

AMERICAN ECONOMY GAME 1823 – 1860

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AMERICAN ECONOMY GAME 1823 – 1860

INTRODUCTION:

The AMERICAN ECONOMY GAME allows a class of students to experience a simulation of the fluctuations of the antebellum U.S. economy in an exciting game form. The game details are based on historical facts and statistics and should be considered as an abstract representation of the economic history of the period.

TIME:

Depending on size of class and number of teams from five to ten years (turns) per class period.

OBJECTIVES:

1. Students will learn details on the growth of the American economy.
2. Students will learn how events affect the economy.
3. Students will participate in a fun activity while learning historical facts.
4. Students will gain a better understanding of the interrelationship between the economy and historical events.

LEARN THE GAME:

Steps:

1. Take out and inspect the following playing aids.
 - a. TEACHER'S CONFIDENTIAL PRICE LIST
 - b. TEACHER'S CONFIDENTIAL HISTORICAL EVENTS
 - c. INVESTMENT SLIPS
 - d. BALANCE SHEET
 - e. TABLES SHEET
 - f. OPTIONAL RULES PAGE
 - g. Read the GAME SUMMARY, referring to the above pages in Step 1 a-f, as necessary.
 - h. Read the HOW TO PLAY section. As you read, play through one or more game turns to familiarize yourself with the game mechanics.
 - i. When introducing this game to a class, follow steps 1, 2, 3 above.

GAME SUMMARY: (see HOW TO PLAY below for details)

Teams compete against each other to gain the most money (INVESTMENT SHARES). Teams use INVESTMENT SHARES (equivalent to \$2,000) to invest in a variety of businesses (see BALANCE SHEET Row B). These investments either make or lose money.

The game begins in 1823 and ends in 1860. The game may easily be divided into two separate games. The first game starts in 1823 and ends in 1842. The second game starts in 1843 and ends in 1860. Each year is considered a turn. The winning team is the one with the most assets (money and INVESTMENT SHARES) at the end of the game.

Teams fill out a new BALANCE SHEET each turn (year). Teams start with five INVESTMENT SHARES and \$1,500 in cash. The totals on Row a (DOLLAR TOTAL AND NUMBER OF INVESTMENT SHARES) are carried over to the next year's (turn's) BALANCE SHEET. Teams must invest all their INVESTMENT SHARES in one or more of the 13 businesses listed in Row B of the

BALANCE SHEET. These investments are recorded on both the BALANCE SHEET and INVESTMENT SLIP.

The teacher collects the INVESTMENT SLIPS from each team and transfers them onto a facsimile BALANCE SHEET on the chalkboard. The teacher records on the chalkboard the profits (written as numbers) or possible losses (Roman numerals) due to poor business conditions. These profit and losses are found on TEACHER'S CONFIDENTIAL PRICE LIST. A team whose investment(s) result in a Roman numeral must refer to the proper (I, II, III) table on for its profit or losses (in INVESTMENT SHARES only). All profits and losses are recorded on the team's BALANCE SHEET.

After profits have been recorded on the BALANCE SHEET, the teacher consults TEACHER'S CONFIDENTIAL HISTORICAL EVENTS for the current year. This may lead to additional profits or losses. This information is also transferred to the chalkboard and to the team's BALANCE SHEET.

Teams then total their profits (or losses) for the year on the BALANCE SHEET. A team may now purchase additional INVESTMENT SHARES (at \$2,000 each).

By answering the questions at the bottom of the BALANCE SHEET, students determine the DOLLAR TOTAL and NUMBER OF INVESTMENT SHARES which will carry over to the BALANCE SHEET for the next turn (year).

