

**Visit**  
for IMF School  
Program  
High School



# Money Matters Curriculum

## High School Lesson Plans

In the year 2000, the [International Monetary Fund \(IMF\) Center](#) opened a permanent exhibit, [Money Matters: The Importance of Global Cooperation](#). This companion high school curriculum offers a combination of classroom experiences and/or a field trip visit to the exhibit to promote students' understanding of globalization, international economic cooperation, and the work of the IMF.

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# Intro to the Curriculum

In the year 2000, the [International Monetary Fund \(IMF\) Center](#) opened a permanent exhibit, [Money Matters: The Importance of Global Cooperation](#). This companion high school curriculum offers a combination of classroom experiences and/or a field trip visit to the exhibit to promote students' understanding of globalization, international economic cooperation, and the work of the IMF.

The teachers and museum educators who designed the curriculum considered both content and process outcomes. They used the national standards for social studies teachers published by the National Council for the Social Studies (NCSS) and the Center for Civic Education as guidelines in its development (see [www.ncss.org](http://www.ncss.org) and [www.civiced.org](http://www.civiced.org)). "Global Connections," one of the ten thematic subject-matter standards that comprises the social studies framework, provides the relevant context for this curriculum:

*The realities of global interdependence require that learners understand the increasingly important and diverse connections among world societies. Analysis of tensions between national interests and global priorities contributes to the development of possible solutions to persistent and emerging global issues in many fields: health care, economic development, environmental quality, human rights and others.*

Related teacher expectations for this theme are:

- *Teachers should help learners to describe and evaluate the role of international and multinational organizations in the global arena.*
- *Teachers should guide learner analysis of the relationships and tensions between national sovereignty and global interests in such matters as territorial disputes, economic development, nuclear and other weapons deployment, use of natural resources, and human rights concerns.*

In addition to subject-matter standards, the NCSS also identifies principles of teaching to ensure the "essential characteristics of powerful social studies." Among the principles listed are requirements that teaching and learning be value-based, challenging, and active. The IMF curriculum is built upon these three basics ensuring that teachers will be able to use it to successfully meet national standards.

## Overview of the curriculum

The curriculum uses a three-part structure consisting of pre-visit activities conducted in the classroom, a visit to the IMF Center, and post-visit activities back in the classroom. . The pre-visit activities could also stand alone as a general introduction to the IMF and/or prepare students for a visit to the IMF Center. Activities encourage flexibility in application across disciplines, grade level, and classroom requirements and incorporate evaluative measures to assess their effectiveness. The curriculum is appropriate for grades nine through twelve within the social studies content areas of American and world history, geography, economics and business. Teachers may choose from different activities to satisfy classroom and field trip time constraints. The curriculum emphasizes the cooperative nature of the experiences by employing participatory, small-group activities as well as opportunities for independent research and creative expression, (e.g., drawing, writing, role-playing).

Curriculum resources include:

- images from the exhibition, e.g., cartoons, photographs, graphs, etc.
- IMF publications, videos, and websites
- additional pertinent websites

## Acknowledgments

Museum educators, Judith Landau and Joanne Hirsch and public high school teachers, Paula Segal (Washington, DC), Loren Baron (Montgomery County, MD) and Diane Birch (Fairfax County, VA) designed and developed the curriculum. Linda Kamel, Director of the IMF Center, and David Driscoll, an IMF content specialist, provided direction and support.

# Business Curriculum

## Money Matters: The Importance of Global Cooperation

### Goal

This high school curriculum seeks to actively involve students in exploring and constructing an informed understanding of global cooperation by studying the role of the International Monetary Fund (IMF). The activities are designed to include a visit — or virtual visit — to the [IMF Center](#)'s exhibition, *Money Matters: The Importance of Global Cooperation*. They focus on the history, mission, structure and function of the IMF, as well as its past and continuing contribution to the economic stability of nations and the living standards of individuals.

*Note to the teacher: The curriculum includes activities suitable for high school students enrolled in world and American history, geography, economics, and business courses. The curriculum begins with general activities, which can stand alone as an introduction to the IMF and/or prepare students for a visit to the [IMF Center](#). (See II below.) These are followed by activities specific to students' courses of study. (See III, IV, and V below.) Teachers may choose from among the activities to satisfy classroom and field-trip needs and time constraints. Objectives and procedures are easily adaptable to the skill and knowledge level of students. Sections I and VI use concept maps as assessment tools to measure students' entry knowledge before starting the curriculum and final understandings following its conclusion.*

### Objectives

Students will be able to:

1. Explain the role of the IMF as a facilitator of global cooperation:
  - How the IMF functions as a cooperative international organization.
  - How the IMF facilitates international trade.
  - How the IMF strengthens its members' economies.
2. Discuss the adaptations over time made by the IMF.
3. Describe the interplay among sociocultural, political, and economic forces, and the impact of these forces on nations and individuals.
4. Identify the essential mechanisms for productive cooperation when working with others, (e.g., negotiating, compromising, seeking consensus, and managing conflicts).

### Procedures

#### I. Initial Assessment: Concept Map

*Note to the teacher: The curriculum begins with a measure of students' entry knowledge, using concept maps as the assessment tool. Concept maps provide a quick read of students' prior knowledge, e.g., misconceptions, familiarity with relevant vocabulary. They also serve to bring to the foreground both content and organization of current knowledge and attitudes, readying the student for what is to come.*

- A. With the class as a whole, the teacher models the drawing of a concept map of the term "money" by writing it on the blackboard and asking, "What does this term mean?" As students respond, they and the teacher begin to map and make connections among related concepts.
- B. Students draw individual concept maps of the term "International Monetary Fund" or "IMF." After general discussion, the teacher collects the signed maps to be used as an assessment measure by teachers and students on completion of the curriculum.



## A. Advance Organizer

1. The teacher shows an image of the IMF logo with the olive branch, followed by a brainstorming discussion of the meaning of the symbols.
2. The teacher shows exhibition images and leads a discussion of students' understanding or misunderstanding of the IMF. (Examples of possible responses/misconceptions-oversees the free exchange of currencies to its member nations, loans money, creates jobs, rebuilds cities.)

## B. Introduction to the IMF

1. The teacher prepares students for viewing the "[Millennium: Out of the Ashes](#)" portion of the Millennium video by asking them to think about the following:
  - What are the goals of the IMF?
  - How is the organization structured to achieve its goals?
2. The teacher shows this video "[Millennium: Out of the Ashes](#)" and facilitates a discussion during and/or following the video using the suggested questions below:
  - What are the purpose and ultimate goals of the IMF? How does the IMF logo represent the ultimate goals?
  - When was it founded? What is significant about the date?
  - What are the major differences between the IMF and the World Bank?
  - How many members sit on the IMF Executive Board? How does the Board make decisions?
  - Where do Executive Board members get information on which to base their decisions?
  - What do you know now about the IMF that you didn't know before?
3. The teacher distributes and previews Appendix A 1,2, and 3. Students use the IMF web site and search additional Internet sites to complete research on the mission, structure, and work of the IMF.

*Note to the teacher: Include IMF Websites ([www.imf.org](http://www.imf.org)): "[What is the IMF?](#)" "[IMF At A Glance](#)," and/or "[Chronology](#)," and sites addressing current IMF activities and issues. See latest speech of the Managing Director ([www.imf.org/cgi-shl/create\\_x.pl?mds](http://www.imf.org/cgi-shl/create_x.pl?mds)). In Appendix A 4 ("Researching the IMF"), the teacher may select from the list of questions or adapt them as appropriate.*

## C. Discussion of findings

The students report on the outcome of their web-based research.

## III. Pre-Visit Activities: Business Curriculum

*Note to the teacher: The following curriculum activities, (III A and B) complete the preparation for the visit to the IMF Center. The teacher previews processes and materials to be used by students at the Center, addresses the logistics for the visit, and introduces the overarching theme: "Countries and the IMF: International partnerships in the transition to a free market economy." Students will be able to:*

- "read" images;

- add new meaning to terminology introduced in the previous assignment
- explain the give and take of an IMF/member nation partnership.

**Student Materials:** Appendix A4: [Image Analysis Worksheet](#) (Exhibit Area 6 Cartoon-"During transition to market economy, fasten seat belt"); (Exhibit Area 3 Photograph -"Five cigarettes for an egg"); Appendix A5: [Chart - Changing to a Free Market Economy](#); Appendix B: "[At the IMF Center](#)": [Exhibit Worksheet](#).



[Printable Exhibit Area 6 Cartoon-"During transition to market economy, fasten seat belt"](#)

A. Individually or in pairs, students use the [Image Analysis Worksheet](#) (Appendix A 4) to "read" one photograph and one political cartoon relating to a country's transition to a market economy and an international monetary system.

B. The teacher facilitates a class discussion of the process of "reading" images as a means of interpreting content.

C. The teacher divides the class into 5 or 6 groups (3-5 students) for conducting research on specific countries experiencing problems in changing to a market economy. (The exhibit includes information on the following: Brazil; Korea; Mexico; Poland; African countries.) Groups choose the country they will research. The teacher previews Chart (Appendix A5) and "[At the IMF Center](#)" [Exhibit Worksheet](#) (Appendix B.) Students initiate country research prior to visiting the IMF Center. Recording information on Chart 1, students document the following aspects of an IMF/member nation partnership:

[Credits](#)

- What problems existed in this country?
- What assistance did the country seek?
- What risks did the country take?
- Who made compromises?
- What type(s) of assistance was (were) received?
- What were the results?



