

Name \_\_\_\_\_ Section \_\_\_\_\_ Date \_\_\_\_\_

LT: I can analyze the pros and cons of capitalism

Do Now: Do Now Quizlet

## *What are the pros and cons of capitalism?*

Mercantilism, as you know, was an economic system that forced colonies to send raw materials to the mother country and then buy back manufactured goods. For instance, the 13 colonies sent raw materials like timber or fur to the mother country, England. England turned these into coats, hats, paper, furniture, etc. and sold it back to the colonies. Mother countries began going to West Africa to capture Africans, send them over to the colonies to produce the raw materials.

The colonies did not like their poor treatment, and many of them rebelled as a result. It got people thinking— how should economies be organized? How should money be distributed? What's the fairest way?

### **Part 1: Capitalism Notes**

1. What is capitalism?

2. What are the characteristics of a capitalist economy?

a). \_\_\_\_\_

--Producers want to make money

--Consumers want the lowest price possible

b). \_\_\_\_\_

-If there is only one producer of a certain product, a monopoly can form.

-Competition among several producers ensures that no one person controls the market.

### **Part 2: Capitalism Game**

Each group will be given a set of supplies. Your mission is to create a product using only those supplies, construction paper, and glue sticks.

Tomorrow, you will “shop” at each other’s stores. Whoever has the most money wins our capitalist game.

Before you begin working, take a second a brainstorm with you group. Ask yourself: what makes people want to buy certain products instead of others? Required elements:

- Either an advertisement or a brand
- A cost for your item
- A brief description of your product below

### **Part 3: Pros & Cons of Capitalism**

We will complete this after we’re done with Part 2.