This is a classroom-ready program to help students explore the economic forces that are shaping their world and their future. This program is designed to supplement social studies courses in economics, government, U.S. and world history, world cultures, and geography. The unit contains a newsletter for students in grades 9-12, four reproducible activity masters contained in a four-page teacher's guide, and a full-color map, "1996 World Competitiveness Scoreboard," presented as a full-sized wall poster. The learning objectives are: (1) to define 'apprentice' and to explain the value of apprenticeships in smoothing the path from school to work; (2) to explain how the international exchange of goods and services benefits all parties involved in trade; (3) to explain how expanding trade improves the quality of U.S. jobs; (4) to list five competencies that a Cabinet-level commission deemed essential for effectiveness at work; (5) to list factors conducive to competitiveness within nations; (6) to estimate how well the students would do on an employment test for production-line workers; and (7) to describe the correlation between academic achievement and income. (LB)
Global Visions:
Teaching Suggestions and
Activity Masters for Unit 2:
World Competitiveness.
Dear Educator:

In 1996:

- One quarter of everything grown on Earth is exported.
- One of every six U.S. manufacturing jobs involves an exported product.
- The increasing sales of U.S. products abroad are responsible for about one third of the U.S. economy's growth.

These facts remind us that the fate of the U.S. economy depends more than ever on how well American workers and their employers adapt to the global marketplace.

Learning Enrichment, Inc. has created Global Visions to increase your students' awareness of this economic revolution and to help them measure its impact on their lives. Procter & Gamble is funding the program as part of its ongoing commitment to education.

While we draw examples of globalization from companies other than P&G, P&G is the company we know best. For that reason these materials emphasize P&G's global experiences.

Your department will receive Global Visions free of charge. If you would like a personal copy of future units addressed to you by name, simply circle the number of sets you need on the enclosed Survey/Order Card.

Global Visions was designed to supplement social studies courses in economics, government, American and world history, world cultures and geography. Please let us know your reaction to Unit 2 by returning the enclosed postpaid Survey/Order Card.

Carol Talbot
Educational Services
The Procter & Gamble Company

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Student Materials in This Unit

Global Visions 2 includes:

- A full-sized wall poster, "The 1996 World Competitiveness Scoreboard."
- 30 copies of a four-page newsletter designed to deepen high school students' understanding of the global marketplace and its impact on emerging 21st century careers.
- 4 reproducible activity masters—on (1) the theory of comparative advantage; (2) the national environments that nurture competitive enterprises; (3) the demand for higher skills that globalization and automation are making on production-line workers; (4) the link between education and income.

Learning Objectives

The main goal of Global Visions 2 is to help your students explore the economic forces that are shaping their world—and their futures. Students using the materials in this unit should be able:

- to define apprentice and explain the value of apprenticeships in smoothing the path from school to work;
- to explain how the international exchange of goods and services benefits all parties to a trade;
- to explain how expanding trade improves the quality of U.S. jobs;
- to list five competencies that a Cabinet-level commission deemed essential for effectiveness at work;
- to list factors conducive to competitiveness within nations;
- to estimate how well they would do on an employment test for production-line workers;
- to describe some correlations between academic achievement and income.

Getting Started

For every winner in international trade, is there also a loser? Why do even factory jobs require more know-how than ever before? What is Germany’s "dual-education system," and why is it attractive to many people who are eager to find new ways to prepare young Americans for the 21st century workplace?

Tell your students that they will learn answers to these and other questions when they explore Global Visions 2. Before distributing the newsletter, take a few moments to warm your students to the task.

- Jobs Past and Future. Ask students to speculate about how people prepared for work in the U.S. 100 years ago, when the U.S. was primarily an agrarian society. How did most people learn their jobs? (Primarily informally, by watching or working alongside parents and other adults.) How might the nation's shift from farming to manufacturing have made schooling more important? (Factory and office work required skills and behaviors that couldn't be taught at home.) What changes are reshaping today's economy? (For one thing, the U.S. economy is becoming increasingly globalized, or integrated into the world economy. This shift, along with deregulation at home and new technologies in the workplace, is driving competition at home and abroad.) How might these changes be reshaping jobs? (They are boosting skill requirements.) What can an appreciation of the impact of technology and trade on the U.S. economy tell us about the jobs of the future? (That at every level jobs will require more flexibility, knowledge, and skills than jobs today, making a commitment to lifetime learning imperative.)

- Display the poster, "The 1996 World Competitiveness Scoreboard." What does the title describe? (A ranking—score—of 46 nations, according to their ability to nurture competitive enterprises.) What do the eight icons represent? (Eight factors of competitiveness, identified by scholars at the International Institute of Management Development, or IMD, in Lausanne, Switzerland.) Review the factors, asking students to suggest ways that the strength of a nation's infrastructure, for example, or the quality of its workforce might be clues to a nation's ability to nurture competitive enterprises.

