

## CHAPTER 6

## To what extent do different economic systems affect quality of life?

**economics:** the study of the production, distribution and consumption of goods and services

**economic system:** the way a society organizes the production, distribution and consumption of goods and services

Imagine that you are in charge of all the income for your home each month. What factors will you consider in deciding how the money will be spent? Maybe there isn't enough money to get what everyone needs to support the quality of life they want. Most likely, each person in your home will have their own views on how to spend the money — and that will create issues that you will need to explore and debate.

**Economics** is about decisions like that. It's about what to create, grow, eat, sell and buy, and how to respond to the different needs of people in society. It affects the incomes people make, the jobs they have, and the taxes they pay to the government.

This chapter investigates the **economic systems** of Canada and of Canada's major economic partner, the United States. It explores the values that shape these systems, and how they are different and the same. As you work through the chapter, look for the issues that arise from economic decision making, and how these affect citizenship, identity and quality of life for individuals and groups in society.

### FOCUS QUESTIONS

- What values shape the mixed and market economies of Canada and the United States?
- How do economic decisions about scarcity, supply and demand, and competition affect individuals and groups?

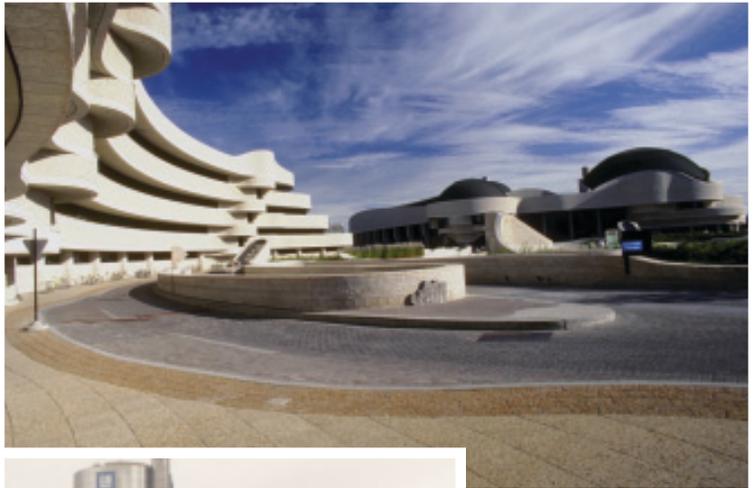
Stores contain products for sale. The products are manufactured and shipped to the store, and the costs of their manufacture and shipping are included in their price. **Think critically:** What else might influence decisions about the price of products? How are decisions made concerning what products to manufacture? How do these decisions affect your quality of life?



Based on the photographs below, what does economic decision making mean for Canadians?



Many young people train for jobs in Canada's economy, like these two automotive students. **Think critically: How does economic decision making affect the jobs available to you and your family?**



The Canadian Museum of Civilization preserves and promotes the heritage of Canada through collections, research and public information. It is a Crown corporation — a company owned by Canada's government. **Think critically: Why might Canada's government own a company? How might economic decision making and identity connect?**



This photo shows a tourist taking a picture of the city of Detroit in the United States from the city of Windsor in Canada. The cities face each other across the Detroit River and are connected by a bridge. This chapter explores how the economies of these separate, but connected, places are the same and different.



## DID YOU KNOW?

The photograph below shows a Via Rail train. The government of Canada owns Via Rail, which it created in 1971 to provide passenger rail service across Canada. Private railway companies in Canada had decided to cut their passenger services, because they could not make a profit from them. Too many people were making the choice to drive or fly to their destinations. The U.S. also has a government-owned passenger rail service: Amtrak. Amtrak was created in 1971, in response to similar issues.

## Write a position paper defending your ideas.

### Your Role

The Canadian Minister of Finance has organized a special committee to review Canada's economic system. The review will help Canada respond to a proposal from the United States. The proposal is that Canada should adopt American economic principles, so that Canada and the U.S. can have one economic system. The U.S. says this change will better meet the needs of citizens in both countries.

The minister is asking you to write a position paper on this question:

**Should Canada and the United States have a common economic system with little government involvement?**

### Your Presentation

You need to examine the underlying values that guide economic decision making in Canada and the U.S., and views and perspectives on the best economic system to meet the needs of citizens. Your paper should:

- Analyze the benefits and disadvantages of mixed and market economies in Canada and the U.S., including different views and perspectives.
- Describe your ideas on how much government should be involved in economic decision making and why.
- State your position on the question, supported by evidence that makes clear connections to views and perspectives.
- Communicate your ideas persuasively taking particular purposes and audiences into consideration, including the Minister of Finance.



## Let's get started!

Use a chart like the one below to help you gather and organize your research.

As you read the chapter:

- Collect information, views and perspectives about the benefits and disadvantages of the economic systems of Canada and the United States.
- Determine the role of government in each economic system, and how this responds to the needs of citizens.

Research other print and online sources to help you learn more about mixed and market economies.

After, summarize your ideas and write your conclusions in your position paper.

	Evidence of views and perspectives on Canada's economic system: <b>mixed economy</b>	Evidence of views and perspectives on the U.S. economic system: <b>market economy</b>
<b>Degree of government involvement</b>		
<b>Benefits:</b>		
<ul style="list-style-type: none"> <li>• for individuals</li> <li>• for groups</li> </ul>		
<b>Disadvantages:</b>		
<ul style="list-style-type: none"> <li>• for individuals</li> <li>• for groups</li> </ul>		
<b>Other evidence</b>		

When you draw your conclusion, think about how economic systems connect to citizenship. Economic systems affect decisions about jobs, products and services, which in turn affect people's quality of life. Consider the values that you think should guide these decisions. Think about how values connect to building a society where everybody belongs.

### My Informed Position

*Based on research and evidence, Canada and the U.S. should/should not have a common economic system because...*

*The strongest pieces of evidence to support my position are...*



## What values shape the mixed and market economies of Canada and the United States?

**economy:** the resources and processes involved in the production, distribution and consumption of goods and services



What role do you believe

economic systems play in supplying you with things you use everyday?

### WHAT'S IN THIS SECTION

This section begins with a comic that presents a situation you may have encountered. It then explores the roots of this situation in economic decision making. It describes:

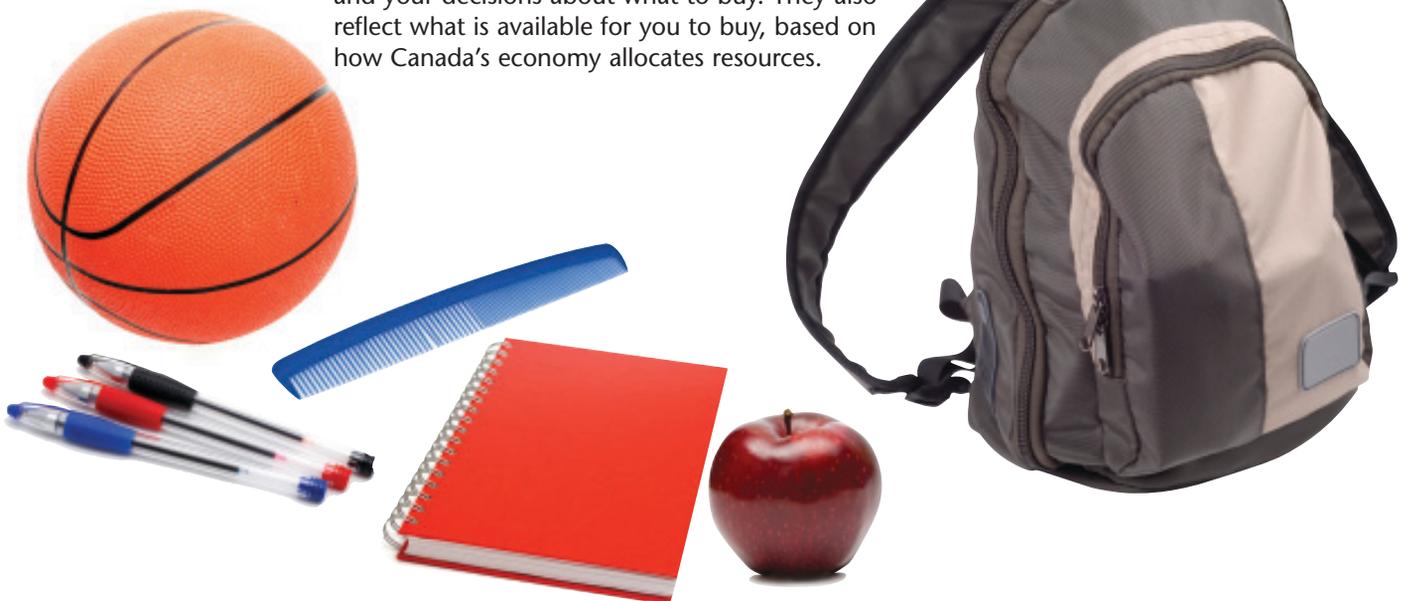
- The principles within an economic system.
- The differences between the principles and values underlying mixed and market economies in Canada and the U.S.

