



# The Bead Game

By: Ken Ripp  
Adapted by: Jennifer Taunton, Program Coordinator  
Economics Arkansas

## Lesson Description

In this lesson, students will have the opportunity to work in three different economic systems (market, command, and traditional). By working in each of the systems, students internalize the fundamental values present in each system. They will also gain insights into the basic advantages and disadvantages of each system.

## Grade: 6

## Concepts

- **Command Economy:** An economy in which most economic issues of production and distribution are resolved through central planning and control.
- **Economic System:** The institutional framework of formal and informal rules that a society uses to determine what to produce, how to produce and how to distribute goods and services.
- **Market Economy:** An economy that relies on a system of interdependent market prices to allocate goods, services, and productive resources and to coordinate the diverse plans of consumers and producers, all of them pursuing their own self-interest.
- **Traditional Economy:** An economy in which customs and habits from the past are used to resolve most economic issues of production and distribution.

## Standards

### *Arkansas Economics Standards*

- E.5.6.4: Evaluate the emergence of new economic systems and their impact on civilizations (e.g., manorialism, mercantilism, capitalism)

### *Common Core Standards*

- CCSS.ELA-Literacy.RI.6.1 Cite textual evidence to support analysis of what the text says explicitly as well as inferences drawn from the text.
- CCSS.ELA-Literacy.RI.6.4 Determine the meaning of words and phrases as they are used in a text, including figurative, connotative, and technical meanings.
- CCSS.ELA-Literacy.SL.6.1 Engage effectively in a range of collaborative discussions (one-on-one, in groups, and teacher-led) with diverse partners on grade 6 topics, texts, and issues, building on others' ideas and expressing their own clearly.
- CCSS.ELA-Literacy.W.6.7 Conduct short research projects to answer a question, drawing on several sources and refocusing the inquiry when appropriate.

**Objectives**

- Students will identify the basic values in different economic systems.
- Students will evaluate the incentive structures in different economic systems.
- Students will categorize countries by their economic systems.
- Students will analyze the advantages and disadvantages of different economic systems.

**Time required**

One 50-minute class period for the production activity and two to three class periods for debriefing the activity.

**Materials required**

- Visual 1
- Activity 1, two copies of each system, with each system copied on a different colored paper
- Activity 2, copied and cut apart in to “Comrade Cards”
- Activity 3, one copy for each student and one for the teacher to use as a visual
- Activity 3, Answer Key for the teacher
- Six balls of light packaging string (kite string or light crochet thread will also work)
- Red, blue, yellow, and green pony beads (about 500 beads of each color)
- Six small bowls with lids
- A ruler, scissors and bead “bowl” for each group of four to five students
- Visual 2, copied and cut into three signs
- Activity 4, three copies - each on a different color cardstock - cut into cards (for use by teams), and one copy for the teacher (not cut) to use as an answer key
- Three small baskets or bags (to hold the cards made from Activity 5)
- Three rolls of tape
- Visual 5, one copy for each student

**Teacher Preparation**

- To facilitate the scoring in each round of the activity, be familiar with the values and rules for each of the three systems (in Activity 1)
- Set up bead bowls
  - Mix all colors together
  - Divide the mixture equally among the six bowls

**Procedure**

1. Divide the class into six small groups, with two groups of four or five students per group for each of the following economies: The Way We’ve Always Done It Ville, We Do What We’re Told Ville, and We Make As Much As We Want Ville.
2. Provide each group with the following:
  - a. Directions for their economy from Activity 1
  - b. A ball of string, bead bowl, scissors, and ruler
3. Explain the following:
  - a. Each group represents a different economic system.