One vital element of competitiveness, according to IMD researchers, is a nation's ability to develop and maintain a world-class educational system. Tell students that IMD researchers give the U.S. a relatively low ranking (35 out of 46) for its educational system, although the overall quality of its workforce ("People") ranks much higher—15 out of 46. What information do students think they would need to determine if the ranking of its educational system is fair? (IMD researchers looked at per capita spending on public education, high school graduation rates, economic literacy, and newspaper circulation, among other factors.)

Students will have an opportunity to explore these factors in more depth when they work with Activity Master 2, "See How 22 Nations Measure Up." Among other things, they will see that the U.S. ranks first in four areas—Domestic Economy, Finance, Infrastructure, and Science & Technology—and second in Internationalization.

- Clarify terms. Preview those terms with which your students might be unfamiliar. From the student newsletter: apprentice, apprenticeship, competency, global, globalization, interpersonal, manufacturing base, open market, marketing, marketer, services. From the activity masters: domestic economy, internationalization, finance sector, infrastructure, management, production line; and vocational, associate's, bachelor's, master's, and professional degree.

Page 1:
"Five Myths About World Trade"

Overview: Paul Krugman, the author of several books on world trade, describes the activity as a "mutually beneficial exchange." This opening piece builds on that
perception by exploring some ideas about trade that prove faulty. One of these misperceptions is the blindly optimistic view that "Trade is always good for everyone." Clearly, fierce competition of any sort can put weak enterprises out of business, causing pain among their employees. But as our example demonstrates, this sort of "creative destruction," as economists call it, often produces surprising dividends.

Discussion: Trade is such a controversial (and misunderstood) issue that students may find a lot to argue with in this piece. Ask them to try to extend the examples given to their own lives. Myth #1: What changes might enable factories to increase output with fewer workers? (Computerization of production lines, replacement of supervisors with self-regulating work teams, etc.) Myth #2: Ask students if it makes sense for, say, England to export wool to Portugal and import wine in return, even if both could be produced more cheaply in Portugal. After discussion, tell them that in 1817 the English economist David Ricardo argued that it did make sense. He reasoned that the relative opportunity costs (the value of the next best use of resources) of producing the same goods made international trade beneficial to both parties. Remind students that costs are not just measured in dollar amounts. To measure a comparative advantage, cost must be measured in terms of what other products must be foregone to produce a particular product. Ricardo's theory of comparative advantage is explored further—and not by name—in Activity Master 1, "Discover Trade's Advantages!" Myth #3: Why is it difficult for people to accept the notion that in the long run the loss of jobs to competition or technological change can pay off—in new, better jobs? (People who are downsized don't have the luxury of the "long run"—they have bills to pay now, and their job losses are painful and disorienting.) Myth #4: If the quality of new jobs is increasing, for what segment of the workforce is this good news? (The segment with marketable skills. Among the less-prepared, earnings of males with only a high school diploma fell by 9 to 19 percent between 1979 and 1994. Real earnings of high school dropouts fell about 25 percent during that period.) Myth #5: What does John Pepper mean when he says, "American workers are going to have to know more and be capable of learning more than anyone else?" ("Knowledge," say the authors of The World Competitiveness Yearbook 1996, "is perhaps the most critical competitiveness factor. As countries advance up the economic scale, the more they thrive on knowledge to ensure their prosperity . . .")

Case Study: "Imported Know-How Saves a Czech Product"

Overview: In 1991, P&G bought a factory in the Czech Republic and with it a number of local brands, including a dishwashing liquid named Jar (pronounced yar). But unless P&G's marketers did something dramatic, Jar would surely be smothered by competing brands from the West. This story tells what the marketers did to position Jar for success in this newly competitive environment.

Discussion: What is marketing? (Marketing involves everything that takes place between the production of a product or service and its ultimate purchase by a consumer. It includes the transportation, storage, sale, and advertising of the good or service.) Why might marketing in the former Czechoslovakia, a communist nation, have been neglected? (Marketing takes on special importance in a competitive environment, when it's essential to differentiate one product from another. Little competition existed under communism—consumers managed to live with whatever was available.) P&G was able to provide consumers with a far better product for less money. How was this possible? (Help students see how increased costs could be offset by increased sales; by a water-free concentrate, which—being lighter—cost less to distribute; and by the substitution of a sachet for the more expensive plastic bottle.)

Page 2: "Learning to Earn in the 21st Century"

Overview: Along with the sidebar, the three profiles on these two pages are intended to prompt critical thinking by your students about their own transitions from school to work. Kathrin Knobling, 20, is an apprentice businesswoman at P&G's offices in Schwalbach, Germany. Tom Kannenberg, also 20, is a printer in West Bend, Wisconsin. He benefited from an apprentice program modelled after Germany's. Japan doesn't have formal apprenticeships for high school students. Instead, as the profile of Takako Sasaki, 18, points out, its schools work closely with local and regional industries to prepare students for available jobs.