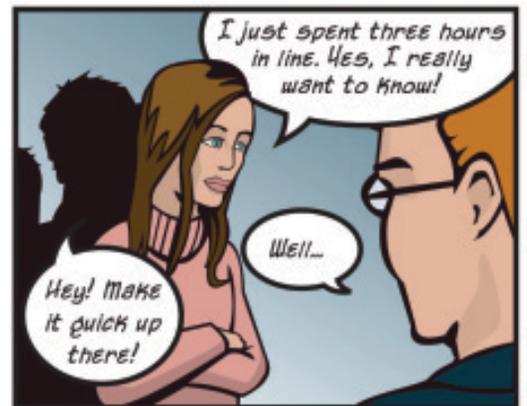
### What are you looking for?

As you read this section, think about how economic decision making affects your quality of life. Look for examples of how it influences:

- The variety of products and services available to you.
- The price of products and services.
- The quality of products and their impact on the environment.

As a consumer, you are part of Canada's **economy**. The things you own, such as the items in this photograph, reflect what you value and your decisions about what to buy. They also reflect what is available for you to buy, based on how Canada's economy allocates resources.









**WHAT DECISIONS HAVE LED TO THIS SITUATION?**

- Why didn't the game manufacturer make more games?
- Why did the truckers go on strike?
- Why did the store decide to sell the games for less?
- Why would anyone buy it for \$99.99?



Why? Time for a little economics...



**scarcity:** in economics, the idea that land (materials), labour and capital (money) limit the supply of what people want and need

## What's scarcity?

In the comic you just read, you saw scarcity at work. The demand for the hit game Super Cyborg City was so great — so many people wanted it — that the store could not supply enough copies to meet the demand. **What could be done about this situation? What do you believe should be done?**

Some things people need are unlimited. For example, people need air. Air is usually freely available, unless — for example — you happen to be scuba diving.

Most things that people need or want, however, are limited. This is because resources are limited. In economics, resources include the money, labour, and materials to supply what people want and need.

Resources can be limited for a number of reasons. For example, think of things you buy at the grocery store, like fresh berries. Many factors can limit the supply of fresh berries — for example, the growing season in Canada and trade agreements with other parts of the world.

In economics, the idea that resources are limited is called **scarcity**.

The basic questions of economics are about how to solve scarcity:

- **What is needed or wanted?**
- **How will it be produced?**
- **Who will get it?**

The decisions we make about these questions create issues that affect our quality of life.



**CRITICAL THINKING CHALLENGE** How might Canada's government get involved in situations where people's wants and needs are not being met?

Fresh berries are delicious, but there aren't always enough to go around. **Think critically:** How does economic decision making allocate the fresh berries available?



## WHAT CREATES SCARCITY?

The three basic “factors of production” interact to limit the supply of what people need and want. These include land, labour and capital.

### Land

Land consists of all the materials found in the natural environment needed to produce goods and services, such as renewable resources (e.g., trees, raspberries) and non-renewable resources (e.g., oil, gold). **Think critically: What impacts might this decision about using the land have on the land?**



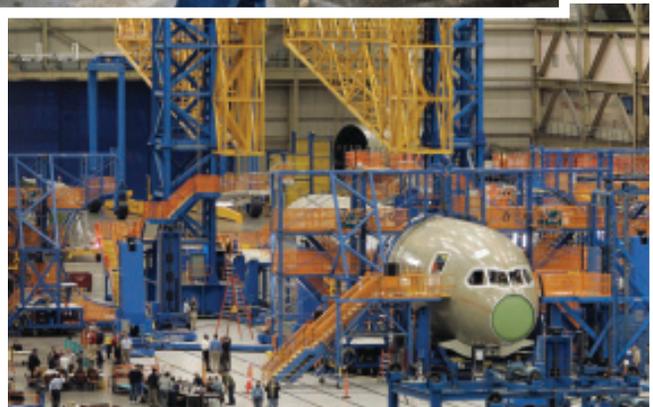
### Labour

Labour consists of the physical and mental effort needed to produce goods and services (e.g., agricultural workers to produce foods, servers to staff restaurants). In this photo, construction workers are building a house. If they find other jobs, or if there aren't many qualified construction workers available, fewer houses will get built. **Think critically: How do choices concerning jobs affect the workforce?**



### Capital

Consists of the money that people own or borrow, used to purchase equipment, tools and other resources to produce goods and services. This photo shows an airplane manufacturing plant. Setting up such a plant requires billions of dollars in specialized equipment and specialized workers. **Think critically: What if the capital that built this airplane plant were invested in something else? What impact might this have on airports and air services?**



**privately owned:** in economics, the part of the economy owned and controlled by businesses and individuals

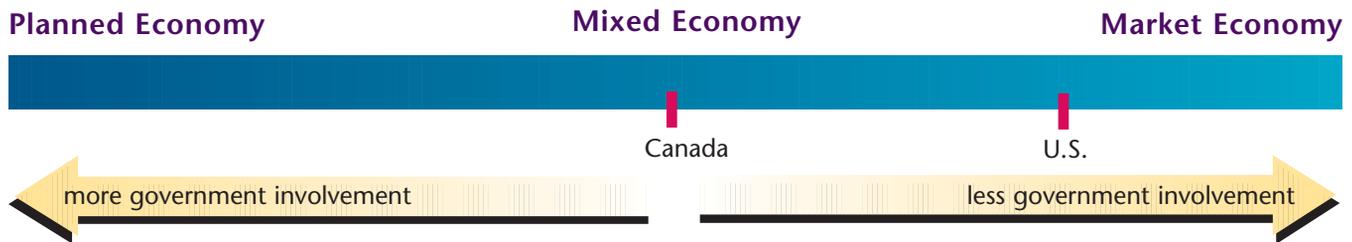
**publicly owned:** in economics, the part of the economy owned and controlled by government and paid for by taxes

## What’s an economic system?

An economic system is a way to solve the basic problem of scarcity. Different ideas about how best to organize an economy result in different economic systems. You can put them on a continuum, like the one below. An economic system’s position on the continuum is dynamic, and depends on the underlying values of a society and its government. The positions of Canada and the U.S. on the continuum below reflect a traditional perspective on differences between their economies. Their actual positions on the continuum shift right and left, depending on the political party in power.

**Examine the continuum below. How do the different positions of Canada and the U.S. reflect different values?**

## THE ECONOMIC CONTINUUM



### Planned Economy

At this end of the spectrum, government makes all the decisions about how to solve scarcity. It owns and manages the resources needed to produce things. It plans what will be produced and decides how to use limited resources.

#### Characteristics

- Resources are **publicly owned**.
- Government makes decisions on how to use resources.
- Individual consumers have little influence on economic decision making.

### Mixed Economy

A mixed economy combines private ownership and government control. For example, private businesses own some resources and the government owns others. In mixed economies, the level of government involvement fluctuates depending what political party is in power.

#### Characteristics

- Some resources are publicly owned and some are privately owned.
- Individuals and government both make decisions about what to produce.
- Individual consumers and government influence economic decision making.

### Market Economy

At this end of the spectrum, the choices of individuals solve scarcity. Private businesses own and manage resources. They sell their products to consumers, who make their own decisions about what to buy. Businesses succeed if they produce what consumers want. Otherwise, they fail. The government does not get involved.

#### Characteristics

- Resources are **privately owned**.
- Individuals make decisions on how to use resources.
- Individual consumers drive economic decision making by choosing what to buy.

CASE STUDY

## Canadian Economic History versus U.S. Economic History

The economies of Canada and the U.S. are similar in many ways, but they developed from different starting points. Their starting points involve different answers to this fundamental question of values:

### What's the best way to achieve the **public good**?

The public good is about what's best for society as a whole. Worldviews differ on how best to achieve it.

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**public good:** what's best for society as a whole

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### The Public Good and Cooperation

Some people believe that individuals must consider each other and set aside their individual interests to achieve what's best for society. This worldview values equity: responding to others in a way that recognizes their needs and circumstances.



### The Public Good and Individualism

Some people believe that what's best for each person individually adds up to what's best for society. This worldview values individual creativity and independence.



Examine the information on Canada and the U.S. on pages 206 to 208. How do the founding principles of Canada and the U.S. answer the question of the public good differently? How have Canada and the U.S. answered the question differently at different points in their histories? Why?

## Canada's Economy

**shift left:** a shift on the economic continuum towards more government involvement in the economy. A shift left is usually described as taking a more liberal position.

**shift right:** a shift on the economic continuum towards less government involvement in the economy. A shift right is usually described as taking a more conservative position.



Prime Minister Lester Pearson, a leader of the Liberal Party of Canada, supported more government involvement in the economy.



Prime Minister Brian Mulroney, a leader of the Progressive Conservative Party of Canada, supported less government involvement in the economy.

### Founding principle: “peace, order and good government.”

- The founding principle of Canada reflects the idea of cooperation. It connects to an agreement between Francophones and Anglophones that established Canada (see page 146).
- The idea of cooperation affects Canada’s economic system. For example, government plays an important role in the economy, making decisions on behalf of everyone.
- Canada is said to have a mixed economy because of the role government plays, and because individuals still own private property.
- Canada’s position on the economic continuum is not static. It shifts left and shifts right depending on the political party that forms the government.

### 1963–1968: An Example of a **Shift Left**

Lester Pearson became prime minister of Canada in 1963, when the Liberal Party of Canada won an election and formed a minority government. (Remember minority governments in Chapter 1? See page 28.) To stay in power, the Liberals cooperated with the New Democratic Party. This resulted in legislation that gave government a larger role in the economy, including:

- Publicly funded health care.
- Pensions for senior citizens.