[Printable Exhibit Area 3 Photograph -"Five cigarettes for an egg"](#)

[Credits](#)

*(Note to Teachers: Suggested resources for this activity include:*

<http://www.imf.org> (country page);

<http://odci.gov/cia/publications/factbook>;

<http://www.internationalist.com>.

#### IV. Visit to the IMF Center

*Note to the teacher: The visit to the Center provides direct experience for learning about the IMF and its role in fostering global cooperation. The activities continue to build understanding of the overarching theme-"Countries and the IMF: International partnerships in the transition to a free market economy."*

*An IMF representative is on hand to provide information and answer questions. The visit is organized to minimize crowding by assigning groups to two parts of the IMF Center—exhibit areas and mini-theater. The visit takes approximately 1½ hours. Guided by "[At the IMF Center](#)" [Exhibit Worksheet](#) (Appendix B), students will be able to:*

- "read" images;
- broaden points of view, getting perspectives of both the IMF and member nations;
- hypothesize on the role of international companies in the transition.

**Student Materials:** Folder containing Appendices A and B, notepaper, pencils.

A. Introduction

An IMF representative welcomes and orients students to the Center, and remains as a consultant to students during the visit.

B. IMF Center Assignments:

Students use materials in Appendices A5 ([Chart](#)) and B ("[At the IMF](#)": [Exhibit Worksheet](#)) to guide their activities. Half of the students explore the exhibit "[Money Matters: The Importance of Global Cooperation](#)," while half visits the mini-theatre and views case study videos about African countries and Korea. After 45 minutes, students switch activities.

V. Post-Visit Activities

*Note to the teacher: These activities synthesize students' understanding of the IMF's role as a facilitator of global cooperation and the role of international companies investing in developing countries. Students will be able to:*

- Explain how IMF assistance contributes to a developing country's transition to a free market economy;
- Describe the process used by the IMF in providing assistance to a member nation;
- Hypothesize areas of research necessary for assessing an investment by the IMF or a company in a developing country;
- Identify the risks and benefits from the country's perspective
- Identify the risks and benefits from a business's perspective
- Discuss a multinational business' social responsibility

**Student Materials:** Appendices A and B, folders of cumulative materials, including assignments.

A. Jigsaw:

1. Students regroup in the classroom, so that every country is represented in each new group. Using the Chart (Appendix A 5), students compare their findings and identify similarities and differences among the countries. Using the format of the Chart, students record findings on a transparency to be shared with the class.
2. Continuing in their small groups, students brainstorm the research required by the IMF prior to assisting a member nation.

B. Final Class Discussion

*Note to the teacher: This conversation uses the overarching theme, "Countries and the IMF: International partnerships in the transition to a free market economy" to integrate students' new understanding of global cooperation. They may identify such research areas as: natural resources; economic system; IMF relationship; monetary unit; legal system; Gross National Product (GNP); Gross Domestic Product (GDP); infrastructure; competitive advantage; per capita income; currency value compared to US dollar. The teacher facilitates a brainstorming session. Students take the perspective of*

a CEO of an international company. They identify the steps and information required for sound investment decisions in a developing country. They produce a list of research criteria.

### C. Final Assignment

*Note to the teacher: The final assignment provides a record of the students' new understanding of the IMF's role in fostering global cooperation and the role of international companies investing in developing countries. The teacher may specify content and length of the essay.*

1. The teacher provides a scenario emphasizing the human needs approach to economic development:

"You are the CEO of a multinational company interested in investing in a developing country. Assess the various opportunities and risks of doing business in the country you have studied."
2. Using the list of research criteria generated in the final class discussion above, students research and prepare a report to a board of directors in response to the scenario assignment.

## VI. Final Assessment: Concept Map

*Note to the teacher: The curriculum ends with a measure of the students' new understanding. By comparing the initial and final concept maps, both the teacher and the student are able to assess the growth of knowledge.*

**Student Materials:** Initial concept map.

The teacher distributes the students' initial concept maps. The students draw a final concept map, with "IMF" at the Center.

# Economics Curriculum

## Money Matters: The Importance of Global Cooperation

### Goal

This high school curriculum seeks to actively involve students in exploring and constructing an informed understanding of global cooperation by studying the role of the International Monetary Fund (IMF). The activities are designed to include a visit — or virtual visit — to the [IMF Center](#)'s exhibition, *Money Matters: The Importance of Global Cooperation*. They focus on the history, mission, structure and function of the IMF, as well as its past and continuing contribution to the economic stability of nations and the living standards of individuals.

*Note to the teacher: The curriculum includes activities suitable for high school students enrolled in world and American history, geography, economics, and business courses. The curriculum begins with general activities, which can stand alone as an introduction to the IMF and/or prepare students for a visit to the [IMF Center](#). (See II below.) These are followed by activities specific to students' courses of study. (See III, IV, and V below.) Teachers may choose from among the activities to satisfy classroom and field-trip needs and time constraints. Objectives and procedures are easily adaptable to the skill and knowledge level of students. Sections I and VI use concept maps as assessment tools to measure students' entry knowledge before starting the curriculum and final understandings following its conclusion.*

### Objectives

Students will be able to:

1. Explain the role of the IMF as a facilitator of global cooperation:
  - How the IMF functions as a cooperative international organization.
  - How the IMF facilitates international trade.
  - How the IMF strengthens its members' economies.
2. Discuss the adaptations over time made by the IMF.
3. Describe the interplay among sociocultural, political, and economic forces, and the impact of these forces on nations and individuals.
4. Identify the essential mechanisms for productive cooperation when working with others, (e.g., negotiating, compromising, seeking consensus, and managing conflicts).

### Procedures

#### I. Initial Assessment: Concept Map

*Note to the teacher: The curriculum begins with a measure of students' entry knowledge, using concept maps as the assessment tool. Concept maps provide a quick read of students' prior knowledge, e.g., misconceptions, familiarity with relevant vocabulary. They also serve to bring to the foreground both content and organization of current knowledge and attitudes, readying the student for what is to come.*

- A. With the class as a whole, the teacher models the drawing of a concept map of the term "money" by writing it on the blackboard and asking, "What does this term mean?" As students respond, they and the teacher begin to map and make connections among related concepts.
- B. Students draw individual concept maps of the term "International Monetary Fund" or "IMF." After general discussion, the teacher collects the signed maps to be used as an assessment measure by teachers and students on completion of the curriculum.



## A. Advance Organizer

1. The teacher shows an image of the IMF logo with the olive branch, followed by a brainstorming discussion of the meaning of the symbols.
2. The teacher shows exhibition images and leads a discussion of students' understanding or misunderstanding of the IMF. (Examples of possible responses/misconceptions-oversees the free exchange of currencies to its member nations, loans money, creates jobs, rebuilds cities.)

## B. Introduction to the IMF

1. The teacher prepares students for viewing the "[Millennium: Out of the Ashes](#)" portion of the Millennium video by asking them to think about the following:
  - What are the goals of the IMF?
  - How is the organization structured to achieve its goals?
2. The teacher shows this video "[Millennium: Out of the Ashes](#)" and facilitates a discussion during and/or following the video using the suggested questions below:
  - What are the purpose and ultimate goals of the IMF? How does the IMF logo represent the ultimate goals?
  - When was it founded? What is significant about the date?
  - What are the major differences between the IMF and the World Bank?
  - How many members sit on the IMF Executive Board? How does the Board make decisions?
  - Where do Executive Board members get information on which to base their decisions?
  - What do you know now about the IMF that you didn't know before?
3. The teacher distributes and previews Appendix A 1,2, and 3. Students use the IMF web site and search additional Internet sites to complete research on the mission, structure, and work of the IMF.

*Note to the teacher: Include IMF Websites ([www.imf.org](http://www.imf.org)): "[What is the IMF?](#)" "[IMF At A Glance](#)," and/or "[Chronology](#)," and sites addressing current IMF activities and issues. See latest speech of the Managing Director ([www.imf.org/cgi-shl/create\\_x.pl?mds](http://www.imf.org/cgi-shl/create_x.pl?mds)). In Appendix A 4 ("Researching the IMF"), the teacher may select from the list of questions or adapt them as appropriate.*

## C. Discussion of findings

The students report on the outcome of their web-based research.

## III. Pre-Visit Activities: Economics Curriculum

*Note to the teacher: The following curriculum activities (III A and B) complete the preparation for the visit to the IMF Center. The teacher previews processes and materials to be used by students at the Center, addresses the logistics for the visit, and introduces the overarching theme: "The IMF: An Agent of Economic, Social, and Political Change." Students will be able to:*

- "read" images;

- add new meaning to terminology introduced in the previous assignment
- explore the broader implications of the IMF and the interplay of sociocultural, political and economic forces.

**Student Materials:** Appendix A4: [Image Analysis Worksheet](#) (Exhibit Area 6 Cartoon- "During transition to market economy, fasten seat belt"); (Exhibit Area 3 Photograph - "Five cigarettes for an egg"); B: "At the IMF Center": 1) [Exhibit Worksheet](#); 2) [Thematic Study Chart](#).