Discussion: Ask students to name some of the fields they hope to enter. Then ask them to provide you with some specific details about those jobs—average income, education required, or the prospects for job openings. Most students won't be able to furnish you with these details. (The few students who have had internships may be the exceptions.) Ask students, "What's wrong with this picture—students with no clear idea of the fields they hope to enter?" (What's wrong is that students with only vague plans may well waste a lot of time, energy and money as they move haphazardly toward careers.) Is there a better way? Have students discuss how Kathrin, Tom, and Takako made the transition from school to work. What's good about this approach? What drawbacks do students see? (Young people might get locked into a career path too early, only to realize they would prefer, like Takako, to do something else.) Have students read the sidebar, "What's Your Workplace I.Q.?" How many of them feel they have an adequate grasp of the five competencies? The three-part foundation of skills and personal qualities? How might they strengthen their grasp of these competencies and skills? (Through course work and learning by doing—internships, part-time jobs, community service projects.)
As a result, the concept of national competitiveness is elusive. The creators of The World Competitiveness Yearbook 1996. What does it mean? To some economists, notably Paul Krugman of Stanford University, the notion of nations in competition is anathema. Krugman calls competitiveness "a meaningless word when applied to national economies." Countries aren't businesses, he argues in Pop Internationalism. "They may be happy or unhappy with their economic performance, but they have no well-defined bottom line. As a result, the concept of national competitiveness is elusive." The creators of The World Competitiveness Yearbook counter that a business's competitiveness is inseparable from the competitiveness of the nation in which it operates. Your students may enjoy debating where the truth lies in this debate.

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**Activity Master 1:**

**"Discover Trade's Advantages!"**

**Overview:** This exercise offers students an opportunity to explore the theory of comparative advantage by analyzing a hypothetical example. Two families produce the same goods, One, like Ricardo's Portugal, produces both goods more efficiently. Still, simple math makes the point that both sides stand to gain when each one specializes in what it can produce at the lowest relative cost. In terms of hours, it's cheaper for the Bennetts to produce beef than clogs, and for the Smiths to produce clogs instead of beef. By specializing, each gains an hour. They can use this time to produce more surplus beef and clogs to sell elsewhere.

- **Answers.** Step 1: 4+5=9. Step 2: 7+6=13. Step 3: 8. Step 4: 12. Step 5: 9-8=1; 13-12=1. Thinking Critically: Answers will vary, although one hopes students will understand that the extra hour's gain for each side could be used to produce more goods for trade.

**Discussion:** Are there reasons the two families might decide not to trade with each other? (The quality of the beef or clogs might be so low that these partners might decide to look elsewhere for better value. This is the challenge of the global marketplace. Someone, somewhere, is bound to come up with a better product, a lower price, or both. So manufacturers are driven to cut costs and continually upgrade their products.)

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**Activity Master 2:**

**"See How 22 Nations Measure Up"**

**Overview:** This activity master is an extension of the poster. Use it to help your students understand the debate over competitiveness—of nations and businesses.

- **Answers.** 1-T, 2-T, 3-F, 4-T, 5-F, 6-E, 7-T, 8-T, 9-F, 10-T. Thinking Critically: Answers will vary. For a chemical factory, a site with a solid infrastructure is probably required. A strong ranking in science and technology would surely be desirable, as would high marks for internationalization.

**Discussion:** "Nations do not compete with products and services alone, but also with education and value systems." Read students this quote, taken from The World Competitiveness Yearbook 1996. What does it mean? To some economists, notably Paul Krugman of Stanford University, the notion of nations in competition is anathema. Krugman calls competitiveness "a meaningless word when applied to national economies." Countries aren't businesses, he argues in Pop Internationalism. "They may be happy or unhappy with their economic performance, but they have no well-defined bottom line. As a result, the concept of national competitiveness is elusive." The creators of The World Competitiveness Yearbook counter that a business's competitiveness is inseparable from the competitiveness of the nation in which it operates. Your students may enjoy debating where the truth lies in this debate.

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**Activity Master 3:**

**"Could You Pass This Test?"**

**Overview:** This exercise introduces students to the sort of test questions that the Big Three automakers now give applicants for production-line jobs. These particular questions are adapted from the aptitude test that Chrysler has been using to screen candidates. Use it to reinforce the lessons of "Five Myths About World Trade" and "What's Your Workplace I.Q.?

- **Answers.** 1-C, 2-B, 3-B, 4-D, 5-A, 6-B, 7-A, 8-B, 9-B. Thinking Critically: Answers will vary, although it seems that math and language arts courses would be especially helpful.

**Discussion:** Why should reading comprehension, math, and the checking of forms be required of factory workers? (In today's "high-performance" workplace, quality control is no longer an end-of-the-line job but something done every step of the production process. Employees must be trouble-shooters, able to exchange written information with team members, plot errors mathematically, use computers, and use diagrams to guide assembly.)

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**Activity Master 4:**

**"Explore the Learning-Income Link"**

**Overview:** The higher one's educational attainment, the higher one's income. In 1994, male high school graduates aged 25 to 34 earned 28 percent more than high school dropouts. Females earned 34 percent more. This exercise will help students better understand the relationship between education and income.

