

# **A STUDY OF COMMAND AND MARKET ECONOMIES WITH A FOCUS ON NORTH AND SOUTH KOREA**

**GRADES:** Six through eight

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**SUBJECTS:** World History and Economics

**TIME REQUIRED:** Three class periods

## **MATERIALS REQUIRED:**

- Large construction paper or large post-it pad paper.
- A few sets of colored markers and/or colored pencils.
- Korea questionnaires or general riddles/puzzles.
- Textbooks, encyclopedia or Internet access to assist in answering questionnaires.
- Small candy to distribute as rewards or goods to be purchased.

## **BACKGROUND:**

The aim of this lesson is to enable students to work together to complete various activities that will inform them about contemporary North and South Korea, and the respective paradigms of a market and command economy. Essentially, students will experience a simulation of life under left and right wing authoritarian rule to better understand how commitment to these ideologies affects the lifestyles of the people living under opposing structures.

## **OBJECTIVES:**

Students will be able to:

- Comment on their experiences working under the paradigm of a command or market economy and discuss the advantages/disadvantages of each.
- Appreciate the value of both working individually and as a group in achieving tasks.
- Apply the principles of elder deference of Confucianism to all classroom activities.
- Identify the negotiation demands of North and South Korea regarding one another.
- Synthesize information learned from classroom activities to the classroom simulation.

## **PROCEDURE:**

A role-playing experience will take place. It will take the form of a simulation of a market economy and a command economy, both run by authoritarian dictatorships (to characterize the situation of both Koreas during most of the 1960s and 1970s.)

Pre-class activity: Before this simulation begins, students will be asked to pick, out of a hat, a piece of paper labeled "N" or "S" (for North and South). There should be a few more "S"s in the hat to reflect the fact that South Korea's population has been slightly larger than the North's since the division of Korea. Then they should be asked to write down their name and date of birth on this piece of paper and hand it in to the teacher. With this information, the teacher will then divide the class into 2 sides and rank the students according to their age; the oldest student in each group automatically becomes the unquestioned ruler. To illustrate how women have generally been excluded from politics in both Koreas for most the 20<sup>th</sup> century, the teacher may opt to ensure that only a male can be ruler. Lastly, the classroom set up should be done before students arrive to participate in the following class activity.

## **Day 1**

When class begins, the teacher will briefly review the principles of command and market economies and discuss the pros and cons of each. They will also be given a briefing on the Korean War (a review if its part of the curriculum, or a brief synopsis) and the division of the Korean peninsula. They will also be taught key terms such as: DMZ, 38<sup>th</sup> parallel, truce of 1953, etc. to put the simulation into context. The room itself should also be divided and contain some of the above mentioned key landmarks. Afterwards, they will be reminded of the role of Confucianism in Korean society and be informed that from this point forward all students (excluding rulers) are expected to always defer to their elders in all matters. Lastly, students are to be divided into the two groups and given an explanation of their role in their new society. They are to be informed that under no circumstances can they fraternize with the opposing side.

The North Korean group will be informed that all activities they do from this point forward will be graded collectively; each student will receive a grade that is the average of all the grades in the group. The South Korean group will be informed that each student will be graded according to his or her own performance; however, the students with the three highest scores on any quiz will each get an additional 10% added to their grades, and the students with the three lowest scores will each receive a 10% reduction in their grades.

Each ruler's first job will be to appoint two students to guard the DMZ; they are to watch to make sure none of their group flees to the other side. If a guard shouts out a student's name while they are in transition from one side to the other, they will receive a 0 on any current assignment given in class and additional 0's until the ruler agrees to let the student out of a designated detention center. No student can enter the other side if currently in a detention center. Note: students need not actually receive 0's at any point, but the simulation will be more effective if they believe they are receiving one. Furthermore, students can only enter the other side through the designated "Bridge of No Return," which will simply be a path between two desks in the center of the room.

