<table>
<thead>
<tr>
<th>Topic</th>
<th>Page</th>
</tr>
</thead>
<tbody>
<tr>
<td>Permissionless Society</td>
<td>3</td>
</tr>
<tr>
<td>Viewing Guide</td>
<td>4</td>
</tr>
<tr>
<td>PMI Chart</td>
<td>11</td>
</tr>
<tr>
<td>Exit Ticket</td>
<td>12</td>
</tr>
<tr>
<td>Private Frontier: Space</td>
<td>13</td>
</tr>
<tr>
<td>Viewing Guide</td>
<td>14</td>
</tr>
<tr>
<td>KWL Chart</td>
<td>21</td>
</tr>
<tr>
<td>Stakeholders Chart</td>
<td>22</td>
</tr>
<tr>
<td>Private Parks</td>
<td>23</td>
</tr>
<tr>
<td>Viewing Guide</td>
<td>24</td>
</tr>
<tr>
<td>PMI Chart</td>
<td>29</td>
</tr>
<tr>
<td>Stakeholders Chart</td>
<td>30</td>
</tr>
<tr>
<td>Inequality &amp; Trade</td>
<td>31</td>
</tr>
<tr>
<td>Viewing Guide</td>
<td>32</td>
</tr>
<tr>
<td>Opportunity Cost – Comparative Advantage Worksheet</td>
<td>39</td>
</tr>
<tr>
<td>Death by Socialism</td>
<td>41</td>
</tr>
<tr>
<td>Viewing Guide</td>
<td>42</td>
</tr>
<tr>
<td>KWL Chart</td>
<td>49</td>
</tr>
<tr>
<td>Venezuela vs. Chile</td>
<td>51</td>
</tr>
<tr>
<td>Viewing Guide</td>
<td>53</td>
</tr>
<tr>
<td>Cloze Activity</td>
<td>61</td>
</tr>
<tr>
<td>Robots &amp; Driverless Cars</td>
<td>63</td>
</tr>
<tr>
<td>Viewing Guide</td>
<td>64</td>
</tr>
<tr>
<td>KWL Chart</td>
<td>71</td>
</tr>
<tr>
<td>PMI Chart</td>
<td>72</td>
</tr>
<tr>
<td>Exit Ticket</td>
<td>73</td>
</tr>
<tr>
<td>YouTube: Now We're the Gatekeepers</td>
<td>75</td>
</tr>
<tr>
<td>Viewing Guide</td>
<td>76</td>
</tr>
<tr>
<td>Graphic Organizer: Created and Disrupted by Innovation</td>
<td>83</td>
</tr>
<tr>
<td>Quote Activity</td>
<td>84</td>
</tr>
</tbody>
</table>
Bonus Videos:

**Hockey Stick of Human Prosperity** ................................................................. 89
from Marginal Revolution University

**Economics Made the World Great** ................................................................. 90
from the Mercatus Center

**Everything** .................................................................................................... 91
from the Institute for Justice

**Why Politicians Don’t Cut Spending** ......................................................... 92
from Learn Liberty

**Fake News Is Old News** .................................................................................. 93
from the Foundation for Economic Education

**Elijah McCoy** ................................................................................................ 94
from the Foundation for Economic Education

Additional Resources .......................................................................................... 95
PERMISSIONLESS SOCIETY

Segment Length: 6:01 minutes

Lesson Description:
What would life be like for us today if people didn’t innovate? How different would life be if innovators needed government’s permission to innovate? Would that permission be based on politics? Would it be based on what politicians think is best for us? This segment looks at the importance of permissionless innovation.

Concepts & Key Terms:
Precautionary Principle—The principle that the development of a product or process should be resisted if its effects are disputed or unknown.

Objectives:
Students will be able to:
• discuss the debate over permissionless innovation and precautionary permission-based controls.
• explain the benefits and drawbacks of permissionless innovation and precautionary permission-based controls.
• evaluate the effects of government involvement in technological innovations, such as app-based car services, driverless cars, and medical breakthroughs.

Preview Activity and Questions:
Have students answer the following questions in their notebooks:
Should there be an agency that approves inventions before people are allowed to buy them? Why / Why not?
OR
Name an innovation that people now use regularly. Why do they use it? Can there be a negative side to its use? Explain.

Use Think, Pair, Share to have students answer the preview question. After a few minutes, poll the students. Ask the students to discuss their answers.

Viewing Guide:
It is recommended that teachers show the video segment twice: once to allow students to view the video and focus on the issues presented, and once to allow them time to complete the viewing guide. After they complete the viewing guide, allow students a few minutes to work in pairs sharing and verifying answers.

Answers to Viewing Guide:
1. developers
2. best case scenarios
3. Google
4. censorship
5. limb deficiencies
Permissionless Society Viewing Guide

Directions: As you watch the video, fill in the blanks with the correct words.

1. I have this cell phone because it was invented without government first having to give the __________ permission.

2. The basic argument that they make is that, you know, there’s these hypothetical worst cases that could occur, and they end up basing public policy upon those hypothetical worst case scenarios. The problem with that, you can base all public policy on hypothetical worst case scenarios, then __________ __________ __________ will never come about.

3. Think about 20 years ago. If Mark Zuckerberg of Facebook, or Steve Jobs of Apple, or anybody from __________ had to come to the government, say, the Federal Communications Commission, and get their blessing for a license to operate, you have to wonder, how many of them would even exist today?

4. This is basically __________ on a global scale for not just the internet, but for, in a sense, history and journalism. They’re going to scrub history away with this so-called “Right to be forgotten.”

5. We have 3D printers today that can actually manufacture, on the spot, all sorts of amazing things, including, as I saw this one day at Johns Hopkins University Hospital at a conference, prosthetic hands for children with __________ __________. Volunteers were making, on the spot, these prosthetic hands for kids, but technically, what they’re doing is illegal.

Now, take a few moments to reflect on the video and answer the question below:

What is one lesson you got from this video? __________________________________________________________
______________________________________________________________________________________________
______________________________________________________________________________________________
______________________________________________________________________________________________
______________________________________________________________________________________________
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______________________________________________________________________________________________
Discussion and Analysis:

1. Adam Thierer said there are lots of efforts to impose permission-based systems on new technologies. What if that had happened in the past? Can you envision people using government to stop electricity and cars because of how dangerous they are?

2. If you were a government official and people came to you asking for permission to develop self-driving cars, what would you say? Why?

3. Should businesses be allowed to produce self-driving cars? Should government let them? Should people be allowed to purchase and drive self-driving cars? Should government let them?

4. Does requiring government permission to innovate create political problems? Won’t some people try to use government to protect their businesses from increased competition from innovators?

5. What about Uber? Should the government have stopped its development because it takes jobs from cab drivers? What about the customers? Shouldn’t they get to decide?

6. Can’t someone find negatives for every innovation?

7. Just what is the role of government in all of this? What is the role of government, period?

8. Should fast food restaurants be allowed to use kiosks for customers to order food? Should any of us—should government—even have a say in that? Why / Why not?

9. What can we consumers do if we don’t like a new product or service?

10. Adam Thierer said that there will always be risks. Is he suggesting we shouldn’t be concerned? What is his point?

11. If companies move development of some products and services overseas, what does that mean for America?

Discuss These Lines from the Video:

1. “Private” seems selfish, secretive. By contrast, “public” or “government-run” sounds like sharing; we’re all in this together.

2. But as government takes control of more of life, the private sector is less able to bring us all the wonderful things it has brought us so far.

3. There’s a lot of efforts to impose permission-based systems on these new technologies.

4. Basically, France took an industrial policy approach to the internet. They basically wanted to micro-manage our planet from above, but that’s not the way innovation happens. It’s a more bottom-up or spontaneous kind of thing.

5. And now Europe, threatening Google, has this thing called, “Right to be forgotten.”

6. If we have a global internet censorship regime based on the idea of cleaning up everybody’s past mistakes, that’s going to be a disaster. The whole global internet is going to look like China or Soviet Russia runs it.

7. Europe wants to impose their censorship regime on the rest of the world.

8. Volunteers were making, on the spot, these prosthetic hands for kids, but technically, what they’re doing is illegal. The FDA says you need to have rules and licenses for these
sort of things, even though it’s all being done free, for very cheap, for parents who need these things for kids that usually cost thousands of dollars. Why would we stop that innovation?

**Quotes for Discussion:**

_We are on the eve of innovations whose scope cannot be foreseen._

— Ludwig von Mises

_I cannot help fearing that men may reach a point where they look on every new theory as a danger, every innovation as a toilsome trouble, every social advance as a first step toward revolution, and that they may absolutely refuse to move at all._

— Alexis de Tocqueville

_We humans have a love-hate relationship with our technology. We love each new advance and we hate how fast our world is changing._

— Daniel H. Wilson

_I don’t want to have anything to do with the government. And yet if we don’t have any regulations, there goes civilization, there goes security, and there goes protecting you against what people are going to sell you._

— Charles Grodin

_Government is the ultimate monopoly. And monopolies, as any economist will tell you, often breed complacency and a lack of innovation._

— Gavin Newsom

_The media has brainwashed the electorate to expect the government to do something. The best economic policy of any government is to do nothing but reduce the size of the government, reduce the size of the laws, and reduce the size of regulations._

— Marc Faber

_The more restrictions and limitations there are, the more impoverished men will be._

— Lao Tzu

_There’s a popular saying that the Internet interprets censorship as damage and routes around it. Desire and innovation will trump policy, the argument goes, as clever programmers circumvent controls._

— Virginia Postrel

_Investing capital in the free market creates innovation, businesses, jobs and economic growth. Investing capital in the government creates more bureaucracy, more paperwork and inefficiency._

— Michael Ramirez

_Entrepreneurship, entrepreneurship, entrepreneurship. It drives everything: Job creation, poverty alleviation, innovation._

— Elliott Bisnow

_An important scientific innovation rarely makes its way by gradually winning over and converting its opponents: What does happen is that the opponents gradually die out._

— Max Planck
The statesman who should attempt to direct private people in what manner they ought to employ their capitals, would not only load himself with a most unnecessary attention, but assume an authority which could safely be entrusted to no council and senate whatever, and which would nowhere be so dangerous as in the hands of a man who had folly and presumption enough to fancy himself fit to exercise it.

— Adam Smith, *The Wealth of Nations*

*Innovation is the calling card of the future.*

— Anna Eshoo

*The key is to embrace disruption and change early. Don’t react to it decades later. You can’t fight innovation.*

— Ryan Kavanaugh

**Activities:**

1. Have students complete the PMI chart graphic organizer (page 11).
2. Have students complete the Exit Ticket (page 12).
3. Show the class one of these bonus videos on the DVD: Economics Made the World Great, Elijah McCoy, or Hockey Stick of Human Prosperity. Ask the students to relate the bonus video to the Permissionless Society segment.
4. In groups, research arguments for and against permissionless innovation. Then, conduct a classroom debate. (See link in the Resources section for a guide to conducting classroom debates.)
5. Research Minitel. Who developed it? Why? How did it go from a leading technology to an antiquated system? How did the need for permission affect its development? Report your findings to the class in a slideshow. (See link in the Resources section for help in preparing a slideshow.)
6. Research and write an essay about the precautionary principle and the scientific groups that support and oppose its use.
7. Show the class the video, An Orgy of Innovation, and ask the students to relate it to the Permissionless Society video.  
8. Produce a “man-on-the-street” video in which you ask people if entrepreneurs and innovators should need permission from the government to develop and produce new products and services. Be sure to ask them to explain their answers. (See links in the Resources section for help in producing man-on-the-street videos.)
9. Research the FDA. What is it? What are its goals? Does it really slow down the pace of innovations that could help people? Why? What are the arguments for going slowly? Write an essay to report on your findings.
10. Read one of the articles in the Resources section. Then write a summary using Cornell (two-column) notes. (See link in the Resources section for help in taking Cornell notes.)
11. Watch one of the videos listed in the Resources section. Then, write an essay about the video.
12. Research the concept of the “right to be forgotten” and the attempts to enforce that. Does it really give someone a chance to correct the record, a do-over or another chance, or is it an attempt to allow people to alter the historical record? Are there any limits? Is any proof required? Can this be misused? Write an essay about the controversy or choose a side and write a persuasive essay arguing your position. (See links in the Resources section for help in writing persuasive essays.) As an alternative, write and deliver a speech to the class in which you try to persuade the other students to agree with your position. (See links in the Resources section for help in speaking to a class.)

13. Read either *Anthem* by Ayn Rand or *The Law* by Frédéric Bastiat. Then write a book report on it. How does this book relate to the video? (See link in the Resources section for help in writing a book report.)

14. In *Human Action: A Treatise on Economics* (1949), Ludwig von Mises wrote, “But competition does not mean that anybody can prosper by simply imitating what other people do. It means the opportunity to serve the consumers in a better or cheaper way without being restrained by privileges granted to those whose vested interests the innovation hurts.” How does this quote relate to the video?

15. Write a tweet, poem, or song about the permissionless society, precautionary permission, the concept of the right to be forgotten, the FDA, or any related topic.

**Resources:**

**Guides**

A good explanation of K-W-L, with a sample chart, and a chart for downloading:
http://www.readingquest.org/strat/kwl.html

Also helpful for K-W-L:
https://www.teachingchannel.org/videos/structured-learning-teaching-tip

Think, Pair, Share

A brief explanation of the Think, Pair, Share instructional strategy, with examples:
http://www.readingquest.org/strat/tps.html

A video explanation of Think, Pair, Share:
https://www.teachingchannel.org/videos/think-pair-share-lesson-idea

Conducting classroom debates:
http://712educators.about.com/cs/lessonss/ht/htdebate.htm
http://busyteacher.org/7245-conducting-class-debate-essential-tips.html

How to write a book report:
http://www.infoplease.com/homework/wsbookreport.htm

How to write a persuasive essay:
https://www.scribendi.com/advice/how_to_write_a_persuasive_essay.en.html
How to produce a man-on-the-street interview:
http://www.wikihow.com/Make-a-Man-on-the-Street-Interview

For a clear, simple explanation of the Cornell note-taking system:
http://coe.jmu.edu/learningtoolbox/cornellnotes.html
http://www.bucks.edu/~specpop/Cornl-ex.htm

For help in speaking to a class:
https://www.hamilton.edu/oralcommunication/tips-for-effective-delivery

Preparing effective slideshow presentations:
http://www.ehow.com/how_5032561_prepare-effective-powerpoint-presentation.html
http://blog.synapsiscreative.com/the-info/7-big-powerpoint-mistakes-you-just-cant-afford-to-make

Articles

“Drone Registry Repeal a Victory for Permissionless Innovation” by Andrea O’Sullivan
http://reason.com/archives/2017/05/24/drone-registry-repeal-a-victory-for-perm

“Elon Musk Is Wrong about Artificial Intelligence and the Precautionary Principle” by Ronald Bailey
http://reason.com/blog/2017/07/18/elon-musk-is-wrong-about-artificial-inte

“Oh, Elon. Building Infrastructure For The Hyperloop Doesn’t Work Like That” by Aarian Marshall
https://www.wired.com/story/infrastructure-hyperloop-nope/

“How Deregulation Gave Us FM Radio, HBO, and the iPhone” by Justin Monticello & Nick Gillespie (with accompanying video)
http://reason.com/reasontv/2017/05/22/markets-spectrum-fcc-net-neutrality

http://reason.com/archives/2017/06/14/let-driverless-car-innovatorsnot-bureauc

“Safety Advocates Urge Congress to Go Slow on Driverless Cars” by Ryan Beene

“‘You’re killing people’: Elon Musk attacks critics of self-driving cars” by Cara McGoogan

“Why Self-Driving Cars Must Be Programmed to Kill” from MIT Technology Review

Books

Anthem by Ayn Rand

Copy Fights: The Future of Intellectual Property in the Information Age edited by Adam Thierer and Clyde Crews
Hands Off: The Future of Self-Driving Cars  
by United States Senate Committee on Commerce, Science, and Transportation

Human Action: A Treatise on Economics by Ludwig von Mises

The Law by Frédéric Bastiat

Permissionless Innovation: The Continuing Case for Comprehensive Technological Freedom by Adam Thierer

Who Rules the Net?: Internet Governance and Jurisdiction by Adam Thierer and Clyde Crews

Videos

Bee the Change  

Inventing the Future  

An Orgy of Innovation  

The Paradox of Progress  

Permissionless Innovation  
http://permissionlessinnovation.org/video/

Permissionless Innovation: An interview with Nick Gillespie (reason.com)  
https://www.youtube.com/watch?v=0N75MVVP24k

The Vanishing Entrepreneur  
http://www.learnliberty.org/videos/the-vanishing-entrepreneur/

Websites

Mercatus Institute  
https://www.mercatus.org/

Permissionless Innovation  
http://permissionlessinnovation.org
**Permissionless Society PMI Chart**

- **P = Plus:** What are some positive effects of innovation?
- **M = Minus:** What are some negative effects of innovation?
- **I = Interesting:** What are some interesting aspects of innovation?

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Do you think regulation of innovations would have led to more and faster development of innovative products and services or less and slower development of innovative products? Explain. __________________________________________________________

__________________________________________________________________________

__________________________________________________________________________

__________________________________________________________________________

__________________________________________________________________________

Would you be willing to accept fewer and slower development of innovative products and services? Why? / Why not? _____________

__________________________________________________________________________

__________________________________________________________________________

__________________________________________________________________________

__________________________________________________________________________
Why do some people support government rules on technological innovations?

Why do some people oppose government rules on technological innovations?
PRIVATE FRONTIER: SPACE

Segment Length: 6:11 minutes

Lesson Description:

Space, the final frontier. Are voyages to explore strange new worlds—to seek new life and new civilizations, to boldly go where no one has gone before—best left to government to fund with our tax dollars or should these efforts be conducted by the private sector at their own expense? This segment looks at government and private space exploration.

Vocabulary:

Bipartisan — (adj.) Agreement or cooperation between two parties, usually used to refer to cooperation between Democrats and Republicans.