- **Answers.** 1-B, 2-B, 3-C, 4-B, 5-A, 6-C, 7-B, 8-A, 9-C, 10-A. Thinking Critically: Answers will vary, though it's a good bet that most students will recommend that the friend find a way to attend school part-time.

**Discussion:** Figures gathered by the U.S. Bureau of Labor Statistics in 1993 suggest that formal on-the-job training boosts the earnings of workers at all education levels. Explain this finding to students and ask: "Knowing this, if you were offered two jobs—one at a company with formal training programs and one at a company without a training program—which job would you take?" Why?

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**Resources**

DISCOVER TRADE'S ADVANTAGES!

The Smiths and the Bennetts own farms right next to each other. In fact, their properties are separated by an international border—the border between their two nations.

The Smiths live north of the border. The Bennetts live south of the border. Both produce everything they need themselves. They have to. Their governments, at odds for decades, won't permit their citizens to trade. So both families not only raise cattle but make their own clothing, including the wooden clogs they wear as shoes.

Life is easier for the Bennetts than for the Smiths. The Bennetts aren't any smarter than the Smiths, and their families are about the same size. The difference is in the quality of their land and tools. The Bennetts have far more grazing land and sources of water than the Smiths. Consequently, the Bennetts can produce 5 pounds of beef with only 4 hours of work. It takes the Smiths 7 hours to produce that much beef.

The Bennetts are more efficient at clogmaking, too. They can make 1 pair of clogs in 5 hours. With poorer tools, the Smiths need 6 hours to make the same pair of clogs.

One evening both families see the leaders of their two nations shaking hands on TV. Suddenly it's okay for the citizens of their two nations to trade. This is the moment the Smiths have been waiting for. "You people raise the beef," Mabel Smith says, "and we'll make the clogs."

The Bennetts don't know what to make of the offer. "The way things are now," says Allen Bennett, "we're quicker at making both. What can we gain if we just produce beef?"

Help Mr. Bennett answer this question. Using the worksheet below, figure out if it makes sense for the Bennetts to specialize in raising beef.

### Worksheet

**Step 1.** Producing 5 pounds of beef and 1 pair of clogs takes the Bennetts:
- __ hours for 5 pounds of beef
- __ hours for 1 pair of clogs
- __ Total hours to produce both beef and clogs

**Step 2.** Producing 5 pounds of beef and 1 pair of clogs takes the Smiths:
- __ hours for 5 pounds of beef
- __ hours for 1 pair of clogs
- __ Total hours to produce both beef and clogs

**Step 3.** Suppose the Bennetts traded 5 pounds of beef for 1 pair of clogs. Under this arrangement, they would spend:
- __ Total hours to produce 10 pounds of beef—5 to keep for themselves, and 5 to trade.

**Step 4.** Suppose the Smiths traded 1 pair of clogs for 5 pounds of beef. Under this arrangement, they would spend:
- __ Total hours to produce 2 pairs of clogs—1 pair to keep, and 1 to trade.

**Step 5.** What does each side gain in terms of time?
- Before trading, the Bennetts work a total of __ hours.
- After trading, the Bennetts work a total of __ hours.
- Trade saves the Bennetts a total of __ hour(s).
- Before trading, the Smiths work a total of __ hours.
- After trading, the Smiths work a total of __ hours.
- Trade saves the Smiths a total of __ hour(s).

### Thinking Critically

Suppose you were called in to advise both the Bennetts and the Smiths on trade. What gains would trade bring them? What would you advise them to do with those gains to make life better for themselves? On the back of this sheet, outline your recommendations to both families in a memo.
Since 1989, researchers in Lausanne, Switzerland, have ranked 46 nations according to eight “factors of competitiveness.” They totalled these scores to reach an overall rank, shown below in parentheses. The table below shows how 22 nations ranked in these eight areas in 1996. Study it. Then decide which of the statements about it are true or false.

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<th>Country</th>
<th>Overall rank among 46</th>
<th>Domestic Economy</th>
<th>Internationalization</th>
<th>Government</th>
<th>Finance</th>
<th>Infrastructure</th>
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**True or false:**

1. The researchers who compiled these rankings believe that the quality of a nation’s roads, airports, phone systems, etc.—its infrastructure—can tell us a lot about that nation’s ability to support world-class businesses.

2. According to this ranking, Russia’s infrastructure is the least adequate of any of the 46 nations studied.

3. The country with the best infrastructure is Canada.

4. Despite its relatively weak infrastructure, China has a powerhouse of a domestic economy.

5. The researchers found the quality of the people in the U.S.—their skills, knowledge, and motivation—to be the world’s best.

6. Researchers found internationalization—the flow of goods, services, and money across borders—to be greatest in Brazil.

7. Researchers think Singapore’s government is more hospitable to competitive enterprises than the U.S. government.

8. Overall, the researchers think more highly of the management and people who work in Japan’s businesses than of their counterparts in the U.S.

9. South Africa ranks higher than Russia in all categories except one.

10. Despite some questions about the quality of its management and workers (people), researchers ranked the U.S. as the world’s most competitive nation.