HOW TO PLAY

PRE-GAME STEPS:

1. Duplicate the following game materials in the quantities indicated.
 - a. BALANCE SHEET one per team per year 940 x # OF TEAMS).
 - b. INVESTMENT SLIPS, 100 copies, cut into four sheets per page and store in an envelope or clasp type folder.
 - c. TABLES SHEET, 10 copies
2. If possible, each team should have a manila folder and envelopes to store game materials.
3. Divide the class into from three to seven teams. The fewer number of teams, the quicker play will proceed.
4. The following pages are confidential and should be seen only by the teacher:
 - a. TEACHER'S CONFIDENTIAL PRICE LIST #1 (1823-1842) and #2 (1843-1860).
 - b. TEACHER'S CONFIDENTIAL HISTORICAL EVENTS #1 (1823-1842) and #2 (1843-1860).
 - c. OPTIONAL RULES-TABLES

SEQUENCE OF PLAY:

1. Draw a facsimile of table on the BALANCE SHEET.
2. Teams should sit together.

3. Give each team a supply BALANCE SHEET, (cut up) INVESTMENT SLIPS and each team should have one or more TABLES SHEET.
4. Each student should have a copy of the BALANCE SHEET and INVESTMENT SLIP to review as the rules are explained. To learn the game, use BALANCE SHEETS and other appropriate pages.

Row A: Fill in the proper information. Each team is assigned a letter, A, B, C, etc. Each team writes their letter to the right of TEAM____. The first year of the game is 1823. Write 1823 to the right of YEAR _____. Each team starts with a DOLLAR TOTAL of \$1,500. Write \$1,500 to the right of DOLLAR TOTAL \$_____.

Each team starts the game with 5 INVESTMENT SHARES. Write 5 to the right of NUMBER OF INVESTMENT SHARES. (Teams never go below 3 INVESTMENT SHARES).

Row B: List the businesses teams may invest in.

Row C: INVESTMENTS: Teams must invest their INVESTMENT SHARES in one or more of the BUSINESSES listed on ROW B. They note their investment by writing the number of shares they wish to invest. Example: If a team has 5 INVESTMENT SHARES they might put two in WHEAT, two in TEXTILE MILLS and one in BANK. Write the number of shares to the right of ROW C under the BUSINESS being invested in. Teams copy this information onto one of the INVESTMENT SLIPS which should have the top information filled in (TEAM____, YEAR____, NUMBER OF INVESTMENT SHARES_____). The teacher then collects the completed INVESTMENT SLIPS from each team.

Record each team's investment from the INVESTMENT SLIPS onto the chalkboard facsimile using the team's letters under each of the BUSINESSES in ROW C.

Row D: To find the profits consult TEACHER'S CONFIDENTIAL PRICE LIST for the current year. To the right of the proper year will be the profits for the current year for each of the 13 BUSINESSES. Write these numbers and Roman numerals in their proper space on the chalkboard facsimile.

Teams should also write their profits or Roman numerals on their BALANCE SHEETS for the year.

ROW E: The teacher consults TEACHER'S CONFIDENTIAL HISTORICAL EVENTS to see if there is an HISTORICAL EVENT for the current year. Not all years have HISTORICAL EVENTS. If there is an event, it will result in either a + or a- number (dollars). Write this number under its proper category or both the chalkboard and on each team's BALANCE SHEET.

ROW F: Teams now add or subtract the numbers in ROW D to the number, if any, in ROW E. Write the results in the proper boxes to the right of ROW F. Write this number on line A, SUBTOTAL ONE under the ACCOUNTING heading. This is the amount of profit made this turn.

ACCOUNTING:

For Line B, take the Dollar Total from Row A and write it on the line. Add the numbers in Lines A and B and write on Line C.

On line D, teams may purchase additional INVESTMENT SHARES by writing -\$2,000 for each share purchased. If a team has less than \$2,000 they may not purchase an INVESTMENT SHARE.

On Line E write the results from subtracting the number in Line D from the number on Line C. This number may never be less than 0. This is your new DOLLAR TOTAL and should be transferred to next year's BALANCE SHEET on ROW A DOLLAR TOTAL \$_____.

QUESTIONS:

Before the questions are answered, the Roman numerals (if any) written on the chalkboard (ROW C) must be considered. To determine the results of the Roman numerals, one die and TABLES SHEET must be used. (If no die is available, write the numbers one through six on pieces of paper, place in an envelope and draw one out to determine the number.) Each team determines separately the results of Roman numerals. One die is rolled for each INVESTMENT SHARE invested in each business. The die roll result(s) is found on TABLES SHEET under the proper table I, II, or III. The Roman numeral indicates which table to use. If the result is +100 add it to the number on Line E under ACCOUNTING. If the result is NO EFFECT there are no additions or losses. If the result is the loss of one or more

INVESTMENT SHARES, which number of INVESTMENT SHARES is (are) immediately deducted from the team's total on ROW A, NUMBER OF INVESTMENT SHARES, For example, a team has placed 5 INVESTMENT SHARES in WHEAT and the result was II each time. A team may not lose more INVESTMENT SHARES than they invested in a BUSINESS. No team may ever go below three INVESTMENT SHARES. No matter what the results of die rolling, a TEAM always starts the next YEAR with at least three INVESTMENT SHARES.