Bureaucracy — (adj.) Non-elected government officials administering agencies, often characterized by specialization of functions, adherence to fixed rules, and hierarchical authority.

Infrastructure — (n.) Basic physical facilities or systems that are necessary for the performance of tasks or operations.

Objectives:

Students will be able to:

• discuss differences between government and private space exploration.
• explain the benefits of private space exploration.
• evaluate the importance of competition in space exploration, especially regarding efficiency and effectiveness of outcomes.

Preview Activity and Questions:

Distribute the K-W-L chart (page 21) and have students complete the K and W sections.

OR

Have students answer the following questions in their notebooks:

Would you be interested in traveling in space? If so, how might you be able to do that?

Use Think, Pair, Share to have students answer the preview question. After a few minutes, poll the students. Ask the students to discuss their answers.

Viewing Guide:

It is recommended that teachers show the video segment twice: once to allow students to view the video and focus on the issues presented, and once to allow them time to complete the viewing guide. After they complete the viewing guide, allow students a few minutes to work in pairs sharing and verifying answers.

Answers to Viewing Guide:

1. government
2. privatizing
3. cutting edge
4. commercialized
5. private sector
Private Frontier: Space Viewing Guide

Directions: As you watch the video, fill in the blanks with the correct words.

1. The private company found a way to bring that same rocket safely back to Earth. That’s what they’re applauding there. The private company did what ____________ couldn’t do and did it with much less money. That happens all the time.

2. In fact, President Obama proposed ____________ much of this, and the bipartisan congressional response was extremely negative.

3. Everybody loves the space program. And NASA has this wonderful history, and people just assume it’s going to be on the ____________ ____________ and doing the right thing. They don’t know that our journey to Mars is built on 1970s technology.

4. Most of space has been ____________.

5. Well, I mean, I just can’t understand that. Now, I work for the airline pilots union, and we all fly in airplanes safely, 700 million people a year. That’s the technology that is... completely run by the ____________ ____________ and goes very well.

Now, take a few moments to reflect on the video and answer the questions below:

What is the point that John Stossel makes in this video? ____________________________________________

__________________________________________________________________________________________

__________________________________________________________________________________________

__________________________________________________________________________________________

__________________________________________________________________________________________

__________________________________________________________________________________________

What do you think about private space exploration? ____________________________________________

__________________________________________________________________________________________

__________________________________________________________________________________________

__________________________________________________________________________________________

__________________________________________________________________________________________

__________________________________________________________________________________________
Discussion and Analysis:

1. What is NASA?
2. Should the government be the ones exploring space? Explain.
3. Which is better, allowing people to voluntarily spend their own money on space exploration or forcing taxpayers to pay for it? Why?
4. Why might NASA not support private space exploration?
5. Why might some congressional representatives not support private space exploration? Why might some representatives support it?
6. Do you think space exploration should be privatized? Why / Why not?
7. Why would Elon Musk and Jeff Bezos want to lead the way on space exploration?
8. Would it be wrong if their goals include making money? Explain.
9. Lori Garver used the word “bureaucracy” as a pejorative, a negative term. Why? What’s wrong with bureaucracy?
10. According to Lori Garver, NASA is using old technology. What are some reasons NASA might have—or might have had—for not improving or updating its technology and infrastructure?
11. What do the satellites in orbit around the earth do? Are those for private, commercial interests or for government? Who should pay for them?
12. From where will the biggest gains in space exploration come, government programs or the competition among businesses all trying to explore? Explain.
13. What is the point Lori Garver is making when she refers to airplane travel?
14. The news reporter on MSNBC said she worried about private industry exploring space because of the lack of an equitable outcome. What does that mean? Is she implying that when government does something, the outcome is equitable? Is she right? Explain.
15. What are the limits to space exploration? Do we really know? Explain.

Discuss These Lines from the Video:

1. When government, NASA, sent their rockets up, the rockets would eventually burn and fall apart so they just tax you and build new ones for every mission.
2. If we threw away our airplanes or our ships after each time we flew them, they would be so expensive. But if you’re all about the jobs, you just like building new ones.
3. If you’re competing, you can’t say who’s going to win and what district it’s going to be in, so it’s a lot harder to do that if you’re using the public’s money.
4. Everybody loves the space program. And NASA has this wonderful history, and people just assume it’s going to be on the cutting edge and doing the right thing. They don’t know that our journey to Mars is built on 1970s technology.
5. So most of the satellites being launched, the rockets going up now, are private companies’.
6. Elon [Musk] announced that he’s going to Mars in 2018, not with people, but should he do that anywhere near the range and with his new heavy lift vehicle, it hopefully will start to be obvious we don’t need to spend the taxpayers’ money on this.

7. I know people believe that somehow safety is more with the government, but of course, we don’t have a perfect record at NASA either.

Quotes for Discussion:

We are on the eve of innovations whose scope cannot be foreseen. — Ludwig von Mises

NASA is an engine of innovation and inspiration as well as the world’s premier space exploration agency, and we are well served by politicians working to keep it that way, instead of turning it into a mere jobs program, or worse, cutting its budget.  — Bill Nye

In the coming era of manned space exploration by the private sector, market forces will spur development and yield new, low-cost space technologies. If the history of private aviation is any guide, private development efforts will be safer, too. — Burt Rutan

NASA is increasingly not the future of space exploration. I love the fact that we have private sector folks devoting a lot of money to stimulate innovation in space technology. — Ian Bremmer

Everyone, red state, blue state, everyone supports space exploration. — Bill Nye

People make their own fates, and if enough of us make our fate to be space explorers, perhaps we can actually get some space exploration done. — Robert Zubrin

I think we are at the dawn of a new era in commercial space exploration. — Elon Musk

As a cornerstone of my policy, we will substantially expand public-private partnerships to maximize the amount of investment and funding that is available for space exploration and development. — Donald Trump

But does Man have any “right” to spread through the universe? Man is what he is, a wild animal with the will to survive, and (so far) the ability, against all competition. Unless one accepts that, anything one says about morals, war, politics, you name it, is nonsense. Correct morals arise from knowing what man is, not what do-gooders and well-meaning old Aunt Nellies would like him to be. The Universe will let us know – later – whether or not Man has any “right” to expand through it. — Robert A. Heinlein

We don’t know which will be the companies that are going to make money in space. It’s like 1976, and we don’t know who is going to be Apple computer and who is going to be one of the five companies that dies within a few years. — James Muncy

I think in your lifetime, space travel could be nearly as commonplace as, say, traveling to another continent is. — Richard Branson

I believe we can do more in making the President’s vision for space exploration a reality by awarding cash prizes to encourage greater participation of the private sector in the national space program. — Dana Rohrabacher

It’s a fixer-upper of a planet but we could make it work. speaking about humans settling on Mars

Most people on Earth would love the chance to become astronauts if they could afford it, so it’s up to us to try to make sure it’s affordable. — Sir Richard Branson
There is just one thing I can promise you about the outer-space program – your tax-dollar will go further. — Wernher von Braun

We are really evolved to be pioneers. And for good reason. New worlds have a way of saving old worlds. And that’s how it should be. We need the frontier. I want to see millions of people living and working in space. — Jeff Bezos

We’re making space more American. We’re making space more democratic. We’re making space more available, approachable, and real to the average American. — James Muncy

Activities:

1. Have students complete the K-W-L chart graphic organizer (page 21).
2. Have students, alone or in small groups, complete the Stakeholder Chart (page 22).
3. Distribute individual quotes from the Quotes for Discussion section to pairs of students. Have the students discuss the meaning of the quote and write the meaning on the back of the quote. Have the students present the quotes and their explanations or collect them as an exit ticket.
4. Research and create a slideshow about Jeff Bezos and Blue Origins or Elon Musk and SpaceX. Some topics you might want to include are their goals, timetables, amount of money invested and by whom, and accomplishments so far. (See link in the Resources section for help in preparing a slideshow.)
5. Lori Garver was a top administrator at NASA for nine years, a member of President Obama’s transition team, and an advisor to Hillary Clinton’s presidential campaign. Research and write a biography of Lori Garver. (See links in the Resources section for a guide to writing biographies.)
6. Read one of the articles in the Resources section. Then write a summary using Cornell (two-column) notes. (See link in the Resources section for help in taking Cornell notes.)
7. President Obama and President Trump hold different views on NASA and space exploration. Research their positions, decide which position you support, and then write a persuasive essay arguing your position. (See links in the Resources section for help in writing persuasive essays.) As an alternative, write and deliver a speech to the class in which you try to persuade the other students to agree with your position. (See links in the Resources section for help in speaking to a class.)
8. In groups, research arguments for and against private space exploration. Then, conduct a classroom debate. Students should be given time to research their position prior to debating. See link in the Resources section for a guide to conducting classroom debates.)
9. Research the X-Prize Foundation. What is the Google Lunar XPrize? What other competitions have been or will be held? Why have they conducted these competitions? Why have people competed? What have been the results? Who has funded these competitions? Why? What conclusions can you draw about the ability of individuals and commercial enterprises to solve problems? Prepare a slideshow to show the class what you have learned. (See link in the Resources section for help in preparing a slideshow.)
10. What is NASA? What has it done? Research the history of NASA and create a video or slideshow to show the class what you have learned. (See link in the Resources section for help in preparing a slideshow.)
11. Lori Garver said that when President Obama proposed privatizing much of the space program, the bipartisan congressional response was extremely negative. What is the role of Congress in space exploration? Why does it have a role? What type of rocket did Congress force NASA to build for $50 million? Research and write a report about the details of President Obama’s proposal and the congressional response.

12. Create a tri-fold brochure advertising commercial space travel with Virgin Galactic. You should research Virgin Galactic’s plans to help you develop your brochure.

13. Lori Garver said that NASA doesn’t have a perfect safety record. What did she mean? Research NASA’s safety record and report your findings to the class in a slideshow. (See link in the Resources section for help in preparing a slideshow.)

14. Write an essay about Virgin Galactic and private space exploration. Would you take a trip to outer space? Why / Why not?

15. Are there any federal regulations regarding the development and testing of commercial space craft? If so, what are they? Write a research paper that answers these questions.

16. Research and write an essay about the European Space Agency. What is the agency’s mission? How is it funded? What has it achieved?

17. Watch one of the videos listed in the Resources section. Then, write an essay about the video.

18. Read one of the books in the Resources section and write a book report. (See link in the Resources section for help in writing a book report.)

19. Airlines are owned and operated safely by the private sector, said Lori Garver. She said that 700 million people a year fly safely. Research and produce a slideshow about airplane safety and the dangers of other forms of travel. (See link in the Resources section for help in preparing a slideshow.)

20. Produce a “man-on-the-street” video in which you ask people if they would like to travel to space. Be sure to ask them to explain their answers. (See links in the Resources section for help in producing man-on-the-street videos.)

Resources:

Guides

A good explanation of K-W-L, with a sample chart, and a chart for downloading:
http://www.readingquest.org/strat/kwl.html

Also helpful for K-W-L:
https://www.teachingchannel.org/videos/structured-learning-teaching-tip

Think, Pair, Share

A brief explanation of the Think, Pair, Share instructional strategy, with examples:
http://www.readingquest.org/strat/tps.html

A video explanation of Think, Pair, Share:
https://www.teachingchannel.org/videos/think-pair-share-lesson-idea

For a clear, simple explanation of the Cornell note-taking system:
http://coe.jmu.edu/learningtoolbox/cornellnotes.html
http://www.bucks.edu/~specpop/Cornl-ex.htm
Conducting classroom debates:
http://712educators.about.com/cs/lessonss/ht/htdebate.htm
http://busyteacher.org/7245-conducting-class-debate-essential-tips.html

How to write a book report:
http://www.infoplease.com/homework/wsbookreportsth.html

How to write a persuasive essay:
https://www.scribendi.com/advice/how_to_write_a_persuasive_essay.en.html

How to produce a man-on-the-street interview:
http://www.wikihow.com/Make-a-Man-on-the-Street-Interview

For help in speaking to a class:
https://www.hamilton.edu/oralcommunication/tips-for-effective-delivery

Preparing effective slideshow presentations:
http://www.ehow.com/how_5032561_prepare-effective-powerpoint-presentation.html
http://blog.synapsiscreative.com/the-info/7-big-powerpoint-mistakes-you-just-cant-afford-to-make

Articles
“Examining the latest advances in private spaceflight on the anniversary of the ‘Falcon 9’ mission” by Dan Gunderman

“For these private space companies, the future is now, and the final frontier is in reach” by Michael Sheetz

“How Private Space Companies Make Money Exploring The Final Frontier”
by Elizabeth Howell

“The Implications of the Privatization of Space Exploration” by Lina Shi

“Jeff Bezos Expected to Unveil Further Plans for Private Space Exploration”
by Andy Pasztor
https://www.wsj.com/articles/jeff-bezos-expected-to-unveil-further-plans-for-private-space-exploration-1488743790

“Private Companies, Not Governments, Are Shaping the Future of Space Exploration”
by Kristin Houser
https://futurism.com/private-companies-not-governments-are-shaping-the-future-of-space-exploration/
“Private space exploration: the new final frontier” by Carlos Folgar and Jess McCuan

“The Pros And Cons Of Privatizing Space Exploration” by Robert Frost, on Quora

“New Space Leadership Poised to Shake Up NASA, Promote Private Spaceflight” by Jay Bennett
http://www.popularmechanics.com/space/rockets/a26347/future-space-exploration-private-industry/

“SpaceX to Fly Passengers On Private Trip Around the Moon in 2018” by Calla Cofield
https://www.space.com/35844-elon-musk-spacex-announcement-today.html

Books
Legal framework for establishing outposts in outer space and position of private companies in outer space exploration by Michal Zajpt
Private Space Exploration (Kid’s Library of Space Exploration, Vol. 9) by C. F. Earl
Private Space Travel: A Space Discovery Guide by Margaret J. Goldstein
SpaceX’s Dragon: America’s Next Generation Spacecraft by Erik Seedhouse
Virgin Galactic: The First Ten Years by Erik Seedhouse

Videos
Everyone’s Space

Inventing the Future

Landmark Moments in Private Space Exploration
https://www.youtube.com/watch?v=7p4noMCyTPM&list=UL3UHPRZ2SpME

Private Space Flight: Lessons in Driving Big Change
https://www.youtube.com/watch?v=1ZkOPprBQw8

The Paradox of Progress

Websites
European Space Agency
http://www.esa.int/ESA

SpaceX
http://www.spacex.com/

X-Prize Foundation
http://www.xprize.org/
### Private Frontier: Space K-W-L Chart

**Directions:** Complete the **K** and **W** sections prior to watching the video. After you have seen the video, complete the **L** section and answer the two questions below the K-W-L chart.

<table>
<thead>
<tr>
<th>K</th>
<th>W</th>
<th>L</th>
</tr>
</thead>
<tbody>
<tr>
<td>What I know about private space exploration:</td>
<td>What I want to know about private space exploration:</td>
<td>What I’ve learned about private space exploration:</td>
</tr>
</tbody>
</table>

After watching the video and discussing it in class, who do you think should fund and lead space exploration?  
______________________________________________________

Why?  
______________________________________________________

______________________________________________________

______________________________________________________

______________________________________________________
**Private Frontier: Space Stakeholder Chart**

**Directions:** Fill in the chart below based on the video and on your perceptions of the stakeholders, those impacted by private space exploration.

<table>
<thead>
<tr>
<th>Stakeholders</th>
<th>Possible Point of View</th>
<th>Your Reasoning / Explanation</th>
</tr>
</thead>
<tbody>
<tr>
<td>Space exploration company representative and employees</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Member of Congress with space exploration company within his or her district</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Member of Congress with a NASA parts supplier within his or her district</td>
<td></td>
<td></td>
</tr>
<tr>
<td>NASA employees</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Taxpayers</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

What conclusions can be drawn about the debate over private space exploration?
PRIVATE PARKS

Segment Length: 3:16 minutes

Lesson Description:
When we think of parks, we probably think of public parks, government owned, managed, and maintained. But are all public parks managed and maintained by the government? It seems as though some aren’t maintained at all. This segment looks at the role entrepreneurs can play in public parks.

Objectives:
Students will be able to:
• discuss problems associated with park maintenance.
• explain some people’s preconceived notions of the private sector’s involvement with public parks.
• evaluate the potential effects of private park management and maintenance.

Preview Activity and Questions:
Have students answer the following questions in their notebooks:
Name a park near our school. How would you rate the condition of it? What do you like about it? What don’t you like?
Use Think, Pair, Share to have students answer the preview question. After a few minutes, poll the students. Ask the students to discuss their answers.

Viewing Guide:
It is recommended that teachers show the video segment twice: once to allow students to view the video and focus on the issues presented, and once to allow them time to complete the viewing guide. After they complete the viewing guide, allow students a few minutes to work in pairs sharing and verifying answers.

Answers to Viewing Guide:
1. toilet
2. maintenance
3. successfully
4. cheaper
Private Parks Viewing Guide

Directions: As you watch the video, fill in the blanks with the correct words.

1. And although people love the idea of public, what comes to your mind, if I say the words “public ________”?  
2. Park managers now say, we don’t have money for _________. In California alone, 150 state parks closed.  
3. Most people don’t realize it, but many public parks, at all levels of government, are run ________ by private sector operators.  
4. These private businesses depend on pleasing customers. If they don’t please you, the government can fire them. But government never fires itself. It’s why private management is almost always better. Better and _________.

Now, take a few moments to reflect on the video and answer the questions below:

Why might parks be managed differently by non-profit government and for-profit businesses? ___________________________________________  
_________________________________________________________________  
_________________________________________________________________  
_________________________________________________________________  
_________________________________________________________________  
_________________________________________________________________  
_________________________________________________________________  
What is your view of this issue? ___________________________________________  
_________________________________________________________________  
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Discussion and Analysis:

1. Why do parks exist?
2. Have you ever used bathrooms in parks? If so, how were they? Why?
3. What matters more, who maintains them or that they are well-maintained? Explain.
4. Why might businesses do a better job maintaining parks?
5. When the woman at the beginning of the video said that if parks were private, “they’d probably charge you a fee for looking,” did she have a misunderstanding of the role of private businesses in public parks? Explain.
6. If government doesn’t have enough money to maintain a park, how is it that a private business, being paid by the government, can maintain that park and still make a profit?
7. If parks are better maintained, more people might use them, and if more people used them, they would need more maintenance. Is this a problem?
8. What prevents the private business from charging the government too much money?
9. Why doesn’t government charge people to use parks and spend that money to better maintain the parks?
10. Why not just raise taxes and spend that extra money on parks?