[Printable Exhibit Area 6 Cartoon- "During transition to market economy, fasten seat belt"](#)

- Individually or in pairs, students use the [Image Analysis Worksheet](#) (Appendix A 4) to "read" one photograph and one political cartoon relating to a country's transition to a market economy and an international monetary system.
- The teacher facilitates a class a discussion of the process of "reading" images as a means of interpreting content.
- The teacher identifies topics for small-group assignments at the IMF Center and divides students into small groups (3-5 students). Groups choose one of the topics to focus their study at the IMF Center:
  - The IMF: A Changing Role Over Time
  - Politics and Economics: The United States and the International Economy
  - Conflict and Cooperation: The Economic Consequences of International Interaction
- Students preview materials (Appendix B 1 and 2) to be used at the IMF Center. Focus questions in Appendix B 1 address the following:*
  - how their topic relates to the purpose of the IMF;
  - controversies surrounding their topic (both past and present);
  - the political, social and economic ramifications of the issues related to their topic;
  - the extent to which the IMF has evolved in regard to these issues;
  - nations that have been directly involved with these issues;
  - success or failure of the IMF in addressing these issues.

[Credits](#)



[Printable Exhibit Area 3 Photograph - "Five cigarettes for an egg"](#)

[Credits](#)

#### IV. Visit to the IMF Center

*Note to the teacher: The visit to the Center provides direct experience for learning about the IMF and its role in fostering global cooperation. The activities continue to build understanding of the overarching theme- "The IMF: An Agent of Economic, Social, and Political Change."*

*An IMF representative is on hand to provide information and answer questions. The visit is organized to minimize crowding by assigning groups to two parts of the IMF Center—exhibit areas and mini-theater. The visit takes approximately 1½ hours. Guided by ["At the IMF": Exhibit Worksheet](#) (Appendix B 1) and [Thematic Chart](#) (Appendix B 2), students will be able to:*

- "read" images;

- *discuss the adaptability of the IMF as an institution to internal and external crises;*
- *assess the role of the U.S as an IMF member nation (e.g., contributions, leadership, dominance, support)*
- *identify the economic, political, and social consequences of global cooperation.*

**Student Materials:** Folder containing Appendices A and B, notepaper, pencils.

**A. Introduction**

An IMF representative welcomes and orients students to the Center, and remains as a consultant to students during the visit.

**B. IMF Center Assignments:**

Students use materials in Appendix B (1. "["At the IMF Center" Exhibit Worksheet](#)" and 2. [Thematic Chart](#)) to guide their activities. Half of the students explore the exhibit "["Money Matters: The Importance of Global Cooperation,"](#)" while half visits the mini-theatre and views case study videos about Africa and Korea. After 45 minutes, students switch activities.

**V. Post-Visit Activities**

*Note to the teacher: These activities synthesize students' understanding of the IMF's role as a facilitator of global cooperation and the economic, social, and political consequences of its actions. Students will be able to:*

- *identify the impetus for seeking IMF assistance;*
- *describe the process used by the IMF in providing assistance to a member nation;*
- *cite examples of the actions taken by the IMF in cooperation with others*
- *hypothesize areas of research used by the IMF in determining whether or not to intervene on behalf of a member nation;*
- *assess the interplay among economic, political, and sociocultural forces and the impact on nations and individuals.*

**Student Materials:** Appendices A and B, folders of cumulative materials, including assignments.

**A. Final Class Discussion**

*Note to the teacher: This conversation uses the overarching theme-"The IMF: An Agent of Economic, Social, and Political Change"-to integrate students' new understanding of global cooperation.*

1. The teacher facilitates a discussion in which students contribute information from their group's focus at the IMF. The students draw on their IMF Center worksheets (Appendix B 1 and 2) to assess the economic situation, political climate, and social conditions of member nations seeking IMF intervention.
2. The students brainstorm a list of research criteria to guide their case studies (below). The teacher facilitates a brainstorming session. Students take the perspective of an economist on staff at the IMF to identify the steps and types of information required to make recommendations to the IMF Executive Board. They produce a list of research criteria and data sources.

**B. Case Study**

*Note to the teacher: Consult the IMF Website ([www.imf.org](http://www.imf.org)), particularly the country page, to develop a*

*list of countries undergoing economic change. The exhibit identifies several, (e.g., Brazil, Mexico, Korea, Poland, Russia, and numerous African countries).*

1. Using an IMF mini-theatre video as a model for case studies, the students choose one from a list of countries that have been affected in some way by the issues related to their small group topics. This country becomes the focus of a case study that examines the social, political and economic history, and current conditions of that country. Using the list of research criteria and data sources generated in the final class discussion above, students develop a case study of the IMF's involvement with regard to the issues. When relevant, students should use data sources to document changing conditions over time.

*Note to the teacher: Suggested research criteria and data sources are listed below.*

<b>Economic data</b>	<b>Social data</b>	<b>Political data</b>
Balance of payments statistics	Literacy rate	Political stability
Interest rates	Life expectancy	Type of political
Fiscal (tax) deficit	Doctors per capita	system
Financial reserves	Child labor rate	Prevalence of
Current and capital accounts	Infant mortality rate	democratic institutions
GDP per capita		
Inflation		
Unemployment		
Dominant industries		

2. IMF Website: Students research the IMF Website ([www.imf.org](http://www.imf.org)) for information about the chosen country's relationship with the IMF regarding membership and assistance in its economic affairs.

## **VI. Final Assessment: Concept Map**

*Note to the teacher: The curriculum ends with a measure of the students' new understanding. By comparing the initial and final concept maps, both the teacher and the student are able to assess the growth of knowledge.*

**Student Materials:** Initial concept map.

The teacher distributes the students' initial concept maps. The students draw a final concept map, with "IMF" at the Center. Students discuss the comparison between the two.

# History & Geography Curriculum

## Money Matters: The Importance of Global Cooperation

### Goal

This high school curriculum seeks to actively involve students in exploring and constructing an informed understanding of global cooperation by studying the role of the International Monetary Fund (IMF). The activities are designed to include a visit — or virtual visit — to the [IMF Center](#)'s exhibition, *Money Matters: The Importance of Global Cooperation*. They focus on the history, mission, structure and function of the IMF, as well as its past and continuing contribution to the economic stability of nations and the living standards of individuals.

*Note to the teacher: The curriculum includes activities suitable for high school students enrolled in world and American history, geography, economics, and business courses. The curriculum begins with general activities, which can stand alone as an introduction to the IMF and/or prepare students for a visit to the [IMF Center](#). (See II below.) These are followed by activities specific to students' courses of study. (See III, IV, and V below.) Teachers may choose from among the activities to satisfy classroom and field-trip needs and time constraints. Objectives and procedures are easily adaptable to the skill and knowledge level of students. Sections I and VI use concept maps as assessment tools to measure students' entry knowledge before starting the curriculum and final understandings following its conclusion.*

### Objectives

Students will be able to:

1. Explain the role of the IMF as a facilitator of global cooperation:
  - How the IMF functions as a cooperative international organization.
  - How the IMF facilitates international trade.
  - How the IMF strengthens its members' economies.
2. Discuss the adaptations over time made by the IMF.
3. Describe the interplay among sociocultural, political, and economic forces, and the impact of these forces on nations and individuals.
4. Identify the essential mechanisms for productive cooperation when working with others, (e.g., negotiating, compromising, seeking consensus, and managing conflicts).

### Procedures

#### I. Initial Assessment: Concept Map

*Note to the teacher: The curriculum begins with a measure of students' entry knowledge, using concept maps as the assessment tool. Concept maps provide a quick read of students' prior knowledge, e.g., misconceptions, familiarity with relevant vocabulary. They also serve to bring to the foreground both content and organization of current knowledge and attitudes, readying the student for what is to come.*

- A. With the class as a whole, the teacher models the drawing of a concept map of the term "money" by writing it on the blackboard and asking, "What does this term mean?" As students respond, they and the teacher begin to map and make connections among related concepts.
- B. Students draw individual concept maps of the term "International Monetary Fund" or "IMF." After general discussion, the teacher collects the signed maps to be used as an assessment measure by teachers and students on completion of the curriculum.

#### II. Pre-Visit Activities: General Introduction



## A. Advance Organizer

1. The teacher shows an image of the IMF logo with the olive branch, followed by a brainstorming discussion of the meaning of the symbols.
2. The teacher shows exhibition images and leads a discussion of students' understanding or misunderstanding of the IMF. (Examples of possible responses/misconceptions-oversees the free exchange of currencies to its member countries, loans money, creates jobs, rebuilds cities.)

## B. Introduction to the IMF

1. The teacher prepares students for viewing the "[Millennium: Out of the Ashes](#)" portion of the Millennium video by asking them to think about the following:
  - What are the goals of the IMF?
  - How is the organization structured to achieve its goals?
2. The teacher shows this video "[Millennium: Out of the Ashes](#)" and facilitates a discussion during and/or following the video using the suggested questions below:
  - What are the purpose and ultimate goals of the IMF? How does the IMF logo represent the ultimate goals?
  - When was it founded? What is significant about the date?
  - What are the major differences between the IMF and the World Bank?
  - How many members sit on the IMF Executive Board? How does the Board make decisions?
  - Where do Executive Board members get information on which to base their decisions?
  - What do you know now about the IMF that you didn't know before?
3. The teacher distributes and previews Appendix A. Students use the IMF web site and search additional Internet sites to complete research on the mission, structure, and work of the IMF.

