**Aim: What are fundamental economic questions that every society must answer and why must they answer them?**

**Topic and Theme: Fundamental Economic Questions**

**Survival on Deserted Island – Break into groups of 4-5.**

**In this activity, you will assume the role of a crew member of a damaged sailing vessel, stranded on the deserted island. You hope to be rescued but must plan for survival.**

* **You will have 25 minutes to read the scenario and as a group answer all 3 of the questions**
* **Remember: you are trying to survive and not escape!**
* **Keep in mind, that you will be creating an economics system, and as you do, you will be answering the fundamental questions that all economic systems have to address - think about what those questions might be as you are doing the activity.**

**The crew consists of a captain, a co-captain, a science officer, a medical officer and a navigator. The navigator was critically injured in the crash, and it is not clear whether he will survive. The sailing vessel is beyond repair and so badly damaged that it cannot be used for shelter. You know that a rescue mission might not reach you for months.**

You have the following to work with:

 1. The clothing the crew is wearing (adequate for mild weather only)

 2. The crew’s supply of dried food (sufficient for a week’s rations for each crew member)

 3. The emergency tool kit which contains a hammer, saw, screwdriver, rope, wire, tape, penknife.

 4. Five pistols with ammunition.

Below is a description of the island of Altran where you are stranded.

 1. A clearing surrounded by trees

 2. A river visible from the clearing

 3. A few birds and some strange animals

 4. Temperate temperature (60-70 degrees Fahrenheit)

**Directions: As a group, reach a consensus about each of the following issues. Appoint a spokesperson who will give a brief summary of your group’s decisions to the class.**

**In order to survive you will need to answer the following questions:**

**1. Surveying available resources:**

 **a. What resources are available to you in each of the following categories?**

 **Land:**

 **Labor:**

 **Capital:**

**2. Issues 3 and 4 require making a decision. How will decisions be made?**

**3. Setting Priorities:**

 **a. What items will be produced for the crew? In what order will they produced?**

**4. Allocating resources:**

 **a. How will your crew produce the items? Consider how to mobilize human resources: Which jobs would be appropriate for each crew member to perform?**

 **b. Who will receive the items produced? (how will the items produced be divided among the crew members?)**