Discuss These Lines from the Video:

1. People say maintaining parks and keeping them accessible to the public is a job for government.
2. Garbage everywhere, building covered with graffiti, fields bare of grass.
3. Park managers now say, we don’t have money for maintenance. In California alone, 150 state parks closed.
4. Yosemite’s streams were filled with raw sewage from a leaky sewer. The Grand Canyon’s only source of drinking water is an 83 year old pipe that breaks as often as 30 times a year.
5. Our biggest client is the U.S. Forest Service. They’re taking something that’s a financial loser for them, a real money drain, and by having us run it, change it from a money drain into a financial benefit because they’re actually getting paid rent.
6. People assume a private company, like that guy’s, will cut corners to make more profit. But the private company has an incentive not to cut corners. It makes more money if it does a good job.

Quotes for Discussion:

Preserving parks and open spaces is a winner because it doesn’t need to be explained to everyday Americans. — Frank Luntz

If you let people own their land, they take care of it. That’s why privately owned land is always taken care of, and the parks look like cesspools. Nobody takes care of what everybody owns. — Grover Norquist
Congress has an obligation to protect our country’s natural beauty, embodied in our nation’s parks, rivers, and breathtaking landscapes. — Dave Reichert

Much of what’s called “public” is increasingly a private good paid for by users — ever-higher tolls on public highways and public bridges, higher tuitions at so-called public universities, higher admission fees at public parks and public museums. — Robert Reich

The parks are our national treasures, and they must be shown more respect, not only by visitors but also the people who run them. — Michael Frome

National parks are cathedrals of spirituality and emotion, and unfortunately, they are being loved to death by many of the same people who enjoy them the most. — Michael Frome

Activities:

1. Have students complete the PMI chart graphic organizer (page 29).
2. Have students, alone or in small groups, complete the Stakeholder chart (page 30).
3. Visit a neighborhood park and take pictures to demonstrate its condition. Is the park publicly or privately managed /maintained? If there are park workers stationed there, interview them about the park, the use it gets, and their efforts to maintain the park. Prepare a slideshow for the class. (See link in the Resources section for help in preparing a slideshow.)
4. Go to a local park to interview people for a “man-on-the-street” video about the cleanliness of the park. If they are critical of the cleanliness or maintenance of the park, ask them if they think a private company could keep the park in better shape for less money. (See links in the Resources section for help in producing man-on-the-street videos.)
5. Read one of the articles in the Resources section. Then write a summary using Cornell (two-column) notes. (See link in the Resources section for help in taking Cornell notes.)
6. In groups, research arguments for and against private park management for public parks. Then, conduct a classroom debate. Students should be given time to research their position prior to debating. (See link in the Resources section for a guide to conducting classroom debates.)
7. Research private park management and write a persuasive essay arguing your position. (See links in the Resources section for help in writing persuasive essays.)
8. Create a tri-fold brochure advertising a local public park. Be sure to include all the features at the park and upcoming activities for local residents.
9. Research a private park management or maintenance company. What parks does the company manage or maintain? Is the company doing a good job? Are there any criticisms of the company’s performance? If so, what are the criticisms? Write a research paper that answers these questions.
10. Watch one of the videos listed in the Resources section. Then, write an essay about the video.
Resources:

Guides

A good explanation of K-W-L, with a sample chart, and a chart for downloading:
http://www.readingquest.org/strat/kwl.html

Also helpful for K-W-L:
https://www.teachingchannel.org/videos/structured-learning-teaching-tip

Think, Pair, Share

A brief explanation of the Think, Pair, Share instructional strategy, with examples:
http://www.readingquest.org/strat/tps.html

A video explanation of Think, Pair, Share:
https://www.teachingchannel.org/videos/think-pair-share-lesson-idea

Conducting classroom debates:
http://712educators.about.com/cs/lessonss/ht/htdebate.htm
http://busyteacher.org/7245-conducting-class-debate-essential-tips.html

How to write a persuasive essay:

How to produce a man-on-the-street interview:
http://www.wikihow.com/Make-a-Man-on-the-Street-Interview

For a clear, simple explanation of the Cornell note-taking system:
http://coe.jmu.edu/learningtoolbox/cornellnotes.html
http://www.bucks.edu/~specpop/Cornl-ex.htm

Preparing effective slideshow presentations:
http://www.ehow.com/how_5032561_prepare-effective-powerpoint-presentation.html
http://blog.synapsiscreative.com/the-info/7-big-powerpoint-mistakes-you-just-cant-afford-to-make

Articles

“As Trump moves to privatize America’s national parks, visitor costs may rise” by Mary Catherine O’Connor

“Breaking the Backlog: 7 Ideas to Address the National Park Deferred Maintenance Problem” published by the Property And Environment Research Center
https://www.perc.org/sites/default/files/pdfs/BreakingtheBacklog_7IdeasforNationalParks.pdf

“California Union Bill Looks to Ban Outsourcing Public Services” by Steven Greenhut
Case Study: Private vs. Public Park Operations

“City Parks Become Privatization Battlegrounds” by Jim Carlton
https://www.wsj.com/articles/city-parks-become-privatization-battlegrounds-1473448450

“From Public to Private: Five Concepts of Park Management and Their Consequences” by Thomas A. More

“It’s Time To Let Somebody Competent Run National Parks (Hint: Private Enterprise)” by J.D. Tuccille
http://reason.com/blog/2013/10/16/its-time-to-let-somebody-competent-run-n

“Making Parks Decent Again: How the private sector can save public parks” by John Stossel

“NYC Government Spends $2 Million on a Park Bathroom” by John Stossel

“Parks 2.0: Operating State Parks Through Public-Private Partnerships” by Leonard Gilroy, Harris Kenny, and Julian Morris
http://reason.org/files/state_parks_privatization.pdf

“Private funds spark a ‘Golden Age’ for public parks” by Drew Lindsay

“Privatization and Private vs. Public Profits” by Warren Meyer

“Public Private Partnerships: New York and the Central Park Conservancy” by Kathy Blaha

“The Ups and Downs of NYC’s Privately Funded Public Spaces” by Laura Vanderkam

“Why privately-financed public parks are a bad idea” by Felix Salmon

Videos
John Stossel ~ Corporate Parks
https://www.youtube.com/watch?v=D6rN5s2L7xM

MYTH: Gov’t MUST Manage Parks
https://www.youtube.com/watch?v=YzM8wd3HLXI

Why, What, & How to Privatize City Services

Websites
Park PPP’s: Public-Private Partnerships in Recreation
http://parkprivatization.com/
Private Parks PMI Chart

**P = Plus:** List some potential effects of private park management that you see as positive.

**M = Minus:** List some potential effects of private park management that you see as negative.

**I = Interesting:** What are some interesting aspects of private park management?

<table>
<thead>
<tr>
<th>+ Plusses +</th>
<th>- Minuses -</th>
<th>I</th>
</tr>
</thead>
</table>

Trade-offs are what we give up for what we gain. What are the trade-offs in the debate over private park management?

Which option do you think is better? Why?
Private Parks Stakeholder Chart

**Directions:** Fill in the chart below based on the video and on your perceptions of the stakeholders, those impacted by private park management.

<table>
<thead>
<tr>
<th>Stakeholders</th>
<th>Possible Point of View</th>
<th>Your Reasoning / Explanation</th>
</tr>
</thead>
<tbody>
<tr>
<td>Park Users</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Park Department Employees</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Park Management Employees</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Taxpayers</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Elected Officials</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

What conclusions can be drawn about the debate over private park management?
INEQUALITY AND TRADE

Segment Length: 4:26 minutes

Lesson Description:
Do the rich get richer and the poor get poorer? Does trade with other countries hurt us? Should we produce everything on our own? This segment looks at income, jobs, and trade.

Concepts & Key Terms:
Absolute Advantage — The ability to produce a good or service at a lower cost/using fewer resources than others.
Comparative Advantage — The ability to produce a good or service at a lower opportunity cost — give up less — than others.
Opportunity Cost — The next best alternative not selected to what a person chooses; what one gives up for what one gets. Opportunity can be represented in terms of money, time, convenience, or other values. (See Opportunity Cost in the Articles and Videos in the Resources section for in-depth explanations.)
Zero-Sum Game — The belief that in economic transactions, one party loses and one party gains.

Objectives:
Students will be able to:
• evaluate the two sides in the debate over whether poor people are becoming poorer.
• summarize the importance of trade on our lifestyles.
• hypothesize the effects of trade restrictions to protect citizens’ jobs.

Preview Activity and Questions:
Have students answer one of the following questions in their notebooks:
1. Have you heard the expression, “The rich get richer and the poor get poorer”? Do you think it is true? Why / Why not?
2. What does it mean to get richer? Is it just about money?
Use Think, Pair, Share to have students answer the preview question.

Viewing Guide:
It is recommended that teachers show the video segment twice: once to allow students to view the video and focus on the issues presented, and once to allow them time to complete the viewing guide. After they complete the viewing guide, allow students a few minutes to work in pairs sharing and verifying answers.

Answers to Viewing Guide:
1. myth
2. less
3. zero sum
4. countries
5. human history
Inequality and Trade Viewing Guide

Directions: As you watch the video, fill in the blanks with the correct words.

1. We hear this __________ from the left and the right.

2. What are the poorest people in the U.S. able to consume today? So we can look at things like airline travel or cell phones, computers, cars, even things like living space. And what we see is that the poor today spend much __________ of their income on these kinds of items than they did before, and they’re much more accessible to people today, even though they were once exclusively reserved for only the wealthiest Americans.

3. One reason people think the poor are doing worse is that they think it’s a __________ - __________ game. Hollywood tells them that all the time.

4. Econ101 tells us that when __________ can trade those things that they’re really good at making that it increases wealth overall. It’s what economists refer to as comparative advantage. So comparative advantage says we should make things that it’s cheap for us to make and we should buy from other people the things that it’s expensive for us to make.

5. Trade has lifted millions of people out of poverty, particularly over the last 30 years. We now see the lowest number of people living in absolute poverty. That’s under $2 a day, the lowest it’s ever been in recorded __________ __________. And that is directly related to trade.

Now, take a few moments to reflect on the video and answer the questions below:

What do you think are the two key points in this video segment?

1. __________________________________________________________
   __________________________________________________________
   __________________________________________________________
   __________________________________________________________

2. __________________________________________________________
   __________________________________________________________
   __________________________________________________________
Discussion and Analysis:

1. Do we live better today than people who lived 50 years ago? Explain.
2. Abby Blanco said that poor people spend less of their income on airline travel, cell phones, computers, cars, even living space, but those things are much more accessible to people today. What is the point she is making?
3. Why do you think most Americans believe that the poor are getting poorer?
4. The graph with the data from the Bureau of Labor Statistics showed income rising for all groups. How does that support or refute John Stossel’s statement about the myth of the poor getting poorer?
5. What term did John Stossel use to explain that the amount of money is fixed and that for someone to make more money someone has to make less? Why is it called that?
6. How does the pizza tie in to the zero-sum game concept?
7. In the video, there is a clip from the movie “Wall Street.” Gordon Gekko says “Money itself isn’t lost or made, it’s simply transferred.” But Abby Blanco said that new kinds of wealth are created all the time. How is wealth created?
8. Many people think that when we trade with other countries, we lose. Have you ever traded with someone else? Did you think you were losing or gaining by trading? If you think you lost, why did you trade? If you think you won, do you think the other person lost? Did that person think he or she lost? What’s the point?
9. Why do we trade with other countries?
10. Abby Blanco said we should make things that are cheap for us to make and buy from other people the things that are expensive for us to make. Do you agree? Explain.
11. Some people do lose their jobs because of trade. Should we protect their jobs by stopping trade? What would eventually happen if we did? Do you think we would be richer or poorer as a result? Explain.
12. According to John Stossel, the United Nations says a billion people are no longer miserably poor largely because of global trade. How does trade help people get out of poverty?

Discuss These Lines from the Video:

1. Polls show most Americans believe that the poor are getting poorer.
2. The rich get richer, the poor get poorer.
3. People typically operate under the assumption that if I get a bigger piece of pizza, you have to get a smaller one. But that’s not how wealth works.
4. It’s a zero-sum game; somebody wins, somebody loses. Money itself isn’t lost or made, it’s simply transferred.
5. The trade argument is not just wrong, it’s spectacularly wrong. NAFTA has created 34 million jobs in the United States and an additional six million jobs are tied directly to Mexican industry alone.
6. Econ101 tells us that when countries can trade those things that they’re really good at making that it increases wealth overall. It's what economists refer to as comparative advantage.

7. In the U.S., we’re really good at making service products. We’re very good at making automobiles. We’re good at making medicines and things like that. But it’s relatively expensive for us to produce things like clothing and other textiles.

8. Some people are knocked out of the jobs that they’re currently in. And certainly, we can talk about and be concerned about those people who are losing their jobs as a result of trade, and talk about different ways that we might make those transitions easier. But trade overall is a remarkably positive game for all parties involved.

9. Trade has lifted millions of people out of poverty, particularly over the last 30 years. We now see the lowest number of people living in absolute poverty. That’s under $2 a day, the lowest it’s ever been in recorded human history. And that is directly related to trade.

Quotes for Discussion:

Globalization and free trade do spur economic growth, and they lead to lower prices on many goods.

— Robert Reich

NAFTA recognizes the reality of today’s economy – globalization and technology. Our future is not in competing at the low-level wage job; it is in creating high-wage, new technology jobs based on our skills and our productivity.

— John F. Kerry

It is here we come to the heart of the matter. The economic principle of comparative advantage’, ‘a country may, in return for manufactured commodities, import corn even if it can be grown with less labour than in the country from which it is imported.

— David Ricardo

Thousands of important and intelligent men have never been able to grasp the principle of comparative advantage or believe it even after it was explained to them

— Paul Samuelson

Trade liberalization is vital to the process of development. Voluntary international exchange widens consumers’ range of effective choices and lowers the risk of conflict.

— James A. Dorn

As economic globalization gathers momentum, China and the United States have become highly interdependent economically. Such economic relations would not enjoy sustained, rapid growth if they were not based on mutual benefit or if they failed to deliver great benefits to the United States.

— Xi Jinping

Not only must we fight to end disastrous unfettered free trade agreements with China, Mexico, and other low wage countries, we must fight to fundamentally rewrite our trade agreements so that American products, not jobs, are our number one export.

— Bernie Sanders

Globalization has made copper and other minerals more valuable, and Ghana and Kenya have recently discovered mineral resources.

— Bill Gates
For the world economy as a whole — and especially for poorer nations — growing trade between high-wage and low-wage countries is a very good thing. Above all, it offers backward economies their best hope of moving up the income ladder. But for American workers the story is much less positive. In fact, it’s hard to avoid the conclusion that growing U.S. trade with third world countries reduces the real wages of many and perhaps most workers in this country. And that reality makes the politics of trade very difficult.

— Paul Krugman

What I believe unites the people of this nation, regardless of race or region or party, young or old, rich or poor, is the simple, profound belief in opportunity for all — the notion that if you work hard and take responsibility, you can get ahead.

— Barack Obama

Outsourcing and globalization of manufacturing allows companies to reduce costs, benefits consumers with lower cost goods and services, causes economic expansion that reduces unemployment, and increases productivity and job creation.

— Larry Elder

I will stand up for what I believe and for what I have always believed: Every person has a right to be rich in this country and I want to help them get there.

— Jim Cramer

I’m still a communist in the sense that I don’t believe the world will survive with the rich getting richer and the poor getting poorer — I think that the pressures will get so tremendous that the social contract will just come apart.

— Pete Seeger

As we get rich, the basics of life — food, clothing and shelter — become a very small part of total expenditure. And people have enough money to purchase things that enhance them spiritually, and I mean the word ‘spiritual’ not necessarily in a religious sense but in the sense that it adds to your feeling of well-being.

— Robert Fogel

American consumers benefit from free trade and investment.

— John Shadegg

Even when repressed, inequality grows; only the man who is below the average in economic ability desires equality; those who are conscious of superior ability desire freedom, and in the end superior ability has its way.”

— Will Durant

“Capitalism” is a dirty word for many intellectuals, but there are a number of studies showing that open economies and free trade are negatively correlated with genocide and war.

— Steven Pinker

The worst form of inequality is to try to make unequal things equal.

— Aristotle

Activities:

1. Have students complete the Opportunity Cost—Comparative Advantage Worksheet (page 39).
2. Distribute individual quotes from the Quotes for Discussion section to pairs of students. Have the students discuss the meaning of the quote, and write the meaning on the back of the quote. Collect the quotes and the students’ explanations as an exit ticket.

3. Have students work in groups to research opportunity cost and comparative advantage and prepare a lesson to teach their classmates. The lesson should include an opportunity for students to read, watch, listen, and do, and should include an assessment activity.

4. Research data from the Bureau of Labor Statistics about income gains of American workers. Present your findings to the class on poster board or in a slideshow. (See link in the Resources section for help in preparing a slideshow.)

5. Show the class “Economics Made the World Great” or “The Hockey Stick of Human Prosperity,” two of the bonus videos listed in the Resources section and included on this DVD, and have the students draw connections between this Stossel segment and the other video.

6. Conduct a classroom debate on the concept of a zero-sum game. The debate can be based on the expression, “the rich get richer and the poor get poorer,” or on the argument that trade hurts one country and helps another. (See link below for a guide to conducting classroom debates.)

