

**Financial Literacy Lessons and Activities for The Ontario
Geography Curriculum**

**“The Debt Crisis”:
Understanding how the global Debt crisis is
affecting personal choices**

An activity package

For:

Grade 12 World Issues CGW4U

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Financial Literacy Lessons and Activities for The Ontario

Course: CGW4U Geography and Civics Issues Unit or strand: Global Connections Topic: Debt Crisis in the Developing World		Grade 12
Time Circle: 4 x 75 minute classes	Expectations Overall Expectation: analyse the influences that increase the interdependence of countries around the world. Learning Expectations: <ul style="list-style-type: none"> • explain how economies and environments in some places can be affected by decisions made in other places • analyse geopolitical relationships between selected countries and regions • assess the relative importance of the various factors that influence the quality of life Financial literacy expectations: <ul style="list-style-type: none"> • analyse the causes and effects of economic disparities around the world • analyse the causes of economic disparity in the local or regional community 	Materials Chart Paper Markers Computer Lab Video: Debt and Development 85 pennies Various fun items for the class to purchase (candies, stickers, pencils, passes to get water, etc.)
Prior Learning Levels of development, Development Indicators, Globalization, Post-Colonialism		
Before - Activation Minds On!		Assessment Opportunities For, As or Of Learning
Have students examine the following scenario and discuss the enclosed questions... <i>Your home town has been hit by a natural disaster. Extreme flooding has ravage the landscape leaving it in ruins. The commercial sector is shut down. All banks and store have been shuttered tight. You have lost everything except the clothes on your back and your backpack. Take an inventory of your items and calculate your net worth. What necessities do you have? What are you missing? Do you have anything to sell or barter? What would be the new currency? How long do you think you can survive?</i>		Assessment for Learning
During – Processing Action!		Assessment Opportunities For, As or Of Learning
Strategies: Game and Discussion Groupings:	Students will play “ Let’s make a deal ”. <ul style="list-style-type: none"> • see attached instructions (Appendix 1) • countries chosen for the game link to charts found in “Global Connections: Canadian and World Issues” pp. 215 – 216 examining the burden of International 	Assessment for Learning Monitor as the students are brainstorming



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Whole Class	Debt. This reading makes a nice follow up to the game.	
Strategies: Guided Exercise Groupings: Individual	Students are assigned the “ Daily Costs Work Sheet ”. 1. Brainstorm with the class a list of these costs before your give them the handout. 2. Have them complete the sheet for homework. They may have to discuss some of the items with their parents/guardians so if preferred give this task a few days before starting the lessons to give them enough time to gather the data. 3. Discuss and take up their results. Draw upon their findings to answer the following questions: <ul style="list-style-type: none"> • What amount of the daily costs are covered by the government? • Where does this money come from? • How can a government generate more money? What are some of the problems with these forms of increases income? • If the government was to run out of money what services would be lost first? • What are some of the global implications of a nation that cannot cover their costs? 	Assessment As Learning Take up results and have students comment on them
Strategies: Guided Reading Groupings: Individual or Pairs	Add the following terms to your “Word Wall”: World Bank, International Monetary Fund (IMF), Compound Interest, Human Development Index (HDI), Debt/export ratio, odious debt, debt relief, Highly Indebted Poor Counties (HIPC), Jubilee 2000 Campaign Handout the enclosed activity sheet “ Global Debt ” to the class. You may allow students to work in groups or on their own.	Assessment for Learning



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<p>Strategies: Guided Viewing</p> <p>Groupings: Individual and Whole Class</p>	<p>Show the video “<i>Development and Debt</i>” and have students answer the questions on the enclosed handout.</p> <p>After viewing the video discuss the questions as a class.</p>	<p>Discussion with thinking through the pen</p>
<p>Strategies: Guided Lesson</p> <p>Groupings: Individual and Whole Class</p>	<ol style="list-style-type: none"> 1. Give an introductory lesson on the causes and effects of the debt crisis. An overview handout is enclosed. 2. After the lesson write the following events on the board. Have students use them to independently create a time line by placing the following terms in chronological order. They should follow each step with a brief description of the step in their own words. <ul style="list-style-type: none"> ✓ Commodity prices fell ✓ Careless investment ✓ Interest rates rose ✓ The shocks of the 1970s ✓ Debt crisis ✓ Money wasted 3. Initiate a whole class discussion on: <ul style="list-style-type: none"> • The reasons behind the choices of the developed and developing world with respect to the debt crisis • What are some of the ramifications for society from the restrictions put in place by the IMF? How do you think a country’s population might react to these changes? • What are possible solutions to the debt crisis? • Does anyone have any knowledge of different organizations working to alleviate the debt? 4. Different groups around the world have developed measures they believe can solve the debt crisis. Students should investigate those listed below using their textbooks, the handout included and the internet: <ul style="list-style-type: none"> • Jubilee 2000 • Paris Club • HIPC • Committee for the Abolition for the Third World debt 	<p>Assessment for Learning</p> <p>Assessment for Learning</p> <p>Whole class discussion</p> <p>Assessment of learning</p> <p>Assessment for learning</p>



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		Assessment for Learning
<p>Strategies: Placemat Activity</p> <p>Groupings: Individual and Whole Class</p>	<p>Students will use the placemat activity to consider the following: Developing country debt also has a large effect on the developed world. The effects are known as debt boomerangs and include:</p> <ul style="list-style-type: none"> ✓ Environment ✓ Unemployment ✓ Drugs ✓ Immigration ✓ Taxes ✓ Conflict <p>How can debt on the developing world negatively impact each of these areas in the developed world?</p> <p style="text-align: center;"><i>Each group should consider a different Boomerang.</i></p> <p>Directions: Placemat Activity</p> <ol style="list-style-type: none"> 1. Students work in groups of four. 2. They will require a large sheet of chart paper divided into sections- 1 section per group member with a circle in the middle of the paper and a minimum of four markers. 3. Initially, each group member independently writes ideas about issue, or topic in their section. 4. Students then share their responses with their group. As each group member shares with rest of group, the person to the right of speaker summarizes and records speaker's main points in circle. 	Assessment of Learning



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	5. Groups share their findings with the class. Teacher's answer key is enclosed (Appendix 7)	
After – Consolidation	Students choose one of the topics given on the RAFT Assignment (Appendix 8).	
<u>Home Activity or Future Classroom Consolidation</u>	Provide meaningful and appropriate follow-up by A further examination of the debt crisis in the developed world. Look at the problems initiating the crises in the USA, Greece, Spain, and others. How are these crises similar or different from those in the developing world?	

Resources

Development and debt, Series 80/20, Episode # 4. (2006). Story First/Rowan Ridge Productions. Canada: Canadian Learning Company Inc. (video)

CIA Fact Book. <https://www.cia.gov/library/publications/the-world-factbook/>

The Global Debt Clock. http://www.economist.com/content/global_debt_clock