*Note to the teacher: Include IMF Websites ([www.imf.org](http://www.imf.org)): "[What is the IMF?](#)" "[IMF At A Glance](#)," and/or "[Chronology](#)," and sites addressing current IMF activities and issues. See latest speech of the Managing Director ([www.imf.org/cgi-shl/create\\_x.pl?mds](http://www.imf.org/cgi-shl/create_x.pl?mds)). In Appendix A 4 ("Researching the IMF"), the teacher may select from the list of questions or adapt them as appropriate.*

## C. Discussion of findings

The students report on the outcome of their web-based research.

## III. Pre-Visit Activities: History/Geography Curriculum

*Note to the teacher: The following activities (III A and B) complete the preparation for the visit to the IMF Center. They preview processes and materials to be used by students at the Center, address the logistics for the visit, and introduce the overarching question, "The IMF-Why Do We Need It?"*

**Student Materials:** Appendix A 4: [Image Analysis Worksheet](#), and A 5: [Newspaper Articles](#). Appendix B: ["At The IMF": Exhibit Worksheet](#).

- A. Individually or in pairs, the students use the [Image Analysis Worksheet](#) (Appendix A 4) to read a photograph or a political cartoon relating to world geography or history. The teacher facilitates a class

discussion of the process of "reading" images as a means of interpreting content.

- B. The teacher reviews the schedule for the day of the visit.
- C. The teacher divides the class into five or six groups (3-5 students) and distributes Appendix B, "[At the IMF Center](#)" [Exhibit Worksheet](#) to be completed during the visit to the IMF Center. The exhibit activities require students to work cooperatively in their small groups. Worksheet questions are linked to specific exhibit areas and require each group member to become knowledgeable about the area topic. The final two questions for each area are consistent across group assignments. When students return to the classroom, they form new groups and take responsibility for "teaching" the new group about their respective exhibit areas (jigsaw technique).
- D. The teacher distributes newspaper articles (Appendix A 5) reflecting multiple points of view toward the IMF to be read as a homework assignment.

#### IV. Visit to the IMF Center

*Note to the teacher: The visit to the Center provides direct experience for learning about the IMF and its role in fostering global cooperation. The activities continue to build understanding of the overarching question, "The IMF-Why Do We Need It?" Guided by "[At the IMF Center](#)" [Exhibit Worksheet](#) (Appendix B) students will be able to:*

- *add to their current knowledge with information from both the exhibit and videos;*
- *discuss how the role of the IMF has changed since its inception;*
- *consider how the IMF has affected the lives of individuals, the United States as a nation, and the world.*

*An IMF representative is on hand to provide information and answer questions. The visit is organized to minimize crowding by assigning groups to two areas of the IMF Center-exhibit panels and mini-theater. The visit takes approximately 1½ hours.*

**Student Materials:** Folder containing Appendices A and B, notepaper, pencils.

##### A. Introduction

An IMF representative welcomes and orients students to the Center, and remains as a consultant to students during the visit.

##### B. IMF Center Assignments:

Students use materials in Appendix B to guide IMF Center activities. Half of the students explores the exhibit "[Money Matters: The Importance of Global Cooperation](#)," while half visits the mini-theatre and views case study videos about African countries and Korea. After 45 minutes, students switch activities.

#### V. Post-Visit Activities

*Note to the Teacher: These activities are designed to help students synthesize their understanding of the IMF. They are asked to summarize what they have learned by answering the question, "The IMF-Why Do We Need It?" Students will be able to:*

- *describe the IMF's historical development;*
- *explain its response through institutional change;*
- *provide examples of the IMF's current role in fostering global cooperation;*
- *discuss the roots of controversy reflected in protests aimed at the IMF;*

- *predict the IMF's role in the future.*

*In addition, they will be able to recognize the essential mechanisms for productive cooperation at the IMF and in their classroom activities.*

**Student Materials:** Three or four newspaper articles documenting protests against the IMF; folders of cumulative materials, including assignments.

#### A. Jigsaw

1. The students meet in their small groups to review their assignments (Appendix B, worksheets) and to raise questions that remain about the IMF.
2. The students form new groups, each student bringing information from his/her assigned exhibit area and assignments to the new group to discuss:
  - why protests have been aimed at the IMF;
  - how the role of the IMF has changed since its inception and
  - how the IMF has affected the lives of individuals, the United States as a nation, and the world.

#### B. Final Class Discussion

1. The teacher writes this quote on the board and facilitates a discussion of its importance:

*"In a world of accelerating history, the future is already with us, calling for a high sense of responsibility, for bold action, and for intense cooperation between member countries."*

Michel Camdessus, IMF Managing Director (1987-2000)

2. Students brainstorm a hypothetical exhibit area that takes the IMF and its member nations into the next decade.

#### C. Final Assignment

*Note to the teacher: The final assessment provides a record of the students' new understanding of the IMF's role in fostering global cooperation. The teacher may specify content and length of the essay.*

The student writes a response to: "The IMF—Why Do We Need It?"

### VI. Final Assessment: Concept Map

*Note to the teacher: The curriculum ends with a measure of the students' new understanding. By comparing the initial and final concept maps, both the teacher and the student are able to assess the growth of knowledge.*

**Student Materials:** Initial concept map.

The teacher distributes the students' initial concept maps. The students draw a final concept map, with "IMF" at the Center.

# Money Matters: The Importance of Global Cooperation

Credits

## **Panel 3.1 Elephants haul rubble in Hamburg, Germany**

© Corbis

## **Panel 3.2 Scale comparing escalation of gold reserves**

© Corbis

## **Panel 3.2 Paris protest against additional restrictions**

© Corbis

## **Panel 4.6 Cartoon: Abandoning the ship**

© Felix Mussil/Frankfurter Rundschau. Aug 1, 1971. GmbH -Syndication

## **Panel 5.1 Cartoon: International Monetary System (I Don't Even Understand the Old System)**

© Express Newspapers

## **Panel 5.2 Cartoon: "You're like a bunch of CAPITALISTS."**

© Dennis Renault. The Sacramento Bee, 1974

## **Panel 6.1 Cartoon: IOU bomb**

© Les Gibbard. The Guardian, Oct. 12, 1980

## **Panel 6.3 Shantytown on the outskirts of Rio de Janeiro**

© Un Photo/ Claudio Edinger

## **Panel 6.3 Cartoon: Baker plan life preserver**

© Cartoonists and Writers Syndicate: (Doumont. San Pedro Sula, 1985)

## **Panel 6.6 Cartoon: "During Transition to Market Economy Fasten Seat Belts."**

© Cartoonists and Writers Syndicate: Pravda, 1990: Cherepanov

## **"Anybody Have Any Suggestions."**

© Jack Knox-son cleared ed.

## **Exhibit Area 3 Photograph -"Five cigarettes for an egg"**

© NEED COPYRIGHT INFO

# Appendix A 1

## Executive Board Room



# Appendix A 2

## Glossary of Terms

[More detailed Glossary](#)

What are **Gold Reserves**?

**Gold reserves** are the gold bullion stocked by a country's central bank. Under the gold standard, paper currencies could be exchanged for gold on demand. Although the gold standard has been abandoned, many central banks still stock gold bullion.

What are **Fixed Exchange Rates**?

**Exchange rates** measure the value of one country's currency in terms of other countries' currencies. When the value of each currency was tied to gold, exchange rates were stable or "fixed."

What is **Deficit Financing**?

**Deficit financing** occurs when a government spends more money than it can raise by taxation or other means. John Maynard Keynes advocated this policy during the Great Depression to increase employment and thereby inject purchasing power into the sluggish economy.

What is **Multilateral Trade**?

**Multilateral trade** refers to the exchange of goods and services among many countries. During the Great Depression it often happened that a country tried to protect itself from outside competition by forming a trade alliance with another country (bilateralism) or with a group of countries (regional trading blocs). These alliances extended favorable trading conditions (low tariffs and high quotas) to their members, and thus erected trade barriers to those countries outside the alliance.

What is a country's **Balance of Payments**?

A **balance of payments** is achieved when the amount of money leaving a country to purchase imports of goods and services and to invest in other countries equals the amount of money entering the country through the sale of exports and the inflow of investments. Deficits (shortfalls) or surpluses in the balance of payments can be brought into balance by increased trade and investment or by moving currency reserves between countries.

What is a **Money Shortage**?

**Money shortage** refers to a lack of currency acceptable as payment in world trade. During World War II, the European countries had sold off most of their gold reserves to finance the war. Since their economies were in ruin and their currencies of little value, they were said to be suffering a money shortage. After World War II, the United States held most of the world's money in the form of dollars and gold.

What is **inflation**?

**Inflation** is the pursuit of too few goods by too much money. Normally, when governments see signs of inflation, they try to reduce the amount of money in circulation by raising interest rates. After World War II, rebuilding of European industry in order to make more consumer goods available was seen as a necessary remedy for inflation.

What is **Devaluation**?