Each team answers #1 and #2 under the QUESTIONS heading. This will result in their new INVESTMENT SHARES total. This number should be written on both the NEW SHARES TOTAL line under the QUESTIONS section and transferred to next year's BALANCE SHEET, ROW A, NUMBER OF INVESTMENT SHARES #_____.

Perform the above steps for each year. At the last year of the game, the team with the most INVESTMENT SHARES is the winner.

There are 3 options for ending the game. First, 1823-1842, 1842 would be the year the winner is declared. The second is 1843-1860, 1860 would be the year the winner is declared. Third, 1823-1860, 1860 would be the year the winner is declared.

OPTIONAL RULE: BUSINESS SETBACKS

Businesses and investors may suffer losses due to causes unrelated to business conditions. Floods, storms, fires, inadequate insurance, epidemics and credit problems are all factors that could adversely affect an otherwise profitable investment. To reflect this, add the following rule to the game.

1. Use the following playing aids to employ this optional rule.
 - a. OPTIONAL RULES TABLES
 - b. TEACHER'S CONFIDENTIAL PRICE LIST
2. First, record all profits and HISTORICAL EVENTS. Second, use this rule.
3. Inspect the YEAR COLUMN on the TEACHER'S CONFIDENTIAL PRICE LIST. Note that several years will have asterisks "*" to the left of the year. If a year has an asterisk, then use this rule. If the year does not have an asterisk, DO NOT USE THIS RULE.
4. There are four tables that can be used. The table used will depend on the current year. (see OPTIONAL RULES TABLES) For example, if the current year was 1831, TABLE IV would be used.
5. Roll one die and consult the proper table for the current year. This result will be a BUSINESS AFFECTED. If no team had an investment in that business, there are no further die rolls and no effect on profits. If the business indicated by the die roll had a profit of either 200, 100, I, II or III there are no further die rolls and no effect on profits.
6. If the die roll indicates a business that had a team's investments and had a profit of 300, 400 or 500 a further die roll is indicated.
7. There are three additional tables that can be used if the conditions of #6 above are met. The table used (VIII, IX, or X) depends on the number of INVESTMENT SHARES a team has on the current year's BALANCE SHEET. If the number of INVESTMENT SHARES on ROW A are from three to ten, then use TABLE VIII. If the number of INVESTMENT SHARES are eleven to twenty, then use TABLE IX. If the number of INVESTMENT SHARES are 21 or above, then use TABLE X.
8. One die is rolled and the resulting number will be the number of INVESTMENT SHARES (if any) that a team(s) loses. That number of INVESTMENT SHARES are deducted from the team's total. Teams may still purchase additional INVESTMENT SHARES in the normal manner at the proper time.

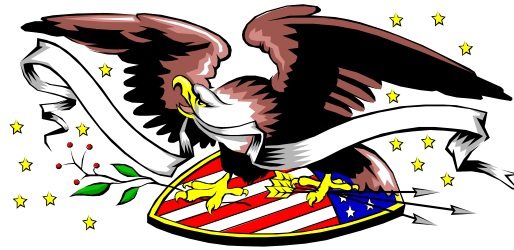
OPTIONAL CHALKBOARD AID

Teachers may use the following to limit arithmetic errors by teams on their BALANCE SHEETS.

1. Draw a copy of the chart below on the chalkboard.
2. Teams bring their BALANCE SHEETS to the teacher at the end of the year before filling out a new one for the next year.
3. On the first year of the game all teams will have the same numbers on this chart. They will have 1,500 on the \$___ line. They will have 5 on the #___. Each team starts with \$1,500 and 5 INVESTMENT SHARES.
4. These totals on the chart will be adjusted at the end of each year to reflect the gains (or losses) made in this year.
5. The totals on the chalkboard chart must agree with the totals on each team's BALANCE SHEET.