**Thinking Critically**

Suppose you work for a U.S.-based company that’s trying to decide in which two nations on this list to build a chemical factory. What two countries would you recommend, and why? Using the rankings on this page, defend your recommendations in a memo to your boss.
COULD YOU PASS THIS TEST?

Over the next several years, the major U.S. automakers—Chrysler, Ford, and General Motors—will hire an estimated 170,000 factory workers. The jobs will pay from $25,500 to $46,500 a year and up to $70,000 with overtime.

Could you qualify for one of these jobs? Your answers to the questions on this page will give you a clue. The questions are a sampling of the type found in the two-hour, 20-minute aptitude test that Chrysler gives to candidates for its production-line jobs. Candidates who do well on the written test, have solid work records, and pass a drug test are invited back. If they can show they can work well in groups, they may be offered a job.

Could you make the cut? These questions will help you find out. (Your teacher has the correct answers.)

**READING COMPREHENSION**

Being a Chrysler employee can be very interesting and rewarding. However, all employees should know that safety must come first. Completing a job safely requires a carefully thought-out approach to each task. Before beginning a task, an employee must decide how to accomplish it safely. This will help avoid careless mistakes and unfortunate injury.

(Average time: 56 seconds a question)

1. According to the passage:
   A. Employees are often careless.
   B. Careless mistakes always cause serious injuries.
   C. Safety must come first to a Chrysler employee.
   D. Being a Chrysler employee is an easy job.
   E. None of the above.

2. Which of the following would be the best title for this passage:
   A. The Importance of Quality.
   B. The Importance of Safety.
   C. The Work Day of a Chrysler Employee.
   D. Common On-the-Job Injuries.
   E. None of the above.

**PRACTICAL ARITHMETIC**

Use the graph below to answer the two practical questions. (Average time: 75 seconds a question)

DAILY ERROR RECORD

<table>
<thead>
<tr>
<th>Dept. C</th>
<th>Dept. B</th>
<th>Dept. A</th>
</tr>
</thead>
<tbody>
<tr>
<td>0</td>
<td>5</td>
<td>0</td>
</tr>
</tbody>
</table>

3. How many errors were made by all three departments on Thursday?
   A. 11.
   B. 12.
   C. 13.
   D. 15.
   E. None of the above.

4. If Department B is able to reduce the number of errors made on Saturday by 25%, how many errors will they make on the next working day?
   A. 1.
   B. 2.
   C. 3.
   D. 4.
   E. None of the above.

**FORMS CHECKING**

Use the following table to answer the questions comparing the handwritten notes to information in the table. (Average time: 12 seconds a question)

<table>
<thead>
<tr>
<th>JOB NUMBER</th>
<th>START DATE</th>
<th>COST</th>
<th>COMPLETION DATE</th>
</tr>
</thead>
<tbody>
<tr>
<td>87A743</td>
<td>10/7/87</td>
<td>$4,000</td>
<td>3/5/88</td>
</tr>
<tr>
<td>88C063</td>
<td>3/4/88</td>
<td>6,000</td>
<td>6/4/88</td>
</tr>
<tr>
<td>89A164</td>
<td>6/17/88</td>
<td>3,500</td>
<td>9/10/88</td>
</tr>
<tr>
<td>89B007</td>
<td>2/14/89</td>
<td>10,300</td>
<td>12/14/89</td>
</tr>
<tr>
<td>90A003</td>
<td>1/6/90</td>
<td>12,500</td>
<td>3/15/90</td>
</tr>
</tbody>
</table>

Job Number 88C063

5. Start Date:
   A. Correct
   B. Incorrect

6. Cost:
   A. Correct
   B. Incorrect

7. Completion Date:
   A. Correct
   B. Incorrect

**ASSEMBLY**

Look at the parts below to identify the correct assembly. Surfaces with the same numbers must touch one another. Arrows point to hidden sides of a part and plain lines point directly to a surface of a part. (Average time: 40 seconds a question)

Thinking Critically:

Write a letter to an imaginary friend, a high school sophomore who in two years plans to apply for a production-line job at Chrysler. Tell that friend what he or she might do to improve his or her chances of getting a job there.
EXPLORE THE LEARNING-INCOME LINK

Is there a connection between what you learn and what you earn? The table below answers that question—by degrees. It shows the average monthly income of Americans in different age groups. And it sorts that information by the earners' academic degrees. To learn more, study the chart and complete the statements about it.