7. Read one of the articles in the Resources section. Then write a summary using Cornell (two-column) notes. (See link in the Resources section for help in taking Cornell notes.)

8. Research and write an essay about the North American Free Trade Agreement. You should include demonstrable effects of the agreement on all countries that signed on to the agreement.

9. Research and prepare a slideshow about jobs in our country. Be sure to include the numbers and types of jobs that exist, domestic-related and export-related jobs, (See link in the Resources section for help in preparing a slideshow.)

10. David Ricardo is credited with observing the law of comparative advantage. Research and write a biography of David Ricardo. (See link in the Resources section for help in writing a biography.)

11. The OECD (Organization for Economic Cooperation and Development) website has articles, policy papers, graphs, and videos about the effects of trade. Using the OECD website, prepare a research report on OECD’s position on trade. [http://www.oecd.org/trade/tradeandjobs.htm](http://www.oecd.org/trade/tradeandjobs.htm)

12. Watch one of the videos listed in the Resources section. Then, write an essay about the video.

13. Read and write a book report on one to the books in the Resources section.

**Resources:**

**Guides**

A brief explanation of the Think, Pair, Share instructional strategy, with examples:

A video explanation of Think, Pair, Share:
[https://www.teachingchannel.org/videos/think-pair-share-lesson-idea](https://www.teachingchannel.org/videos/think-pair-share-lesson-idea)
How to write a biography:
http://www.infoplease.com/homework/wsbiography.html
http://homeworktips.about.com/od/biography/a/bio.htm

How to write a book report:
http://www.infoplease.com/homework/wsbookreportshs.html

For a clear, simple explanation of the Cornell note-taking system:
http://coe.jmu.edu/learningtoolbox/cornellnotes.html
http://www.bucks.edu/~specpop/Cornel-ex.htm

Preparing effective slideshow presentations:
http://www.ehow.com/how_5032561_prepare-effective-powerpoint-presentation.html
http://blog.synapsiscreative.com/the-info/7-big-powerpoint-mistakes-you-just-cant-afford-to-make

Producing videos:
https://www.ezvid.com/how_to_make_a_video_presentation_for_school_or_work
https://tools4students.wikispaces.com/Video+Projects

Articles

“’Buy American’ Hurts Americans” by Sheldon Richman
http://reason.com/archives/2016/04/21/buy-american-hurts-americans?

“Do Trade Agreements Kill Jobs?” by Steve Denning
https://www.forbes.com/sites/stevedenning/2016/03/08/should-we-blame-trade-agreements-for-loss-of-jobs/#324faa64210d

“How International Trade Affects the U.S. Labor Market” by Maximiliano Dvorkin
https://www.stlouisfed.org/on-the-economy/2015/june/how-international-trade-affects-the-us-labor-market

“Opportunity Cost” by David R. Henderson

“The Reason There Are Fewer Russian McDonald’s” by Elaine Schwartz

“The Ricardian Law of Comparative Advantage” by Murray N. Rothbard
https://mises.org/library/ricardian-law-comparative-advantage

“Ricardo and comparative advantage at 200” by Douglas Irwin
http://voxeu.org/article/ricardo-and-comparative-advantage-200

“Rising Share of Americans See Conflict Between Rich and Poor” by Rich Morin of the Pew Research Center
http://www.pewsocialtrends.org/2012/01/11/rising-share-of-americans-see-conflict-between-rich-and-poor/

“There Is No More Possibility Of Comparative Advantage Not Existing Than There Is Of My Nobel” by Tim Worstall
“Women’s wages are rising: Why are so many families getting poorer?”
by W. Bradford Wilcox
http://www.aei.org/publication/womens-wages-are-rising-why-are-so-many-families-getting-poorer/

Books
America’s Comparative Advantage: Where America Excels! by Dr Joseph S. Maresca
Comparative Advantage: Specialize to rule by Jean Blaise Mimbang, 50Minutes.com
On The Principles of Political Economy and Taxation by David Ricardo
Comparative Advantage, Specialization, & Trade by Brevitext™

Videos
“Comparative Advantage”
http://www.investopedia.com/terms/c/comparativeadvantage.asp

“Comparative advantage specialization and gains from trade”

“Economics Made the World Great” (also on this DVD)
https://www.youtube.com/watch?v=RYxMVNqIYT

“The Hockey Stick of Human Prosperity” (also on this DVD)

“Opportunity Cost”
http://www.investopedia.com/terms/o/opportunitycost.asp

Websites
Organization for Economic Cooperation and Development (OECD)
http://www.oecd.org/trade/tradeandjobs.htm
Inequality and Trade
Opportunity Cost - Comparative Advantage Worksheet

Directions: Use the charts to complete the questions that follow.

**Absolute Advantage**—the ability to produce a good or service at a lower cost/using fewer resources than others.

Let’s assume that it takes each country the same amount of resources to make the same products, but that one country can produce more with those same resources.

<table>
<thead>
<tr>
<th>Country</th>
<th>Cell Phones</th>
<th>Automobiles</th>
</tr>
</thead>
<tbody>
<tr>
<td>China</td>
<td>6000</td>
<td>40</td>
</tr>
<tr>
<td>United States</td>
<td>3000</td>
<td>60</td>
</tr>
</tbody>
</table>

1. Which country has the absolute advantage in manufacturing cell phones? ________________
2. Which country has the absolute advantage in manufacturing cars? ________________

**Opportunity Cost**—the next best alternative not selected to what a person chooses; what one gives up for what one gets. Opportunity can be represented in terms of money, time, convenience, or other values.

Now, let’s calculate opportunity cost.

<table>
<thead>
<tr>
<th>Country</th>
<th>Cell Phones</th>
<th>Opportunity Cost of 1 Cell Phone</th>
<th>Automobiles</th>
<th>Opportunity Cost of 1 Automobile</th>
</tr>
</thead>
<tbody>
<tr>
<td>China</td>
<td>6000</td>
<td></td>
<td>40</td>
<td></td>
</tr>
<tr>
<td>United States</td>
<td>3000</td>
<td></td>
<td>60</td>
<td></td>
</tr>
</tbody>
</table>

China’s opportunity cost of producing 6000 cell phones is __________ automobiles.
China’s opportunity cost of producing 1 cell phone is __________ of an automobile.

The United States’ opportunity cost of producing 3000 cell phones is __________ automobiles.
The United States’ opportunity cost of producing 1 cell phone is __________ of an automobile.

China’s opportunity cost of producing 40 automobiles is __________ cell phones.
China’s opportunity cost of producing 1 automobile is __________ cell phones.

The United States’ cost of producing 60 automobiles is __________ cell phones.
The United States’ opportunity cost of producing 1 automobile is __________ cell phones.
**Comparative Advantage**—the ability to produce a good or service at a lower opportunity cost—give up less—than another.

Answer the questions below on the table you just completed.

Which country has the lower opportunity cost of producing automobiles? ______________________

Explain your answer: ________________________________________________________________
________________________________________________________________________________
________________________________________________________________________________

Which country has the lower opportunity cost of producing cell phones? _________________

Explain your answer: ________________________________________________________________
________________________________________________________________________________
________________________________________________________________________________

Which country has the comparative advantage in producing automobiles? _________________

Explain your answer: ________________________________________________________________
________________________________________________________________________________
________________________________________________________________________________

Which country has the comparative advantage in producing cell phones? _________________

Explain your answer: ________________________________________________________________
________________________________________________________________________________
________________________________________________________________________________

Which country should produce which product? ______________________________

Why? _____________________________________________________________
________________________________________________________________________________
________________________________________________________________________________

What is the connection between this worksheet and the video segment? __________________
________________________________________________________________________________
________________________________________________________________________________
________________________________________________________________________________


DEATH BY SOCIALISM

Segment Length: 9:01 minutes

Lesson Description:

Socialism is often seen as just another economic system, perhaps a more fair system, where people are more equal. But is it really just another economic system? Is it really more fair? This segment looks at socialism and the consequences of socialism on a country and its people.

Concepts and Key Terms:

Socialism — An economic system in which the production, distribution, and exchange of products and services is regulated or owned by government. Supporters argue that government control — control by “the people” — is in the best interests of the community as a whole.

Objectives:

Students will be able to:
• explain arguments for and against socialism.
• compare and contrast conditions at American stores and stores in Venezuela.
• weigh the effects of socialism on a country and on the citizens of that country.

Preview Activity and Questions:

Have students answer the following question in their notebooks:
When you think of socialism, what words come to mind?
Use Think, Pair, Share to have students answer the preview question. Ask them to look for similarities and differences in their answers and have them rate their answers as either “positive” or “negative.” After a few minutes, poll the students and ask them to explain their answers. Are there more positive or negative? Why?

OR

Distribute copies of the K-W-L worksheet (page 49) to the class. Have students fill in the K and W sections. After showing the video, have students complete the L section and answer the question at the bottom of the worksheet.

Viewing Guide:

It is recommended that teachers show the video segment twice: once to allow students to view the video and focus on the issues presented, and once to allow them time to complete the viewing guide. After they complete the viewing guide, allow students a few minutes to work in pairs sharing and verifying answers.

Answers to Viewing Guide:
1. together
2. scarce
3. leader
4. Latin America
5. great things
Death by Socialism Viewing Guide

Directions: As you watch the video, fill in the blanks with the correct words.

1. The word socialist is derived from society. It suggests we’re all in this ____________.
2. Food is so ____________ that people fight in the street over bags of flour. Ever see this at greedy capitalist free market countries?
3. The ____________ knows better than any individual how everyone is supposed to lead their lives.
4. They blame free markets as if we in ____________ ____________ have ever had free markets, which is not the case.
5. Here’s movie star Sean Penn hugging Venezuela’s current dictator. Oliver Stone claims the old dictator did ____________ ____________ for Venezuela.

Now, take a few moments to reflect on the video and answer the questions below:

Advocates for socialism argue that socialism is a more fair economic system, where people are more equal. Is equal necessarily good? ____________Why / Why not? ____________

In the video, John Stossel said that “In America, celebrities are some of the more clueless people.” Why did he say that? ____________

Fergus Hodgson said that there is no freedom of speech in Venezuela and that opposition newspapers are closing. Why might leaders of a country want to curtail freedom of speech and freedom of the press? ____________
Discussion and Analysis:

1. Prior to watching this video, what had you heard about socialism? From whom did you hear that?
2. What are the differences or similarities between what you had heard and what you saw in this video?
3. Have you ever waited in long lines, hoping to get food? Where?
4. Why might there regularly be food lines or a lack of food? What incentives are there in our country for people to produce food?
5. What is socialism?
6. How did things get so bad in Venezuela, which was once the richest country in South America?
7. Why do you think people in our country support socialism? Can’t they see the consequences? What do they see as the benefits?
8. Considering what you know about socialism and capitalism, in which system do you think people are most free? Why? Is freedom more important than being equal? Why / Why not?
9. What did Gloria Alvarez mean when she said that the socialist leaders in Latin America were democratically elected, not through violence, but through cultural manipulation of the language, of the media, of the arts?
10. What were the connections Gloria Alvarez was making between Hitler and the socialist leaders in Latin America?
11. If the government puts price controls on products, what will business owners do if the government-controlled prices are lower than the costs incurred by the businesses?
12. If capitalism is why we live better in our country than people do in other countries, why do you think some people want to change or tamper with free markets?
13. Why do you think John Stossel referred to celebrities as clueless and to the trip to Cuba by Kim Kardashian and Kanye West at the “celebrity poverty tour”?
14. Kim Kardashian wrote in a tweet, “I love Cuba! One of our best trips!” We felt like we stepped back into a different time period. Can’t wait to go back.” Why did they feel as though they stepped back in time? Do you think the Cuban people are happy to be living in that time period even now?
15. What did Hugo Chavez mean when he said, “Chavez is the people”?
16. The woman speaking in the video from Venezuela refers to numerous problems in the country, but she doesn’t say why those problems exist. Why do those problems exist? Do you think she realizes why or do you think she doesn’t care about the cause? Explain.

Discuss These Lines from the Video:

1. How can I call this show that [Death by Socialism]? To many people, socialism is just good, more fair, more equal than our ruthless system.
2. Don’t these people know history? The Soviet Union murdered millions of people.
3. Look what socialism has done to people in Venezuela. Fifty years ago, Venezuelans had the highest wages in South America, then they elected Hugo Chavez.
4. These days, thousands of people wait in long lines to try to buy food. This line goes around the block, and then back again. Some lines seem to stretch for miles. Often people wait in line and then find the store has run out of food.
5. So if you come in and say, “I’m going solve your problems, I’m going to overcome this, that’s an appealing line.
6. The capacity of the socialists to defend their position in the face of overwhelming evidence is actually impressive.
7. It’s not just that Venezuela’s out of food and opportunity, people die there because there are no medicines.
8. In America, celebrities are some of the more clueless people. Kim Kardashian and Kanye West recently visited Cuba. They did their celebrity poverty tour. Kim wrote [tweet displayed], “I love Cuba! One of our best trips!
9. You elected a government that will not be a government of Chavez, because Chavez is the people.
10. Opposition newspapers are closing up because they can’t get newsprint, they can’t import the raw materials to get the information out.

Quotes for Discussion

Socialism in general has a record of failure so blatant that only an intellectual could ignore or evade it.  
— Thomas Sowell

The reason socialism has failed around the world every time it’s been tried is because people in socialist countries have looked at the United States and have said if they can have it that good, we can. It’s a failed, flawed ideology, but if you ask socialists why it’s always failed, it’s because the United States has stood in the way.
— Brad Thor

Under socialism all will govern in turn and will soon become accustomed to no one governing.
— Vladimir Lenin

Socialism is about claims of justice, and it is also about money: about wealth, income, physical and financial capital. It is an ideology based on allocating economic resources. It may try to achieve that goal by nationalizing assets, by command-and-control regulation, or by taxation and redistribution.
— Virginia Postrel

Socialism is a philosophy of failure, the creed of ignorance, and the gospel of envy, its inherent virtue is the equal sharing of misery.
— Winston Churchill

I believe that all forms of socialism have been proven over time to result in a loss of both economic and civil liberties, with increasing poverty.
— John Mackey

Socialism states that you owe me something simply because I exist. Capitalism, by contrast, results in a sort of reality-forced altruism: I may not want to help you, I may dislike you, but if I don’t give you a product or service you want, I will starve. Voluntary exchange is more moral than forced redistribution.
— Ben Shapiro
The inherent vice of capitalism is the unequal sharing of the blessings. The inherent blessing of socialism is the equal sharing of misery. — Winston Churchill

The reason this country continues its drift toward socialism and big nanny government is because too many people vote in the expectation of getting something for nothing, not because they have a concern for what is good for the country. — Lyn Nofziger

Capitalism has worked very well. Anyone who wants to move to North Korea is welcome. — Bill Gates

I have said it already, I am convinced that the way to build a new and better world is not capitalism. Capitalism leads us straight to hell. — Hugo Chavez

Activities:

1. Have students complete the K-W-L worksheet (page 49) in class or for homework.

2. Distribute individual quotes from the Quotes for Discussion section to pairs of students. Have the students discuss the meaning of the quote and write the meaning on the back. Collect the quotes and the students’ explanations as an exit ticket.

3. Produce a “man-on-the-street” video in which you ask people if they prefer capitalism or socialism, and why. (See links in the Resources section for help in producing man-on-the-street videos.)

4. Conduct a classroom debate about socialism. To get students to look at socialism from a different perspective, consider having them argue from a view with which they disagree. Students should be given time to research their position prior to debating. (See link in the Resources section for a guide to conducting classroom debates.)

5. Food lines have occurred throughout history. Why? Research several countries that have faced food shortages. Is there a common link? If so, what is it? Prepare a slideshow to present your findings to the class. (See links in the Resources section for help in preparing a slideshow.)

6. What causes poverty? Research the causes of poverty. You might find different explanations. You might present them to the class and have the class discuss which explanation(s) are more sensible or believable.

7. Fergus Hodgson is an editor of Impunity Observer. Research Fergus Hodgson and the Impunity Observer and write a report detailing what you find.

8. Research Gloria Alvarez. What does she do? What are her views? How does she suggest fixing the economic and social problems in Latin America? Present your findings to the class in the form of an oral report. (See link in the Resources section for help in speaking to a group.)

9. Research the National Civic Movement in Guatemala. What are its goals? How does the organization intend to achieve those goals? Has it had any success? Write an essay about the National Civic Movement in Guatemala.

10. Research and write a biography of Fidel Castro, Hugo Chavez, Nicolas Maduro, Evo Morales, Daniel Ortega, or Bernie Sanders. (See links in the Resources section for a guide to writing biographies.) As an alternative, produce a biographical slideshow. (See links in the Resources section for help in preparing a slideshow.)

12. Research and prepare a slideshow comparing life in a country with capitalism and life in a socialist country.

13. Write a persuasive essay (pro or con) about socialism. Be sure to address the opposing side of the argument in your essay. (See links in the Resources section for help in writing persuasive essays.

14. Read one of the articles or watch one of the videos in the Resources section and either write a summary of it or take Cornell Notes as you read the article or watch the video. (See links in the Resources section for help in taking Cornell Notes.

15. Read one of the books in the Resources section and write a book report. (See link in the Resources section for help in writing a book report.)

16. Write a tweet, poem, or song about socialism, food lines, or the lack of a free press in Latin American countries that have socialist leaders.

17. Show the class one of the videos in the Resources below and ask the students to relate the video to the Stossel video they just saw.