CHART					
A	B	C	D	E	ETC...
\$___	\$___	\$___	\$___	\$___	
#___	#___	#___	#___	#___	

TABLES: AMERICAN ECONOMY GAME



YOU CAN NEVER GO BELOW 3 INVESTMENT SHARES;

TABLE I	
DIE ROLL	RESULT
One	+\$100
Two	+\$100
Three, Four and Five	No effect
Six	Lose one investment share

TABLE II	
DIE ROLL	RESULT
One, Two, Three	No effect
Four, Five, and Six	Lose one investment share

TABLE III	
DIE ROLL	RESULT
One	No effect
Two, Three, and Four	Lose one investment share
Five	Lose two investment shares
Six	Lose all investment shares

OPTIONAL RULES TABLES



IV. 1823-1832	
DIE ROLL	BUSINESS AFFECTED
One	Textile Mill
Two	Pig Iron
Three	Coal
Four	Coal
Five	Coal
Six	Roll Again

V. 1833-1842	
DIE ROLL	BUSINESS AFFECTED
One	Imports
Two	Cotton
Three	Farm Products
Four	Exports
Five	Wheat
Six	Imports

VI. 1843-1852	
DIE ROLL	BUSINESS AFFECTED
One	Imports
Two	Textile Mills
Three	Light Manufacturing
Four	Ship Building
Five	Exports
Six	Imports

OPTIONAL RULES TABLE CONTINUED

TABLE VIII: (Use if # of I.S. on NUMBER OF INVESTMENT SHARES line on the year's current BALANCE SHEET is from three to ten, only). NOTE: I.S. = INVESTMENT SHARES (S)	
DIE ROLL	# OF I.S. LOST
One-Five	None
Six	One

TABLE IX: (Use if # of I.S. on NUMBER OF INVESTMENT SHARES line on the current year's BALANCE SHEET is from eleven to twenty, only)	
DIE ROLL	# OF I.S. LOST
One – Four	One
Five – Six	Two

TABLE X: (Use if # of I.S. on NUMBER OF INVESTMENT SHARES line of current year's BALANCE SHEET is twenty-one or above, only).	
DIE ROLL	# OF I.S. LOST
One-Three	One
Four-Five	Two
Six	Three

VII.1853-1860	
DIE ROLL	BUSINESS(ES) AFFECTED
One	Light Manf., Imports: Carrying Trade
Two	Light Manf., Imports: Carrying Trade
Three	Light Manf., Imports: Carrying Trade
Four	Ship Building
Five	Iron Rails
Six	Exports

BALANCE SHEET



ROW A	TEAM COLUMN	YEAR			DOLLAR TOTALS \$				NUMBER OF INVESTMENT SHARES #					
		1	2	3	4	5	6	7	8	9	10	11	12	13
ROW B	BUSINESSES	MISCELLANEOUS	FARM PRODUCTS	COTTON	WEAT	CARRING TRADE	EXPORTS	IMPORTS	SHIP BUILDING	LIGHT MANUFACTURING	ANTHRACITE COAL(1823=1846 IRON RAIL (1847-1860)	PIG IRON	TEXTILE MILLS	BANKS
ROW C	INVESTMENTS													
ROW D	PROFITS \$													
ROW E	HISTORICAL EVENT(S) + OR - \$													
ROW F	TOTALS ONE \$													

QUESTIONS:

#1 Did you lose any investment shares this turn? Yes___ How many___
No___

#2 Did you buy any new investment shares? Yes___ How many___
No___

Add or subtract the number of investment shares you lost and/or bought this turn, from the # of shares on the top of this page. This is your new total, write it in the proper space on the next year's BALANCE SHEET – NEW TOTAL_____.