<table>
<thead>
<tr>
<th>Characteristic</th>
<th>All Persons</th>
<th>Not a High School Graduate</th>
<th>High School Graduate Only</th>
<th>Some College No Degree</th>
<th>Vocational</th>
<th>Associate's</th>
<th>Bachelor's</th>
<th>Master's</th>
<th>Professional*</th>
</tr>
</thead>
<tbody>
<tr>
<td>All persons</td>
<td>$1,687</td>
<td>$906</td>
<td>$1,380</td>
<td>$1,579</td>
<td>$1,736</td>
<td>$1,985</td>
<td>$2,625</td>
<td>$3,411</td>
<td>$5,534</td>
</tr>
<tr>
<td>Ages 18 to 24</td>
<td>709</td>
<td>459</td>
<td>783</td>
<td>610</td>
<td>1,017</td>
<td>912</td>
<td>1,128</td>
<td>1,351</td>
<td>1,295</td>
</tr>
<tr>
<td>25 to 34</td>
<td>1,422</td>
<td>936</td>
<td>1,310</td>
<td>1,610</td>
<td>1,643</td>
<td>1,760</td>
<td>2,341</td>
<td>2,648</td>
<td>3,515</td>
</tr>
<tr>
<td>35 to 44</td>
<td>2,082</td>
<td>1,032</td>
<td>1,603</td>
<td>1,936</td>
<td>2,030</td>
<td>2,145</td>
<td>2,891</td>
<td>3,180</td>
<td>6,537</td>
</tr>
<tr>
<td>45 to 54</td>
<td>2,302</td>
<td>1,096</td>
<td>1,711</td>
<td>2,484</td>
<td>2,990</td>
<td>2,534</td>
<td>3,345</td>
<td>3,983</td>
<td>6,606</td>
</tr>
<tr>
<td>55 to 64</td>
<td>1,922</td>
<td>1,045</td>
<td>1,535</td>
<td>1,974</td>
<td>1,731</td>
<td>2,969</td>
<td>3,397</td>
<td>4,462</td>
<td>6,921</td>
</tr>
<tr>
<td>65 and older</td>
<td>1,329</td>
<td>878</td>
<td>1,217</td>
<td>1,568</td>
<td>1,516</td>
<td>1,679</td>
<td>2,324</td>
<td>3,163</td>
<td>3,820</td>
</tr>
</tbody>
</table>

*Physicians, lawyers, etc.

Circle the letter of the word, number, or phrase that correctly completes each statement.

1. In 1993, the average monthly income for all persons was (a) $709, (b) $1,687, (c) $2,082.
2. Average monthly income for all who failed to graduate from high school was (a) $1,687, (b) $906, (c) $459.
3. In 1993, people aged 25 to 34 with "some college" earned an income that, for their age group, was (a) well below average, (b) well above average, (c) about average.
4. People aged 25 to 34 with bachelor's degrees earned an income that, for their age group, was (a) well below average, (b) well above average, (c) about average.
5. Peak earnings (top pay) for someone with a vocational degree came, on average, between the ages of (a) 35 and 44, (b) 45 and 54, (c) 55 and 64.
6. Peak earnings for someone with an associate's degree seemed to come between the ages of (a) 35 and 44, (b) 45 and 54, (c) 55 and 64.
7. In their best (peak earnings) years, people without high school degrees in 1993 earned about the same as people with bachelor's degrees in their (a) best years, (b) worst years, (c) retirement years.
8. In the 55- to 64-year-old age group, people with master's degrees had incomes that exceeded those of people with bachelor's degrees by more than (a) $1,000, (b) $2,000, (c) $3,000.
9. In the 35- to 44-year-old age group, people with professional degrees earned, on average, twice as much as people with (a) bachelor's degrees, (b) master's degrees, (c) both a and b.
10. In the 55- to 64-year-old age group, the difference in monthly earnings between someone with only a high school degree and someone with an associate's degree was about (a) $1,400, (b) $2,200, (c) $4,000.

Thinking Critically

Suppose you have a friend who began a fulltime job after high school while working toward an associate's degree at night. Your friend has been offered a better job in terms of pay. But a longer commute would make attending the local community college impossible. Your friend wonders what she should do. On the back of this sheet, write her a letter advising her what you would do, based on the information shown on this page.

GLOBAL VISIONS 2 • ACTIVITY MASTER 4
Today's Youth and the World Economy

TODAY'S YOUTH AND THE WORLD ECONOMY

Paul Krugman, an expert on international trade, says that world trade is not about competition, it is about mutually beneficial exchange. If it's a game, he suggests, it's one that every player can win.

Still, the notion that world trade can be scored like football is widely accepted. That idea is a myth—a half-truth that shapes the way people who believe in it view the world. How many of the following myths shape your picture of the world?

**MYTH #1:** International trade is wrecking our nation's manufacturing base.

**REALITY:** U.S. manufacturing is stronger than ever. Since 1980, factory output in the U.S. has increased by more than 50 percent. Computerized production lines and new ways of organizing work—some learned from foreign competitors—enable U.S. factory workers to produce more each hour than ever before.

**MYTH #2:** The goal of trade is to boost exports and create U.S. jobs.

(Continued on Page 4)

**Welcome to Global Visions 2,** designed to help you and other high school students understand some of the economic forces shaping your world. This issue examines:

- Five misconceptions about world trade (page 1)
- The export of North American marketing know-how to Eastern Europe (page 1)
- Unique ways young people in Germany, Japan, and the U.S. move from school to work (pages 2-3), and
- What the British taught Ben and Jerry about ice cream (page 4).