- b. The groups will have 3 rounds to produce products.
  - c. Each round will last 7 minutes.
  - d. Each group must follow its specified values, goals, circumstances, and production procedures.
  - e. The teacher will serve as timekeeper and the quality control inspector.
  - f. After each round, each group's score will be posted on Visual 1: Team Scores.
  - g. The group with the most dollars per person at the end of Round 3 is the winner.
4. Begin Round 1. At the end of 7 minutes, call time. Verify quality.
  5. Display Visual 1: Team Earnings. Calculate the earnings of each group and, as applicable, their government and record on Visual 1. Provide a We Do What We're Told Ville group that completed a necklace with a card from Activity 2: Comrade Cards, explain that they will receive no money, only these cards. The money for the necklaces will go to the government.
  6. Distribute additional beads as needed. Rotate the values and goals sheets so that each group has a different set of values and goals for Round 2.
  7. Begin Round 2. At the end of 7 minutes, call time. Verify quality.
  8. Calculate and record earnings on Visual 1. Give any We Do What We're Told Ville group that completed a necklace a comrade card, but no money. Note that the money for the necklaces will go to the government.
  9. Distribute additional beads as needed. Rotate the values and goals sheets so that each group has a different set of values and goals than they had for Rounds 1 and 2.
  10. Begin Round 3. At the end of 7 minutes, call time. Verify quality.
  11. Calculate and record earnings on Visual 1. Give any We Do What We're Told Ville group that completed a necklace a comrade card, but no money. Note that the money for the necklaces will go to the government. Total each team's earnings and divide the total by the number of team members. Award prizes.
  12. Display Activity 3: Economies Compared and distribute a copy to each student. Explain that the three economies in the activity represent three types of economic systems.
    - a. The Way We've Always Done It Ville = Traditional
    - b. We Do What We're Told Ville = Command
    - c. We Make As Much As We Want Ville = Market
  13. Complete the chart as a debriefing activity.
  14. Ask students what they think is the best economic system and to explain why. (This is a great lead in to a discussion of basic economic goals such as growth, efficiency, stability and equity.) (Students will most likely suggest that the market economy is the best.)

### Closure/Assessment

As a class, have the students compete in a relay race to correctly identify the characteristics of each economic system.

- Post the three signs from Activity 4: Economic Systems at the front of the room (far enough apart that the cards don't overlap but close enough that they are easy for each team to reach.)

- Divide the class into three teams and have the teams line up at the opposite end of the room from the signs.
- Place each team's set of cards from Activity 5: Economic Systems Relay Cards at the starting line in a bag (or small basket).
- Provide each team with tape at the starting line to have ready to put on each pulled card.
- Play as follows:
  - When start is called, the first student in line pulls a card from the team's bag, moves to the front of the class and tapes the card under the appropriate sign, then returns to the starting line and tags the next teammate in line.
  - That person then draws a card from the bag and repeats the process.
  - Teams continue until all of the cards are taped to the board.
  - Keep track of the order teams finish (by time or order).
  - Check the answers. Deduct points/add seconds for any incorrect answers.

### Extension Activity

Requires Computer Access. Provide each student with a copy of Activity 6: Exploring Different Economies and instruct them to find the noted information using the CIA World Factbook website at <https://www.cia.gov/library/publications/the-world-factbook/>. If desired, assign countries other than those suggested in Activity 5.

## Team Earnings

<b>TEAM</b>	<b>The Way We've Always Done It Ville</b>	<b>We Do What We're Told Ville</b>	<b>We Make As Much As We Want Ville</b>
1			
2			
3			
4			
5			
6			
Government			

# The Way We've Always Done It Ville

## Values

Members of your group are very concerned with the way things were done in the past. Positions of authority, jobs, and so on are handed down according to tradition. Your members value the past and see no need for concern about increased economic growth in the future. Everything in your society is determined by beliefs and customs.

## Goals

Follow tradition. Produce what your ancestors did and in the same way that they did.

## Circumstances

With your present limited resources of string, beads, ruler and scissors, you may create bracelets. Jewelry sells for the following prices: necklaces, \$10; bracelets, \$5; rings, \$2. Your country has always produced bracelets, so everyone must produce bracelets.

## Production Procedure

1. Each person in the group must make an entire bracelet; there can be no division of labor. The person designated by the teacher will use the materials first.
2. Each bracelet must be made with a 12 inch piece of string. Place 8 beads on the string in the following sequence; 3 red, 2 yellow, and 3 green.
3. After the beads are on the string, the bracelet should be finished by tying the two ends of the string in a knot. The knot should be neatly trimmed off, as done by past generations.
4. After each bracelet is finished, it must be passed around the group clockwise and each member must tell the maker how beautiful it is. (This is an old tradition in your country.) The maker then sets it aside for the quality control inspector, who will check that all procedures were followed correctly.
5. Once this is done, all of the materials can be passed clockwise to the next person.
6. According to tradition, each person must take a 15-minute break after producing a bracelet. So after you complete your first one, relax for 15 minutes before starting your second one.

# We Do What We're Told Ville

## Values

Your group has accepted a government that is run by a very strict and strong central leadership group. Your group is highly organized and group members are assigned specific tasks by the leader. Your country strives for efficient use of time and resources, which will increase economic growth and hopefully raise the standard of living. It is up to the central leaders to determine what is needed and how the resources will be used.