**Devaluation** is the attempt to reduce a currency's value in terms of other currencies. Governments lower the value of their currency relative to other currencies in order to make their country's products more competitive on world markets and boost exports. Devaluation also makes imports less affordable and protects local industry from foreign competition. After World War II, many European countries devalued their currencies to help devastated local industries recover. Unfortunately, this lowered overall demand for imports and retarded a general recovery.

What is **Convertible Currency**?

**Currency convertibility** refers to acceptance of one currency in exchange for another. A country with external convertibility allows nonresidents to exchange its currency for other currencies. A fundamental goal of the IMF is universal currency convertibility.

What is **Foreign Investment**?

**Foreign investment** is the acquisition of assets in one country by government, institutions, or individuals in another country. Foreign investment can be indirect (buying shares of existing enterprises in other countries) or direct (setting up subsidiaries and new enterprises in other countries).

What are **Trade Deficits**?

**Trade deficits** occur when a country is spending more on imports than it receives from exports. As industries in Europe and Japan recovered from World War II, the United States began to develop balance of trade deficits with these countries since the value of goods bought from them exceeded the value of U.S. goods sold to them.

What is a **Monetary Reserve**?

**Monetary reserves** are currencies held by a government usually in its central bank, in addition to its gold reserves. A shortage of gold in the 1960s led many governments to supplement their gold reserves with monetary reserves. Governments began to hoard U.S. dollars and British pounds which were accepted widely in trade and perceived to be stable in value.

What are **Hard and Soft Currencies**?

**Hard currency** is a currency widely accepted in foreign trade. **Soft currency** is a currency whose value is uncertain and which is therefore not widely accepted in foreign trade. When developing countries gained their independence from the European colonial powers, they instituted their own official "soft" currencies. With few reserves of hard currencies, the newly independent countries found it difficult to import goods and services to spur economic growth.

What is a **Shortage of Liquidity**?

A **shortage of liquidity** refers to a condition in which the supply of hard currency or other assets is insufficient to meet the demands of world trade. During the 1960s, many feared that the United States would cut back on its imports to correct its burgeoning balance of payments deficit. If it did so, the diminished stream of dollars flowing abroad would result in an international liquidity shortage.

What is an **SDR**?

The **SDR** (Special Drawing Right) is a reserve asset created and distributed by the International Monetary Fund to supplement the reserves of its member countries. SDRs were first created in 1969 to free other reserve assets (convertible currencies and gold) for use in foreign trade and other international transactions. SDRs cannot be used in payment by private individuals. They exist only as electronic accounting balances and are either retained as reserves or exchanged to settle payments between the IMF and its members or between member countries themselves.

What is a **Fixed Dollar-Gold Exchange Rate**?

The **dollar-gold exchange rate** (\$35.00 = one ounce of gold) was established at the Bretton Woods conference in 1944. The value of other world currencies was expressed in dollars, and therefore by implication was also pegged to gold. Under the Bretton Woods system, anyone could redeem dollars for gold from the U.S. Treasury at the rate of \$35.00 per ounce. When inflation began to erode confidence in the value of the dollar, the rush to redeem dollars for gold threatened to wipe out the United States' gold reserves.

What is the **Bretton Woods System**?

The **Bretton Woods System**, conceived at Bretton Woods, New Hampshire in 1944, was implemented by the International Monetary Fund until the 1970s. This system provided for fixed exchange rates (based on the U.S. dollar pegged to gold) and aimed for the unrestricted conversion of one currency for another in settling current payments between member countries. Its purpose was to increase employment, assist trade, and encourage international prosperity. The system, abandoned in the 1970s when the U.S. government was no longer able to exchange gold for dollars at \$35.00 an ounce, has been replaced by the present regime of surveillance by the IMF over member countries' exchange policies.

What is **IMF Surveillance**?

**IMF Surveillance** involves an ongoing examination by the Fund of the economic, monetary, fiscal, and exchange policies of member countries, carried out with the cooperation of those countries. One result of this examination is an economic report on each country, which is discussed in the IMF's Executive Board and disclosed to the entire membership. Surveillance thus ensures the openness of each member's policies and intentions and assists all member countries in their economic dealings with one another.

What is an **embargo**?

An **embargo** legally prohibits some or all trade with a foreign country. Governments resort to embargo to express displeasure with the policies of another country and to attempt to coerce the country to change its policies.

What were the **IMF's Oil Facilities**?

The two **IMF Oil Facilities** were Fund initiatives to channel borrowed money at below-market rates of interest to developing countries hardest hit by the rise in oil prices that began in 1973. They were temporary measures; eventually all countries have had to adjust to permanently higher (though fluctuating) oil prices.

What is **Excess Liquidity**?

**Excess liquidity** is the unusual condition of countries' having too much money. (Private individuals seldom experience this condition). In the late 1970s, the rise in oil prices brought in a flood of money (more than could be immediately spent) into the oil-producing countries. Prudently, these countries placed much of this excess money in banks, which soon found themselves in the unusual position of having excess liquidity: more money than they could conveniently lend.

What is a **Central Bank**?

**Central banks** are institutions responsible for monitoring economic data, overseeing banking, accounting for monetary and gold reserves, and adjusting the money supply in order to keep the economy on course. In the United States, the Federal Reserve System performs these functions. Their charters usually make central banks independent of government so as to avoid unhelpful political influence.

What are **Interest Rates**?

**Interest rates** are the cost of borrowing money. When a central bank (the institution in each country which adjusts the money supply and accounts for monetary and gold reserves) decides to change the interest rate on money it lends to banks, the banks respond with a corresponding change in the interest rate on money they lend to businesses and private individuals. Central banks raise short-term interest rates to discourage borrowing, slow economic growth, and hold inflation in check. They lower short-term interest rates to spur economic growth by encouraging business investment and consumer spending.

What are **Real Prices**?

**Real prices** are prices that have been adjusted for inflation. Separating the inflationary correspondent from the price often gives a more accurate and informative insight into the price trend over time.

What is a **Rescheduling of Debt**?

A country, finding itself able to pay its debt on time, can often negotiate with the lender a **rescheduling of debt**—allowing it a longer period in which to repay what it owes. Rescheduling is beneficial to both borrower and lender. The borrowing country avoids default (which can have drastic consequences for its credit rating) and, although it might have to pay more in interest charges, is not forced to take other, more damaging measures. The lender, considering the alternative of getting nothing back in the event of default, is generally happy to agree to a rescheduling.

What are **Fiscal or Budget Deficits**?

**Fiscal or budget deficits** occur when governments expenditures exceed revenues. The way out of a budget deficit may involve raising taxes, reducing government expenditure, or a combination of both. Obviously none of these solutions is popular with the electorate. For this reason, politicians are often loath to make the hard decisions required, the budget deficit worsens, and, in some cases, the government must seek assistance from international lenders.

What are **Trade Barriers**?

**Trade barriers** are attempts to limit the import of foreign goods and services into a country. The most common barriers are quotas (limiting the quantity of foreign goods that can enter the country), tariffs (charging a tax on goods entering the country), and subsidies (paying local producers to artificially lower the price of their goods relative to foreign competitors).

What is **International Capital**?

**International capital** refers to assets that move from one country to another. In theory, international capital flows are economically efficient since investors tend to place their money only in viable enterprises where there is good reason to expect profit.

What are **Centrally-Planned Economies**?

In **centrally-planned economies**, the state, rather than the free market, determines where investments will be made, what will be produced, what the level of wages and salaries will be, and how much products will cost. Centrally planned economies are inspired by a socialist, non-market philosophy.

What is a **Free Market System**?

In a **free market system**, private investors, rather than the state, determine where investments will be made, what will be produced, what the level of wages and salaries will be, and how much products will cost. The free-market system is inspired by a capitalist philosophy.

What are the **Transition Economies**?

**Transition economies** are economies moving from central planning to a free-market system. Specifically, the term refers to Russia and other member countries of the former Soviet Union, as well as to the formerly non-market countries of Eastern and Central Europe.

What is a **Developing Country**?

**Developing countries** are partially industrialized countries that usually lack sufficient national income or domestic private capital to finance the investment required to reach modern industrial statehood. In the early stages of development these countries usually look to multilateral lending institutions for finance. As they become more economically self-sufficient they are able to tap the international capital markets for loans or finance further development.

# Appendix A 3

## "Researching the IMF" Worksheet

Use the IMF Website ([www.imf.org](http://www.imf.org)) to answer the following questions. All of the information can be found at the following site locations: [What is the IMF?](#) [IMF At A Glance](#), and [Chronology](#).

1. What is the general purpose of the International Monetary Fund?
2. Explain how the IMF uses each of the following to achieve its purposes:
  - Surveillance
  - Financial assistance
  - Technical assistance
3. When was the IMF founded? What was the number of original members? How many current members are there?
4. When did the IMF sign its first agreement with the U.S.S.R regarding technical assistance?
5. Which member nation was the first to receive debt relief from the IMF? When?
6. Which member nation received the largest financial commitment in IMF history? When?
7. Which are the largest five member nations in the IMF?
8. What is a quota? What is the total share of quota contribution of the largest five member nations? Next to each nation note its share.
9. What is the relationship between quotas and voting rights?
10. When was the last time the IMF raised quotas for member nations?
11. What is meant by Special Drawing Rights (SDRs)? When were they created and first allocated?
12. When did the IMF open its web site? What purposes does it serve?

