

7-12

## The Lord of the Rings

By J. R. R. Tolkien

Lesson by Helen Roberts

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**Economics:** Scarcity, Opportunity Cost, Incentives

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**Language Arts:** Making Inferences, Comprehension

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**Synopsis:** Middle Earth battles good against evil.

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**Materials:** Transparencies of Visuals 1 and 2

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- Procedure:**
1. After reading *The Hobbit*, *The Lord of the Rings*, or seeing the movies, explain that economics is the study of choices. Ask students to recall some choices they have made. *Answers will vary.*
  2. Opening discussion:
    - a. Why must choices be made? (*Answers will vary. You can't spend your money more than once, or be in more than one place at the same time. Et cetera.*)
    - b. Explain that **resources are limited**. This means people can't have or do everything they might want.
    - c. What are some examples of limited resources? (*Revisit choices above and identify the limited resource that made the choice necessary. Answers will vary, but themes should be **time, space, and money**.*)
    - d. Explain that every time a choice is made, the second-best choice is the **opportunity cost**.
    - e. What are some examples of opportunity costs? (*Revisit the choices above and identify the opportunity cost for each choice.*)
    - f. What were the consequences of the choices we've been discussing? (*Answers will vary. Consequences of alternatives may also be raised.*)
    - g. Define **incentives** as things that motivate or influence people. Examples are money, income, respect, friendship, and so on.

3. Analyze several choices.
  - a. Discuss how students came to school today. (*Bus, car, walk, bike, etc.*) What was scarce? (*Probably time, possibly money.*) What were alternatives? (*Answers will vary.*) Was there a choice? (*Students will often say that they had no choice, but the circumstances where that is really the case is very rare.* Discuss the incentives. (*For example, even if they live miles from school, they could take a taxi, though the money cost is a negative incentive, or walk, though they would have to start very early.*) Identify the opportunity cost. (*Answers may vary for different students.*) Identify positive and negative consequences. (*Answers will vary.*)
  - b. Discuss choice of lunch items. Have students identify scarcity, opportunity cost, incentives, and consequences. (*Scarcity might be money (can't buy more than one lunch), time (only limited eating time), etc. Opportunity cost is 2<sup>nd</sup>-best choice (but must be possible – can't include fast food restaurants if school rules mean students aren't allowed to leave campus. Incentives include nutrition positives, friendship, as well as money costs.)*)
  - c. Discuss choice of playground/sports uses for area vacant lot. Swingsets and sandboxes versus basketball hoops, baseball diamond or soccer field, for example. Have students identify scarcity, opportunity cost, incentives, and consequences. (*Space is scarce – can't use space for all three at once.*)
  
4. Display Visual 2. Identify choices, discuss alternatives, identify incentives, opportunity cost, consequences.
  - a. Aragorn Follow Frodo into Mordor
    - i. Choices
    - ii. Alternatives
    - iii. Incentives
    - iv. Opportunity Cost
    - v. Consequences
  - b. Galadriel offered the One Ring
    - i. Choices
    - ii. Alternatives
    - iii. Incentives
    - iv. Opportunity Cost
    - v. Consequences
  - c. Aragorn's fight at Helm's Deep

- i. Choices
    - ii. Alternatives
    - iii. Incentives
    - iv. Opportunity Cost
    - v. Consequences
  - d. Pippin/Merry send Treebeard past Isengard
    - i. Choices
    - ii. Alternatives
    - iii. Incentives
    - iv. Opportunity Cost
    - v. Consequences
  - e. Faramir aids Frodo
    - i. Choices
    - ii. Alternatives
    - iii. Incentives
    - iv. Opportunity Cost
    - v. Consequences
- 5. Extension
- 6. Other choices

# ***The Economic Way of Thinking***

- 1. Resources are limited.**
- 2. People always want more.**
- 3. People must make choices.**
- 4. Every choice means an opportunity cost.**
- 5. Choices have consequences.**
- 6. People respond to incentives.**

## Analyzing Decisions

Choices	Incentives (Money and Other)	Consequences	Opportunity Cost
Aragorn Follow Frodo into Mordor			
Galadriel offered the One Ring			
Aragorn's fight at Helm's Deep			
Pippin/Merry send Treebeard past Isengard			
Faramir aids Frodo			