## Goals

Produce what the central leadership finds necessary for your society. Efficiently use time and resources so that increased production and growth occur.

## Circumstances

With your limited resources of string, beads, ruler and scissors, you may create rings, necklaces or bracelets. Jewelry sells for the following prices: necklaces, \$10; bracelets, \$5; rings, \$2. Your country needs 5 bracelets immediately and then the central leaders want your group to produce necklaces.

## Production Procedure

- The central planners emphasize division of labor.
- The person sitting closest to the front of the room will be the string cutter. Going clockwise around the group, the next people will be the bead sorter, bead stringer, knot tier, and knot trimmer.
- A bracelet must be made with a 12 inch piece of string. Place 8 beads on the string in this sequence: 2 red, 2 yellow, 2 blue, and 2 green.
- A necklace must be made with a 20 inch piece of string. Place 10 beads on the string in this sequence: 3 yellow, 3 blue, 2 green, and 2 red.
- After the beads are on the string, the two ends of the string should be tied in a knot and the knot should be neatly trimmed.
- The finished product is then set aside for the quality control inspector, who will verify that it is made correctly.
- Your group will receive \$5 per person if the required quota of 5 bracelets is filled. After that, the dollars earned from your production will go to the government and will not be added to your group's total dollar amount.

# We Make As Much As We Want Ville

## Values

Your economic system reflects values centered on rugged individualism. It is up to each person to make himself/herself prosperous. Your group produces whatever brings the highest price and produces it with the method that costs the least. Individual rewards and material incentives are used to encourage and stimulate production and economic growth.

## Goals

Produce whatever group members decide is the most beneficial for them. Efficiently use time and resources to maximize profit.

## Circumstances

With your present limited resources of string, beads, ruler, and scissors, you may create rings necklaces, or bracelets. Jewelry sells for the following prices: necklaces, \$10; bracelets, \$5; rings, \$2. Your group members produce what best achieves their goals.

## Production Procedure

- It is up to the group members to organize and choose jobs in whatever fashion group members want.
- A ring must be made with a 6 inch piece of string. Place 4 beads on the string in this sequence: 1 red, 1 yellow, 1 blue, and 1 green.
- A bracelet must be made with a 12 inch piece of string. Place 8 beads on the string in this sequence: 2 red, 2 yellow, 2 blue, and 2 green.
- A necklace must be made with a 20 inch piece of string. Place 10 beads on the string in this sequence: 3 yellow, 3 blue, 2 green, and 2 red.
- After the beads are on the string, the two ends of the string should be tied in a knot. Trim the knot neatly if desired.
- Set aside the finished product for the quality control inspector, who will verify that it is made correctly.
- The group will be paid in full for as many of the items group members can produce within the time limit.



