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Lesson Plan for:  
MCEE: Enhancing Social Studies with Economics  

Lesson Plan for Economics  

Promise of Equal Opportunity.

Introduced to my Freshman Class: American Society Today (Freshman Elective which combines, economics, civics, and current events.)

Professor Coggins emphasized the importance of teaching about the inequality of wealth not only in the world, but within our own country. Beyond looking at the unequal distribution of wealth, I thought it would be valuable to explore several questions. First, why do some people attain so much wealth and others don’t? And second, given the inequality of wealth, what role should the government play in equalizing that wealth or equalizing the opportunity to acquire that wealth by providing some of the services that the poor need?

As background we looked at the unequal distribution of wealth in the U.S., and how it has changed in recent decades. I introduced the gini-coefficient and we looked at graphs from Professor Coggins showing the inequality of wealth in the U.S. and illustrating how we compare to other developed countries. (Attached--For these sheets only, I attached the file, rather than scan all the graphs.)

We also discussed the question of why the distribution of wealth has grown more unequal in recent decades. More importantly, we discussed why some people are able to acquire so much wealth and others have so little. I posed the question, “Is there a direct correlation between hard work and wealth or does luck play a role?”

We read a short synopsis of philosopher John Rawls and his theory as to why some attain great power and wealth and others don’t. (Attached) Rawls makes the case that our station in life in terms of wealth and power is for the most part, a matter of luck. He believes there are 2 types of lotteries: A prebirth lottery that determines our genetic makeup and dictates whether we are smart or dull, healthy or not, beautiful or plain, athletic, disabled, or otherwise, etc. He also believes that there is the postbirth lottery that determines where in the world we land. This lottery dictates whether we are born to a family with means or a family that is poor. It determines whether our parents value education or not. It determines the neighborhood we live in, and the schools we attend.

The most important part of this discussion, according to Rawls, is what we as a society does about the inequality. Rawls suggests that those who make public policy ought to look at the situation “behind a veil of ignorance.” He suggests that policy makers imagine that they
don’t know whether they will be born healthy and smart, or not. They should imagine that they don’t know whether they will be born into wealth or poverty etc. He suggests that policy makers should make the rules as if they don’t know where they will land. That way, they will make policy based on the possibility that they, themselves, could be born into poverty or born unhealthy etc.

To simulate the veil of ignorance, players/students will choose from 3 options: High Taxation/High Services, Low Taxation/Low Services, or Balanced Taxation/Balanced Services.

1. High Taxation/High Services--your income will be taxed at 50%, but services will include healthcare, education from PreK through college, a strong safety net for the poor, and many services for the disabled and otherwise disadvantaged.
2. Balanced Taxation/Balanced Services--your income will be taxed at 20%, and services will include a weaker safety net for the poor, and K-12 education. Healthcare will not be covered by the government. Services for the disabled will be limited.
3. Low Taxation/Low Services--your income will be taxed at 10%. There will be no safety net for the poor, and only a poorly funded K-12 education system. (Because of the weak public education system, most families who can afford to, will choose private education.) There will be no government programs for the disabled. Healthcare will not be covered.

Students have to declare which level of services they want before they find out their fate. Before the game begins, they should mark which level of services/taxation they would agree to. They may become wealthy, or they may be in need of many government services. They don’t know their outcome until after they’ve declared the level of taxation/service. This, according to Rawls, is how policy makers should make policy--the imagined veil of ignorance.

Students will play the game “Luck of Life” (See attached instructions and materials.)

At the conclusion of the game, we will discuss whether students are happy they chose the level of taxation/services that they did. We will also discuss whether the game made them look at the role of luck any differently.
Statement of Innovation

I developed this activity in response to class discussions on the inequality of wealth in our world and in our country. The activity did not come out of a previously developed activity. I wanted to find a way to demonstrate the role that “luck” plays in our station in life, and I thought what better way than a game of chance where the roll of dice determines one’s wealth and position in the world.