### 1984–1993: An Example of a **Shift Right**

Brian Mulroney became prime minister in 1984 as leader of a majority government of the Progressive Conservative Party of Canada. He took steps to reduce government involvement in the economy, including:

- Cuts to government spending.
- Privatizing government-owned corporations, called Crown corporations. For more on Crown corporations, see the next page.
- The North American Free Trade Agreement (NAFTA) with the U.S. and Mexico, which increased the influence of the market in shaping Canada’s economy.



**CRITICAL THINKING CHALLENGE** How might the history of Canada shape values and attitudes in Canada?

## What's a Crown corporation?

A Crown corporation is a company owned by Canada's government to provide products and services to Canadians. The reasons for government to create Crown corporations include:

- To provide essential services.
- To promote economic development.
- To support Canadian culture and identity.

Economists say Canada has a mixed economy partly because of its Crown corporations. The United States also has some publicly owned corporations, but not as many as Canada. Here are some examples of Crown corporations from Canada's past and present.

Air Canada was originally Trans-Canada Airlines, established by Canada's parliament in 1936, and owned and managed by the federal government. Parliament decided to privatize the airline — sell it to private investors — in 1988.



### CRITICAL THINKING CHALLENGE

What Crown corporations does Canada have today? Why does Canada's government assess the value of Crown corporations differently at different times?



### SPOT AND RESPOND TO THE ISSUE

To what extent should Crown corporations play a role in Canada's economy?

Petro-Canada was established by Canada's parliament in 1975. The purpose of Petro-Canada was to compete with foreign-owned companies in developing Canada's oil and gas resources. Today, Petro-Canada is owned by private investors.

This is a poster advertising a radio show in Alberta on Radio-Canada. CBC/Radio-Canada is Canada's public broadcaster, with an English-language network and a French-language network. CBC/Radio-Canada was created to promote bilingualism in Canada, and to promote Canadian culture as distinct from American culture. **Think critically: What's the connection between CBC/Radio-Canada and collective rights in Canada? What's the connection to identity?**

Franklin Roosevelt was a member of the Democratic Party. Roosevelt supported more involvement of the government in the economy to combat the effects of the Great Depression.



Ronald Reagan was a member of the Republican Party. Reagan supported less involvement of the government in the economy.

## The U.S. Economy

### Founding principle: “life, liberty and the pursuit of happiness.”

- The founding principle of the U.S. reflects the idea of individualism. It connects to the roots of the U.S. as a colony of Britain from the 1600s until 1776, and in fighting to become independent of Britain from 1776 to 1783.
- The idea of individualism influences the economic system of the U.S. For example, the U.S. generally values individual economic decision making, with little involvement of the government.
- The U.S. is often said to have a market economy, because of its emphasis on the role of the individual, versus the government, in economic decision making.
- The position of the U.S. on the economic continuum shifts right and left, depending on the political party that forms the government.

### 1933–1944: An Example of a Shift Left

Franklin Roosevelt became president of the United States in 1934, during a worldwide economic crisis called the Great Depression. The Depression put millions of people out of work. In the U.S., Roosevelt responded with a policy called the New Deal, which established:

- Pensions for senior citizens.
- Funds to support farmers.
- Corporations funded and run by the government. These created jobs and built projects to strengthen the economy, such as dams and roads.

### 1980–1988: An Example of a Shift Right

Ronald Reagan became U.S. president in 1980. He wanted government less involved in the economy. He took steps such as:

- Reduced government spending.
- Reduced government regulation of corporations, for example on environmental standards.



**CRITICAL THINKING CHALLENGE** How might the history of the U.S. shape values and attitudes in the U.S.?

## How do market economies work?

Mixed and market economies are different, but related, economic systems. In both systems, the individual choices of consumers are an important economic force. They add up to create overall economic decisions for society.

In pure market economies, consumer choices drive all economic decision making. In mixed economies, they drive a lot of economic decision making.

**How do consumer choices “add up” in mixed and market economies?** This section investigates the mechanisms — or principles — of market economics, including:

- Supply and demand.
- Competition.



As you read this section, think about the advantages and disadvantages of market economics as a way to make economic decisions. What challenges and opportunities might it create for people with different incomes and different needs?

## HOW DO OTHER KINDS OF ECONOMIES WORK?

Investigate the economic systems of other countries. Decide where they fit on the economic continuum, based on current information.



Pemex is Mexico’s government-owned oil company. It dates from 1938, when Mexico took control of its oil resources — and took control away from private companies. **Think critically:** Why might the current status of Pemex be an indicator of Mexico’s position on the economic continuum?

Shanghai, China, is a much different place today than it was twenty years ago. China used to have a planned economy. Its government now promotes many principles of a market economy. **Think critically:** Why might countries change economic systems? Why might Canada?



## Supply and Demand

**consumers:** those who use products and services

**demand:** the wants and needs of consumers for products and services

**producers:** those who create products and services

**supply:** the products and services created by producers

- The diagrams on this page illustrate the basic principles of supply and demand.
- Supply and demand connect through a cause-and-effect relationship related to price. Each diagram shows an example of this relationship and describes how it affects the economy.
- Supply and demand affect quality of life because they affect the prices of products we buy, the availability of products, and jobs connected to creating products.
- **Supply** is about producing things people want. It involves **producers**.
- **Demand** is about what people want. It involves **consumers**.

### Let's start with a state of equilibrium.

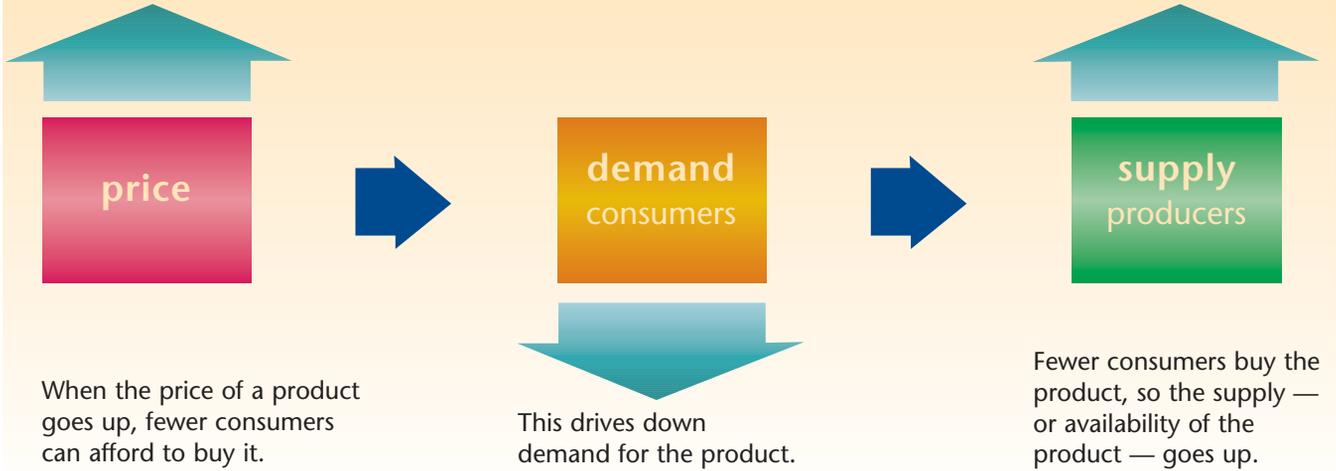
- In a state of equilibrium, the supply of a product can meet the demand for a product at a particular price.



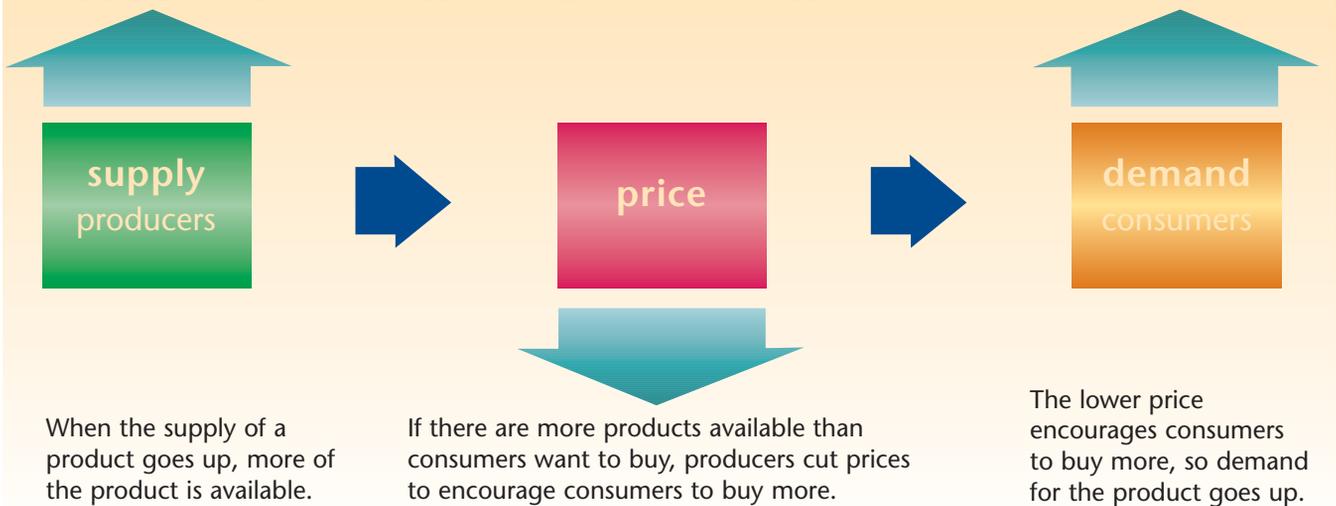
### Demand goes up. What happens to supply? What happens to price?



