

ACTIVITY 11.1

Group A Production

Your group values the way things were done in the past. Tradition dictates the way you do things. You produce what your ancestors did and in the same way. Your ancestors produced bracelets so you will produce bracelets.

Each member of the group makes an entire bracelet. The teacher will give the macaroni, markers, scissors, and ruler to one member of the group. This member will make one complete bracelet, pass it around for the other group members to admire, and then pass the production material to the next group member. Tradition dictates that each group member makes only one bracelet.

Group B Production

Your group lives in a country where the central leadership makes decisions. It determines what the people need and how resources are used. The leadership values efficient use of time and resources.

You produce what the central leadership wants. The central planners have determined that five bracelets are needed immediately and that you are to produce bracelets.

Your group will specialize and divide up the labor. You cannot choose your job. The tallest member of the group will be the string cutter. Going clockwise around the group, the next person will draw dots on the macaroni. The third person will string the macaroni alternating the different-colored dots. The fourth person will tie the knot, and the fifth will trim the knot.

If you fill your quota of five bracelets, your group will be rewarded by the central planner with bracelets. If you produce more than five bracelets, any extra bracelets will go to the central planners. If you produce necklaces, the central planners will take all the necklaces.

Group C Production

Individuals in your country produce whatever brings the highest price and can be produced in the least costly method. Your group can produce whatever jewelry it wants and organize group members any way it chooses. Your goal is to produce as many pieces of quality jewelry as possible in the time you have.

You do not have to trim knots neatly. Your group will be paid for as many pieces of jewelry as it can produce. Your group will be paid \$5 for every bracelet and \$10 for every necklace.

ACTIVITY 11.2

Economic Systems of the Incas and Aztecs

Many societies before the Incan and Aztec societies in Pre-Columbian Latin America followed a “domestic mode” of production. These groups were self-sufficient. They produced and gathered everything they needed. The men did the fishing, hunting, producing stone tools, and engaging in warfare. Women were responsible for weaving, cooking, gathering food and collecting water. Men and women worked together in agriculture and house construction.

The Incan Society (early 1200 C.E. to late 1500 C.E.)

In the Incan society, all land, the products of the land, and the output of labor belonged to the state. The central authority collected resources and large amounts of goods that were stored in warehouses and then redistributed. Incan administrators kept track of these goods using the *quipu*, a system of knotted strings. Inca controlled all craft specialists and what they produced. The centralized Incan state provided all of the needs—material and spiritual—for its people. The Inca Empire lacked currency and had few central markets. Trading was controlled by the state and accomplished through barter, the direct exchange of goods for goods without use of money.

Military conquest and expansion were important to the Incans; conquests resulted in more subjects for labor and tributes. Tributes were goods that provinces were required to pay, similar to taxes. Tributes were important for state financing.

The Aztec Society (1200 C.E. to 1500 C.E.)

In the Aztec Empire, communal and private land was usually controlled by nobles. Communal land was allocated to commoners in exchange for military service and for labor and food for the noble household. The Aztec people created *chinampas*, which were artificial islands or floating gardens. Raising crops on chinampas created a surplus of farm goods, which meant Aztecs did not have to grow their own crops. Aztec workers could fully specialize in other areas of production. Specialized production became quite extensive in the Aztec Empire. Specialists such as feather workers, paper makers, wood carvers, charcoal makers, obsidian tool-makers, and hide tanners achieved a guild-like status.

Markets were central to the Aztec economy at all levels. Towns held daily markets selling basic and luxury goods. Many farmers and merchants came to the market to sell their produce and products. Even commoners could exchange their surplus goods. It was illegal to exchange outside the markets. A portion of goods brought to market was paid to the ruler. About 60,000 people came into the markets daily to buy food, firewood, slaves, clothing, jewelry, feathers, and more, using commodity money. Commodity money consists of items that served as currency and could be consumed, such as cacao beans and quills. Currency equivalents were available to make exchange easier. For example, cotton cloaks were worth 65, 80, or 100 cacao beans, depending on quality. A small rabbit cost about 30 cacao beans. Merchants were in charge of administering the markets, enforcing fair prices, and handling complaints.

Military conquest was also important to the Aztecs. The Aztec system also used tributes to support the military but allowed individuals to receive tributes of luxury items as payments or rewards. Individuals could exchange the tributes in the marketplace for more practical items.

SOURCE

Bulmer-Thomas, V., Coatsworth, J., and R. Cortes Conde (eds.) *The Cambridge Economic History of Latin America: Vol. I: The Colonial Era and the Short Nineteenth Century. Chapter 3: The Pre-Columbian Economy* by Rebecca Storey and Randolph Widmer. New York: Cambridge University Press, 2006.

ACTIVITY 11.3

Economic Systems Review

Read each statement and put a check mark under the type of economic system it represents.

| Characteristics | Tradition | Command | Market |
|---|------------------|----------------|---------------|
| 1. Central authority or government determines what to produce | | | |
| 2. Individuals choose their jobs | | | |
| 3. Custom determines jobs | | | |
| 4. Goods distributed to highest bidder | | | |
| 5. Produce by the least costly method | | | |
| 6. Government determines what is needed | | | |
| 7. Goods distributed based on those declared in need | | | |
| 8. Production process determined by central authority | | | |
| 9. Produce the way ancestors produced goods | | | |
| 10. Government determines jobs | | | |
| 11. Demand and profit determine what is produced | | | |
| 12. Custom determines what to produce | | | |

ACTIVITY 11.4**RAFT Form**

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|--------|----------|
| Role | Audience |
| Format | Topic |
| | |