Resources:

Guides

How to write a biography:
- [http://homeworktips.about.com/od/biography/a/bio.htm](http://homeworktips.about.com/od/biography/a/bio.htm)

A good explanation of K-W-L, with a sample chart, and a chart for downloading:
- [http://www.readingquest.org/strat/kwl.html](http://www.readingquest.org/strat/kwl.html)

Also helpful for K-W-L:
- [https://www.teachingchannel.org/videos/structured-learning-teaching-tip](https://www.teachingchannel.org/videos/structured-learning-teaching-tip)

Think, Pair, Share

A brief explanation of the Think, Pair, Share instructional strategy, with examples:
- [http://www.readingquest.org/strat/tps.html](http://www.readingquest.org/strat/tps.html)

A video explanation of Think, Pair, Share:
- [https://www.teachingchannel.org/videos/think-pair-share-lesson-idea](https://www.teachingchannel.org/videos/think-pair-share-lesson-idea)

Conducting classroom debates:
- [http://712educators.about.com/cs/lessonss/ht/htdebate.htm](http://712educators.about.com/cs/lessonss/ht/htdebate.htm)

How to write a book report:

How to write a persuasive essay:
- [https://www.scribendi.com/advice/how_to_write_a_persuasive_essay.en.html](https://www.scribendi.com/advice/how_to_write_a_persuasive_essay.en.html)
For a clear, simple explanation of the Cornell note-taking system:
http://coe.jmu.edu/learningtoolbox/cornellnotes.html
http://www.bucks.edu/~specpop/Cornell-ex.htm

How to produce a man-on-the-street interview:
http://www.wikihow.com/Make-a-Man-on-the-Street-Interview

For help in speaking to a class:
https://www.hamilton.edu/oralcommunication/tips-for-effective-delivery

Preparing effective slideshow presentations:
http://www.ehow.com/how_5032561_prepare-effective-powerpoint-presentation.html
http://blog.synapsiscreative.com/the-info/7-big-powerpoint-mistakes-you-just-cant-afford-to-make

Articles
”The Antidote to Castro Apologists” by Fergus Hodgson
http://impunityobserver.com/2015/12/07/the-antidote-to-castro-apologists/

Blaming Socialism, US Media Distorts Venezuela’s Food Crisis

Chomsky: Latin American Socialists In Venezuela, Cuba, Brazil Have Failed To Build Sustainable Economies
https://www.youtube.com/watch?v=maHgtLp21Iw

”Cuba’s Rise and Fall in Half an Hour” by Fergus Hodgson
http://impunityobserver.com/2015/03/12/cubas-rise-and-fall-in-half-an-hour/

”How Bitcoin Is Undermining Socialism in Latin America” by Rodrigo Souza
http://reason.com/blog/2016/11/30/rodrigo-souza-bitcoin-venezuela-brazil

”It was once the richest country in Latin America. Now it’s falling apart” by Ioan Grillo
http://time.com/venezuela-brink/

”The Jury Is In: Latin America’s 21st Century Socialism Has Failed” by Rafael Ruiz Velasco
https://panampost.com/rafael-ruiz-velasco/2016/05/19/21st-century-socialism-has-failed/

”Latin America’s Right Turn” by Devon Haynie

”Socialism Is Dying Everywhere from Europe to South America — Except in the US” by Jim Hoft
http://www.thegatewaypundit.com/2016/05/socialism-dying-failing-everywhere-except-us/

”Socialist Policies Undoing Success of South America’s Strongest Economy” by Richard W. Rahn
“South America’s Last Bastion Of Socialism Is Falling To Pieces” by Kenneth Rapoza  
https://www.forbes.com/sites/kenrapoza/2017/03/02/south-americas-last-bastion-of-socialism-is-falling-to-pieces/#7732a0db2fd8

“What can Hispanics learn from socialism’s demise in Latin America?” by Israel Ortega  

Books

*Capitalism, Socialism, and Democracy* by Joseph A. Schumpeter  
Downloadable PDF version:  

*The Communist Manifesto* by Friedrich Engels and Karl Marx  
Downloadable versions:  
http://www.gutenberg.org/ebooks/61

*Democracy and Revolution: Latin America and Socialism Today* by D.L Raby

*Latin America’s Turbulent Transitions: The Future of Twenty-First Century Socialism*  
by Roger Burbach, Michael Fox, Federico Fuentes

*The Problem with Socialism* by Thomas DiLorenzo

*The Road to Serfdom* by Friedrich A. Hayek  

*Shining Path: The World’s Deadliest Revolutionary Force* by Simon Strong

*Socialism: An Economic and Sociological Analysis* by Ludwig von Mises  
Downloadable PDF version:  

*Socialism: Utopian and Scientific* by Friedrich Engels

Websites

Impunity Observer  
http://impunityobserver.com/author/fergus-hodgson/

Videos

Bernie vs. Milton—Can Socialism Solve America’s Economic Problems  
https://www.youtube.com/watch?v=s7Cs5GNRhDc&utm

Democratic Socialism is Still Socialism  
https://www.prageru.com/courses/political-science/democratic-socialism-still-socialism

It’s a Wonderful Loaf  
https://www.youtube.com/watch?v=IjULutAUL7o

How Socialism Ruined My Country  
https://www.prageru.com/courses/foreign-affairs/how-socialism-ruined-my-country

Socialism Makes People Selfish  
https://www.prageru.com/courses/political-science/socialism-makes-people-selfish
Death by Socialism

K-W-L Chart

Directions: Complete the K and W sections prior to watching the video. After you have seen the video, complete the L section and answer the two questions below the K-W-L chart.

<table>
<thead>
<tr>
<th>K</th>
<th>W</th>
<th>L</th>
</tr>
</thead>
<tbody>
<tr>
<td>What I know about socialism:</td>
<td>What I want to know about socialism:</td>
<td>What I’ve learned about socialism:</td>
</tr>
</tbody>
</table>

After watching the video and discussing it in class, did your views of socialism stay the same or change? _____
Why? ____________________________________________
______________________________________________
______________________________________________
Segment Length: 5:54 minutes

Lesson Description:

Does capitalism “suck”? Does socialism work better? Why do so many people support socialism? This segment looks at the effects of socialism in Venezuela and contrasts it to Chile, considered one of South America’s most prosperous countries.

Concepts and Key Terms:

Socialism — An economic system in which the production, distribution, and exchange of products and services is regulated or owned by government. Supporters argue that government control — control by “the people” — is in the best interests of the community as a whole.

Free Market — An economic system in which the provision of products and services is generally arranged by buyers and sellers without interference by government. Often used synonymously with capitalism, free enterprise, and laissez-faire.

Objectives:

Students will be able to:

• discuss political and economic changes that impacted Venezuela and Chile.
• compare and contrast conditions in Venezuela and Chile.
• weigh the effects of socialism and market reforms on a country and on the citizens of that country.

Preview Activity and Questions:

Have students answer the following question in their notebooks:

Do you ever complain about how “tough” life is for you at times? When do you tend to complain? Why then?

Use Think, Pair, Share to have students answer the preview question. Ask them to look for similarities and differences in their answers. After a few minutes, poll the students and ask them to explain their answers.

Viewing Guide:

It is recommended that teachers show the video segment twice: once to allow students to view the video and focus on the issues presented, and once to allow them time to complete the viewing guide. After they complete the viewing guide, allow students a few minutes to work in pairs sharing and verifying answers.

Answers to Viewing Guide:

1. free markets
2. four times
3. everything
4. America, Chile
5. collapse
Answers to Cloze Activity:

The story of Chile’s success starts in the mid-1970s, when Chile’s military government abandoned socialism and started to implement economic reforms. In 2013, Chile was the world’s 10th freest economy. Venezuela, in the meantime, declined from being the world’s 10th freest economy in 1975 to being the world’s least free economy in 2013 (Human Progress does not have data for the notoriously unfree North Korea).

1. As economic freedom increased, so did income per capita, which rose from being 31 percent of that in Venezuela to being 138 percent of that in Venezuela. Between 1975 and 2015, the Chilean economy grew by 287 percent. Venezuela’s shrunk by 12 percent.

2. As the economy expanded, so did health care. In 1975, Chile’s infant mortality rate was 33 percent higher than Venezuela’s. In 2015, almost twice as many infants died in Venezuela as those who died in Chile.


4. Moreover, more Chileans survive to old age than they do in Venezuela. As they enter their retirement, the people of Chile enjoy a private social security system that generates an average return of 10 percent per year (rather than the 2 percent generated by the government-run social security system in the United States).

5. Finally, as Chileans grew richer, they started demanding more say in running their country. Starting in the late 1980s, the military gradually and peacefully handed power over to elected representatives. In Venezuela, the opposite has happened. As failure of socialism became more apparent, the government had to resort to ever more repressive measures in order to keep itself in power.
Venezuela vs. Chile Viewing Guide

Directions: As you watch the video, fill in the blanks with the correct words.

1. As societies become prosperous, thanks to capitalism, the people enjoying that prosperity often don’t realize that their lives are pretty good only because of __________ __________.
2. Venezuela was once __________ __________ as rich as Chile; now Chile is twice as rich as Venezuela.
3. Free trade benefits everyone, even countries which are very good at producing __________.
4. This is what drives me crazy about people in __________ and __________. They don’t get it, despite how clear it is that the free market has done wonders for them.
5. People should have learned from the __________ of communism in Eastern Europe and they haven’t.

Now, take a few moments to reflect on the video and answer the questions below:

In the video, John Stossel said, “As societies become prosperous, thanks to capitalism, the people enjoying that prosperity often don’t realize that their lives are pretty good only because of free markets.” Do you agree? __________

Explain. __________________________________________________________
______________________________________________________________
______________________________________________________________

Why might people in the United States and in Chile support socialism when they can see the benefit of free markets within their own countries? ________________
______________________________________________________________
______________________________________________________________
______________________________________________________________

How might that relate to you complaining at times about how tough your life is? ________
______________________________________________________________
______________________________________________________________
Discussion and Analysis:

1. When we judge what people do, what they stand for, should we judge their intentions or the effects of the policies they advocate? Explain.

2. What countries have tried communism or socialism? How has it worked out?

3. Why would people in America, or in Chile, support socialism?

4. If capitalism is bad, why are so many people in America living better than most people in the world?

5. John Stossel said that fifty years ago, Chile was poor. How did it turn around?


7. How might socialism ruin a country’s economy?

8. Over the past 40 years, income in Venezuela fell by 21%, while in Chile, it rose 228%. Is this really just about economic systems? Are there any other possible explanations?

9. How does the phrase “Facts should dictate opinion, not the other way around” relate to the debate over socialism and capitalism?

10. To what does Marian Tupy attribute the decline in poverty throughout the world?


12. Marian Tupy said that free trade benefits everyone. Is trade a win-win deal? Doesn’t someone win and someone lose in a trade? If it were win-lose, why would people voluntarily trade if they were going to lose?

13. Considering what you know about socialism and capitalism, in which system do you think people are most free? Why? Is freedom more important than being equal? Why / Why not?

14. We heard that life expectancy in Chile is eight years longer than in Venezuela. What impact does the type of government and the type of economic system have on how long people live? According to the World Bank, people in South Korea live 12 years longer than people in North Korea. Do you see a pattern?

15. According to Marian Tupy, “The advocates of small government have dropped the ball. They assumed that the great accomplishments of the Chilean economy would speak for themselves.” Why is that? Why don’t people who benefit under freedom and free markets realize how good they have it?

16. What did Marian Tupy mean when he said that people should have learned from the collapse of communism in Eastern Europe?

Discuss These Lines from the Video:

1. Capitalism sucks.

2. At a Bernie Sanders rally, notice the Soviet flag. Don’t progressives know that the Soviet Union failed because it was awful for people?

3. The communists did destroy the market and ran the economy into the ground. That led to violence, much like what we see in Venezuela now.
4. With the age of globalization over the last forty years, we have seen a dramatic decline in poverty, absolute poverty across the world. When President Reagan became president of the United States in 1981, 80% of people in East Asia lived in absolute poverty, which is to say on less than $2 a day. Today, 4% do.

5. You can see the massive difference in Chile and Venezuela over 40 years. In Venezuela, income fell by 21%. In Chile, it rose 228%.

6. With less state control, everything gets better. Life expectancy is longer in Chile, there’s less crime.

7. The advocates of small government have dropped the ball.

8. Why do we have to explain it to people? It’s just visible.

9. It is very fascinating that the collapse of Venezuela has not had more of an impact on the left and really destroying the mythology around socialist economics.

10. People should have learned from the collapse of communism in Eastern Europe and they haven’t.

Quotes for Discussion

Socialism in general has a record of failure so blatant that only an intellectual could ignore or evade it.

— Thomas Sowell

The reason socialism has failed around the world every time it’s been tried is because people in socialist countries have looked at the United States and have said if they can have it that good, we can. It’s a failed, flawed ideology, but if you ask socialists why it’s always failed, it’s because the United States has stood in the way.

— Brad Thor

We need to reduce extreme consumption to achieve a point of equilibrium between supply and a fair price. I trust in the hardworking majority of this country.

— Nicolas Maduro

Socialism is a philosophy of failure, the creed of ignorance, and the gospel of envy, its inherent virtue is the equal sharing of misery.

— Winston Churchill

I believe that all forms of socialism have been proven over time to result in a loss of both economic and civil liberties, with increasing poverty.

— John Mackey

Socialism states that you owe me something simply because I exist. Capitalism, by contrast, results in a sort of reality-forced altruism: I may not want to help you, I may dislike you, but if I don’t give you a product or service you want, I will starve. Voluntary exchange is more moral than forced redistribution.

— Ben Shapiro

The reason this country continues its drift toward socialism and big nanny government is because too many people vote in the expectation of getting something for nothing, not because they have a concern for what is good for the country.

— Lyn Nofziger
Capitalism has worked very well. Anyone who wants to move to North Korea is welcome.

— Bill Gates

I have said it already, I am convinced that the way to build a new and better world is not capitalism. Capitalism leads us straight to hell.

— Hugo Chavez

Activities:

1. Have students complete the Cloze activity (page 61) in class or for homework.
2. Show the class the Death by Socialism video segment on this DVD to give students a better understanding on the problems in Venezuela.
3. Distribute individual quotes from the Quotes for Discussion section to pairs of students. Have the students discuss the meaning of the quote, and write the meaning on the back of the quote. Collect the quotes and the students’ explanations as an exit ticket.
4. Conduct a classroom debate on the topic, Venezuela vs. Chile. To get students to look at socialism from a different perspective, consider having them argue from a view with which they disagree. Students should be given time to research their position prior to debating. Students should research the government economic system, freedom, and economy of each country, (See link in the Resources section for a guide to conducting classroom debates.)
5. Produce a “man-on-the-street” video in which you ask people if they would prefer to live in Venezuela or Chile, and why. (See links in the Resources section for help in producing man-on-the-street videos.)
6. Research and write a biography of Salvador Allende, the Marxist president of Chile from 1970 to 1973, or Augusto Pinochet, the Chilean general who ousted Allende and took control of the government in a coup d’état. (See links in the Resources section for a guide to writing biographies.)
7. Research the group of free market Chilean economists known as the Chicago Boys, and write a report about them and the influence they had in Chile and elsewhere in Latin America.
8. Marian Tupy is editor of HumanProgress.org. What information is available? What can we learn from it? What is their goal in publishing the information on the website? Research the humanprogress.org website and show the class some of the more interesting information available on the site.
   [http://humanprogress.org](http://humanprogress.org)
9. Milton Friedman won a Nobel Prize in economics in 1976. His ideas are credited with Augusto Pinochet’s economic reforms in Chile. Research and write a biography of Milton Friedman, or research his involvement in those economic reforms. (See links in the Resources section for a guide to writing biographies.) As an alternative, produce a biographical slideshow. (See links in the Resources section for help in preparing a slideshow.)
10. José Piñera was one of the Chicago Boys. He went on to serve in various positions in the government under Augusto Pinochet. He is best known as the architect of Chile’s private pension system. Research and write a biography of José Piñera, with emphasis
on the reforms he carried out in Chile. (See links in the Resources section for a guide to writing biographies.)

11. Your Life in Numbers is a website by Marian Tupy and HumanProgress.org. Try it. Enter your information and choose a second country for comparison purposes. Then, enter your birth year and select Venezuela and Chile. How have the two countries changed since you were born? Which of those countries would you have rather been born in? Write a persuasive essay explaining your choice.

http://yourlifeinnumbers.org/

12. Read and summarize the paper, “Friedman’s two visits to Chile in context,” by Leonidas Montes. The paper explores Milton Friedman’s visits to Chile in March 1975 and November 1981.

13. Research and write a biography of Fidel Castro, Hugo Chavez, or Nicolas Maduro. (See links in the Resources section for a guide to writing biographies.) As an alternative, produce a biographical slideshow. (See links in the Resources section for help in preparing a slideshow.)

14. Research and prepare a slideshow comparing life in Chile with life Venezuela. (See links in the Resources section for help in preparing a slideshow.)

15. Read one of the articles in the Resources section and either write a summary of it or take Cornell Notes as you read the article or watch the video. (See links in the Resources section for help in taking Cornell Notes.)

16. Read one of the books in the Resources section and write a book report. (See link in the Resources section for help in writing a book report.)

Resources:

Guides
A good explanation of K-W-L, with a sample chart, and a chart for downloading:

http://www.readingquest.org/strat/kwl.html

Also helpful for K-W-L:

https://www.teachingchannel.org/videos/structured-learning-teaching-tip

Think, Pair, Share
A brief explanation of the Think, Pair, Share instructional strategy, with examples:

http://www.readingquest.org/strat/tps.html

A video explanation of Think, Pair, Share:

https://www.teachingchannel.org/videos/think-pair-share-lesson-idea

Conducting classroom debates:

http://712educators.about.com/cs/lessonsss/ht/htdebate.htm
http://busyteacher.org/7245-conducting-class-debate-essential-tips.html

How to write a biography:

http://www.infoplease.com/homework/wsbiography.html
http://homeworktips.about.com/od/biography/a/bio.htm
How to write a book report:
http://www.infoplease.com/homework/wsbookreportsh.html

How to write a persuasive essay:
https://www.scribendi.com/advice/how_to_write_a_persuasive_essay.en.html

How to produce a man-on-the-street interview:
http://www.wikihow.com/Make-a-Man-on-the-Street-Interview

For a clear, simple explanation of the Cornell note-taking system:
http://coe.jmu.edu/learningtoolbox/cornellnotes.html
http://www.bucks.edu/~specpop/Cornell-ex.htm

For help in speaking to a class:
https://www.hamilton.edu/oralcommunication/tips-for-effective-delivery

Preparing effective slideshow presentations:
http://www.ehow.com/how_5032561_prepare-effective-powerpoint-presentation.html
http://blog.synapsiscreative.com/the-info/7-big-powerpoint-mistakes-you-just-cant-afford-to-make

Articles

“5 Ways Capitalist Chile is Much Better Than Socialist Venezuela” by Marian Tupy
http://reason.com/archives/2016/05/24/5-ways-capitalist-chile-is-much-better-t

“40 Years Later: Milton Friedman’s Legacy in Chile” by José Niño

“The Antidote to Castro Apologists” by Fergus Hodgson
http://impunityobserver.com/2015/12/07/the-antidote-to-castro-apologists/

“The Boys Who Got to Remake an Economy” by Tania Opazo
They embraced free-market economics in America. Then Chile’s dictator let them transform an entire society.