**Price goes up. What happens to demand? What happens to supply?**



**Supply goes up. What happens to price? What happens to demand?**



**Equilibrium is restored.**

- Generally, producers want to supply as much of a product as consumers will buy, at a price that allows producers to make the most profit possible. This tends to make supply, demand and price stable over time.



**CRITICAL THINKING CHALLENGE** What if the supply of a product went down? How would that affect price and demand? What might cause the supply of a product to drop?



**CRITICAL THINKING CHALLENGE** Why might demand for a product go up? For example, what role might marketing play in demand?

**competition:** in economics, rivalry among producers to sell products to consumers

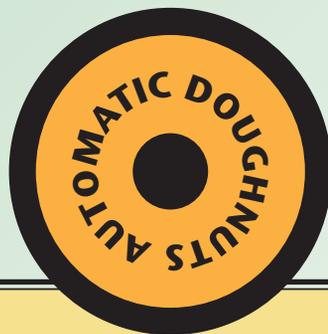
## Competition

Competition is about producers striving to get consumers to buy their products. Producers attract consumers in a variety of ways — through different prices and product quality, for example. Many factors can affect **competition** in an economic system, including the values of consumers and decisions by government to become involved in decisions about supply and demand.

### CASE STUDY

## Two Doughnut Shops

Imagine there are two doughnut shops in your neighbourhood. Each wants your business. What can they do?



This shop specializes in cheap, plentiful doughnuts. It makes large quantities of doughnuts — five kinds — with a machine. It uses bargain ingredients.



This shop specializes in hand-made doughnuts. It employs a staff of bakers and uses high-quality ingredients. It makes thirteen kinds of doughnuts for higher prices.

 How has competition between the shops affected the variety and price of doughnuts available to you? How might this affect your quality of life?

 How has competition affected the decisions the shops have made about resources — for example, ingredients and labour? What impacts might these decisions have on you and your family or friends?



## What are some other examples of competition?



In a mall, many different kinds of stores compete for your business. The stores are owned by individuals or companies that seek to make profits, so they want you to buy things. Consider the last time you shopped at a mall. **Think critically: How do stores in a mall try to influence your ideas about what you need and want? How does this connect to the variety and quality of services a mall offers?**



This shop sells skateboards. To make a profit, it needs to encourage consumers to buy skateboards rather than making other decisions about spending or saving their money. **Think critically: How might this skateboard shop compete for your business? If you own a skateboard, what might influence you to buy another? If you don't own a skateboard, what might persuade you to try one?**

## DID YOU KNOW?

### Monopoly versus Competition

In an economic system, the opposite of competition is monopoly. A monopoly happens when one producer controls all supply of a product or service. Governments sometimes create monopolies as a way to provide essential services that require expensive infrastructure, such as water lines or sewer lines. In Canada, the Canadian Wheat Board is a government agency that some consider a monopoly because it markets wheat in western Canada on behalf of all wheat growers. This means the Wheat Board sets the price of wheat — the price is not set by competition among wheat growers or their customers. The purpose of the Wheat Board is to protect wheat growers from low market prices. Some Canadians support the role of the agency, and some oppose it.

In some cases, governments intervene to prevent monopolies and restore competition among producers. In the United States, for example, Microsoft Corporation had to adjust its software product Windows to allow compatibility with browsers other than its own Internet Explorer.



How do government decisions

that affect competition in an economy reflect values? Describe an example based on the information on this page.



How would you summarize the reason for government involvement in each example on pages 214 and 215? Think of a title to go with each photo.

## Why do governments get involved in market economics?

Market economics relies on the decisions of individual consumers and producers. Sometimes governments get involved to inform, protect or ensure good practices. They may intervene if they feel consumers are not being fairly treated. For example, the B.C. government started its own auto insurance program because it believed private insurers were making auto insurance too expensive.

Take a look at the examples on this page and page 215. What conclusions can you draw about why governments intervene in these circumstances?

Both Canada and the U.S., and many other countries, have laws requiring products, such as foods and cosmetics, to carry labels listing ingredients. These laws often came about because of lobbying by groups concerned with public health and safety. **Think critically: How might information about ingredients influence supply and demand? How might they affect quality of life?**



Many governments require consumers to pay a “tire tax” when they buy new tires. The tax helps pay for recycling the tires, so they don’t go to landfills. Instead, recyclers make them into other useful products such as mats and roofing. **Think critically: Why might governments want to encourage consumers and businesses to recycle? How does the decision to recycle or not affect quality of life?**



Governments have laws to ensure competition among producers, such as oil and gas companies. Because of competition, many producers offer products for the same price. It’s illegal for producers to “fix prices” — agree among themselves on what to charge for a product they all supply. **Think critically: When producers compete for your business as a consumer, why does this keep prices down?**



## DID YOU KNOW?

In 2007, Canada's government launched an investigation, under the Competition Act, into price fixing among chocolate manufacturers. The objective of the Competition Act is to "maintain and encourage competition in Canada in order to... provide consumers with competitive prices and product choices." Consider how the price of chocolate could affect your quality of life.



The education of these high-school students comes from money collected and distributed by the government — from taxes. Governments often fund products and services they consider essential for the public good, such as education. Postal services are another example. **Think critically:** What else might be considered a public good? Why might the public good need government support in market economies?



**CRITICAL THINKING CHALLENGE** To what extent do you agree with the involvement of government in each of the examples on pages 214 and 215?

## connect to the big ideas

1. Using electronic drawing or organizational tools, create a graphic or other visual that illustrates how supply, demand and competition work together in a market economy. Make a presentation explaining your graphic to a partner or small group. What opportunities and challenges do these create for producers and consumers?
2. Find examples in the media of government involvement in the Canadian or U.S. economies. What circumstances have triggered the government to be involved? What impact does the government involved have on citizenship, identity and quality of life for you and others?



## Steps to Writing for Different Purposes and Audiences

So far, you have explored the characteristics and some of the decision making involved in mixed and market economies. You have done some research and gathered information. You're ready to start planning your position paper answering the question:

**Should Canada and the United States have a common economic system with little government involvement?**

For your plan, you need to first figure out who and what your position paper is for. **Who is your audience? What's your purpose?** This section will help you practise writing for different purposes and audiences.



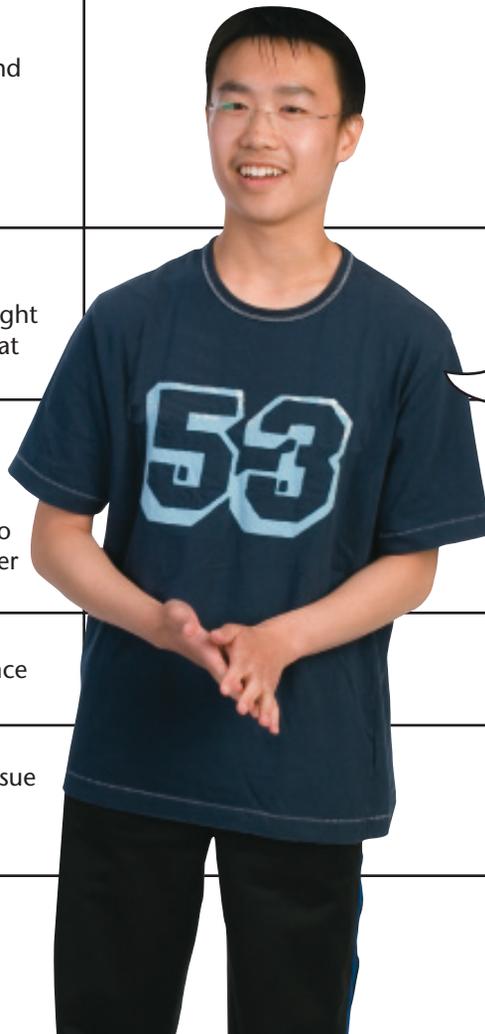
Before I begin to write, I think about what I want to achieve with my writing. Is my writing going to inform people of my ideas or persuade people of my position? Once I have decided that, I can begin.

I try to think about the people who will be reading my paper. I find out what their views and experiences might be on the issue, and how I can convince them of the validity of my ideas. I know my ideas are valid when I can support them with strong facts and evidence.

## Try this!

Practise writing for different audiences using the following scenarios. **What is the main purpose for each one? What evidence would you use to help persuade each audience of your ideas?** Use what you learn here to help you write the position paper for the Minister of Finance in your chapter task.

	<b>Scenario 1</b>	<b>Scenario 2</b>
	Your principal has asked you to write an article for the school newsletter asking for donations for a local charity.	You are an MP writing a speech for the House of Commons defending a bill to privatize a Crown corporation.
<b>Determine the question or issue of each scenario...</b>		
<b>Purpose</b> Decide what your main purpose is: To persuade? To enlist support on an issue? To provide background information on an issue or topic?		
<b>Audience</b> Decide who will read the information, their interests and what issues they will need to respond to...  Determine how the issue will affect their quality of life...		
<b>Views and perspectives</b> Research some views and perspectives the audience might have about the issue and what questions they might ask.		
<b>Position</b> State your position...  Give some opposing arguments to your position to show that you recognize other points of view...		
<b>Evidence</b> Make a list of possible evidence supporting the issue...		
<b>Conclusion</b> Summarize and restate the issue or question and supporting evidence...		



