services that can be produced with a given amount of resources. However, trade can raise concerns in a country about the effect on workers, the environment, and natural resources. To explore these concepts and issues, students are presented with the following problem-solving scenario:

Two island nations, Hatfield and McCoy, have an unfriendly relationship with each other but friendly relationships with their neighboring island nations. Their two island neighbors have just ended a long war, opening the possibility for trade. Hatfield and McCoy each pursue the possibility of trade with the two neighboring islands by analyzing each island's data on the hours it takes to produce goods, and discover economic benefits that occur with specialization of production and trade. When war once again breaks out between the two neighboring islands, Hatfield and McCoy decide to negotiate a trade agreement with each other. Protests about the agreement arise on both islands, led by labor and environmental groups, and the leaders of the islands must create public awareness materials that justify their reasons for trade.

Concepts to be learned

To successfully resolve the problem and complete the products required in this project, students need to understand and be able to apply the following economic concepts:

Make More Money?

Chapter Three

*An Activity to Introduce Students to the
Project Based Learning Methodology*

Overview

In this activity, students are presented with a problem-solving task focused on a fictitious high school senior who wants to drop some classes in order to work more hours. In the role of a counseling team at the school, students investigate the facts of the situation, consider the personal and economic choices involved, and recommend a reasonable solution.

Although this activity touches on some basic economic concepts, it is primarily designed for another purpose—to demonstrate the instructional methodology of Project Based Learning (PBL). It may be used with two groups of participants: high school students in the classroom, or their teachers in professional development workshops. The Buck Institute for Education (BIE) has field-tested this activity successfully with both groups. With students, we recommend using it prior to teaching the units from the *Project Based Economics* series. The instructions below are written with this use in mind. (If the activity is being used with an audience of teachers, they should experience it much as students will, which is the best way to learn how to implement it.)

Project Based Learning may be an unfamiliar process for many students and teachers. In this activity, which requires less than a typical class period to complete, students will become familiar with many of the key elements of the methodology as designed by BIE for its economics units. Like the *PBE* units, the **Make More Money?** activity begins with a problem-solving scenario (not all projects in PBL begin this way, but it is an effective option). PBL is an inquiry-based process that springs from what students identify they need to know in order to solve the problem presented in the scenario. Accordingly, it is important not to “frontload” any information before starting the activity. Do not conduct a discussion, assign reading, or give a lecture in advance about the value of going to college vs. going to work, nor tell students all about PBL. It is sufficient to simply say, “Now we’re going to do an activity that will introduce you to one of the ways we’re going to learn about economics in this course.” The first thing students should see is the Entry Document, the note that launches the scenario. After the scenario has run its course, the debriefing time is when the principles and features of PBL should be discussed, along with any content-related issues or further work on the topic that the teacher would like to do.

Project Based Learning has proven effective in teaching content knowledge as well or better than a traditional lecture/textbook approach, improves

retention of knowledge, and contributes to the acquisition of 21st-century skills such as collaboration, presentation, and critical thinking. Moreover, it increases student engagement and interest in the subject of economics, which is important in their lives as workers and citizens.

Content standards addressed

Voluntary National Standards in Economics:

Standard 1: Productive resources are limited. Therefore, people cannot have all the goods and services they want; as a result, they must choose some things and give up others.

Content keywords: scarcity, tradeoffs, opportunity cost

Materials needed

- One copy for each student or pair of students of the Entry Document, the note from a student, "AJ," with the additional context for it
- To have on hand in case students request it: copies or a displayed version of the handout, "Earnings by Education Level"
- Chart paper, whiteboard/chalkboard or computer projector

Procedure (40–50 minutes)

1. Read the **Entry Document** aloud as a whole class (page 22, note from "AJ" with added context)
2. Write an **initial "Driving Question"** as a whole class (recorded on a projector, chart paper or board)

Sample:

How can we, as the counseling team, find out what's going on with AJ, so we can help him/her make a good decision?

3. Write a list of **"What Do We Know?"** as a whole class (recorded on a projector, chart paper or board)

Sample:

- We're a high school teacher who got a note from a student
- It is September
- AJ is an 18-year-old high school senior
- AJ wants to drop classes

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- AJ isn't sure about going to college right away
- AJ has seemed withdrawn and distracted lately
- AJ's grades have slipped
- We are on AJ's counseling team
- AJ won't graduate on time if s/he drops classes
- AJ wants to work more and make more money
- AJ doesn't want his/her parents involved

4. Write a list of "What Do We Need to Know?" as a whole class (recorded on a projector, chart paper or board)

Sample:

- Is AJ male or female?
- What classes does AJ want to drop?
- Why has AJ been distracted and withdrawn?
- What college was AJ planning to go to?
- Why doesn't AJ want his/her parents involved?
- Do AJ's parents agree with this decision?
- What job does AJ have?
- How much money does AJ make?
- What does AJ need more money for? Is it urgent right now?
- Has AJ thought through the consequences of not going to college?
- How much more money could AJ make in the long run by going to college?

5. Discuss what **resources could provide answers to our "need to know" questions.**

For example, some answers could be found through research—such as a comparison of earnings in jobs requiring college degrees vs. jobs that only require a high school diploma—and some might need to come from actually talking to people. Students should recognize, or be coached to see, that the best way to get more information at this point is to talk to AJ—so tell them AJ will be here in a minute for a meeting.

6. Students take 2–3 minutes, working in pairs or small groups, to plan **questions to ask AJ.**