



POWELL CENTER FOR
ECONOMIC LITERACY

Lesson Plan

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Where in the World?

Time Required

Two class periods

Grade Level and Subject

Middle School, Social Studies

Keystone Economic Principles

Principle #6 - Do what you do best, trade for the rest

Voluntary National Content Standards in Economics

Standard #5: [Gain from Trade](#)

Economic Concepts

Consumer – *A person who is willing and able to buy goods and services.*

Export - *Goods and services produced in one nation and sold to consumers in other nations.*

Free Trade – *The voluntary exchange of goods and services for money or other goods and services without artificial barriers imposed.*

Human Resources -*The health, education, experience, training, skills and values of people. Also known as human capital.*

Import - *Goods and services bought from sellers in another nation.*

Interdependence – *A relationship between people or firms in an economy where both benefit because of interaction – needing and benefiting from one another.*

Mutual Benefits of Trade –*The monetary or non-monetary gain received by both parties resulting from the voluntary exchange of goods and services.*

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Natural Resources – *Plants, animals, minerals and other products of nature that can be used to produce goods and services to satisfy human wants.*

Producer- *A group or individual who makes goods or provides a service.*

Overview

Every day we use goods that we naively assume are “all American” products, made by American companies. It may come as a big surprise to discover that many of the items that are ubiquitous in American culture actually have their home base in countries all over the world. As the students investigate some of these companies to determine their home it becomes obvious that many items we take for granted are available to us because nations throughout the world have learned to work and live collaboratively. The importance of trade is clearly realized as the students learn more about the economic concepts contained in this lesson.

Objectives

- The students will review the economic terms:
 - The Mutual Benefits of Trade
 - Interdependence
 - Free Trade
- The students will understand that voluntary trade between groups is a win-win situation.
- The students will understand that trade contributes to increased interdependence between groups.
- The students will use a variety of sources to find the home countries of a list of companies and brands.
- The students will label the home countries on a world map.

Materials and Handouts

Handout #1: **Where In The World?** (appended)

Handout #2: **Where In The World?** with answer key

Handout #3: **World Map**

Teaching Activity

Day 1:

Review the economic concepts shown at the beginning of this lesson, with special emphasis on free trade, interdependence, and the mutual benefits of trade. Encourage the students to give examples of the terms either from previous lessons or their general knowledge. Ask the students to explain their ideas of the relationships among these terms. Have them identify goods they use that are imported to the United States in exchange for something else. Is that a good thing? Why or why not?

Discuss with the students that when companies buy out other companies, they do not always change the name of the company that has been bought. (For example, Land’s End was bought out by Sears but continues to do business as Land’s End.) Ask them to consider why this might be so. Consider the costs of a name change such as consumer

recognition, loss of value of copyrights and trademarks, navigating the legal issues (particularly in international buy-outs).

Put the transparency of “Where in the World?” (Handout #1) on the overhead. Invite the students to guess the home country of each product or label on the list. Record ideas on the transparency. After reviewing the entire list of companies, tell the students how many of their guesses were correct, but do not give them the correct answers. Revisit their previously stated ideas on trade. Have they done business with any of the companies listed? Does this change their understanding of the mutual benefits of free trade?

Arrange for a visit to the school library to learn several tools useful for discovering the location of corporate headquarters. Alternatively, if you have a computer lab, you can guide the students through an Internet search. A possible starting place is Burger King (see http://en.wikipedia.org/wiki/Burger_King). In 1954, Burger King’s founders modeled it after the assembly line process they saw at a McDonald’s restaurant. The company was owned for a time by London-based Diageo plc, but in 2002, it was sold to Texas Pacific Group along with Bain Capital and Goldman Sachs Capital Partners. It is now headquartered in the United States and operates as the Burger King Holdings Corporation.

Or consider the story of Firestone Corporation which is now owned by Bridgestone Tires (see <http://www.bridgestone.com/corporate/profile/index.html>) with headquarters in Tokyo, Japan. With consolidations, acquisitions, and mergers, a company’s home office may not always be easy to discover.

Day 2:

Have the students form pairs. Each pair will be given a list and asked to determine the home base for each country. Allow students to become familiar with the process either in the school library or the computer lab. They will have three days to complete the assignment. Suggest that if students are having difficulty finding either the name of the parent company or the location of its headquarters, they could e-mail the company directly and ask for this information, although you should advise them that they may not receive a quick response.

Day 3:

The students will have their completed worksheet. Put the transparency from Day 1 back on the overhead. Compare the guesses with the actual headquarters of those on the list. Using the transparency of the world map (or your own class map), locate each company’s home. Revisit the vocabulary from Day 1 and discuss the value of trade among countries. Why does Free Trade result in win-win outcomes? (*One of the basic economic assumptions is that people will not engage in activities they perceive will make them worse off.*)

Handout #1 - WHERE IN THE WORLD?

What Are the Home Countries of These Companies and Brands?

Company Name	Home Country	Company Name	Home Country
Nestle		Bumble Bee Tuna	
Shell		Volvo	
Lipton Tea		Citgo	
Baskin-Robbins		Nokia	
Burger King		Tropicana	
Bridgestone		LG	
Ragu		CBS Television	
Friskies		Vaseline	
Nike		Beyer Aspirin	
Hardees		Gatorade	
Levi's		Adidas	
Michelin Tires		Alka-Seltzer	
Caribou Coffee		Sony	

Handout #2 - WHERE IN THE WORLD?
 What Are the Home Countries of These Companies and Brands?

Teacher Answer Key

Company Name	Home Country	Company Name	Home Country
Nestle	Switzerland	Bumble Bee Tuna	United States
Shell	Netherlands	Volvo	Sweden
Lipton Tea (Unilever)	Great Britain/Netherlands	Citgo	Venezuela
Baskin-Robbins	United States	Nokia	Finland
Burger King	United States	Tropicana (PepsiCo)	United States
Bridgestone	Japan	LG	South Korea
Ragu (Unilever)	Great Britain/Netherlands	CBS Television	United States
Friskies (Nestle)	Switzerland	Vaseline (Unilever)	Great Britain/Netherlands
Nike	United States	Bayer Aspirin	Germany
Hardees	United States	Gatorade	United States (Quaker Oats)
Levi's	United States	Adidas	Germany
Michelin Tires	France	Alka-Seltzer	Germany
Caribou Coffee	United States	Sony	Japan

Handout #3