Understanding purpose and audience is part of responding to an issue. It's part of making your views and perspectives understood, and understanding the views and perspectives of others. It connects to taking action as a responsible citizen.

## How do economic decisions about scarcity, supply and demand, and competition affect individuals and groups?

### WHAT'S IN THIS SECTION

In this section, you will read about how mixed and market economies respond to issues affecting citizenship, identity and quality of life. Specifically you will explore case studies that illustrate:

- The ways that the Canadian economy fosters cultural industries and identity.
- How economic decision making affects job availability and workers' quality of life.

### What are you looking for?

As you read this section, look for:

- The role of Crown corporations in Canada's economy.
- Different views on the degree of government involvement in job creation and protection.
- The role that labour unions play in an economic system.



This section explores the differences between a mixed economy and a market economy based on the examples of Canada and the U.S. The case studies give you a practical taste of the values that underlie different economic systems — values that shape the degree of government involvement generally in the Canadian and U.S. economies.



**As you work through the case studies on pages 219 to 234, keep an open mind. How do you think the issues they present should be resolved? Why? Where does your own thinking fall on the economic continuum?**

## CASE STUDY 1

### THE CASE OF THE CANADIAN FILMMAKER

In Canada, cultural industries such as film receive support from Canada's government. It is one of the things that distinguishes Canada's economy from the U.S. economy. This section explores the factors and impacts involved with that economic decision.

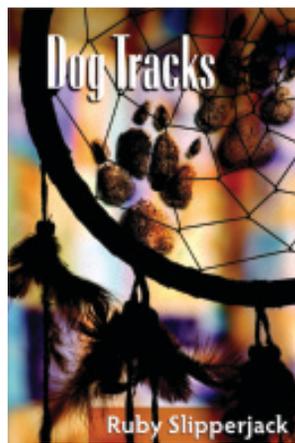
As you read this case study, think about what challenges and opportunities Canadian cultural industries face. To what extent is government support an appropriate way to respond?



What does the information on this page tell you about Canada's commitment to maintaining and building on our identity, both individual and collective?

### Create Canadian!

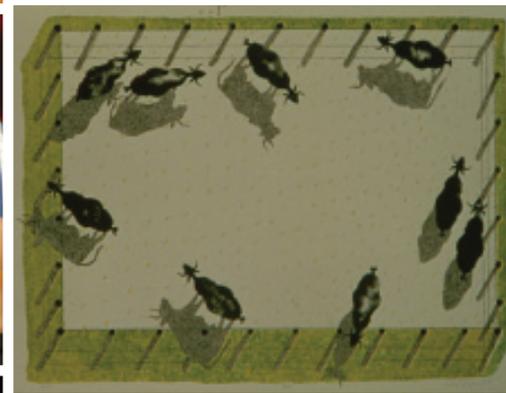
Canada's government encourages the creation of Canadian cultural products with support and funding. Examine the examples below. Why might Canadians have different views and perspectives about government funding for the arts?



Canada's government provides grants to Canadian authors and publishers, such as Fifth House Publishers in Calgary. The grants help publishers and authors cover their expenses.



This is the band Arcade Fire from Montréal. Canada's government promotes the development of the Canadian music industry through the Canada Music Fund.

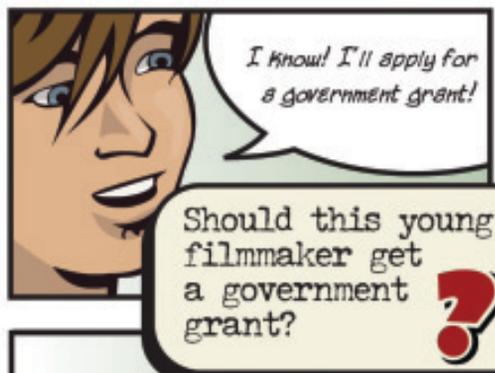


The Canada Council for the Arts provides grants to artists, such as world-renowned Fransaskois artist Joe Fafard. Fafard titled this painting *Bird*. The grants often cover living expenses, so artists can work fulltime on their projects.



The Canada Council for the Arts provides support for the performing arts. This photo shows John Fanning and Elizabeth Turnbull in the world premiere of *Frobisher*, an opera by John Estacio and John Murrell, co-commissioned and co-produced by Calgary Opera and The Banff Centre. Without government funding, productions such as *Frobisher* might not be possible.

Photo by Trudie Lee.



**YES!** The filmmaker gets a grant.

BOOM!	FRANTIC
DIGITAL DREAD	OBSESSED
O CANADA	SOB
SHIVER	VROOM
ODDLY AMUSING	BLOW UP



**NO!** The filmmaker doesn't get a grant.

BOOM!	FRANTIC
DIGITAL DREAD	OBSESSED
LAUGH OUT LOUD	SOB
SHIVER	VROOM
ODDLY AMUSING	BLOW UP



Do you think the Canadian filmmaker should get a grant? How might the presence or absence of Canadian films in theatres affect Canadian identity?

# The Economic Excavator

Price: As cheap as possible, but not less than you're willing to pay.

## LETTERS TO THE EDITOR

**Editor's Note:** *Welcome to The Economic Excavator, a newspaper dedicated to economic decision making. The Case of the Canadian Filmmaker has provoked response from different points on the economic continuum. What's your view? Write in and let us know!*

### Canadian filmmakers need grants to tell Canadian stories

Clearly the Canadian filmmaker should get a government grant! It's very important for Canadian arts and entertainment to receive government support.

Without this support, Canadians wouldn't have any Canadian TV shows, books, magazines, music or films. No one would make them, because the Canadian audience is just too small. There is much more money to be made supplying the huge American audience with what it wants to see, read and hear.

But who will tell Canadian stories, if Canadians don't? Canadians need Canadian stories. Canadian films reflect Canadian history and identity. They help Canadians understand who they are.

That's why Canada has Crown corporations that support Canadian identity — because Canadians need the government involved in creating this public good.



— A mixed economist

### Let consumers make decisions about what's worth watching

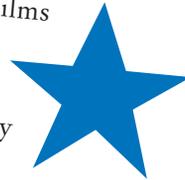
What's the point of making a film without an audience?

Hollywood doesn't make films just for American audiences. Canadians watch Hollywood films, and so do people around the world. That's because the films are worth watching.

Canadians can make films that are worth watching, too — in Canada, the U.S., and all over the globe. That's what Canadians should be striving for.

Government grants do not help the Canadian film industry. They encourage mediocrity. They remove the need for filmmakers to compete for their audiences and respond to what audiences want: excellent films.

And don't forget that government grants come from taxes. Every Canadian pays taxes. Why should their taxes make films they may not want to see? Let Canadians choose their movies themselves, when they buy tickets at the movie theatre.



— A market economist



These letters represent possible views and perspectives. They do not represent the views of everyone in Canada or the U.S. What's your view about the Case of the Canadian Filmmaker?

## What support might our filmmaker receive in Canada?

Canada has government-supported organizations to assist the Canadian film industry. This is different than the United States, where government does not directly support film companies. **In what way do government decisions about whether to fund films reflect a difference in the economic systems of Canada and the U.S.?**



Canada's government also provides grants to athletes training for competitions such as the Olympics. Why might Canadians have different views and perspectives on sports funding?

### What's Telefilm Canada/Téléfilm Canada?

Telefilm Canada/Téléfilm Canada is a federal Crown corporation that promotes the development and promotion of the Canadian audiovisual industry. It provides Canadian film and television companies, and new media, with funds and other support.

Its role is to "foster the production of films, television programs and cultural products that reflect Canadian society, with its linguistic duality and cultural diversity" and to ensure audiences see these products at home and abroad.

I try to reflect my Francophone identity in every one of my productions. It's important for the government to invest in our cultural identity, because it enriches our country as a whole. Western Canada has a voice — both in English and en français — and the rest of the country needs to see and hear it.

Jean Patenaude is a Francophone filmmaker from Edmonton. He made the film *Karibuni* in 2007 with support from Telefilm Canada.



*Karibuni* is a documentary about immigrants from French-speaking Africa, and the choice they face to live in French or in English when they settle in western Canada. The word *karibuni* means "welcome" in Swahili. The film also explores the daily struggle of Francophones in western Canada to maintain their language and identity.



*Moccasin Flats* brings us voices that have never been heard before. Aboriginal people are integral to Canada’s identity. When we tell our own stories to the entire country, it enriches Canada’s culture as a whole, and strengthens our perceptions of ourselves. To maintain a strong country, the federal government must support Canadian creators and artists. Without art, we would be robots.

Jennifer Podemski is an Aboriginal actress and producer with Saulteaux roots. She lives in Toronto.



What benefits does Jennifer Podemski see in the government’s support for Canadian filmmakers? How does it affect her identity and quality of life? How does she believe it affects yours?



This photo shows actors Landon Montour and Candace Fox in a scene from *Moccasin Flats*. The series explores the opportunities and challenges faced by young Aboriginal people in Regina’s inner city.



Canada’s victory at Passchendaele is an astounding story of determination, commitment and triumph. Sadly, with each passing year, the story of our nation’s valour is fading. With the filming of *Passchendaele*, we are determined to rectify this.