**Declaring War:** Only North Korea can preemptively declare war. South Korea is bound to accept neutrality, even though it was not an official signatory of the Armistice agreement. The ruler of North Korea can only be successful if it has three times the tanks and planes of South Korea, or if it has an atomic bomb and a plane. Neither side can know exactly which equipment the opposing side has. A successful invasion by the North (or a successful counter-attack by the South) will automatically give all members of the winning side a B+ for all classroom activities.

Once guards are chosen, students are given their first collective activity. They are to design propaganda posters for their side. Each group should create about one poster for every two students. The posters must demonstrate one or more of the following: show a favorable image of the nation's ruler (whether the actual ruler or the student is selected is at the discretion of the teacher), a phrase/slogan expressing the superiority of one's economic system, an image demonizing the political/economic system of the other side, an image of a partnership between one's nation and one's traditional allies (for example, if North Korea, you can use Cuba or the Soviet Union; South Korea could use the United States or Australia). Additionally, students can be asked to design "propaganda villages" to demonstrate how good life is on their side.

The North Korean ruler is given 100 won to buy appropriate materials to make the posters. When the various materials are purchased, he can distribute the materials in a manner he sees fit. He must also pay each guard 10 won for their work per day; he can pay more guards if he likes, provided he deducts this from his assets. The South Korean ruler is given 30 won and the rest of the 70 won will be randomly distributed among the students in this group (at the teacher's discretion). With the money, they can purchase the materials they need, but must spend at least 1 won to pay for food. Naturally, students shop in the order of oldest to youngest; likewise, older students should pay some mind to the needs of the younger and perhaps less fortunate students. Below is a suggested chart for costs:

- Sheet of paper: 1 won
- Marker: 6 won
- Crayon: 3 won
- Colored pencil: 2 won
- Tank: 10 won (only rulers can purchase military equipment.)
- Plane: 20 won
- Atomic weapon: 80 won, to be paid in 20 won installments each class period. (Only the North can be aware of the cost and timetable regarding the purchase of this weapon).
- Candy: 2 won per piece (to simulate wants in a society).
- Long range ballistic missile technology and equipment: 40 won
- Food: 2 won for daily rations per person in the group.
- Extra credit points: (only available to South Korea): 1 won per point (to be applied for any class activity, though no grade can exceed the value of an assignment, nor can points be shared).
- Contribution to democratic change: 3 won per unit (available only to South Koreans; when 10 units are purchased, the country becomes a democracy—rulers are elected and policy decisions are open. Students are advised not to advertise these purchases).

The students will have the remainder of the class to work on posters. During this time, the leader will also appoint the following people to positions: Minister of the Treasury, who handles all governmental expenses and financial transactions; Head of the Secret Police, who spies on other students throughout the activity (other students are not directly informed that there is such a position); a Spy, whose job is to pretend to successfully defect to the other side to obtain information, such as answers to riddles, to bring back to the other side when they sneak back; and a Spokesperson, who speaks on behalf of the ruler and is also the only person allowed to speak with someone from the opposing side, namely, the other Spokesperson. The two spokespeople can meet at a table at the DMZ at any time, provided they have their ruler's permission, to discuss war related matters, trade, defector policy, etc. During the last ten minutes of class, students will explain their poster to the class and afterwards, each presenter may denounce the other group in some fashion, or praise their leader and society.

For homework, each student will be required to find a current events article on Korea from the past year and underline anything that portrays their country in a positive light or paints their opponent in a negative light. They will be expected to deliver their condemnation at the beginning of the next class. At any point the ruler can place any student in a detention center without explanation. Since students in a detention center

automatically receive 0's, students are best advised to not anger or even inconvenience their respective rulers. Rulers are best advised not to rule too arbitrarily lest too many students in reeducation centers cause a significant decrease in productivity, or a mass defection makes it impossible to survive.

### **Day 2: 1980s**

Class will begin with the denunciations and praises students found in their articles. Students will present in the order of their ages. The side which overall has better presentations will receive 20 won for their government (i.e., ruler). The student on the South Korean side with the best presentation (as determined by the teacher) will receive an additional 10 won. Afterwards, students will be given their second activity. Each group will be given identical activities, although they will be told to go about it in an entirely different fashion. This activity involves answering various questions (these can either be facts or information about Korean history, culture, etc., or they can be unrelated riddles, see attached).