“Chile Is Thriving—So Why Is Socialism Rising?” by Marian L. Tupy
https://fee.org/articles/chile-is-thriving-so-why-is-socialism-rising/

“Chile’s Capitalist Oppression Versus Venezuela’s Socialist Incompetence: Toilet Paper Edition” by Tim Worstall

“The Experiment: Capitalism versus Socialism” by David R. Legates
What if we could have an experiment to compare the two systems? Wait—we already did.
“How Bitcoin Is Undermining Socialism in Latin America” by Rodrigo Souza
http://reason.com/blog/2016/11/30/rodrigo-souza-bitcoin-venezuela-brazil

“The Jury Is In: Latin America’s 21st Century Socialism Has Failed” by Rafael Ruiz Velasco
https://panampost.com/rafael-ruiz-velasco/2016/05/19/21st-century-socialism-has-failed/

“Latin America’s Right Turn” by Devon Haynie

“The Other September 11: The Legacy of Chilean Socialism and Salvador Allende” by Roger Burbach

“Socialism Is Dying Everywhere from Europe to South America—Except in the US” by Jim Hoft
http://www.thegatewaypundit.com/2016/05/socialism-dying-failing-everywhere-except-us/

“Socialist Policies Undoing Success of South America’s Strongest Economy” by Richard W. Rahn

“South America’s Last Bastion Of Socialism Is Falling To Pieces” by Kenneth Rapoza
https://www.forbes.com/sites/kenrapoza/2017/03/02/south-americas-last-bastion-of-socialism-is-falling-to-pieces/#7732a0db2fd8

“It was once the richest country in Latin America. Now it’s falling apart” by Ioan Grillo
http://time.com/venezuela-brink/

“What Pinochet Did for Chile” by Robert A. Packenham, William Ratliff
http://www.hoover.org/research/what-pinochet-did-chile

“What can Hispanics learn from socialism’s demise in Latin America?” by Israel Ortega

Books

Capitalism, Socialism, and Democracy by Joseph A. Schumpeter
Downloadable PDF version:

Challenging Neoliberalism: Globalization and the Economic Miracles in Chile and Taiwan
by Cal Clark and Evelyn A. Clark

Chile: Underside of Economic Miracle by Ovide Bastien

The Communist Manifesto by Friedrich Engels and Karl Marx
Downloadable versions:
http://www.gutenberg.org/ebooks/61

Democracy and Revolution: Latin America and Socialism Today by D.L Raby

Latin America’s Turbulent Transitions: The Future of Twenty-First Century Socialism
by Roger Burbach, Michael Fox, Federico Fuentes

The Problem with Socialism by Thomas DiLorenzo
The Road to Serfdom by Friedrich A. Hayek

Socialism: An Economic and Sociological Analysis by Ludwig von Mises
Downloadable PDF version:

Socialism: Utopian and Scientific by Friedrich Engels

Video
“Chomsky: Latin American Socialists In Venezuela, Cuba, Brazil Have Failed To Build Sustainable Economies”
https://www.youtube.com/watch?v=maHgtLp21Iw

Websites
HumanProgress.org
http://humanprogress.org

Unbiased America
http://www.unbiasedamerica.com/media/capitalism-vs-socialism-chile-vs-venezuela

Your Life in Numbers
http://yourlifeinnumbers.org/

The North American Congress on Latin America (NACLA)
http://nacla.org/
Venezuela vs. Chile Cloze Activity

Directions: Read the entire passage first. Then fill in the blanks with words from the box.

<table>
<thead>
<tr>
<th>mortality</th>
<th>economy</th>
<th>retirement</th>
<th>least</th>
</tr>
</thead>
<tbody>
<tr>
<td>income</td>
<td>expectancy</td>
<td>socialism</td>
<td>military</td>
</tr>
<tr>
<td>twice</td>
<td>opposite</td>
<td>freest</td>
<td>representatives</td>
</tr>
</tbody>
</table>

The story of Chile’s success starts in the mid-1970s, when Chile’s ____________ government abandoned ____________ and started to implement economic reforms. In 2013, Chile was the world’s 10th freest economy. Venezuela, in the meantime, declined from being the world’s 10th ____________ economy in 1975 to being the world’s ____________ free economy in 2013 (Human Progress does not have data for the notoriously unfree North Korea).

1. As economic freedom increased, so did ____________ per capita, which rose from being 31 percent of that in Venezuela to being 138 percent of that in Venezuela. Between 1975 and 2015, the Chilean ____________ grew by 287 percent. Venezuela’s shrunk by 12 percent.

2. As the economy expanded, so did health care. In 1975, Chile’s infant ____________ rate was 33 percent higher than Venezuela’s. In 2015, almost ____________ as many infants died in Venezuela as those who died in Chile.

3. With declining infant mortality and improving standard of living came a steady increase in life ____________. In 1975, Venezuelans lived longer than Chileans. In 2014, a typical Chilean lived over 7 years longer than the average Venezuelan.

4. Moreover, more Chileans survive to old age than they do in Venezuela. As they enter their ____________, the people of Chile enjoy a private social security system that generates an average return of 10 percent per year (rather than the 2 percent generated by the government-run social security system in the United States).

5. Finally, as Chileans grew richer, they started demanding more say in running their country. Starting in the late 1980s, the military gradually and peacefully handed power over to elected ____________. In Venezuela, the ____________ has happened. As failure of socialism became more apparent, the government had to resort to ever more repressive measures in order to keep itself in power.

This Cloze Activity is adapted from “5 Ways Capitalist Chile is Much Better Than Socialist Venezuela” by Marian Tupy
http://reason.com/archives/2016/05/24/5-ways-capitalist-chile-is-much-better-t
Segment Length: 6:20 minutes

Lesson Description:

Are robots and self-driving cars the way of the future? Will robots take people’s jobs? Will we really be able to relax as the car does the work? Is that safe? Will there be any jobs left to go to anyway? This segment looks at the development, use, and impact of robots and self-driving cars.

Vocabulary:

*Archaic*—(adj.) antiquated; no longer appropriate for modern times

Concepts & Key Terms:

*Creative Destruction*—The process of disruptive innovation, where new technologies, products, or services cause the demise or destruction of established technologies, products, or services.

Objectives:

Students will be able to:

- discuss impending innovations of self-driving cars and robots.
- explain the benefits and drawbacks of self-driving cars and robots.
- evaluate the effects of technological innovations, such as self-driving cars and robots, on the way people live.

Preview Activity and Questions:

Have students answer the following questions in their notebooks:

Would you go for a ride in a self-driving car? Why/ Why not?

Use Think, Pair, Share to have students answer the preview question. After a few minutes, poll the students. Ask the students to discuss their answers.

Viewing Guide:

It is recommended that teachers show the video segment twice: once to allow students to view the video and focus on the issues presented, and once to allow them time to complete the viewing guide. After they complete the viewing guide, allow students a few minutes to work in pairs sharing and verifying answers.

Answers to Viewing Guide:

1. decisions
2. human error
3. regulators
4. rescue soldiers
5. innovation
6. ecosystem
Robots & Driverless Cars Viewing Guide

Directions: As you watch the video, fill in the blanks with the correct words.

1. It takes time to get comfortable with having the car make ____________.

2. Safety is the big reason we should welcome these cars. Ninety-four percent of people killed in car crashes are killed because of ____________ ____________.

3. But soon, if ____________ allow it, technology will let us relax in our cars, and that could change our lives. It will save lives and create more relaxing commutes.

4. The military is making all kinds of robots. They call this one “the wildcat.” These will soon deliver supplies or ____________ ____________. Some robots will be used to kill.

5. Whenever there’s been ____________, experts predict that employment will decline. But the experts can’t imagine the new jobs.

6. Look back at horses and buggies. We saw the car displacing the horses, buggies, and buggy whips, but we don’t lament that passage, do we? The blacksmiths of old probably had to figure out something else to do. They all found jobs. The economy evolves; it’s an evolving ____________.

Now, take a few moments to reflect on the video and answer the questions below:

In this video segment, we saw self-driving cars, robots that could be used by the military, and robots at work in hotels. In what other jobs could robots be used? ________________

___________________

___________________

___________________

___________________

Should we be worried? Why / why not? ________________

___________________

___________________

___________________

___________________
Discussion and Analysis:

1. How are self-driving cars and robots creating and destroying at the same time? Is this concept, called creative destruction, new to the technological era in which we live? Explain.

2. Why would someone want to travel in a self-driving car?

3. Should businesses be allowed to produce self-driving cars? Should government let them? Should people be allowed to purchase and drive self-driving cars? Should government let them?

4. Just what is the role of government in all of this? What is the role of government, period?

5. Do you have faith in your own abilities to drive safely? What about other drivers? Do you have faith in them?

6. If self-driving cars reduce human error, wouldn’t you be safer from other drivers’ mistakes or bad driving?

7. While in the self-driving car, John Stossel used words such as scared and terrifying. What matters more, that you seem more safe or that you are more safe?

8. John Stossel said during the video that computers crash. They do. So what then? And what about hackers?

9. Will robots take many jobs from people? What kinds of jobs? What will happen to the people who lose their jobs?

10. Imagine military robots. How might they change the way countries act toward each other? How might robots change how countries fight wars?

11. With robot combatants, do you think countries would be more willing, less willing, or just as willing to fight wars?

12. Would you be bothered dealing with robots in hotels? What are the benefits? What are the drawbacks?

13. Do technological innovations cause some people to lose their jobs? What examples do you have? Do technological innovations help create jobs? What examples do you have?

14. Max Borders said in the video that “the economy evolves; it’s an evolving ecosystem.” What does he mean? Do you agree? What happens if we try to stop it from evolving?

Discuss These Lines from the Video:

1. New York’s archaic laws forbid taking both hands off the wheel.

2. This is not natural but it does work. It drives itself and it’s safer than me.

3. But soon, if regulators allow it, technology will let us relax in our cars, and that could change our lives. It will save lives and create more relaxing commutes.

4. I could imagine an ad saying “computers crash. You’re going to trust your life to a machine?”

5. The military is making all kinds of robots. They call this one “the wildcat.” These will soon deliver supplies or rescue soldiers. Some robots will be used to kill.
6. This dinosaur is a front desk clerk, chosen to appeal to kids. They have all types. Another robot stores your luggage for you. This one takes it to your room. And when you get there, there’s no key. The door recognizes your face through facial recognition software.

7. Those savings will bring new opportunity. Don’t believe it? Well, remember that 200 years ago, most Americans worked on farms.

8. A lot of people lost their jobs for a little bit of time, but then they found new jobs and they found jobs doing things that were more productive. And that’s how our economy grows.

9. Look back at horses and buggies. We saw the car displacing the horses, buggies, and buggy whips, but we don’t lament that passage, do we? The blacksmiths of old probably had to figure out something else to do.

10. The economy evolves; it’s an evolving ecosystem.

Quotes for Discussion:

“We are on the eve of innovations whose scope cannot be foreseen.”

— Ludwig von Mises

“We humans have a love-hate relationship with our technology. We love each new advance and we hate how fast our world is changing... The robots really embody that love-hate relationship we have with technology.”

— Daniel H. Wilson

“If you asked Americans back in the early 1900s their opinions about daily transportation needs, they’d have said they wanted faster horses that ate less food.”

— Gary Shapiro

“It’ll be an order of magnitude safer than a person. In fact, in the distant future, I think [...] people may outlaw driving cars, because it’s too dangerous. You can’t have a person driving a two-ton death machine.”

— Elon Musk

“Seniors can keep their freedom even if they can’t keep their car keys. And drunk and distracted driving? History.”

— Chris Urmson

“I think [autonomous driving]’s just going to become normal. Like an elevator. They used to have elevator operators, and then we developed some simple circuitry to have elevators just come to the floor that you’re at, you just press the button.”

— Elon Musk

“After a lifetime of driving, repairing, and studying automobiles, I have come to an unavoidable conclusion – we are the weakest link in a car. As car components go, human beings are deeply substandard – we have imperfect perception, we are ruled by emotion, and we vary wildly in quality.”

— Peter Cheney

“Google is working on self-driving cars, and they seem to work. People are so bad at driving cars that computers don’t have to be that good to be much better.”

— Marc Andreessen
I like the word ‘autopilot’ more than I like the word ‘self-driving.’ ‘Self-driving’ sounds like it’s going to do something you don’t want it to do. ‘Autopilot’ is a good thing to have in planes, and we should have it in cars.

— Elon Musk

The self-driving car is coming. And right now, our best supply of organs come from car accidents... Once we have self-driving cars, we can actually reduce the number of accidents, but the next problem then would be organ replacement.

— Bre Pettis

If you look at it from just a pure economic basis, technology is replacing all of the jobs robots can do, and machinery is replacing the jobs that humans once held. If we don’t train our children to imagine, to create, they’re going to be unemployable.

— Erwin McManus

The job market of the future will consist of those jobs that robots cannot perform. Our blue-collar work is pattern recognition, making sense of what you see. Gardeners will still have jobs because every garden is different. The same goes for construction workers. The losers are white-collar workers, low-level accountants, brokers, and agents.

— Michio Kaku

Activities:
1. Have students complete the K-W-L chart graphic organizer (page 71).
2. Have students complete the PMI chart graphic organizer (page 72).
3. Have students complete the Exit Ticket (page 73).
4. Distribute individual quotes from the Quotes for Discussion section to pairs of students. Have the students discuss the meaning of the quote and write the meaning on the back. Have students present the quotes and their explanations or collect them as an exit ticket.
5. Show the class one of these bonus videos on the DVD: Economics Made the World Great, Elijah McCoy, or Hockey Stick of Human Prosperity. Ask the students to relate the bonus video to the Robots and Driverless Cars segment.
6. Read one of the articles in the Resources section. Then write a summary using Cornell (two-column) notes. (See link in the Resources section for help in taking Cornell notes.)
7. Research the efforts by car companies to produce self-driving cars. How much money are these companies investing in this effort? Why? Are any car companies not developing them? If so, why aren’t they? Report your findings to the class in a slideshow. (See link in the Resources section for help in preparing a slideshow.)
8. What are the laws in your state regarding self-driving cars? Have those laws changed recently? Are there proposals to change them? Research and write an essay about this topic.
9. Are there any federal regulations regarding driverless cars? If so, what are they? What are the arguments for and against national regulations regarding self-driving cars rather than state regulations?
10. Research robots already in use in the military. What are they used for? What can they be used for? What robots are being developed for future use? Report your findings to the
class in a slideshow. (See link in the Resources section for help in preparing a slideshow.)

11. In groups, research arguments for and against self-driving cars or the use of robots in the military. Then, conduct a classroom debate. (See link in the Resources section for a guide to conducting classroom debates.)

12. Research and write an essay about the Australian Taxpayers Alliance, whose video mocking government protecting jobs by stifling technology appeared at the end of the Stossel video segment, Robots and Driverless Cars.

13. Watch one of the videos listed in the Resources section. Then, write an essay about the video.

14. Write a tweet, poem, or song about the benefits or drawbacks of robots, robots in the military, self-driving cars, or any related topic.

15. Produce a “man-on-the-street” video in which you ask people if they support the development and use of self-driving cars or the use of robots in the workforce. Be sure to ask them to explain their answers. (See links in the Resources section for help in producing man-on-the-street videos.)

16. Research and decide if you support or oppose self-driving cars or the use of robots in the military. Then write a persuasive essay arguing your position. (See links in the Resources section for help in writing persuasive essays.) As an alternative, write and deliver a speech to the class in which you try to persuade the other students to agree with your position. (See links in the Resources section for help in speaking to a class.)