In the fall of 2007, actor/ filmmaker Paul Gross shot the \$20 million film *Passchendaele* near Calgary. The movie received \$3.5 million in federal funding through Telefilm Canada, as well as \$5.5 million from Alberta’s provincial government.

The movie is about a World War I battle in Belgium, in which Canada was victorious, but where more than 15 000 Canadian troops died. Some historians consider the battle important to the development of Canada’s identity as a nation.



How does the work of filmmakers such as Paul Gross contribute to Canadian identity?

## HOW TO MAKE DECISIONS IN A GROUP

Use the issue of government funding for cultural products to practise the skills of making decisions in a group. These skills are important to citizenship: they help us become active citizens and to build a society that includes everybody — individually and collectively.

Start by considering the information on pages 220 to 224, which provides examples, views and perspectives about government funding for films and other cultural products. Then, in small groups, make a decision about this question:

### Should Canada's government provide grants to support Canadian cultural products?

You can help lead the discussion and decision making with the steps below:

- As a group, brainstorm a list of group goals for effective discussions. For example: listen effectively, become aware of other views, and become more informed about the topic.
- Invite group members to take turns sharing their ideas on the topic for decision. Remind everyone that the goal is to hear each person's position before making a comment or interrupting.
- Allow time for each person to respond, ask questions and compare their ideas. As leader, ensure that each person has sufficient time to respond and participate. Keep the group focused on the topic.
- As a group, discuss how to make the decision — for example, by voting or by consensus. Consider the advantages and disadvantages of each method, and how each could shape the decision of the group.
- When your group reaches a decision, consider the possible consequences of the decision, who it will affect and why.
- Conclude by inviting each person to summarize a key idea from the discussion that they felt was significant or helped them reach a decision.

When I lead a group discussion, I like to get everyone to sit in a circle. That way, people are talking to each other, and not just to me as the group leader. Leading a group is about helping people to say what they mean, and to listen to what others have to say.



Evaluate what went well, and what could have gone better, in your group decision-making process. *Refer to pages 349 to 351 in the Skills Centre for more information on how to make decisions in a group.* Use your experience and the information to outline a step-by-step plan for the next time you participate in group decision making.



## CASE STUDY 2

## SPOT AND RESPOND TO THE ISSUE

Should Canada's government help create and protect jobs?

### The Case of the Disappearing Jobs

Economic decision making affects the number and types of jobs available in communities across Canada. This case study explores some of the factors and impacts involved in those decisions.

As you read this section, consider how supply and demand affect jobs, and create opportunities and challenges for Canadians. You might also note how the lost jobs affect other things. For example, a decline in tourists to the community affects jobs in local retail businesses such as restaurants, souvenir shops and hotels and motels. These are known as "spin-off" jobs.

#### Candy plant closure could mean sour future for Ontario town

SMITHS FALLS, Friday, February 16, 2007

The Hershey Company announced plans yesterday to close its chocolate factory in Smiths Falls, Ontario. The company hopes to increase efficiency by reducing its workforce in Canada and the U.S., and building a new, much larger factory in Mexico.

The Smiths Falls plant currently employs about 500 workers, making it one of the town's biggest employers. It's also a major local tourist attraction, drawing a half million visitors each year.

The plant closure leaves many Smiths Falls residents worried about the community's future. Some say they will leave the town and look for a job out west, where the economy is booming because of the oil and gas industry.

The economic impact of the closure will spread well beyond Hershey's employees and their families. Local business owners say it will devastate the town's economy. They are bracing for a "trickle down" effect that lost jobs and their businesses depend on people spending their pay cheques and tourist dollars in Smiths Falls.

— Based on research into events, views and perspectives.

Hershey's employee Brenda Presley stacks shelves with chocolate syrup at the Hershey's plant gift store in Smiths Falls, Ontario. Hershey's announced today that it will close the local plant. Brenda, and 500 other workers, will lose their jobs, which will be devastating to the small community.



# The Economic Excavator

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## LETTERS TO THE EDITOR

### Government needs to protect jobs — and communities

#### Re: The Case of the Disappearing Jobs

The government needs to be involved in protecting jobs for Canadians. Jobs keep Canadian communities stable and functioning. It's unacceptable for the fate of an entire town to lie in the hands of a private company.

Private companies want profits. They are thinking about chocolate bars, not about the workers who make the chocolate bars. And what about the workers' families, and all the local people who provide them with schools, groceries, health care, hockey rinks and so on? Private companies aren't thinking about them, either.

Government needs to be directly involved in decision making about jobs. It needs to protect and create jobs — for example, by buying and running factories that would otherwise close, or by funding new business ventures that can employ people.

Governments should consider jobs a public good, like education, and take action when required.

— A mixed economist

The Hershey Company decided to close its plant in Smiths Falls based on the economic principles of competition, and supply and demand. If Hershey did not respect these principles, it would go out of business. **Think critically: How should society respond to the issues this creates?**



### Jobs come from private companies

Private companies are in the best position to make economic decisions about jobs, because they supply products and services that people want and need.

When people lose their jobs, it means they are supplying something that consumers won't buy. People who lose their jobs need to find other jobs — jobs supplying something that consumers will buy.

Government needs to stay out of this decision making. It is not a business and it does not know the market. Government actions to protect or create jobs end up costing everyone in taxes and lost opportunities.

Private companies respond to consumer demand with creativity and determination — and that creates more and better jobs for everyone.

— A market economist



### CRITICAL THINKING CHALLENGE

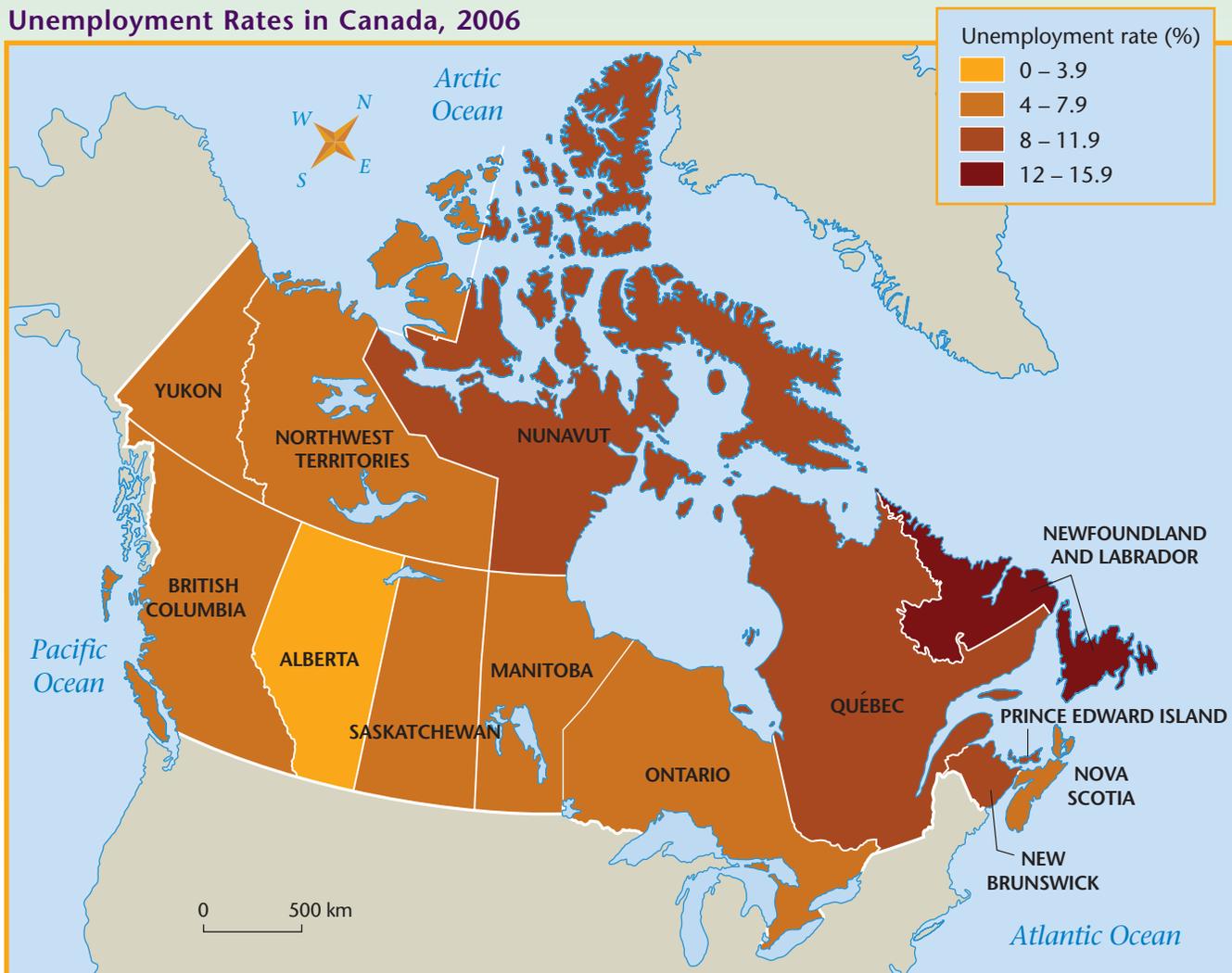
Responsible citizenship involves responding to issues and building a society in which everyone belongs — individuals and groups. How is responsible citizenship different in mixed and market economies? How can economic systems have different strategies for creating jobs? How do jobs create opportunities for people to “belong”?