For the North Korean group, all answers should be shared collectively. For every correct answer, the ruler will get 10 won and a piece of candy (the ruler can then use the money to purchase food and military equipment and may distribute the candy as he sees fit). For the South Korean group, every correct answer will get an individual candy and 10 won, 5 of which must go to the ruler in taxes and another won which must be used to pay for one's food consumption. With the additional money, the student can buy points on quizzes in the future, or purchase a unit towards democratic change. The students have the rest of the class period to work on the activity. When there are 20 minutes in class, each side must submit a group answer sheet. The side with the most correct answers will receive 20 won for their government (though only the winning ruler will know the amount). Each North Korean student will receive the same grade based on the final test score; South Koreans will receive 10% above their group score if they submitted two correct answers and 10% below their group score if they submitted none.

This activity will continue for the remainder of the class, though it should be noted that throughout the class the rulers and other members of government are simultaneously conducting their other duties and the extent to which they focus on "ruling" or "contributing to economic well-being" is up to the ruler and the members. For example, if the ruler is confident none will defect, the border guards could answer some of the questions; if he fears mass defections, he may need to focus on possible defectors for nearly the entire class. (Rulers should be reminded to take care of their border guards, for, if they defect, nothing would stop the entire group from defecting.)

The exercise is meant to demonstrate on a smaller scale how a government utilizing a market economy would typically operate (limited rewards, high incentive for individual work ethic, less incentive for cooperation, more consumer choice, etc.) versus the practice of a command economy (guaranteed food security, less incentive to work hard, less freedom of choice, etc.).

### **Day 3: War, Peace or Unification—1990s to Present**

During this final day of the simulation, students are to continue with an activity related to Korean history or culture (same as the previous day, or something new). While this is going on, however, leaders are to begin with negotiation procedures on possible reunification. The North is informed that it now needs 8 won per person to survive, since

the Soviet Union collapsed. North Korea is no longer receiving Soviet subsidies. The South is informed that, from this point on, the cost of any military purchases is tripled, since the US is reducing its military support following its need to reallocate resources for Southwest Asia. However, its stronger economy means that it starts off this round with a 50 won bonus. The following are issues that each side want; the amount of + signs indicates the importance of the request. Only the ruler and/or his or her spokesperson can participate in the negotiations; however, if South Korea has become democratic, the negotiation process can be analyzed by any member of the South feel free to voice their concerns.

North Korea wants:

- 5 won in food aid per person in the country (+++).
- A no defector policy, which means an additional South Korean guard at the DMZ (+).
- A freeze on the South purchasing new military equipment (++)
- Removal of half the South Korea's propaganda posters (+).
- Energy assistance for P'yongyang and non-nuclear facilities (++)
- Removal of all South Korean spies currently in North Korea (+).
- Right to sell products in South Korea (+).
- Public statement from South Korea saying it supports direct US-NK negotiations (+).
- Guarantee that South Korea will not allow U.S. to preemptively attack (++)

The South wants:

- Immediate freeze on plans to purchase an atomic weapon (+++).
- An immediate release of 50% of all dissidents from detention cells (+).
- A guarantee that all aid be used for feeding population (++)
- A removal of all spies currently in South Korea (+).
- Allowing some North Koreans to do work sent over by South Koreans (++)
- Removal of half the North Korean propaganda posters (+).
- Allowing a portion of South Koreans to talk to a portion of North Koreans (++)
- Agreement from North Korea not to voice aggressive language towards the U.S. (+).

Rulers are told that they must have a final draft document by the end of class, signed by both rulers. Lack of a document will mean rulers can receive a maximum of only a C for the class; otherwise, a ruler's grade is based on how many concessions he was able to negotiate.