I was also challenged by an increasingly strong attitude among students that their position in life was wholly deserved. One of the challenges of teaching in a private school is economic homogeneity. With almost all of my students coming from families above the median level of income, there is strong resistance to the notion that their place in life is in any way due to luck.

I took the premise of the game from John Rawl's notion of two lotteries: the prebirth lottery and the postbirth lottery. I wanted students to see that luck played a role in two different ways. Rolling dice seems to be a great expression of luck, and so along with the luck of the draw, I used dice to symbolize the randomness of luck.
Learner Objectives:

1. Students will be able to explain what the gini-coefficient measures.
2. Students will be able to describe how the U.S. compares to other countries in terms of equality of distribution of wealth.
3. Students will contrast the current distribution of wealth in the U.S. to the past and describe the trends over the last 60 years.
4. Students will be able to explain John Rawls’ philosophy on the distribution of wealth.
5. Students will be able to demonstrate the relationship between tax policy and the social services a government provides.

Evaluation: Students will write a one page essay answering the following questions:

Do you agree with John Rawls that luck plays a large role in the accumulation of wealth? Why or why not? Understanding the cost of social programs and the effects on taxes, what should government’s role be in providing equal opportunity and a less skewed gini-coefficient? Be specific.

MN Economic Standards achieved:

9.2.1.1.1 Understand that people make informed economic choices identifying their goals, interpreting and applying data, considering the short and long run costs and benefits of alternative choices, and revising their goals based on their analysis.

Students were given a choice of level of taxation/government services. Then, after given different consequences, they were asked to reevaluate their choices based on what happened during the simulation.

9.2.3.3.1 Understand that because of scarcity, individuals, organizations and governments must evaluate trade-offs, make choices and incur costs.

Students came to understand that there is a tradeoff between the level of taxes and the services that a government can provide. Based on their experience in the simulation, they may come to believe that the tradeoff should be different than what it is.
9.2.3.4.3 Understand that economic systems differ in the ways they address the three basic economic issues of allocation, production and distribution to meet society's broad economic goals.

Students evaluated the effectiveness of a pure market-system as compared to mixed systems of government. They came to understand why some, would choose not to have a pure market system.

9.2.4.8.3 Understand that market failures occur when markets fail to allocate resources efficiently or meet other goals, and this often leads to government attempts to correct the problem.

Students learned to identify the gini-coefficient as a measure of income distribution, wealth distribution and poverty. They discussed the effectiveness of different government programs to redistribute wealth including safety net kinds of social services and a more or less progressive income tax.
Rawls offers way toward equality

John Rawls, one of the most influential political philosophers of our era. His contribution was a relentless focus on the role luck plays in human affairs, and how we would order society if we were properly grateful for good luck and compassionate toward the luckless.

The way to create the rules for a just society, Rawls argues, is to first imagine everyone in an "original position" behind a pre-birth "veil of ignorance," where no one knows what their own traits will be -- whether they will be rich or poor, beautiful or plain, smart or less so, talented or not, healthy or disabled. Only in this situation -- where people don't know what place they are destined to occupy in society -- can we see what kind of social order they would agree in advance was fair.

Rawls uses this thought experiment to focus our thinking on the central role he sees luck playing in life. There's the pre-birth lottery that hands out brains, beauty, talent and inherited wealth. There's a post-birth lottery that (via family) bequeaths values and schooling. "The institutions of society favor certain starting places over others," Rawls writes. "Yet they cannot possibly be justified by an appeal to the notions of merit or desert."

Rawls' point: The vast inequalities of wealth and position we observe stem primarily from advantages for which people can't take credit. Behind a pre-birth veil of ignorance, therefore, Rawls suggests that we would agree these inequalities are just only if they most benefit those who end up not winning the pre-birth lottery and if the top spots in life are open to everyone in a system where we've made a serious effort to equalize opportunity.