## How do employment rates differ across Canada?

**unemployment rate:** the percentage of the workforce that does not have jobs

In the article on page 226 about Smiths Falls, Ontario, some people said they might move west to look for work. Examine the map on this page. It presents information about **unemployment rates** across Canada. **Why might people in Smiths Falls decide to move west? How might this affect quality of life in Smiths Falls and in the west?**

Unemployment Rates in Canada, 2006



**Based on this map, why might views about government's role in creating or protecting jobs differ regionally in Canada?**

**CRITICAL THINKING CHALLENGE** How might relocating to find work affect the identity of individuals? How might this connect to quality of life?

### CASE STUDY 3

## The Case of the Workers' Strike

Most Canadians work for a living. **Who or what determines the wages and hours of Canadians on the job?**

This case study explores the rights of workers, and their impacts on economic decision making in Canada. As you read this section, consider how market and mixed economies might respond differently to worker rights.

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**strike:** a cessation of work by workers. Strikes pressure employers to respond to issues that concern workers.

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### Strike looms over Saskatchewan health care

September 5, 2002

Saskatchewan health-care workers have voted to go on strike. They will walk off the job tomorrow.

The workers' union is demanding higher wages. Union president Stan Dmnik says hospitals are losing workers to better-paying jobs. He says this means patients are not getting the care they deserve, and waiting lists are getting longer.

The strike has prompted the Regina Qu'Appelle Health Region, a provincial agency responsible for delivering health care services in southern Saskatchewan, to cancel some surgeries. The agency has announced that there will be no cardiac surgeries until the strike is over.

The agency also warned of further disruptions unless the strike is resolved quickly: more bed closures and more cancelled surgeries. Newborns requiring specialized care will be transferred out of province.

Saskatchewan Health Minister John Nilson rejected calls for the government to intervene in the labour dispute. The government could pass a law requiring the strike to end, with penalties such as fines if the union does not comply. The minister said such "back-to-work" legislation was always a last resort.

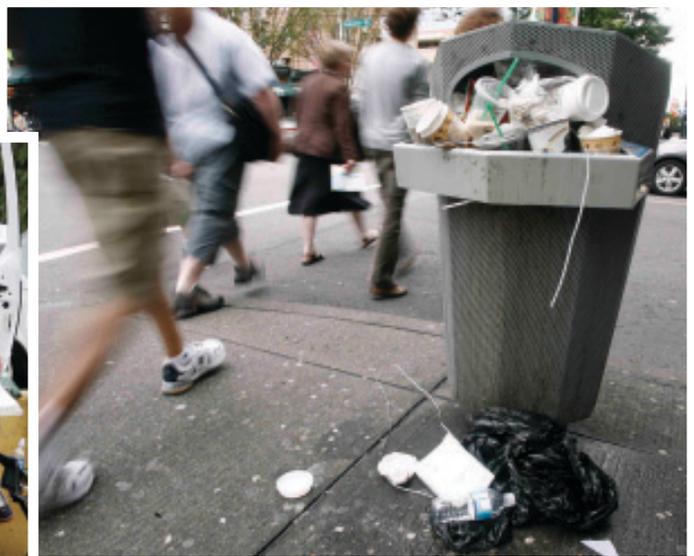
— Based on research into events, views and perspectives.



These health care workers are attending to the needs of child with an injured leg. The child needs their help, and the workers need fair compensation for their skills and services. **Think critically: Why might Canadians have different views about how to solve a health care strike? How might a health care strike affect your quality of life?**

## WHAT ARE SOME OTHER EXAMPLES OF STRIKES?

Vancouver's outside workers went on strike in July 2007 over wages. Strikes can also involve issues about benefits, such as time off and pensions, or working conditions.



Vancouver residents and businesses began strategizing about what to do with their garbage. This photo shows a refuse container in downtown Vancouver.



**Why do strikes happen? How do they affect quality of life? From whose perspective?**

Striking CN workers march in front of the CN tower in Edmonton on March 11, 2004. The strike disrupted rail service across Canada. The workers were seeking better pay from CN rail.



Air traffic controllers in the U.S. are no longer unionized because of a decision in 1981 by then-U.S. president Ronald Reagan. The controllers went on strike for higher wages and shorter hours, which disrupted airports. Reagan refused to negotiate with the controllers' union and fired the striking controllers. He then replaced the controllers with supervisors and military personnel, until more air traffic controllers could be trained.

## WHAT'S A LABOUR UNION?

- Workers organize **labour unions** to represent their needs to employers. Unions provide a way for workers to act as a group. Unions make **collective bargaining** possible.
- By organizing workers into groups, unions can pressure employers about wages, working hours and workplace safety. Strikes are a form of pressure. During strikes, workers as a group refuse to do their jobs.
- Today, unions exist in many parts of Canada's economy, including transportation, education, health care, forestry, construction, manufacturing, public service and others.
- Because of unions, Canada has labour laws, such as the Canada Labour Code. Canada's labour laws establish that workers have a right to form unions. They also describe bargaining procedures for unions and employers, and set standards for wages, hours, safety, holidays and other matters.
- Governments in Canada have opposed unions at times. You can read more about this on page 234.

**collective bargaining:** negotiating as a group. Collective bargaining is the key right established by unions for workers.

**labour union:** an organization of workers that acts to protect workers' rights and interests



## DID YOU KNOW?

Many factors can contribute to the wages and working conditions of workers. For example:

- Unions influence the wages and conditions of unionized jobs. Not all jobs are unionized, however. For example, most retail workers don't belong to unions.
- Labour shortages can drive up wages, as businesses compete for workers to fill jobs. Consider how this relates to the principle of supply and demand.
- Economic slowdowns can drive down wages, as companies cut jobs and pay less to workers to stay in business.

In Ontario, craft workers were among the first workers to organize a union. In 1872, they began the "Nine Hour Movement," which lobbied employers for a shorter workday — from twelve hours down to nine. Craft workers were skilled in trades such as tailoring, baking, printing, bricklaying and shoemaking. **Think critically:** In what way were their actions an example of active and responsible citizenship? In what way did their actions improve quality of life for Canadians?

This photo dates from 1912 and shows a 14-year-old coal miner in Canada. He has a lamp on his head, so he can navigate and work in the underground mine shafts. This boy would have worked full time in the mine. Because of unions and labour laws, Canada no longer allows employers to hire children full time, or for dangerous jobs like coal mining. **Think critically:** How has this affected your quality of life?



## DID YOU KNOW?

In 2005, Alberta's government changed rules about hiring young people to work in restaurants. Before 2005, employers needed government permission to hire children younger than 14 years of age. Since 2005, they can hire children 12 years of age and older without permission. The decision partly aimed to ease a labour shortage in the restaurant business.



**CRITICAL THINKING CHALLENGE** Employers provide jobs for workers.

Workers provide employers with labour. Why do employers and unions need to bargain with each other?

## connect to the big ideas

1. Find examples in the media of issues related to labour disputes. Use these examples to develop a collective-bargaining scenario between a union member and an employer. Consider the views of each individual and propose a settlement that meets both their needs. Role-play the scenario or write a script for it.
2. Research a labour union from Canada or the U.S. to extend your learning about the role of unions in mixed and market economies. Compare your research with a partner. Find out:
  - The history and goals of the union.
  - The scope of its membership.
  - Services it provides to its members.
  - An issue that it is currently involved with.
  - The ways that the union has affected the economies of the U.S. or Canada.

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## LETTERS TO THE EDITOR

### Government must respect unions

All Canadians benefit when workers are fairly paid and have proper, safe working conditions. We have unions to thank for that. They have a role in the economy that government, and everyone, needs to respect.

Unions balance the power of employers in the economy. They are the voice of workers. Before there were unions, employers had too much power to make economic decisions.

They alone determined how much workers would be paid and how long they would work. And, generally, employers did not treat workers well.

Governments passed labour laws to correct this situation. Labour laws recognize the rights of workers, including their right to form unions. They establish minimum working conditions and rules for bargaining, when unions and employers come into conflict over working conditions.

These laws are an essential part of how Canada governs itself. They contribute to fair economic decision making in Canada. Protecting worker rights, and unions, is an example of why government must take a role in the economy.

— A mixed economist



### Government must control unions

Unions are a fact of life, but we have to be careful that they don't become too powerful. They can make demands that are not good for the economy or for workers.

Unions can price their workers right out of jobs. If unions strike for higher wages in Canada, employers can move their businesses to other countries, such as Mexico or China, where labour is cheaper. Because of unions, Canadians end up unemployed in places like Smiths Falls, Ontario.

Unions also hold society hostage. It isn't fair that a workers' strike can shut down essential services, such as health care. The U.S. government understands this, and at times in its history has taken steps to break unions.

Government has a role in controlling the impact of unions on the economy. It should be willing to pass laws that force unions back to work when they go on strike with unreasonable demands. This will protect jobs and essential services.

— A market economist



## connect to the big ideas

1. Examine the letters on this page carefully. What evidence can you find of the values that shape each one? Identify an example from each letter and describe how it connects to citizenship and quality of life.
2. Draw a cartoon about the relationship between unions and management.