<p style="text-align: center;"><b>Good Work!</b></p> <p style="text-align: center;">The government hereby commends you for your hard work, perseverance, and patriotism. You are helping us make this a better and stronger country.</p> <p style="text-align: center;"><b>Congratulations, Comrade!</b></p>	<p style="text-align: center;"><b>Good Work!</b></p> <p style="text-align: center;">The government hereby commends you for your hard work, perseverance, and patriotism. You are helping us make this a better and stronger country.</p> <p style="text-align: center;"><b>Congratulations, Comrade!</b></p>
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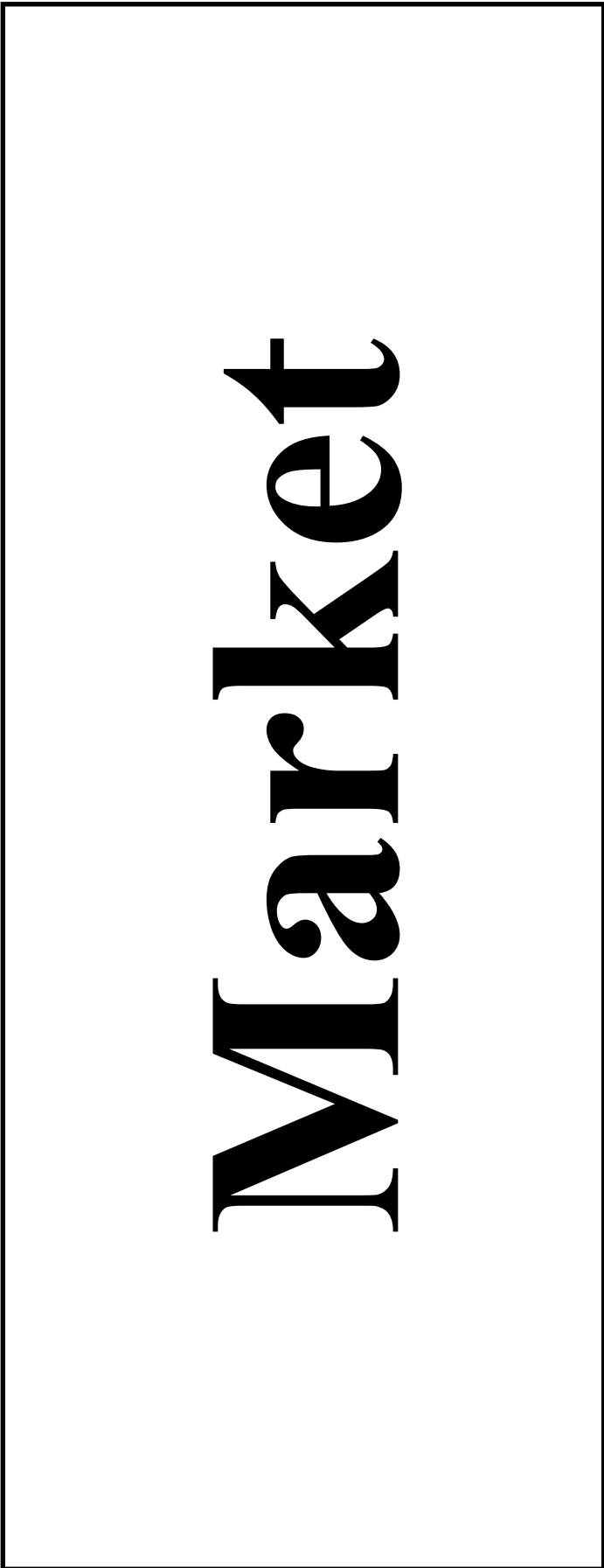
## Economic Systems Compared

	<b>MARKET</b>	<b>COMMAND</b>	<b>TRADITIONAL</b>
Is progress stressed?			
How are jobs chosen?			
What motivates workers to produce?			
What drives how items are produced (the degree of specialization)?			
How is production determined?			
For whom are goods produced?			
What are the basic values?			

## Economic Systems Compared

	<b>MARKET</b>	<b>COMMAND</b>	<b>TRADITIONAL</b>
Is progress stressed?	Highly stressed	To some degree	Not at all
How are jobs chosen?	By individual preference	By the government (central authority)	By tradition
What motivates workers to produce?	High self-gain	Limited social gain	Traditional values
What drives how items are produced (the degree of specialization)?	Least-cost method	Least-cost method	Traditional ways
How is production determined?	By what is most profitable	By the government (central authority)	By Tradition
For whom are goods produced?	The highest bidders (those who can pay the most)	Those declared in need by the government	Those determined by custom
What are the basic values?	Competition, material rewards, self-gain, freedom	Cooperation, "moral" rewards, societal gain, governmental decree	Custom, traditional practices and beliefs

# Command



**Market**

# Traditional

## Economic Systems Relay Cards

<b>COMMAND</b>	<b>MARKET</b>	<b>TRADITIONAL</b>
Government owns the business and means of production.	Individuals own the businesses and the means of production.	Tradition determines the means of production.
Prices are determined by central planners.	Prices are determined by the interaction of buyers and sellers in the marketplace.	The exchange of goods and services is determined by custom and tradition.
Central planners determine what is to be produced, how, and for whom.	Buyers and sellers determine what is to be produced, how and for whom.	Custom and tradition determine what is to be produced, how and for whom.
The government provides housing for the people.	Individuals are able to own their own homes.	People live in traditional villages and communities like their forefathers.
Social goals are determined by the central planners for the people.	Social goals are determined by the people.	Social goals are determined by tradition.

## Exploring Different Economies

Name: \_\_\_\_\_ Date: \_\_\_\_\_

Use the CIA World Factbook website at <https://www.cia.gov/library/publications/the-world-factbook/> to find the following information for the noted countries:

- S: System (market, command, or in transition)  
 GDP: Gross Domestic Product (total production of a country)  
 PCI: Per Capita Income

	<b>S</b>	<b>GDP</b>	<b>PCI</b>
Afghanistan			
Canada			
China			
Cuba			
France			
Germany			
Iran			
Japan			
Russia			
United States			

Using the information above, compare and contrast at least two different countries. Provide support for your arguments.