# Appendix A 4

## Image Analysis Worksheet

Use the questions below to "read" the content of the image.

1. Identify content: List the content of the image. This will include people, setting, objects, actions and any text offered. Do not be concerned with "overly simplistic" observations. If it is there, write it down. While recording what you see, do not make judgments as to the meaning of the image. Simply record observations.
2. Analyze content: Examine the content you listed above. Consider each of the items and how they interact with one another. How does the photographer/cartoonist generate meaning from the relationship? For example, if there are conflicting parties or elements, does one seem to be portrayed in a more favorable light than the other? How does the photograph/cartoon capture the mood or circumstances of the parties?
3. Synthesize content:
  - Consider the overall intent of the photographer/cartoonist. Why did the photographer/cartoonist use this particular image? What message was the photographer/cartoonist trying to convey? What social, political and/or economic situation does this photograph/cartoon capture?
  - Consider why it is relevant to the study of the IMF?
  - Having fully explored the content of the photograph and assessed its possible meaning and intent, what caption would you give the photograph? (Your caption should convey the message/intent of the photograph.)

# Appendix A 5

## Chart: Changing to a Free Market Economy

Name: \_\_\_\_\_

### I. Country Analysis: Assigned Country \_\_\_\_\_

Use this chart to help you organize your findings as you research the [IMF Center](#) exhibit for information about your country's transition to a market economy.

Keep track of the events and conditions that have had an impact on your country: consider and record how results seem to have affected the economic situation, political climate, and social conditions of the nation and the individuals involved.

<b>PARTIES INVOLVED</b>	<b>DATE(S)</b>	<b>COUNTRY'S PROBLEM(S)</b>	<b>ASSISTANCE SOUGHT/RECEIVED</b>	<b>RISKS/COMPROMISES</b>	<b>OUTCOME</b>



6. How has the international debt crisis served to demonstrate the current role of the International Monetary Fund in the increasingly global economy?

## Group 2

### Politics and Economics: The United States and the International Economy

- Image used: Exhibit Area 5.2- as shortage
- Cartoon used: Exhibit Area 3.2-"Who's Got The Gold?"/Exhibit Area 4.6-Sinking U.S. ship
- Exhibit Areas of major interest: Exhibit Area 2 (WWI reparations, global crisis and search for political stability); Exhibit Area 3 (U.S. dollar fuels world economies, Marshall Plan fosters economic recovery); Exhibit Area 4 (gold reserves and the US dollars, Nixon and the gold standard); Exhibit Area 5 (U.S. and OPEC, inflation and recession)



[Printable Exhibit Area 5.2- as shortage](#)

[Credits](#)



[Printable Exhibit Area 3.2-"Who's Got The Gold?"](#)

[Credits](#)



[Printable Exhibit Area 4.6-Sinking U.S. ship](#)

[Credits](#)

### Brief Explanation

By the end of World War II, the spirit of isolation had disappeared. Following World War I, that spirit had prevented the United States—despite its military and economic power—from accepting a world leadership role. Beginning in 1944, the United States put its weight as a superpower behind the initiatives that have shaped the modern world—the United Nations, the World Bank, the International Monetary Fund, the World Trade Organization, and the North Atlantic Treaty Organization. On occasion, U.S. domestic policies have run counter to the aims of these organizations (most notably in the early 1970s when U.S. inflationary policies brought about the suspension of dollar/gold convertibility and forced a reorganization of the IMF). On balance, U.S. support for these institutions since World War II has been instrumental in creating the longest period of economic growth and prosperity in history.

### Focus Questions

1. What were some of the connections between the economic conditions in the United States and the crises that led to the creation of the International Monetary Fund?
2. How did the United States find itself in a position to help in the creation of global economic stability following World War II?
3. What role did the U.S. dollar play in the political and economic changes taking place during the post-World War II international expansion?

4. How did U.S. economic conditions in the late 1960s and early 1970s, and actions taken to address such conditions, lead to a dramatic and fundamental change in the international financial system?
5. How did the oil crises of the 1970s demonstrate the inextricable link between the United States economy and world affairs?

### Group 3

#### Conflict and Cooperation: The Economic Consequences of International Interaction

- Image used: Exhibit Area 3.1-Elephant in Hamburg
- Cartoon(s) used: Exhibit Area 6.1-IOUs/Exhibit Area 6.3-Lifeline of debt
- Exhibit Areas of major interest: Exhibit Area 2 (WWI reparations and global crisis); Exhibit Area 3 (destruction of WWII and the Marshall Plan); Exhibit Area 5 (OPEC and the oil crisis, inflation and the reaction to the falling U.S. dollar, international recession); Exhibit Area 6 (debt problem and restructuring, growth of Foreign Exchange markets)



[Printable Exhibit Area 3.1-Elephant in Hamburg](#)

[Credits](#)



[Printable Exhibit Area 6.3-Lifeline of debt](#)

[Credits](#)



[Printable Exhibit Area 6.1-IOUs](#)

[Credits](#)

#### *Brief Explanation*

Conflict is rarely an ally of economic prosperity. From the end of World War I through the oil crises of the 1970s, we have not been short on economic hardship brought about by bickering nations and economic organizations. During the same time period, the world has seen a dramatic increase in global cooperation and, with it, growing economic stability and prosperity, largely due to cooperation within the membership of the IMF. That cooperation as seen by international intervention in rescuing the falling dollar, the formation of Regional Trade Blocs, and the growth of the Foreign Exchange market, has been as evident as the conflict. Both offer dramatic lessons for managing conflict and building global economic communication.

#### *Focus Questions*

1. Describe how international conflicts contributed to the series of global crises that gave rise to the creation of the International Monetary Fund.
2. In what ways would the creation of an international financial system such as the IMF promote international economic and political cooperation and stability?

3. How did the cooperation among nations following World War II lead to the rebuilding of Europe and heightened sense of security and prosperity?
4. Identify various conflicts between and among nations that have threatened or created disruptions in economic stability.
5. Why and in what ways are proponents of developing countries calling for the cooperation of industrial nations in alleviating the tremendous debt of poor nations?
6. How has the proliferation of regional trade blocs demonstrated worldwide recognition of the benefits of international economic cooperation as a means to greater economic prosperity?

# Appendix B 2

## "At the IMF Center": Thematic Study Chart

As you study the panels portraying the history of economic globalization, consider the ramifications of the actions taken by nations, institutions and individuals. Consider not only the economic consequences, but the political and social consequences as well. Keep in mind that economics is only a means to an end, and that end is the welfare of individuals within societies. Use the chart below to keep track of the events and conditions that have had an impact on the theme you are studying. For each entry, consider and record how that particular event seems to have affected the economic situation, political climate and social conditions of the nations and the individuals involved.

EVENT	DATE	PARTIES INVOLVED	RAMIFICATIONS
			Economic:
			Political:
			Social:
			Economic:
			Political:
			Social:
			Economic:
			Political:
			Social:
			Economic:
			Political:
			Social:

# Appendix B (Business)

## "At the IMF Center": Exhibit Worksheet

### 1. Areas for country research

Instructions: *Work cooperatively in your small group. Look at the entire exhibit and then focus on your assigned country. Read text and images. Take notes. When you return to the classroom, you will form new groups and take responsibility for "teaching" the new group about your respective country.*

Brazil	1981-1989: Area 6—Steel producer; Area 6-Can't pay debts; Area 6-Need to issue new currency; Area 7—1989-1999: Recovery from Debt panel Brazil currency fell
Korea	1989-1999: Area 7—Globalization panel: 36 billion financial crisis
Mexico	1981-1989: Area 6-Can't pay debts; Area 6—Debt crisis, unemployment 1.3 billion; 1989-1999: Area 7—Recovery From Debt panel: Adjustment program, devalued peso
Poland	1981-1989: Area 6-Can't pay debts or principal
African Countries	1989-99: Area 7—Recovery from Debt Panel: Progress in Africa

### 2. Video Case Studies

Instructions: In the mini-theater at the [IMF Center](#), view the case study videos about African countries and Korea.

- Analyze actions taken to forge partnerships between the IMF and member nations.
- Compare information on your assigned member nation to one of the case studies countries.

# Appendix B (History & Geography)

## "At the IMF Center": Exhibit Worksheet

### Money Matters: The Importance of Global Cooperation

Instructions: *Work cooperatively in your small group. Look at the entire exhibit and then focus on your assigned exhibit area. This worksheet will help guide your explorations. When you return to the classroom, you will form new groups and take responsibility for "teaching" the new group about your respective exhibit area. Be prepared to discuss*

- *how the IMF has affected the lives of individuals, the United States as a nation, and the world;*
- *why protests have been aimed at the IMF.*

#### I. Questions for each exhibit area:

- Destruction and Reconstruction (1945 - 1958)
  1. What role did the IMF play in the Reconstruction of Europe after World War II?
  2. How was the United States involved in the process?
  3. What motivated the United States to become involved?
  4. What impact did the involvement of the United States have on its economy?
  5. How has the role of the IMF changed since its founding?
  6. Do you think that 50 years from now the nations of the world will see a need for the IMF? Explain.
- System In Crisis (1959 - 1971)
  1. What two events precipitated the economic crisis between 1959 - 1971?
  2. What was the response of the IMF?
  3. How was the crisis resolved?
  4. How has the role of the IMF changed since its founding?
  5. Do you think that 50 years from now the nations of the world will see a need for the IMF? Explain.
- Reinventing the System (1972 - 1981)
  1. During this period the IMF was under attack for outliving its usefulness. How did the IMF adapt to a changing world?
  2. What was the impact of inflation and petrodollars on the world economy?
  3. What was the floating rate system? Why is it significant?
  4. How has the role of the IMF changed since its founding?
  5. Do you think that 50 years from now the nations of the world will see a need for the IMF? Explain.
- Debt and Transition (1981 - 1989)
  1. Name four countries that found themselves heavily in debt during this period?
  2. How was this debt accrued?