## How has the recognition of worker rights in Canada changed over time?

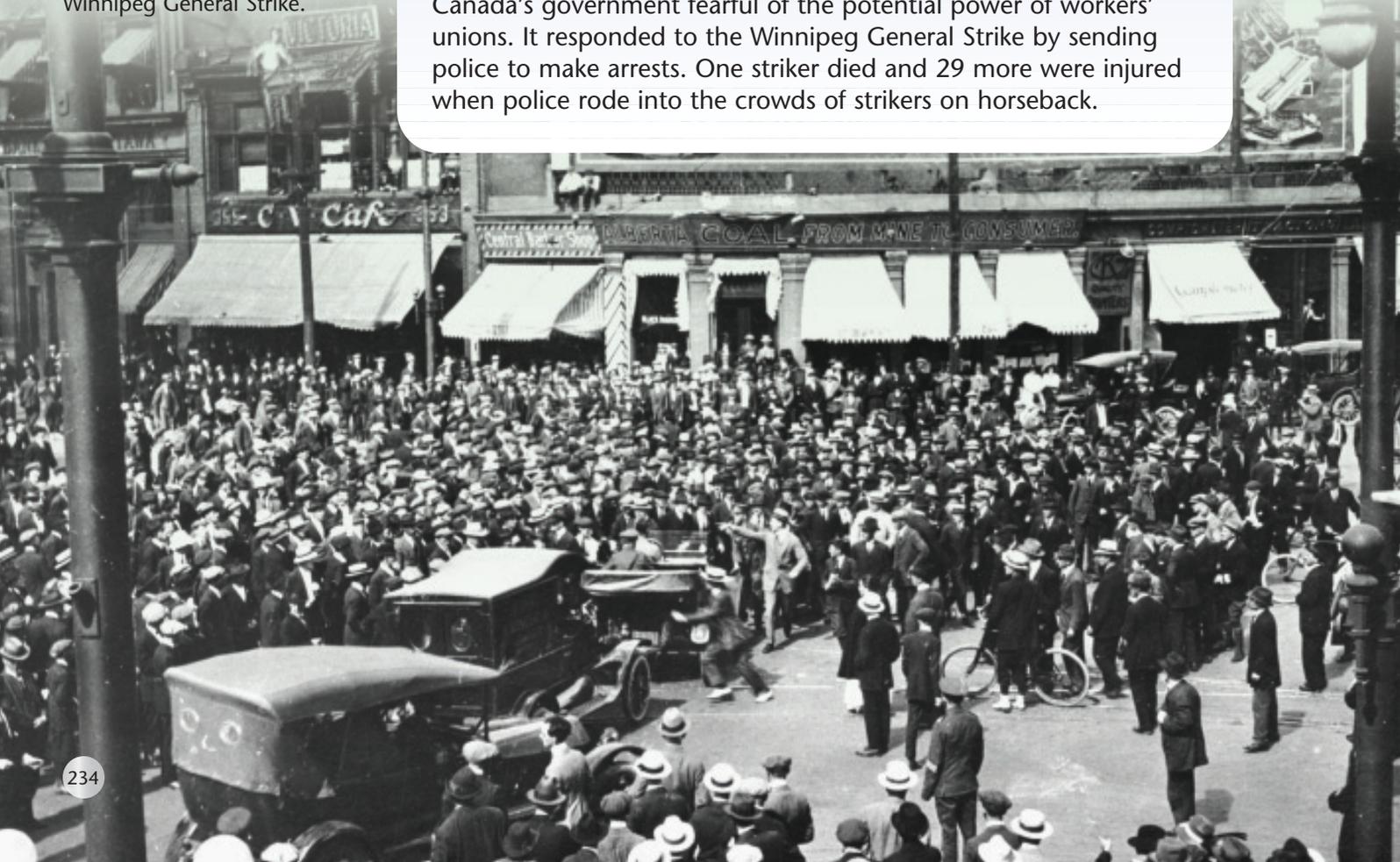
Examine this page and page 235 for evidence about the position of Canada's government on the right of workers to form unions in the past and now.

As you work through these examples, think about historical context. Historical context concerns events, and accepted values and attitudes, that shape responses to issues. **What is key to the historical context of the Winnipeg General Strike on this page? What is key to the historical context of the Supreme Court decision on page 235? Describe how these two events reflect change in Canadian society.**

### WHAT WAS THE WINNIPEG GENERAL STRIKE?

A general strike is when workers in different sectors of the economy in a particular place — a city or nation, for example — organize to stop working at the same time. This happened in Winnipeg in 1919. The Winnipeg General Strike happened after World War I, when many people had trouble finding jobs. It also happened two years after the Russian Revolution, in which workers had organized to help overthrow Russia's government. The Russian Revolution made Canada's government fearful of the potential power of workers' unions. It responded to the Winnipeg General Strike by sending police to make arrests. One striker died and 29 more were injured when police rode into the crowds of strikers on horseback.

Workers crowd the streets in June 1919, during the Winnipeg General Strike.



## Supreme Court rules that Charter protects collective bargaining

June 8, 2007

The Charter of Rights and Freedoms protects collective bargaining, the Supreme Court of Canada ruled yesterday. The decision will affect workplaces across the country.

The court said that freedom of association under section 2 of the Charter guarantees that workers can unite and present demands to employers. It also said section 2 creates an obligation for employers to negotiate with workers. The ruling comes from a case launched by unions against the government of B.C. In 2002, the B.C. government passed a law that cut the jobs and wages of health care workers. This violated an agreement reached with the workers' union through collective bargaining. The government passed the law to control health care costs.

The ruling struck down parts of the B.C. law, saying that governments cannot create legislation that "substantially" interferes with collective bargaining. It may mean that governments, among other things, can no longer end strikes with back-to-work legislation. Canada's government legislated striking CN rail workers back to work in April 2007.

— Based on research into events, views and perspectives.



### CRITICAL THINKING CHALLENGE

The Supreme Court decision about collective bargaining represents an interpretation of the Charter of Rights and Freedoms, and establishes collective bargaining as a right protected by the Charter. In what way does this decision reflect values that underlie political and economic decision making in Canada?

### connect to the big ideas

Scan television, Internet, newspapers and other media for articles about mixed and market economies and labour unions. Look for examples of government involvement, strikes or other labour disputes. Write a summary of the issues involved and how these affect quality of life.



## Wrap Up Your Task

For your chapter task, you need to write a position paper for the Canadian Minister of Finance. Your position paper will answer the question:

**Should Canada and the United States have a common economic system with limited government involvement?**

### Summarize Your Ideas

Review the chart you began on page 197 and summarize your ideas about different views and perspectives on mixed and market economies. Remember, you will need to consider the purpose and audience for your writing. Consider the “Steps to Writing for Different Purposes and Audiences” that you practised on pages 216 and 217.

### Write Your Position Paper

Use an organizer like the one below to help you draft your position paper.

<b>Should Canada and the United States have a common economic system?</b>	
<b>Introduce the Question</b>	<i>Explain your purpose and who the audience is for this position paper. Explain some background information about why this question is important to explore. Define important terms, such as mixed and market economy.</i>
<b>Your Position</b>	<i>State some views and perspectives on the issue.</i>
<b>Counter-arguments</b>	<i>Canada and the United States should/should not have one economic system because...</i>
<b>Evidence Needed to Support Your Position</b>	<i>Give some opposing arguments to your position to show that you recognize opposing views on the issue. Include facts, figures and strong reasons supporting your position. Provide examples of how a ___ economy would benefit Canadians most. Insert quotes from different individuals that support your position.</i>
<b>Conclusion</b>	<i>Restate your position with a summary of your evidence.</i>



### TIPS FOR WRITING A POSITION PAPER

- ✓ Identify your audience and purpose for writing.
- ✓ Research your position thoroughly.
- ✓ Organize your evidence in a logical and persuasive order.
- ✓ Write and proofread your first draft.
- ✓ Rewrite and revise your drafts to make your ideas clear and concise.
- ✓ Make sure your final draft is typed or neatly handwritten.

## Chapter 6 Review

### WHAT DID CHAPTER 6 EXPLORE?

- What values shape the mixed and market economies of Canada and the United States?
- How do economic decisions about scarcity, supply and demand, and competition affect individuals and groups?

#### Revisiting the Chapter Issue

Use what you have learned in this chapter to develop your own informed position on the chapter issue:

#### To what extent do different economic systems affect quality of life?

Work through the directions for “Demonstrating Your Learning” on page 55 to present your position.

#### Share What You Know

Create a mind map representing mixed and market economic systems. Use symbols, lines, arrows and graphics to illustrate relationships between key ideas. Explain your mind map to others. *Look for tips on creating mind maps in the Skills Centre on page 365.*



#### Link with Technology

Using presentation software, create a multimedia presentation for your class illustrating the benefits and challenges of mixed and market economic systems, and which system would benefit Canadians most. Incorporate hotlinks to select Canadian and American websites that you can use in your presentation to support your ideas.

#### Take Action

With the assistance of your teacher, invite a member of a business organization, government representative or local union representative to speak to your class so you can learn more about economic issues affecting quality of life.

Write an editorial summarizing your position about the issues the guest speaker presents. Identify and summarize possible views and perspectives of other individuals and groups in society. Ask your principal to include the editorial in the school newsletter to inform others about the issues.

#### Reflect Before You Forget

Reflect on what you learned in this chapter. Complete these thoughts:

- In this chapter I discovered... about how economic systems affect the citizenship, identity and quality of life of individuals and groups.
- The most important thing I learned in this chapter about economic decision making is...
- One thing I'd like to know about exploring economic issues and identity is...