As Rawls puts it: "The natural distribution (of advantages) is neither just nor unjust; nor is it unjust that persons are born into society at some particular position. These are simply natural facts. What is just and unjust is the way that institutions deal with these facts.

"Undeserved inequalities call for redress," Rawls concludes, "and since inequalities of (inherited) wealth and natural endowment are undeserved, these inequalities are to be somehow compensated for . . . to provide genuine equality of opportunity."

What does that "compensation" amount to in practice? To Rawls, equality of opportunity primarily means that "the government tries to insure equal chances of education and culture for persons similarly endowed and motivated, either by subsidizing private schools or by establishing a public school system." He also says government should guarantee a "social minimum," his phrase for a decent floor of existence for society's less lucky. Beyond these specific measures, Rawls' just society is imbued with a genuine commitment to equal opportunity, but not to such old-time left-wing fetishes as equal incomes, or equal "outcomes."

Conservatives tend to fear that government efforts in this regard lead us down a dangerous path. For Rawls and his intellectual heirs, the better balance, and bottom line, is clear: In "justice as fairness (Rawls' shorthand for his approach), men agree to avail themselves of the accidents of nature and social circumstances only when doing so is for the common benefit."

"We Rawlsian liberals," Yale law professor Bruce Ackerman told me, "think that we have a special responsibility to arrange the starting points of American citizens in a way worthy of their claim to equality, but we don't have a responsibility to save them from their mistakes as grown-ups."

"The idea," says the philosopher Martha Nussbaum -- another pupil of Rawls, who teaches at the University of Chicago -- "is to set some limits on the power of luck to deform human lives."
Luck of Life

Materials: (The following materials are needed for each game set. Please make enough sets so that there are no more than 4 players to a board.)
1. Board for Luck of Life (Attached version is 8 ½ by 11. You may expand it to a larger size if you choose.)
2. Prebirth Lotto cards and Postbirth Lotto cards. A set of each are attached with the backsides to be printed back to back. Please copy Prebirth Lotto cards on yellow cardstock and Postbirth Lotto cards on pink cardstock.
3. A set of 2 dice for each board.
4. Luck of Life Tally Sheet. Make 1 copy per player.
5. Each player should have a pencil. (Pencil not pen as they will be changing values.)
6. If available, provide 1 calculator per group

Instructions:
1. Players will roll dice (2) to see who starts. Player with the highest total goes first. From there it rotates clockwise.
2. First player will choose a Prebirth Lotto card and a Postbirth Lotto card, and read each out loud to the group.
3. They will write the appropriate prebirth and postbirth values in the appropriate places on their tally sheets. (Write in pencil, so values can be changed.) Multiply $50,000 \times \text{prebirth value}$, then take that total and multiply by postbirth value.
4. Return the lotto cards to the bottom of the pile.
5. The next player will repeat that process until all 4 players have tallied their initial wealth.
6. First player then rolls the dice, proceeds around the board clockwise and follows the commands of the spot where he lands. If he gets a new prebirth or postbirth lotto card, he will replace the original value with the new one and tally. If they land on a “Life Stays the Same” square, there will be no change to their existing values.
7. The next player will roll the dice and follow the same procedure.
8. The Round is over when all four players have completed a circuit on the board. Players will tally whatever values they have when the last of the 4 players makes it to the finish line.
9. Players will complete 3 rounds or whatever time allows.
10. At the end of the period, players will add the total from the 3 rounds.