**Imported Know-How Saves a Czech Product**

**NEW CHALLENGES, NEW REALITIES**

**Case Study**

How do you sell a dishwashing liquid that is smelly, brown, and rough on the hands? P&G marketers in the former Czechoslovakia were faced with just that question in 1991, when P&G bought a factory there. They answered it by adapting marketing lessons learned in the West to an economy that under communism had known little competition.

The Czech factory made a dishwashing liquid named Jar (pronounced yar). Jar was widely used in the Czech and Slovak republics (the former Czechoslovakia), despite its many drawbacks. “It was terrible!” recalls Arjen Melis, then P&G’s marketing manager in the Czech capital of Prague. “Customers were even driving a nail through the bottle cap to make it easier to dispense.”

Jar’s steady sales were sure to evaporate once high-quality imports showed (Continued on Page 4)
Learning to Earn in the 21st Century
FOR THE UNPREPARED, THE ROAD FROM SCHOOL TO WORK CAN BE JOLTING.
WILL YOUR JOURNEY FROM THE CLASSROOM TO THE WORKPLACE
BE AS SMOOTH AS THOSE OF THE THREE YOUNG PEOPLE PROFILED HERE?

KATHRIN KNOBLING:
MERCHANT IN THE MAKING

N DAYS when roads are clogged, Kathrin Knobling's commute between Wiesbaden, Germany, and suburban Schwalbach can take as much as an hour. But Kathrin, 20, welcomes that commute—even on bad days. For it takes her to and from Procter & Gamble's offices, where since September 1995 she has been part of a two-year program designed to ease her move between school and industry.

"It's a very, very good education," says Kathrin, speaking of her apprenticeship as an Industriekauffrau—an industrial merchant, or businesswoman. "I move through different departments, staying anywhere from one to five weeks in each one. In every department, the staff members explain their daily work and responsibilities, and I get to help them."

Helping young people understand work is the goal of Germany's "dual education" system, a unique partnership between government and business. At their own expense, private companies in Germany provide on-the-job training for about 500,000 young people a year. Most begin at age 16. But Kathrin didn't begin her apprenticeship until she had earned her Abitur, an academic degree that requires 13 years of schooling.

Kathrin's program alternates periods of work with four three-week blocks of full-time schooling. "About 13 of us—four from P&G and nine from other companies—are in a special class for industrial merchants," she says. "We take many subjects: for example, math, accounting, a bit of law, and German."

At P&G, Kathrin submits weekly reports on what she learns. These reports end up at the chamber of commerce in the nearby city of Frankfurt. That's where Kathrin will take written and oral exams in May, shortly before her apprenticeship ends.

Eager as she is to do well on these tests, what Kathrin really wants is an invitation to stay at P&G, where she feels at home. "After a very short time here," she says, "you feel like a real member of the team."

TOM KANNENBERG:
PIONEER APPRENTICE

NE DAY in 1992, during the summer before his junior year, Tom Kannenberg got a letter from his counselor at West Bend (WI) High School. Would he be interested in taking part in a brand-new, two-year program that would let him spend half of every school day at Serigraph, Inc., a high-tech printing company with customers around the world? He'd be able to learn a trade while earning the minimum wage.

Tom leapt at the offer. "I had taken printing courses at school," he recalls, "and I liked them. So I went for an interview with some other kids. They took 11 of us."

Tom and his fellow apprentices benefited from Serigraph's need for employees with
world-class skills. "If you want to meet the quality standards you need in international competition today," Serigraph's chief executive, John Torinus, told a reporter, "you've got to have well-trained people."

But well-trained high school graduates were hard to come by in semi-rural Washington County, about 40 miles north of Milwaukee. So, in 1991, Mr. Torinus visited Germany to learn how young people there are trained for careers. Impressed, he brought the German system to West Bend, designing the program in which Tom pioneered.

During his last two years in high school, Tom led two lives—one as a student, the other as a Serigraph employee. "From about 7:30 to 11:30 we went to school," Tom says. "Then from noon to 3:00, we worked at Serigraph. They taught us everything, rotating us through four of their plants."

Two weeks after he graduated from high school, Tom became one of Serigraph's 1,000 full-time employees. Now, at 20, he's a two-year veteran of the Sports and Outdoor Graphics Department, working from 11:00 p.m. until 7:00 a.m. His five-man work team prints decals and signage that are shipped around the world.

Quality is his team's number one concern. "We have team meetings about once a week," Tom says. "We talk about how we can make things better."

**TAKAKO SASAKI:**
**BOOKKEEPER WITH DREAMS**

AKAKO SASAKI, 18, was in junior high when she set her sights on a career with an international twist. "I felt I needed a broad vision of the world," says Takako, a hotel bookkeeper and clerk in Morioka, Japan, 500 miles north of Tokyo. So she attended a commercial high school, where she could study international economics and English.

Takako's high school was in Miyako, a port city two hours away from Morioka. Her parents and brother, now 13, still live there. Her homeroom teacher doubled as her career counselor. "My homeroom teacher thought and cared about our future," Takako says.

