

Lesson Plan: "Path Dependency and Economic Institutions"

Objective:

Students will explore the concept of path dependency and how historical institutions, such as slavery, influence economic development and persist over time. They will analyze the challenges and opportunities in breaking away from entrenched systems.

Materials Needed:

- *Game of Thrones* clip or scenario related to slavery and its abolition.
- Handouts defining path dependency and examples from history (e.g., abolition of slavery, industrialization).
- Case studies on modern economic systems influenced by historical institutions.

Lesson Steps:

1. Introduction (10 minutes):

- Define **path dependency**: How historical decisions and institutions can shape current and future economic and social systems.
- Provide examples:
 - The lingering economic effects of slavery in the U.S. and Caribbean.
 - How colonial institutions impact modern economies.
- Highlight the dual nature of path dependency: providing stability but also reinforcing inequities and inefficiencies.

2. Viewing Clip (5 minutes):

- <u>Show or summarize the *Game of Thrones* scenario where Daenerys attempts to abolish slavery.</u>
- Discuss how entrenched systems, such as slavery in Essos, resist change despite moral and economic arguments for abolition.

3. Group Discussion (10 minutes):

- Divide students into small groups to discuss:
 - What challenges do leaders face when trying to dismantle entrenched systems like slavery?

- How does path dependency make it difficult for societies to transition to new systems?
- What parallels can be drawn between Essos and real-world examples?

4. Concept Application (20 minutes):

• Case Study Analysis:

- Provide historical examples of path dependency:
 - The abolition of slavery and its economic aftermath (e.g., sharecropping in the U.S.).
 - Colonial economic systems shaping post-independence development.
- Ask students to analyze:
 - What factors reinforced these systems?
 - What policies or events helped break the cycle?
 - How does path dependency continue to influence these regions today?
- Discuss how breaking away from path dependency requires significant investment, innovation, or political will.

5. Wrap-Up and Reflection (10 minutes):

- Summarize the importance of understanding path dependency in shaping economies.
- Pose a reflective question: Can path dependency be entirely overcome, or should efforts focus on mitigating its negative effects?

6. Activity or Homework (25 minutes):

• Switching Costs and Path Dependency:

- Have students identify a path dependency in their own lives—one in which there is a better alternative but one in which they may feel trapped in due to the nature of the product and/or the cost of switching. (Examples might include social media platforms, word-processing programs, percentage contributions to their 401(k) retirement plan, or how difficult it may be to leave a particular city for a better job because of the high up-front costs involved.)
- Groups present their example along with the nature of the dependency or the switching costs, then describe the loss created by their dependent path.