ACCOUNTING

A.Subtotal One_____

B.\$ Dollar Total (from top of page) _____

C.Subtotal Two (add A & B above)_____

D.Subtract \$2,000 for each new investment share bought, if any, _____

E.Subtract D from C _____

NEW DOLLAR TOTAL, write in space on next year's BALANCE SHEET

TEACHER'S CONFIDENTIAL PRICE LIST

*See page 5

BANK = 50

YEAR	MISCELLANEOUS	FARM PRODUCTS	COTTON	WEAT	CARRING TRADE Transport trade)	EXPORTS	IMPORTS	SHIP BUILDING	LIGHT MANUFACTURIN G	ANTHRACITE COAL (1823=1846 IRON RAIL (1847- 1860)	PIG IRON	TEXTILE MILLS
*1823	I	100	100	200	II	II	I	II	I	300	100	400
*1824	100	I	200	I	II	I	I	I	I	300	200	300
*1825	200	100	300	II	100	100	100	100	I	300	300	300
*1826	I	I	100	Iii	I	I	I	100	100	400	300	200
*1827	I	II	100	II	II	I	II	100	I	400	100	100
*1828	I	II	100	100	II	II	I	100	II	400	100	200
*1829	I	II	100	100	III	I	II	I	I	400	100	100
*1830	100	II	100	I	III	I	III	II	100	300	100	100
1831	200	I	100	100	I	I	100	I	I	200	100	I
1832	200	100	100	100	I	100	100	100	100	300	100	II
*1833	200	100	100	100	100	100	200	400	100	100	100	100
1834	I	100	200	I	100	200	200	100	I	I	I	100
*1835	200	100	300	100	100	200	400	I	I	I	I	I
*1836	400	300	300	300	200	300	500	100	200	200	200	200
*1837	II	200	200	300	100	200	400	100	II	200	200	100
1838	I	200	100	400	100	200	100	100	I	I	I	II
*1839	300	300	200	100	200	300	500	100	100	I	I	200
*1840	I	100	100	I	100	400	100	100	100	I	I	I
*1841	I	100	100	100	100	300	400	I	100	100	II	100
1842	II	III	II	I	I	200	100	100	100	II	II	II

TEACHER'S CONFIDENTIAL PRICE LIST

*See page 5

BANK + 50

YEAR	MISCELLANEOUS	FARM PRODUCTS	COTTON	WEAT	CARRING TRADE (Transport trade)	EXPORTS	IMPORTS	SHIP BUILDING	LIGHT MANUFACTURIN G	ANTHRACITE COAL(1823=1846 IRON RAIL (1847- 1860)	PIG IRON	TEXTILE MILLS
1843	II	III	II	II	II	100	III	100	200	III	II	II
1844	I	III	II	II	100	200	200	I	200	III	I	400
1845	I	II	III	II	100	200	300	100	200	III	I	400
*1846	100	II	II	I	100	300	300	200	300	II	200	400
*1847	200	100	100	200	100	200	300	300	100	300	200	100
1848	I	I	I	100	100	I	100	400	200	200	100	II
*1849	I	I	II	100	100	100	100	300	300	100	II	I
1850	100	100	100	100	100	100	200	200	300	II	III	100
*1851	100	100	100	I	200	300	300	200	200	III	III	III
1852	100	200	100	I	200	200	200	200	400	II	I	100
*1853	200	200	100	200	200	300	300	300	300	400	300	300
*1854	200	400	100	500	300	400	300	300	400	500	400	200
*1855	100	500	100	500	300	200	100	500	400	200	100	100
*1856	200	100	100	300	400	400	400	300	500	300	100	100
*1857	I	400	200	200	500	400	400	200	300	300	100	200
*1858	II	100	100	100	300	200	100	200	400	100	II	III
*1859	I	200	100	200	400	400	400	100	500	I	I	300
*1860	100	100	100	200	500	500	500	100	500	II	I	500

INVESTMENT SLIP TEAM _____



YEAR _____

INVESTMENT SLIP TEAM _____



YEAR _____

NUMBER OF INVESTMENT SHARES _____

MISCELLANEOUS _____

FARM PRODUCTS _____

COTTON _____

WHEAT _____

CARRYING TRADE _____

EXPORTS _____

IMPORTS _____

SHIP BUILDING _____

LITE MANUFACTURING _____

ANTHRACITE COAL _____

(1823-1846 only)

IRON RAILS _____

(1847-1860 only)

PIG IRON _____

TEXTILE MANUFACTURING _____

BANK _____

NUMBER OF INVESTMENT SHARES _____

MISCELLANEOUS _____

FARM PRODUCTS _____

COTTON _____

WHEAT _____

CARRYING TRADE _____

EXPORTS _____

IMPORTS _____

SHIP BUILDING _____

LITE MANUFACTURING _____

ANTHRACITE COAL _____

(1823-1846 only)

IRON RAILS _____

(1847-1860 only)

PIG IRON _____

TEXTILE MANUFACTURING _____

BANK _____

TEACHER'S CONFIDENTIAL HISTORICAL EVENTS LIST: 1843-1860

NOTE: The profit or loss is not affected by the number of INVESTMENT SHARES invested in the BUSINESS AFFECTED.