3. How did they resolve their problems? What role did the IMF play?
4. How did the collapse of Communist Eastern Europe in 1989 affect the global economy? What role did the IMF take in this situation?
5. How has the role of the IMF changed since its founding?
6. Do you think that 50 years from now the nations of the world will see a need for the IMF? Explain.

○ Globalization and Integration (1989 - 1999)

1. What are the differences between a central planning economy, a transition economy, and a free market economy?
2. Cite some of the negative and positive outcomes of the transition to a free market economy.
3. What are some key economic changes in countries in Eastern Europe, Latin America, Africa and Asia?
4. What role did the IMF play in supporting economic stability in countries with transitional economies?
5. What is the Euro and why is it significant?
6. How has the role of the IMF changed since its founding?
7. Do you think that 50 years from now the nations of the world will see a need for the IMF? Explain.

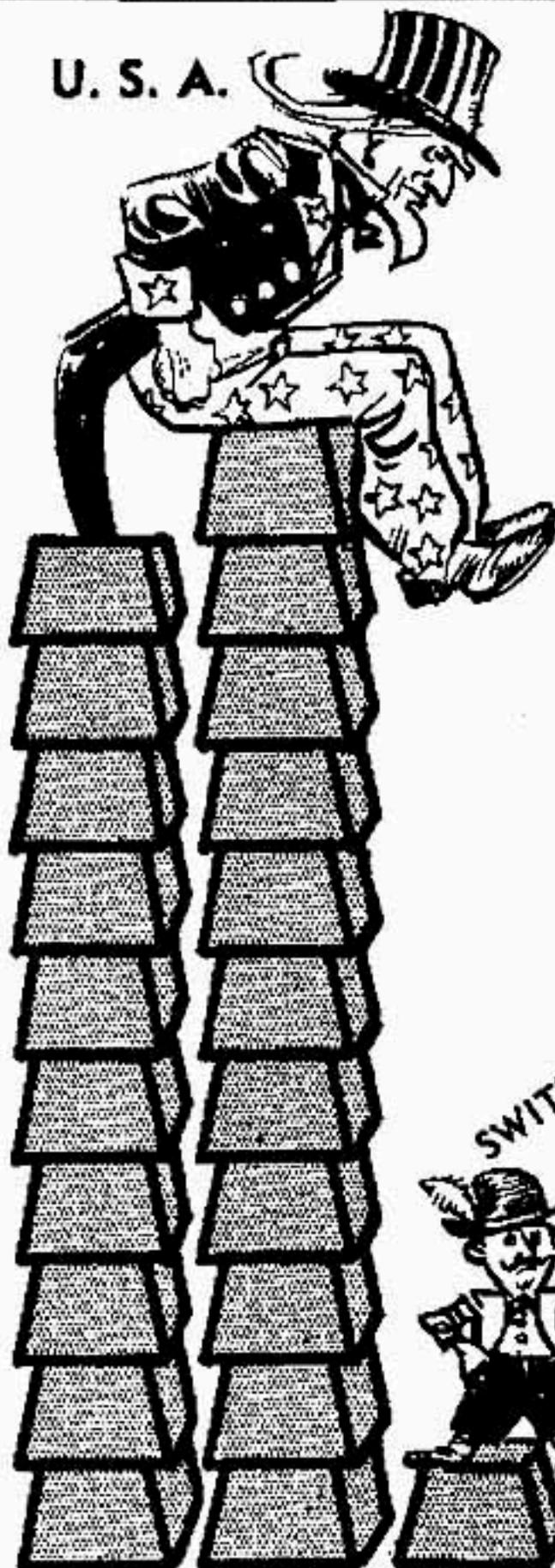
## II. Video Case Studies

*Instructions:* View the case study videos about African countries and Korea showing at the IMF mini-theatre. How has the IMF made a difference in the day-to-day existence of the people in these member nations? Be prepared to give examples of economic, social, and cultural changes.

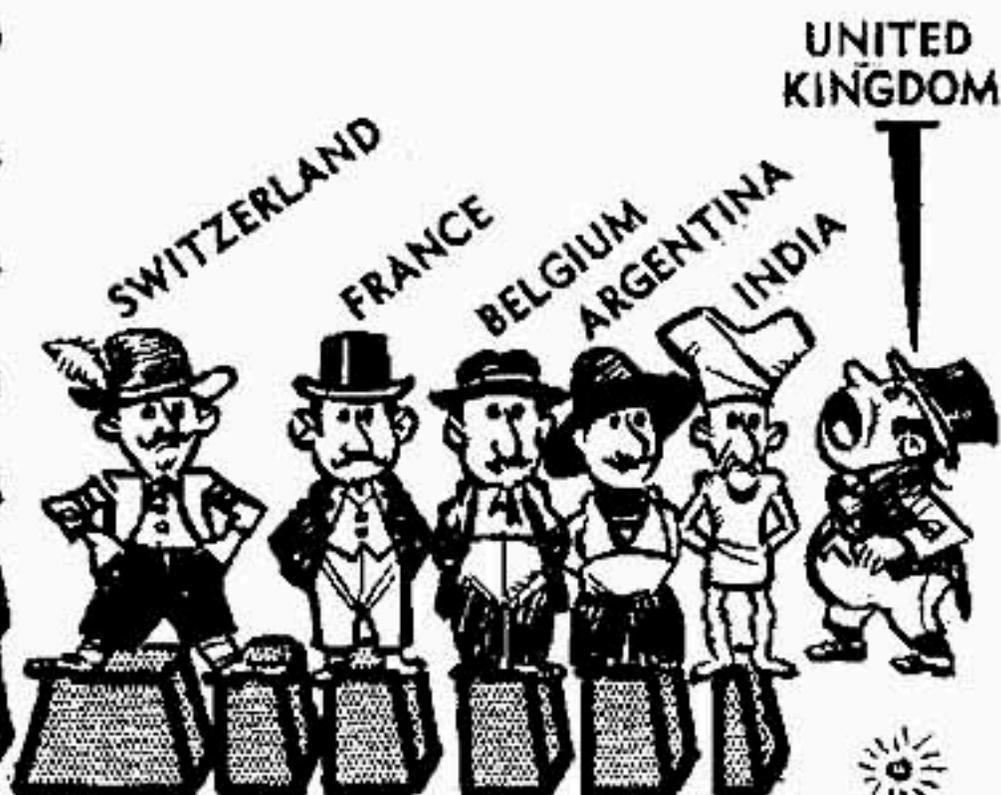


U. S. A.

# WHO'S GOT THE GOLD?



\$1,000,000,000  
in Gold Reserves



\$20,933

\$1416

\$695

\$639

\$400\*

\$274\*

\$1\*

FIGURES ARE MILLIONS OF DOLLARS

\*1945 REPORTS

# INTERNATIONAL MONETARY SITUATION

**FLOATING**  
 $278 = \frac{1211009 \cdot 001}{2}$   
 $\text{THUS } \frac{C}{2} (X^{111})$

**D-MARK FLOATING**  
 $X = \frac{M}{12} - 10$   
 $\frac{74}{282}$

**JAPANESE YEN?**  
 $8771.001170$   
 $\frac{221115}{221115} = \frac{30}{24} = \frac{5}{4}$   
 $\frac{22.4}{21} = \frac{33}{21} = \frac{11}{7}$   
 $\frac{1}{E} (X - (Y + Z))$

**BENELUX JOINT CONTROLLED FLOAT**  
 $\frac{2111}{7} = \frac{211100}{7}$   
 $\text{THUS } - \frac{211100}{7}$   
 $\frac{112121.00}{0.99} \times 2$

**FRENCH FRANC TWO-TIERED SYSTEM**  
 $74438$   
 $1497985$   
 $\frac{086}{11041}$   
 $\frac{1}{E} (X - (Y + Z))$

**ISRAEL DEVALUED 20%**  
 $R_1 + R_2 = \frac{98-0.0}{0.45-1.7}$   
 $791 \rightarrow 117.01$

**AUSTRIA?**  
 $7003$   
 $709$   
 $+ 227.008 = ?$   
 $\frac{0.787}{0.787}$   
 $X \text{ ACKERS?}$   
 $110 \text{ STAL}$   
 $9 \text{ WEAS} - + 21$