Resources:

Guides
A good explanation of K-W-L, with a sample chart, and a chart for downloading:
http://www.readingquest.org/strat/kwl.html

Also helpful for K-W-L:
https://www.teachingchannel.org/videos/structured-learning-teaching-tip

Think, Pair, Share
A brief explanation of the Think, Pair, Share instructional strategy, with examples:
http://www.readingquest.org/strat/tps.html

A video explanation of Think, Pair, Share:
https://www.teachingchannel.org/videos/think-pair-share-lesson-idea

Conducting classroom debates:
http://712educators.about.com/cs/lessonsss/ht/htdebate.htm
http://busyteacher.org/7245-conducting-class-debate-essential-tips.html

How to write a book report:
http://www.infoplease.com/homework/wsbookreportths.html

How to write a persuasive essay:
https://www.scribendi.com/advice/how_to_write_a_persuasive_essay.en.html
How to produce a man-on-the-street interview:
http://www.wikihow.com/Make-a-Man-on-the-Street-Interview

For a clear, simple explanation of the Cornell note-taking system:
http://coe.jmu.edu/learningtoolbox/cornellnotes.html
http://www.bucks.edu/~specpop/Cornell-ex.htm

For help in speaking to a class:
https://www.hamilton.edu/oralcommunication/tips-for-effective-delivery

Preparing effective slideshow presentations:
http://www.ehow.com/how_5032561_prepare-effective-powerpoint-presentation.html
http://blog.synapsiscreative.com/the-info/7-big-powerpoint-mistakes-you-just-cant-afford-to-make

Articles

“Are Robots Going to Steal Our Jobs?” by Ronald Bailey
http://reason.com/archives/2017/06/06/are-robots-going-to-steal-our

“Elon Musk Describes the Future of Self-Driving Cars” by Sean Hollister

“Elon Musk Is Wrong about Artificial Intelligence and the Precautionary Principle” by Ronald Bailey
http://reason.com/blog/2017/07/18/elon-musk-is-wrong-about-artificial-inte

“The hype over driverless cars: is it overdone?” by Nicholas Carr
http://fortune.com/2015/02/18/the-hype-over-driverless-cars-is-it-overdone/

http://reason.com/archives/2017/06/14/let-driverless-car-innovatorsnot-bureauc

“The Military Wants to Teach Robots Right From Wrong” by Patrick Tucker
https://www.theatlantic.com/technology/archive/2014/05/the-military-wants-to-teach-robots-right-from-wrong/370855/

“The Myth of Technological Unemployment” by Deirdre Nansen McCloskey

“Poll reveals fear of travel in self-driving cars” by Detroit Free Press staff

“Robot cars won’t retire crash-test dummies anytime soon” by The Insurance Institute for Highway Safety
http://www.iihs.org/iihs/sr/statusreport/article/51/8/1

“Safety Advocates Urge Congress to Go Slow on Driverless Cars” by Ryan Beene
“Robots don’t get drunk or drowsy, so why hold up driverless cars?”
by Adam Thierer and Caleb Watney

“US Army Wants Robot Medics To Carry Wounded Soldiers Out Of Battle”
by Kelsey D. Atherton
http://www.popsci.com/army-wants-robot-medics

“‘You’re killing people’: Elon Musk attacks critics of self-driving cars”
by Cara McGoogan

“Why Self-Driving Cars Must Be Programmed to Kill” from MIT Technology Review

Books

Driverless: Intelligent Cars and the Road Ahead by Hod Lipson and Melba Kurman
Driverless Cars: Trillions Are Up For Grabs by Chunka Mui
Hands Off: The Future of Self-Driving Cars by Science, and Transportation United States Senate Committee on Commerce (Author)
Life As A Passenger: How Driverless Cars Will Change the World by David Kerrigan
Mighty Military Robots by William N Stark
Military Robots by Barbara Alpert
Military Robots: Mapping the Moral Landscape (Military and Defence Ethics) by Jai Galliott
Self-Driving Cars: “The Mother of All AI Projects” by Dr. Lance B. Eliot
Self-Driving Cars by Katie Marsico
Singularity Rising: Surviving and Thriving in a Smarter, Richer, and More Dangerous World by James D. Miller
Still Unsafe At Any Speed: Enter: The Driverless Car by Mark Parsons

Videos

ALL Obsolete Industries Deserve The Taxi Bailout! (Australian Taxpayers Alliance)
https://www.youtube.com/watch?v=_tjZchYXMmA

Everyone’s Space

Inventing the Future

Military Robots
https://www.youtube.com/watch?v=5FFkDV2NKEY

The Paradox of Progress
Robots and Driverless Cars K-W-L Chart

**Directions:** Complete the **K** and **W** sections prior to watching the video. After you have seen the video, complete the **L** section and answer the two questions below the K-W-L chart.

<table>
<thead>
<tr>
<th>K</th>
<th>W</th>
<th>L</th>
</tr>
</thead>
<tbody>
<tr>
<td>What I know about robots and driverless cars:</td>
<td>What I want to know about robots and driverless cars:</td>
<td>What I’ve learned about robots and driverless cars:</td>
</tr>
</tbody>
</table>

After watching the video and discussing it in class, are you more excited about the use of robots and driverless cars or more scared? ______________ Why? ____________________________________________

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Robots and Driverless Cars PMI Chart

P = Plus: What are some positive effects of robots and driverless cars?
M = Minus: What are some negative effects of robots and driverless cars?
I = Interesting: What are some interesting aspects of robots and driverless cars?

<table>
<thead>
<tr>
<th>+ Plusses +</th>
<th>- Minuses -</th>
<th>I</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Will robots and driverless cars do more harm than good? ____________________________________________

Explain: ____________________________________________
____________________________________________________
____________________________________________________
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Why do some people oppose technological innovations?

What I think:

EXIT TICKET
Segment Length: 6:01 minutes

Lesson Description:
How are technological innovations changing the way we find talent? How does it affect the way people earn money? This segment looks at the way YouTube has changed the way performers are discovered and paid.

Concepts & Key Terms:

Creative Destruction — The process of disruptive innovation, where new technologies, products, or services cause the demise or destruction of established technologies, products, or services.

Disruptive Innovation — The development of a new product, service, or process that disrupts an existing market and displaces an earlier technology.

Objectives:
Students will be able to:
• discuss the importance of technological innovation on our lives.
• explain how YouTube allows content creators and consumers to bypass gatekeepers who previously limited access.
• evaluate the effects of content providers appealing directly to consumers.

Preview Activity and Questions:
Have students answer the following questions in their notebooks:
Have you used YouTube? For what purpose? Have you recommended YouTube videos to others? Which videos? Why?
Use Think, Pair, Share to have students answer the preview question.

OR
Have students work in pairs to develop definitions for the terms in Concepts & Key Terms above.

For either activity, poll the students after a few minutes to discuss their answers.

Viewing Guide:
It is recommended that teachers show the video segment twice: once to allow students to view the video and focus on the issues presented, and once to allow them time to complete the viewing guide. After they complete the viewing guide, allow students a few minutes to work in pairs sharing and verifying answers.

Answers to Viewing Guide:

1. bake
2. content
3. video games
4. investors
5. Today
6. audience
7. consumers
YouTube: Now, We’re the Gatekeepers Viewing Guide

Directions: As you watch the video, fill in the blanks with the correct words.

1. Rosanna did not plan to __________ for a living.

2. It was the first time I ever went to Target and I got recognized by a gal who worked at the store. She said, “I love the __________ you’re creating. It makes me and my daughter so happy. You inspired her to start baking.”

3. This Swedish guy named PewDiePie makes $12 million, just by talking while playing __________ __________.

4. The YouTube platform is such a good platform for people who are starting out who want to create content and don’t have __________.

5. It costs money to market your album. It costs money to put your song on the radio. __________ you can get your album to millions of people around the world with just the click of a button.

6. This direct connection with the __________ threatened the music industry.

7. It’s a golden age of music for __________ right now.

Now, take a few moments to reflect on the video and answer the questions below:

What does the term “gatekeepers” mean and how does it apply to this video segment?

________________________________________________________________________

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Discussion and Analysis:

1. Why did Rosanna Pansino post baking videos? Why did people watch?
2. GloZell Green said she isn’t that funny and wasn’t doing so well as a standup comedian, but that YouTube saved her life because people saw her and thought she was great. When this Stossel segment aired in February 2016, GloZell was making $50,000 a year. How is that possible?
4. In 2017, Justin Bieber earned about $80 million. And it started with a YouTube video.
5. What do Rosanna, Glozell, PewDiePie, Justin Bieber, and Lindsey Stirling have in common?
6. Max Borders says of people becoming YouTube sensations, “That is when the crowd decides.” Does that differ from the past? How so?
7. How do YouTube sensations reduce the influence on gatekeepers?
8. These changes are called disruptive innovations. Why disruptive?
9. According to John Stossel, YouTube keeps about 40% of the money. Rosanna said that was fine. Why would she and other YouTube celebrities be fine with that? If they weren’t, what options would they have?
10. Steve Knopper said that YouTube is a new way to discover unknown talent. How does one discover unknown talent on YouTube?
11. We learned in the video that when downloading services first started, the music industry sued. Why?
12. If people now pay less money for music because much it is streamed, who does that help? Who does it hurt? How does this relate to creative destruction?
13. Steve Knopper said that this is a golden age of music for consumers right now. How so?

Discuss These Lines from the Video:

1. YouTube has saved my life because I was doing standup and it was not going well ‘cause I’m not that funny, but on the internet in a couple of minutes people are like, “Oh she’s great!”
2. This Swedish guy named PewDiePie makes $12 million dollars just by talking while playing video games. He leads Forbes list of highest earning YouTube stars.
3. YouTube keeps about 40 percent of the money.
4. This is a new way to discover unknown talent.
5. YouTube is the great equalizer right now.
6. It used to be there were gatekeepers, some fat guy with a cigar who said you got to please me, maybe sleep with me to get the record out.
7. Look at Lindsey Stirling. She plays the violin. Imagine her showing up at one of the big music studios in New York and saying, “Hey, please can I get a record deal? I’m really good at violin.”

8. The new thing is streaming... which pays musicians just a fraction of a penny per stream.

9. It’s a very diminished business than what it was 10 or 15 years ago absolutely. However, there are many more opportunities for younger bands, littler bands to get big.

10. We have all the music we could ever want for free or for a minimal price at our fingertips on our mobile devices. It’s a golden age of music for consumers right now.

Quotes for Discussion:

The thing that has made YouTube so successful is that you can relate to the people you’re watching to a much higher degree than to the people you see on TV.

— PewDiePie

I always believed in the YouTube community and myself. I saw something there. The most difficult thing was others not believing in me. I had a lot of friends in Los Angeles who really thought I was crazy for leaving a steady acting job to start on YouTube.

— Rosanna Pansino

YouTube – holy cow! – I can do my career at my own pace. I didn’t have anybody to tell me I wasn’t ready, and I learned how to self-market and how to strategize. “Spontaneous Me” had already been up on iTunes, but besides my mom and grandma, no one bought it. Once it was up on YouTube, it went crazy.

— Lindsey Stirling

There’s no good idea that cannot be improved on.

— Michael Eisner

We are on the eve of innovations whose scope cannot be foreseen.

— Ludwig von Mises

Every new thing creates two new questions and two new opportunities.

— Jeff Bezos

Distribution has really changed. You can make a record with a laptop in the morning and have it up on YouTube in the afternoon and be a star overnight. The talent on YouTube is incredible, and it can spread like wildfire. The downside is that it’s very hard to convince the younger generation that they should pay for music.

— Bonnie Raitt

The new artist is meeting the general public before they meet the record company. They’re able to put the material on YouTube and have a million views before they even meet an executive at a record company, and get the deal based on that.

— Curtis Jackson

I cannot help fearing that men may reach a point where they look on every new theory as a danger, every innovation as a toilsome trouble, every social advance as a first step toward revolution, and that they may absolutely refuse to move at all.

— Alexis de Tocqueville
Never before in history has innovation offered promise of so much to so many in so short a time.

— Bill Gates

Meaningful innovation does not need to be based on outright invention. Rather, there is an exhilarating shortcut. It is based on bold, new combinations of already existing components that simultaneously unlock heightened levels of consumer value and reduce costs.

— Gabor George Burt

Learning and innovation go hand in hand. The arrogance of success is to think that what you did yesterday will be sufficient for tomorrow.

— William Pollard

If you always do what you always did, you will always get what you always got.

— Albert Einstein

You can’t just ask customers what they want and then try to give that to them. By the time you get it built, they’ll want something new.

— Steve Jobs

Innovation is the specific instrument of entrepreneurship, the act that endows resources with a new capacity to create wealth.

— Peter Drucker

No matter how well you perform, there’s always somebody of intelligent opinion who thinks it’s lousy.

— Sir Laurence Olivier

Activities:

1. Have students complete the Created and Disrupted graphic organizer (page 83).
2. Distribute individual quotes from the Quotes for Discussion section to pairs of students. Have the students discuss the meaning of the quote, and write the meaning on the back of the quote. Collect the quotes and the students’ explanations as an exit ticket.
3. Pair students homogeneously and, using the Quotes Activity (pages 84-88), distribute a quotation to each pair of students. Have them read the quotation and develop and write an explanation for the quote they are given. Quotations vary in complexity and should be assigned based on student capabilities. This activity can be used as an exit ticket.
4. Show “Elijah McCoy” or “Economics Made the World Great,” two of the bonus videos listed in the Resources section (and on this DVD) to the class and have the students draw connections between this Stossel segment and the other video.
5. Research Rosanna Pansino, Glozell Green, PewDiePie, Justin Bieber, or Lindsey Stirling. Then write a biography of the person you selected, with an emphasis on his or her rise to stardom. (See link in the Resources section for help in writing a biography.)
6. Research the development and growth of YouTube. You might consider including the numbers of videos and viewers year by year, the development and growth of channels, and the variety of videos. Then create a slideshow or poster board explaining what you have found. (See link in the Resources section for help in preparing a slideshow.)
7. Read one of the articles in the Resources section. Then write a summary using Cornell (two-column) notes. (See link in the Resources section for help in taking Cornell notes.)

8. Research how the internet is changing our society, our brains, the way we do business (such as advertising, buying and selling), the way we interact, and the way we think. Then, write an essay discussing or produce a video demonstrating what you have found. (See link in the Resources section for help in producing a video.)

9. Research Apple iTunes, Pandora, or Spotify. What do they do? How does their service work? How many consumers do they have? How and why were they developed? Report your findings to the class.

10. Research Max Borders, who appeared in this segment, and his Voice & Exit Conference. What does Max do? What is his conference about and how does it relate to innovation?

11. Research and write an essay on how much your favorite band or musician, or any current band or musician, makes from music sales and streaming fees, and compare that with how much they make on tour.

12. In Human Action: A Treatise on Economics (1949), Ludwig von Mises wrote, “But competition does not mean that anybody can prosper by simply imitating what other people do. It means the opportunity to serve the consumers in a better or cheaper way without being restrained by privileges granted to those whose vested interests the innovation hurts.” How does this quote relate to the video?

13. Write a tweet, poem, or song about how disruptive innovation and creative disruption can impact people’s lives.

14. Watch one of the videos listed in the Resources section. Then, write an essay about the video.


16. Research the term “creative disruption” or “disruptive innovation” and produce a slideshow with examples that demonstrate the term and how it applies to the economy and our lives. (See link in the Resources section for help in preparing a slideshow.)

**Resources:**

**Guides**

A brief explanation of the Think, Pair, Share instructional strategy, with examples:

- [http://www.readingquest.org/strat/tps.html](http://www.readingquest.org/strat/tps.html)

A video explanation of Think, Pair, Share:

- [https://www.teachingchannel.org/videos/think-pair-share-lesson-idea](https://www.teachingchannel.org/videos/think-pair-share-lesson-idea)

How to write a biography:

- [http://homeworktips.about.com/od/biography/a/bio.htm](http://homeworktips.about.com/od/biography/a/bio.htm)

How to write a book report:


For a clear, simple explanation of the Cornell note-taking system:

- [http://coe.jmu.edu/learningtoolbox/cornellnotes.html](http://coe.jmu.edu/learningtoolbox/cornellnotes.html)
- [http://www.bucks.edu/~specpop/Cornl-ex.htm](http://www.bucks.edu/~specpop/Cornl-ex.htm)
Producing videos:
https://www.ezvid.com/how_to_make_a_video.presentation_for_school_or_work
https://tools4students.wikispaces.com/Video+Projects

Preparing effective slideshow presentations:
http://www.ehow.com/how_5032561_prepare-effective-powerpoint-presentation.html
http://blog.synapsiscreative.com/the-info/7-big-powerpoint-mistakes-you-just-cant-afford-to-make

Articles

“Accenture: How digital innovations disrupt a wasteful world” by Peter Lacy
http://www.greenbiz.com/blog/2014/02/06/how-digital-innovations-disrupt-wasteful-world

“Clayton Christensen On What He Got Wrong About Disruptive Innovation” by Susan Adams

“Connecticut Should Be Tesla Country” by Nick Sibilla

“Creative Destruction at Ground Zero in Internet’s Commercialization” by James Mosher
https://www.aier.org/research/creative-destruction-ground-zero-internet%E2%80%99s-commercialization

“Fortune 500 firms in 1955 v. 2015; Only 12% remain, thanks to the creative destruction that fuels economic prosperity” by Mark J. Perry

“If You Like Wikipedia, You Should Love Markets” by Gary M. Galles
http://fee.org/freeman/detail/if-you-like-wikipedia-you-should-love-markets

“The Internet’s Influence on the Production and Consumption of Culture: Creative Destruction and New Opportunities” by Anu Parthasarathy

“The Myth of Technological Unemployment” by Deirdre Nansen McCloskey

“Netflix’s Creative Destruction Is Reshaping a Century of Media” by M.G. Siegler
https://fee.org/articles/netflixs-creative-destruction-is-reshaping-a-century-of-media/?utm_source=FEE+Email+Subscriber+List&utm_campaign=75081daece-MC_FEE_WEEKLY_2017_06_17&utm_medium=email&utm_term=0_84cc8d089b-75081daece-108019909

“What does disruptive innovation disrupt?” Guillaume Villon de Benveniste
http://theinnovationandstrategyblog.com/2013/02/disruptive-innovation-disrupt/

“Will Your Business Innovation Disrupt The Market?” by Martin Zwilling
http://www.forbes.com/sites/martinzwilling/2015/03/19/will-your-business-innovation-disrupt-the-market/
Books

*Appetite for Self-Destruction* by Steve Knopper

*Disrupting Class: How Disruptive Innovation Will Change the Way the World Learns* by Clayton Christensen and Curtis W. Johnson

*Disruptive Innovation Explained* by Can Akdeniz

*Fifty Years of Disruptive Innovation* by Jon E. Kinzenbaw and Mike Dykstra

*Human Action: A Treatise on Economics* by Ludwig von Mises

*The Innovator's Dilemma: The Revolutionary Book That Will Change the Way You Do Business* by Clayton M. Christensen

*The Innovator's Dilemma: When New Technologies Cause Great Firms to Fail* by Clayton M. Christensen

*The Innovator's Guide to Growth: Putting Disruptive Innovation to Work* by Scott D. Anthony and Mark W. Johnson

Videos

Creative destruction made my iPod obsolete by Rosemarie Fike
  https://www.learnliberty.org/blog/creative-destruction-made-my-ipod-obsolete/

Elijah McCoy (included on this DVD)
  https://fee.org/articles/elijah-the-inventor/

Everyone’s Space

Disruptive Innovation Explained – YouTube
  https://www.youtube.com/watch?v=qDrMAzCHFUU

The Hockey Stick of Human Prosperity (included on this DVD)

Inventing the Future

The Paradox of Progress
YouTube: Now, We’re the Gatekeepers
Created and Disrupted by Innovation

Directions: After reviewing the video and discussing it in class, complete the chart, keeping in mind the terms below.