YEAR	HISTORICAL EVENT	BUSINESS(ES) AFFECTED AND PROFIT (OR LOSS)
1824	New distribution system for textiles	Textile Mills +100
1824	Tariff Act of 1824 passed	Manufacturing, Textile Mills +100
	Your investment in Alabama "Black Belt" cotton land pays off	All Cotton +300
1825	Brief speculative flurry	Misc. +100
	Erie Canal opens	Carry Trade, Exports +200
1826	Your investment in John Jacob Astor's fur empire pays off	Misc. +200
1827	Your investment in real estate in Cincinnati (Pork Polis) pays off as it becomes the port dressing center	Misc. +300
1833	You begin shipping western foodstuffs down the Mississippi to Southern plantations.	Farm Products +200
	Bank War between President Jackson and N. Biddle of the B.U.S.	0 Profit for BUS (no money lost)
1834	Bank War continues	0 Profit for BUS(no money lost)
1836	President Jackson issues Specie Circular, from now on only hard money will be accepted for Western land sales.	Misc. -200
1837	Your shipments of Western foodstuffs to Southern plantations had doubled.	Farm Products +300
1840	Your investment in Geissenhainer's method of smelting iron ore by using anthracite coal pays off	Misc. +200 Coal +100
1841	Your distribution business booms as commodities from the west, moving over canals, lakes, and rivers arrive in great quantities in New York.	Carry Trade +300 Misc. +200
1842	Your Boston based forwarding business receives a boost as the Boston and Worcester railroad makes a Western connection.	Carry Trade +100 Misc. +100

TEACHER'S CONFIDENTIAL HISTORICAL EVENTS LIST: 1843-1860

NOTE: The profit or loss is not affected by the number of INVESTMENT SHARES invested in the BUSINESS AFFECTED.

YEAR	HISTORICAL EVENT	BUSINESS(ES) AFFECTED and PROFIT (OR LOSS)
1843	Revival and renewal of Railroad construction	Misc. +100
1844	Your investment in a clipper ship building company pays off	Shipping +300
1845	Famine in Ireland caused by crop failure in Ireland and Great Britain	Wheat, Carrying Trade, & Export Trade +300
1846	Your investment in John Deere's steel plow factory pays off Famine in Ireland	Misc. +200 Light Manufacturing +200 Wheat, Carrying Trade, & Export Trade +300
1847	Your investment in Cyrus McCormick new reap plant in Chicago pays off	Light Manufacturing +200
1849	Your investment in railroad construction booms Gold discovered in California	Misc. +300 Misc. +500 Carrying Trade +300
1850	Your real estate investment in Buffalo, Cleveland, Toledo, and Chicago increase because of the new Western Canals. Demand for shipping increases.	Misc. +300 Ship Building +300
1851	Your investment in Great Lakes shipping brings you an additional profit	Carrying Trade +300
1852	Heavy immigration to the U.S.	Carrying Trade +200
1853	Your shipments of drygoods, shoes, drugs and coffee to the west brings you profit	Misc. +100
1854	Your investment in railroad corporation bonds brings you a profit Crimean war increases demands for U.S. products and services	Misc. +300 Wheat, Farm Products, & Carrying Trade +200
1855	Crimean War continues Land Boom, your real estate speculation pays off	Wheat, Farm Products, & Carrying Trade +200 Misc. +300
1856	Crimean War continues	Wheat, Farm Products, & Carrying Trade +200
1857	Your investment in Ohio Life Insurance and Trust company is worthless as the company goes bankrupt. Panic of 1857 begins	Misc. -300
1860	Your investment in the Norris and Baldwin Locomotive works brings you a profit.	Light Manufacturing +200