Follow Up Discussion

Ask students to discuss whether or not they agree with Rawls and the idea that much of our station in life is due to luck. Ask them to consider what they have done thus far in life (right or wrong) to deserve the good or bad they have received.
### Luck of Life Tally Sheet

Circle your choice before the game begins
* High Taxation/High Services
* Balanced Taxation/Balanced Services
* Low Taxation/Low Services

#### Round One

<table>
<thead>
<tr>
<th>Starting Salary</th>
<th>$50,000</th>
</tr>
</thead>
<tbody>
<tr>
<td>x prebirth lottery</td>
<td></td>
</tr>
<tr>
<td>=</td>
<td></td>
</tr>
<tr>
<td>x postbirth lottery</td>
<td></td>
</tr>
<tr>
<td>=</td>
<td></td>
</tr>
<tr>
<td>Total Wealth Round One</td>
<td></td>
</tr>
</tbody>
</table>

#### Round Two

<table>
<thead>
<tr>
<th>Starting Salary</th>
<th>$50,000</th>
</tr>
</thead>
<tbody>
<tr>
<td>x prebirth lottery</td>
<td></td>
</tr>
<tr>
<td>=</td>
<td></td>
</tr>
<tr>
<td>x postbirth lottery</td>
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<td>=</td>
<td></td>
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<tr>
<td>Total Wealth Round Two</td>
<td></td>
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</tbody>
</table>

#### Round Three

<table>
<thead>
<tr>
<th>Starting Salary</th>
<th>$50,000</th>
</tr>
</thead>
<tbody>
<tr>
<td>x prebirth lottery</td>
<td></td>
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<tr>
<td>=</td>
<td></td>
</tr>
<tr>
<td>x postbirth lottery</td>
<td></td>
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<tr>
<td>=</td>
<td></td>
</tr>
<tr>
<td>Total Wealth Round Three</td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th></th>
<th>Round 1 Total</th>
<th>Round 2 Total</th>
<th>Round 3 Total</th>
<th>Grand Total</th>
</tr>
</thead>
</table>
Prebirth Lotto
You are born with an I.Q. of 140.
School and work will come very easy
to you. Multiply by 4.

Prebirth Lotto
You are born with an I.Q. of 71. School
and work will be difficult for you.
Multiply by .25

Prebirth Lotto
You've been genetically endowed with
a freakishly athletic body—6'8"
muscular body and high density of
quick twitch muscles which will enable
you to play professional sports.
Multiply by 50.

Prebirth Lotto
You are born with a genetic muscular
defect and will need round the clock
care. Multiply by .01

Prebirth Lotto
You are born with exceptional
physical beauty which enables you to
model. Multiply by 10.

Prebirth Lotto
You are born with an I.Q. of 100,
average looks and average ability.
Multiply by 1.

Prebirth Lotto
You are born with a cognitive disability
that makes social interaction difficult.
Multiply by .5

Prebirth Lotto
You are born with a beautiful singing
voice and perfect pitch. Multiply by 8.

Prebirth Lotto
You are born with a severe speech
impediment which makes
communication difficult. Multiply by
.6.

Prebirth Lotto
You are born without extremities. You
are unable to care for yourself.
Multiply by .1.
Prebirth Lotto

Prebirth Lotto

Prebirth Lotto

Prebirth Lotto

Prebirth Lotto

Prebirth Lotto

Prebirth Lotto

Prebirth Lotto

Prebirth Lotto

Prebirth Lotto
**Postbirth Lotto**
You are born into an impoverished family. Multiply by .2.

**Postbirth Lotto**
Your are born into an extremely affluent (rich) family. Multiply by 10.

**Postbirth Lotto**
Your parents are of average means, but they place a high priority on education. Multiply by 5.

**Postbirth Lotto**
Your parent(s) have been incarcerated (imprisoned) on and off while you’re growing up. Multiply by .1.

**Postbirth Lotto**
Although your parents have average wealth, you go to a school in a wealthy area and network (make friends with) mostly affluent students. Multiply by 3.

**Postbirth Lotto**
You go to school where the dropout rate is over 50%. Multiply by .4.

**Postbirth Lotto**
Your parent(s) both have a college degree. Multiply by 4.

**Postbirth Lotto**
Your parent(s) don’t have a high school diploma. Multiply by .4.
Postbirth Lotto

Postbirth Lotto

Postbirth Lotto

Postbirth Lotto

Postbirth Lotto

Postbirth Lotto

Postbirth Lotto

Postbirth Lotto