Miyako Commercial High School also had a career coordinator who matched students with entry-level jobs in the region. Knowing Takako's international interests and skill with English, the coordinator thought she might like to work at Morioka's Shi-on Hotel and Hot Spring. The hotel gave Takako a written test, interviewed her, and offered her a job.

Takako likes the work, which keeps her busy nine hours a day, six days a week, and requires her to live in an employee dormitory. Evenings and on her day off, she often finds time to shop, dine out, and sing karaoke with friends, or to soak in the hotel's natural hot springs. There, she often catches herself dreaming of her long-term goal—attending college in an English-speaking country and learning how to become an English-Japanese interpreter.
FIVE MYTHS ABOUT WORLD TRADE (Continued from Page 1)

REALITY: “Imports, not exports, are the purpose of trade,” Paul Krugman reminds us in his recent book, Pop Internationalism. In fact, economists sometimes view trade as a production process that converts exports into imports.

People trade what they can make relatively cheaply for things that would be comparatively costly for them to produce. It’s cheaper for U.S. farmers to produce wheat than bananas. So Americans export wheat and import bananas. By specializing in what costs them the least to make, both sides gain.

MYTH #3: Trade is always good for everyone.
REALITY: Anyone whose relative or neighbor has lost a job to international competition knows this statement is false. Even temporary job loss can be painful.

Usually, though, competition replaces weak businesses with more efficient ones, and efficient businesses create jobs. Last year, Key Tronic, a maker of computer keyboards, laid off 277 assemblers in Spokane, Washington. Key Tronic had no choice. Competition from Japan was fierce. To cut costs, the company shifted assembly work to a plant in Mexico, where wages are one fourth as high as those in Spokane.

Surprisingly, the move ended up creating jobs in Washington! Demand for Key Tronic’s lower-priced keyboards soared. Increased demand boosted employment in the Spokane area, where factories make most of the parts that workers in Mexico use to assemble Key Tronic keyboards.

MYTH #4: Trade’s impact can be measured in terms of jobs gained or lost.
REALITY: That approach misses the point. Expanding trade improves the quality of jobs.

“Trade creates new jobs in our most productive activities, where wages are high,” says the Committee for Economic Development, an independent research group in New York.

Mark Zandi, chief economist at a consulting firm in West Chester, Pennsylvania, agrees. “The quality of jobs being created is steadily increasing,” he says. In 1992, Mr. Zandi found, only 22 percent of all new jobs paid more than the average annual wage of $29,420. By 1995, fully 45 percent of the new jobs paid better than average.

MYTH #5: To survive in the global marketplace, companies have adopted new technologies that make most jobs easier than ever.
REALITY: High-quality jobs require workers who are better prepared than ever.

“Globalization and technology,” says John E. Pepper, who heads Procter & Gamble, “are fundamentally reinventing the way work gets done and who is doing it. American workers are going to have to know more and be capable of learning more than anyone else in the world—and not by a little bit, but by a large margin.”

Global Firms
Flavor It Local
WINNING CUSTOMERS
ONE TASTE BUD AT A TIME

OR SUCCESS overseas, global marketers must often tailor their products and ads to fit local tastes. Pillsbury promoted its Green Giant canned sweet corn as a side dish in Korea, only to find Koreans sprinkling it over ice cream. Green Giant’s TV spots soon showed corn tumbling onto ice cream sundaes.

Ben and Jerry’s Chocolate Chip Cookie Dough ice cream flopped in Great Britain. “People didn’t grow up [in Britain] sneaking raw cookie-dough batter from Mom,” explains Jerry Greenfield, co-founder of Ben and Jerry’s Homemade Inc. So his company invented Cool Britannia—strawberries and chocolate-covered Scottish shortbread in vanilla ice cream.

Probably no company has tried to please more local palates than Domino’s Pizza, which has 1,160 stores in 46 countries. Among Domino’s global hits: reindeer-sausage pizza1, mayonnaise and potato pizza2, and pickled-ginger pizza3! Can you guess where these tastes are a hit? (Answers below.)

IMPORTED KNOW-HOW (Continued from Page 1)

up on store shelves. To protect Jar, Melis and his team had to act fast. P&G’s chemists quickly upgraded Jar’s formula and made it more appealing to the eye and nose. “We also put on a flip-top cap,” Melis says, “and we started to advertise.”

None of these changes could be allowed to boost Jar’s price. “Czeck consumers are very finicky about price,” Melis notes. That’s why Jar’s sales took off in January, 1995, when P&G introduced a Jar concentrate that cost 20 percent less than regular Jar. “In four years,” Melis concludes, “we almost doubled Jar’s share of the dishwashing liquid market.”

Jar’s success is not just one company’s feat. It’s a testament to the power of marketing methods and teamwork skills perfected through decades of trial and error.
I. DOCUMENT IDENTIFICATION:

Title: Global Visions: 1998 World Competitiveness, Unit 2

Author(s): Procter & Gamble.

Corporate Source: Learning-Enrichment, Inc.

Publication Date: 11/96

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