Creative Destruction—the process of disruptive innovation, where new technologies, products, or services cause the demise or destruction of established technologies, products, or services.

<table>
<thead>
<tr>
<th>Innovation</th>
<th>Created</th>
<th>Disrupted/Destroyed</th>
</tr>
</thead>
<tbody>
<tr>
<td>YouTube</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Another innovation:</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
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<td></td>
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<tr>
<td>Another innovation:</td>
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<td></td>
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</tr>
</tbody>
</table>

Do you support or oppose innovation? In a brief paragraph, explain why.
You Tube: Now, We’re the Gatekeepers

Quotes Activity

Names: __________________________________ and __________________________________

Read the quote below. Discuss the quote with your partner, and write your explanation, evaluation, or comment.

A. It is not the strongest of the species that survives, nor the most intelligent that survives. It is the one that is the most adaptable to change. —Charles Darwin

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Names: __________________________________ and __________________________________

Read the quote below. Discuss the quote with your partner, and write your explanation, evaluation, or comment.

B. Embrace change. Envision what could be, challenge the status quo, and drive creative destruction. —Charles Koch

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Names: __________________________________ and __________________________________

Read the quote below. Discuss the quote with your partner, and write your explanation, evaluation, or comment.

C. Learning and innovation go hand in hand. The arrogance of success is to think that what you did yesterday will be sufficient for tomorrow. —William Pollard

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________________________________________________________________________
Names: ___________________________________ and ___________________________________

Read the quote below. Discuss the quote with your partner, and write your explanation, evaluation, or comment.

D. **Expertise is the enemy of innovation.**
   —Stephen Shapiro

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Names: ___________________________________ and ___________________________________

Read the quote below. Discuss the quote with your partner, and write your explanation, evaluation, or comment.

E. **Meaningful innovation does not need to be based on outright invention. Rather, there is an exhilarating shortcut. It is based on bold, new combinations of already existing components that simultaneously unlock heightened levels of consumer value and reduce costs.**
   —Gabor George Burt

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Names: ___________________________________ and ___________________________________

Read the quote below. Discuss the quote with your partner, and write your explanation, evaluation, or comment.

F. **An even cursory examination of tech history makes it clear that “obsoletion”—where a cheaper, single-purpose product is replaced by a more expensive, general purpose product—is just as common as “disruption”—even more so, in fact.**
   —Braden Kelley

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Read the quote below. Discuss the quote with your partner, and write your explanation, evaluation, or comment.

**G. You can’t just ask customers what they want and then try to give that to them. By the time you get it built, they’ll want something new.**
—Steve Jobs

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Read the quote below. Discuss the quote with your partner, and write your explanation, evaluation, or comment.

**H. If you always do what you always did, you will always get what you always got.**
—Albert Einstein

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Read the quote below. Discuss the quote with your partner, and write your explanation, evaluation, or comment.

**I. First, disruptive products are simpler and cheaper; they generally promise lower margins, not greater profits. Second, disruptive technologies typically are first commercialized in emerging or insignificant markets. And third, leading firms’ most profitable customers generally don’t want, and indeed initially can’t use, products based on disruptive technologies.**
—Clayton Christensen

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Read the quote below. Discuss the quote with your partner, and write your explanation, evaluation, or comment.

**J. Every new thing creates two new questions and two new opportunities.** —Jeff Bezos

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Read the quote below. Discuss the quote with your partner, and write your explanation, evaluation, or comment.

**K. No matter how well you perform, there’s always somebody of intelligent opinion who thinks it’s lousy.** —Sir Laurence Olivier

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Read the quote below. Discuss the quote with your partner, and write your explanation, evaluation, or comment.

**L. Adam Smith’s “invisible hand” is not above sudden, disturbing, movements. Since its inception, capitalism has known slumps and recessions, bubble and froth; no one has yet dis-invented the business cycle, and probably no one will; and what Schumpeter famously called the ‘gales of creative destruction’ still roar mightily from time to time. To lament these things is ultimately to lament the bracing blast of freedom itself.** —Margaret Thatcher

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__________________________________________________________
Names: _______________________________ and _______________________________

Read the quote below. Discuss the quote with your partner, and write your explanation, evaluation, or comment.

M. **Discovery is seeing what everybody else has seen, and thinking what nobody else has thought.**
   —Albert Szent-Gyorgi

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Names: _______________________________ and _______________________________

Read the quote below. Discuss the quote with your partner, and write your explanation, evaluation, or comment.

N. **The most important feature of an information economy, in which information is defined as surprise, is the overthrow, not the attainment, of equilibrium. The science that we have come to know as information theory establishes the supremacy of the entrepreneur because it appreciates the powerful connection between destruction and what Schumpeter described as "creative destruction," between chaos and creativity.**
   —George Gilder

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Names: _______________________________ and _______________________________

Read the quote below. Discuss the quote with your partner, and write your explanation, evaluation, or comment.

O. **At the heart of capitalism is creative destruction.**
   —Joseph A. Schumpeter

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BONUS VIDEO:
THE HOCKEY STICK OF HUMAN PROSPERITY

Segment Length: 4:11 minutes

Description:
Hockey Stick is a good introduction to economics, the Industrial Revolution, specialization, and trade.

The last 200-300 years has seen astonishing growth in prosperity. Don Boudreaux calls it “one of the greatest events of humankind.” But how did that happen? Was it simply a series of events that would have taken place no matter what, or was there something more to it? The Hockey Stick of Human Prosperity shows how life has changed for humans and introduces the causes of that change.

Pair with:
The Hockey Stick of Human Prosperity is a good standalone video, but it can be paired with other videos on this DVD, such as Inequality and Trade, Permissionless Society, Robots and Driverless Cars, and YouTube, as well as Economics Made the World Great (another Bonus video).

Preview Activity and Questions:
Use Think, Pair, Share to have students answer the preview questions. After a few minutes, poll the students and ask them to discuss their answers.

How has life changed for humans in the last 3,000 years? Why did those changes happen? Were the changes gradual or did they happen in spurts? What caused these changes in the way we live?

OR
Have you ever thought “life was easy in the old days”? Just how easy was it?

Discussion and Analysis:
1. Why is the video called The Hockey Stick of Human Prosperity?
2. What was it about the 18th century that helped life improve for so many people?
3. What are some of those improvements?
4. How has trade affected the way we live?
5. What is specialization? How has specialization affected the way we live?
**BONUS VIDEO:**
**ECONOMICS MADE THE WORLD GREAT**

**Segment Length:** 1:53 minutes

**Description:**
Economics Made the World Great is a good introduction to economics, mercantilism, free trade, tariffs, and innovation.

Is life today bad? Or is it awesome? Why? What about life today is an improvement from the past? Economics Made the World Great shows changes that have taken place in the past three centuries and changes that are taking place today that have made the world better. Can it be better still?

**Pair with:**
Economics Made the World Great is a good standalone video, but it can be paired with other videos on this DVD, such as Inequality and Trade, Permissionless Society, Robots and Driverless Cars, and YouTube, as well as The Hockey Stick of Human Prosperity (another Bonus video).

**Preview Activity and Questions:**
Use Think, Pair, Share to have students answer the preview questions. After a few minutes, poll the students and ask them to discuss their answers.

Is this a great time to be alive or a bad time to be alive? How do you know? What are you comparing life today with?

**OR**
Would you prefer to live in a time in the past? When? Why? What would an average day be like in the past? How does that compare to today?

**Discussion and Analysis:**
1. Why is the video called Economics Made the World Great?
2. What was mercantilism? What did it do?
3. What are tariffs? How do they affect prices for customers?
4. What do you think permissionless innovation is?
5. What can you surmise about the role of government in the improvements that have occurred in the world?
BONUS VIDEO:
EVERYTHING

Segment Length: 15:51 minutes

Description:

Everything is a good video to spark discussion in a government, health, critical thinking, or ethics class.

What would you do to save your child’s life? Where do you draw the line? Would you break the law? What if the law wasn’t protecting anyone? Everything is a thought-provoking film that shows the dilemma faced by a mother who comes up against federal law while in search of a bone marrow transplant for her daughter.

Preview Activity and Questions:

Use Think, Pair, Share to have students answer the preview questions. After a few minutes, poll the students and ask them to discuss their answers.

Why do we have laws? Do they always do good? Can they do any bad?

OR

Would you ever break the law? Under what circumstances? Would that be right or wrong?

Discussion and Analysis:

1. Why is the video called Everything?
2. Why does the daughter need a bone marrow transplant?
3. The mother is willing to risk jail but the doctor isn’t. What does that say about people’s incentives?
4. Why does the potential bone marrow donor decide not to donate? Why does she change her mind?
5. Does anyone in the video break the law? Does anyone do anything wrong?

Post-Viewing Activities:

1. Research bone marrow transplants. Why do some people need them? How many people are saved each year by bone marrow transplants? How many people die because they can’t find a donor?
2. Research the federal law that banned payment for bone marrow transplants. Have there been any lawsuits? Has Congress tried to repeal the law? What is the latest news about this law?
3. Everything was produced by the Institute for Justice. Research the Institute for Justice. What are its goals? How does it work to achieve those goals? What cases has it handled? How successful has it been?
BONUS VIDEO:
WHY POLITICIANS DON’T CUT SPENDING

Segment Length: 2:19 minutes

Description:
Why Politicians Don’t Cut Spending is a good video to spark discussion in an economics, government, or critical thinking class.

Why do politicians never seem to reduce spending? With federal debt at $20 billion, nearly $62,000 per citizen, why does federal spending continue to increase? Why Politicians Don’t Cut Spending explains the concept of concentrated benefits and dispersed costs, which favors recipients of government payouts at the expense of the average taxpayer.

Preview Activity and Questions:
Use Think, Pair, Share to have students answer the preview questions. After a few minutes, poll the students and ask them to discuss their answers.

Why does the government spend so much money? Where does that money come from? Why don’t taxpayers do something about it?

OR

Do you like when the government spends money on you? What about when it spends money on others?

Discussion and Analysis:
1. Can government spend too much money? How much is too much?
2. Why doesn’t government just stop spending so much money?
3. What political problems might arise for elected representatives who try to reduce government spending?
4. Explain the term concentrated benefits and dispersed costs?
5. Benjamin Powell connects voting to government spending and explains this in terms of incentives. Why do people have different incentives to vote or not to vote?
6. What can be done to change this? Why happens if we don’t?

Post-Viewing Activities:
1. The U.S. Debt Clock (http://www.usdebtclock.org/) can help put federal spending in perspective.
2. Research the federal budget. Where does the money go? To whom does it go? Explain the budget in terms of concentrated benefits and dispersed costs.
BONUS VIDEO:
FAKE NEWS IS OLD NEWS

Segment Length: 3:50 minutes

Description:
Fake News is Old News is a good video to spark discussion in a government, U.S. history, journalism, or critical thinking class.
The term “fake news” has been in the news a lot the past few years. What does it mean? Is it really fake or does it just present a side to a story that some people don’t agree with? Fake News is Old News presents a historical view of reporting that puts “fake news” in perspective.

Preview Activity and Questions:
Use Think, Pair, Share to have students answer the preview questions. After a few minutes, poll the students and ask them to discuss their answers.

What is fake news? Who decides what news is fake? If people claim a news story is fake, how do we know they are right?

OR

There is a saying that there are two sides to every story. What does that mean? Do you agree?

Discussion and Analysis:
1. According to the video, what accounts for the use of the term “fake news”?
2. What are some other terms that were used in the video that are synonymous with fake news?
3. Do you think we’re more likely to use the term “fake news” when we agree or don’t agree with a story?
5. Was there ever an era of truth? Why / Why not?
6. What can we do to avoid being fooled by fake news? How can we recognize that we are getting just one side of a story?

Post-Viewing Activities:
1. Cut out an article about the same event from two different newspapers. Do the articles report the news the same way? What is different about the story? Can an author’s views be detected based on what is included and what is left out?
2. It is said that fake news contributed to the Spanish American War and to the expanded role of the U.S. military in the Vietnam War. Research one or both of these incidents.
**Bonus Video:**

**Elijah McCoy**

**Segment Length:** 2:12 minutes

**Description:**

Elijah McCoy is a good video to spark discussion in a U.S. history or economics class. Who was Elijah McCoy? What did he do? This video takes a look at the importance of perseverance and innovation, by highlighting Elijah McCoy, whose life and accomplishments can be fine examples for all our students. He is, it is said, the Real McCoy.

**Pair with:**

Elijah McCoy is a good standalone video, but it can be paired with other videos on this DVD, such as, Permissionless Society, Robots and Driverless Cars, and YouTube, as well as Economics Made the World Great and Hockey Stick of Human Prosperity (two other Bonus videos).

**Preview Activity and Questions:**

Use Think, Pair, Share to have students answer the preview questions. After a few minutes, poll the students and ask them to discuss their answers.

Can people overcome obstacles in their lives? Is it worth trying? Why bother?

**Discussion and Analysis:**

1. Elijah McCoy’s parents sent him to Scotland to study mechanical engineering. Were they rich? What did Elijah McCoy’s parents do when they were younger?
2. What did Elijah do when he returned to the United States?
3. What is a patent? How many patents did he have before he died?
4. What was significant about Elijah McCoy? What was significant about his achievements?
5. How can we learn from Elijah? Is he a hero, a role model? Explain.

**Post-Viewing Activities:**

1. Research another obscure historical figure or a modern figure who has had to overcome obstacles in his or her life.
2. Read Lawrence Reed’s book *Real Heroes*
ADDITIONAL RESOURCES

Learn Liberty explores the ideas of a free society, with more than 300 brief videos on a vast array of topics including economics, education, environmentalism, foreign policy, the NSA, philosophy, poverty, public policy, regulations, student debt, voting, and the war on drugs.
http://www.learnliberty.org

Marginal Revolution University has a wide range of brief, entertaining economics videos that are useful in a class and courses that help people develop their inner economist.
https://www.mruniversity.com/

ReasonTV has a wide range of brief, classroom appropriate videos that challenge conventional beliefs about the role of government in people's lives and businesses.
http://reason.com/reasontv

Izzit.org offers a daily current events service and classroom videos by television producers who create and distribute programs that spark curiosity and lively classroom discussions.
http://www.izzit.org

ReadWriteThink is a partnership between the International Reading Association (IRA), the National Council of Teachers of English (NCTE), and the Verizon Foundation. It provides lessons, standards, and student materials.
http://www.readwritethink.org/about.html

Sciencenetlinks.com offers a wealth of resources for K-12 science educators, as well as standards-based Internet experiences for students.
http://www.sciencenetlinks.com

The Center for Civic Education posts national civics and government standards and programs for teachers and students, like “We the People: The Citizen & the Constitution.”

Teaching resources for English teachers, includes resources, lessons, and activities
http://www.webenglishteacher.com

How to create a wiki: video
http://www.commoncraft.com/video-wikis-plain-english

How to create a wiki: slide show
http://www.slideshare.net/suesbent/how-to-create-a-wiki/

Zunal WebQuest Maker is a web-based software for creating WebQuests in a short time without writing any HTML codes.
http://zunal.com/

Rubistar is a free tool to help teachers create quality rubrics for assessment.
http://rubistar.4teachers.org/

Common Sense Economics website includes instructor resources and student resources, including links to some economics activities and comics.
http://www.commonsenseeconomics.com

Ayn Rand Institute is a nonprofit organization that introduces young people to Ayn Rand's novels, supports scholarship and research based on her ideas, and promotes the principles of reason, rational self-interest, individual rights, and laissez-faire capitalism.
http://www.aynrand.org
Education World® posts links to national standards in social studies, U.S. history, and civics and offers various activities that integrate current events into the study of these subjects.

EconomicsAmerica® offers a list and description of each national voluntary standard in economics. Online lessons for each standard and all concepts are offered.
http://www.ncee.net/ea/standards/

Federal Resources for Educational Excellences provides links to teaching and learning resources in U.S. history and government, created by various federal government agencies.
http://www.free.ed.gov/subjects.cfm?subject_id=178

Smithsonian Education offers various resources for U.S. history, culture, and other subjects.
http://www.smithsonianeducation.org/educators/index.html

High School Economics Topics, with definitions and articles
http://www.econlib.org/library/Topics/HighSchool/HighSchoolTopics.html

Produced by Annenberg Media, Learner.org provides free professional development and teacher resources in many subjects.
http://www.learner.org

Discovery Education provides lesson plans and resources in many subject areas.
http://school.discoveryeducation.com/

The Library of Economics and Liberty offers resources for students, teachers, researchers, and aficionados of economic thought.
http://www.econlib.org/

The Fraser Institute's Economic Freedom of the World Project
http://www.freetheworld.com/

Gapminder promotes sustainable global development, by increased use and understanding of statistics and other information about social, economic, and environmental development at local, national, and global levels. Visually friendly videos and charts
http://www.gapminder.org

The Foundation for Economic Education has an online library, a searchable index of past articles from its monthly journal, and information on seminars for students and teachers.
http://www.fee.org/

A global organization working to fight corruption
http://www.transparency.org

Character Education resources, lessons, character building experiences, and more
http://www.goodcharacter.com/

We have a longer list, sorted by category, of free online resources at our website:
http://stosselintheclassroom.org/resources/

Teachers who would like to recommend websites to be included in our additional resources section may submit their suggestions by email to custsvc@stosselintheclassroom.org, subject line: “resource_to_add.” Or if you have any feedback to share on how you and/or your students enjoyed this DVD, which videos you especially liked, which lessons worked best with your students, or how you created your own lessons, etc., please send your comments to: custsvc@stosselintheclassroom.org with subject line: “teacher_idea_to_share”

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