

Lesson 3- A Loss of National Identity

Overview: Students will decide what makes an investment risky as they examine how Scotland responds to debt created by a risky investment.

Time Allotment: 1 block period of ninety minutes.

Subject and Grade level appropriateness This lesson is designed for 11th grade United States History and 12th grades Government

Learning Objectives. History Skills in parenthesis.

Students will think chronologically to examine how Scotland, in an effort to become rich, lost her national identity (Chronological Thinking)

Students will identify what made the colony of Darien fail by analyzing the perspectives of some of the people involved. (Historical Research)

Students will evaluate why the decision to unionize with England was made by Scotland (Historical Research)

Lastly, students will understand that there are risks associated with investment.

Related State Standards

GOVT.1 The student will demonstrate mastery of the social studies skills citizenship requires, including the ability to

- a) analyze primary and secondary source documents;
- b) create and interpret maps, diagrams, tables, charts, graphs, and spreadsheets;
- c) analyze political cartoons, political advertisements, pictures, and other graphic media;
- d) distinguish between relevant and irrelevant information;
- e) evaluate information for accuracy, separating fact from opinion;
- f) identify a problem and prioritize solutions;
- g) select and defend positions in writing, discussion, and debate.

VUS.1 The student will demonstrate skills for historical and geographical analysis, including the ability to

- a) identify, analyze, and interpret primary and secondary source documents, records, and data, including artifacts, diaries, letters, photographs, journals, newspapers, historical accounts, and art to increase understanding of events and life in the United States;
- b) evaluate the authenticity, authority, and credibility of sources;
- c) formulate historical questions and defend findings based on inquiry and interpretation;
- e) communicate findings orally and in analytical essays and/or comprehensive papers;
- f) develop skills in discussion, debate, and persuasive writing with respect to enduring issues and determine how divergent viewpoints have been addressed and reconciled;
- h) interpret the significance of excerpts from famous speeches and other documents.

VUS.2 The student will describe how early European exploration and colonization resulted in cultural interactions among Europeans, Africans, and American Indians (First Americans).

Materials Needed (Located in Documents Folder):

Photocopies of primary source documents, 1 set per group.

Computer with internet access.

Copies of *Responses to Debt* handout

Procedures

Do Now:

Write the following starter question on the board. Give students a few minutes to respond.

- What does it mean to invest money? Why would people take the chance on investing a large part if not all of their money with a single financial firm or in a single investment?" (Possible answers: hear about incredible "market-beating" returns; not sure how to do it themselves or read their financial statements, so they trust others before they trust themselves)
- As a class, watch the first three and a half minutes of *The Madoff Affair*. A PBS documentary you can show online through PBS – Frontline. Explain to students that because of what happened to those who invested with Madoff, it is especially important to understand how investments work.

(adapted from the Frontline PBS series, *The Madoff Affair*, Introduction to Investing lesson plan)

- Define Investment. (People give money to own part of a company) Ask students why people invest? (to make money). Discuss risk, that all investment comes with some risk, the larger the risk, the larger the payoff. Is investing in Nike a big risk (no not a new company) Is investing in a new athletic apparel company a big risk (yes, maybe even the under armor story here) Tell students that governments invest money as well.

Lesson procedure continued

- Tell the students they are going to look at some documents that tell the story of an investment. In groups the students will arrange the documents in the correct order, one that tells the story of the investment.
 - o Distribute copies of the (A) Vernon Letter, (B) Shields Letter, (C) Beeston Proclamation and the (D) Broadside Poem

- Allow the students five to ten minutes to arrange the documents in the correct order.
- After about 5 minutes, show the first slide of the power point that has titles for each document
 - A. A Warning from the King
 - B. Where have they gone?
 - C. No Help Allowed!
 - D. Hello United Kingdom
- Proceed through the power point presentation and tell the students the story of Scotland and the Darien Scheme.
 - o Scotland's attempt at colonization in the new world was a bad investment. They had hostile neighbors (British and Spanish) and did not understand the climate of the area. Summer met the settlers with starvation and disease. Many lost money and it was thought to be a financial calamity so large that the country could not recover on its own. Eventually led to the loss of national identity with the Union of Parliaments in 1707.

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Assessment – Formative

Ask students to complete the chart in the handout Responses to debt. Allow students time in class to go over their responses.

Extensions

1. Have students research the story of a successful colony in north American. What were the differences between the successful colony and the Darien Scheme?
2. Have students add to the chart in the formative assessment section, the colonies of Jamestown and Roanoke.
3. Have student research a successful investment story today.