A negotiated treaty is the only realistic way for each side to successfully secure a good grade. If war break out, the winning team will receive a maximum final grade of a B and the losing team will have 20 points deducted from its final grade. If there is no clear winner, each side will have 10 points deducted from their final grade. If a negotiation is reached, each side will at minimum receive a C. Additional points will be gained based on what they have received from the other side as well as what they have prevented giving the other side. South Korea also wants to prevent the collapse of North Korea, as this will have quite a detrimental effect on South Korea. North Korea also realizes that if it invades South Korea, the U.S. will back South Korea.

After the exercise, students will comment on their experiences in each group and identify which principles of command and market economies they learned. Have the group

discuss the feelings they had during the activity; below are a list of possible questions to ask:

- Did you feel loyal to your side?
- Did you ever have the urge to defect? If so, when and why?
- Did you mind being powerless in the decision making process, or were you too focused on the assignments to notice?
- How concerned were you that war might break out?
- Did you distrust primarily the opposing ruler or the other side entirely?

For example, students will discuss what incentives they had to share or be selfish and why they chose to act accordingly. They will comment on how their group reflected the ideology they were operating under and discuss the advantages and disadvantages of their system. For any answers not suggested by the students, suggest additional ones. Below is a useful chart for discussing the advantages of command/market economies.

Command economy	Market economy
More economic security	More economic freedom
Fewer class differences (in theory)	Easier to "get ahead" to high standard of living
Collective; not abandoned burdens	Independent; not forced to shoulder others'
Mass mobilization easier	More direct addressing of personal needs

### **EVALUATION:**

A short essay will be assigned asking students to describe when Korean unification might take place in the real world and to what extent it will model the societies and economies of North and South Korea. They are also to discuss ways in which the economic systems in both North and South Korea might be improved, as well as what key issues each country needs to address. Lastly, they are to recommend what should be the U.S. role in this process and comment constructively on the policy generally pursued by the current government's administration.

### **ADDITIONAL MATERIALS:**

Sample questions for the activity to take place during the simulation. These can easily be supplemented with many other lesson plans on Korea, as it can even encompass aspects of Korea that generally do not fit into the curriculum, such as classical dance.

- What is the name of the classical drum used in Korean music?
- What is the customary role of the audience in Korean vocal performances?
- Approximately how many centuries did the Silla dynasty rule the Korean peninsula?
- When was the first commercial treaty signed between the U.S. and Korea?
- What is the written language of Korea? How does it differ from Chinese and Japanese?
- What percentage of the South Korean population is Christian?  
A. less than 5% B. 10-15% C. 20-30% D. 30-40% E. 50% or more
- Evidence of which of the following cultures could be found in Korea before the 18<sup>th</sup> century?  
A. Manchurian B. Persian C. Indian D. All of the above E. None of the above
- In general, Korean society differs from its neighbors by being considered the most:  
A. Buddhist B. Daoist C. Confucian D. Christian E. Agnostic
- A unique feature regarding women in Korea is that they traditionally:

- A. Receive full adoption rites.
  - B. Freely marry without parental consent.
  - C. Retain their last names in marriage.
  - D. Have multiple husbands.
  - E. Could become emperor after a lifelong career in military service.
- Korea's rapid modernization took place beginning in the:
    - A. 1930's B. 1940's C. 1950's D. 1960's E. 1980's
  - What is one primary way in which Korean traditional dance differs from ballet?
  - Describe briefly what the 2004 hit performance of "Cookin'" entails.
  - Most South Korean men must serve a term of \_\_\_\_ months in the military, whereas the typical length of service of men in North Korea is \_\_\_\_ years.
  - The current President of South Korea is \_\_\_\_\_. The highest level post that a woman has obtained in South Korea is \_\_\_\_\_.
  - What are the three biggest cities in South Korea? What are the three biggest cities in North Korea?
  - Who is responsible for the Sunshine Policy toward North Korea?
  - What percentage of South Korea's annual budget in 2004 was allocated for education?
  - What percentage of the workforce in Korea has college degrees?