**US DOLLAR**  
 $497$   
 $1.39$   
 $(771) \text{ ON}$   
 $1999 \text{ ON}$

**Other scribbles:**  
 $20 - \frac{5}{0} = X$   
 $92705 - 3417 = 214 \frac{2}{3}$   
 $2211 \times \frac{X}{Y} = \frac{X}{X_L}$   
 $\frac{2211}{1117} = \frac{227805}{57711}$   
 $2211 \times \frac{X}{Y} = \frac{X}{X_L}$   
 $\frac{2211}{1117} = \frac{227805}{57711}$   
 $\frac{2211}{1117} = \frac{227805}{57711}$   
 $\frac{2211}{1117} = \frac{227805}{57711}$



DURING  
TRANSITION  
TO MARKET  
ECONOMY  
FASTEN  
SEAT BELTS



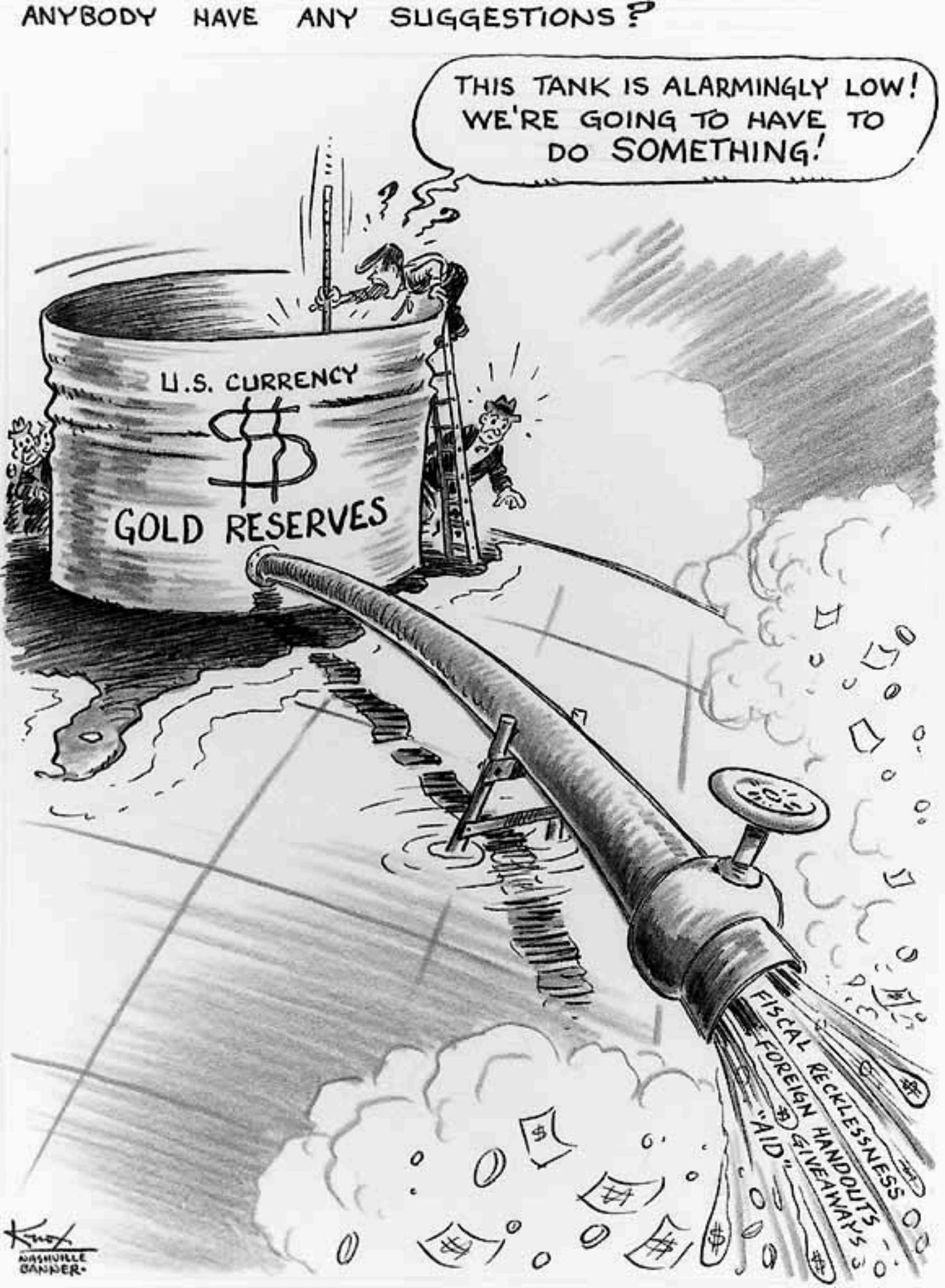
ANYBODY HAVE ANY SUGGESTIONS?

THIS TANK IS ALARMINGLY LOW!  
WE'RE GOING TO HAVE TO  
DO SOMETHING!

U.S. CURRENCY  
GOLD RESERVES

FISCAL RECKLESSNESS  
FOREIGN HANDOUTS  
"AID" GIVEAWAYS

Knox  
NASHVILLE  
BANNER







**l'intransigeant**

**ENQUÊTE SUR LES GROS PORTEURS**

**de billets de 5.000**

**LE TRAIN de BRUXELLES pour les petits**

**de billets de 5.000**

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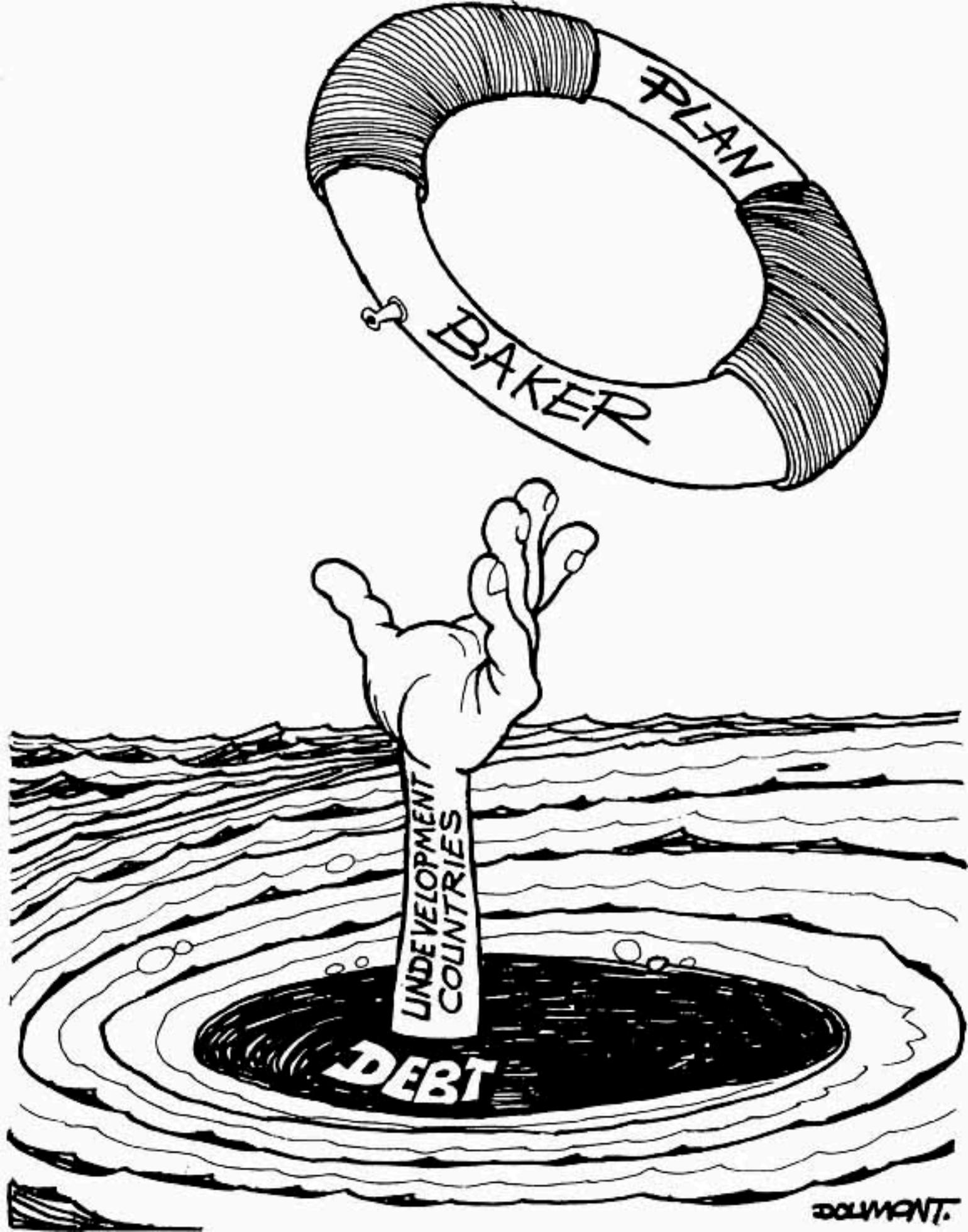


"You're like a bunch of . . . of . . . of . . . CAPITALISTS!"



Dennis Renault. *Sacramento Bee* (California), 1974.





PLAN

BAKER

UNDEVELOPMENT  
COUNTRIES

DEBT

DOLMONT.

*Explosion!*



