



Lesson Plan: "The Efficiencies of Comparative Advantage and Specialization: Society Gains from Self-Interest"

Objective:

Students will explore the concept of comparative advantage and how specialization based on relative efficiencies creates economic gains. They will analyze how individuals and nations pursuing their self-interest through specialization can lead to broader societal benefits.

Materials Needed:

- [Game of Thrones clip or summary of Tyrion explaining specialization.](#)
- Handouts defining comparative advantage, specialization, and the societal benefits of self-interest.
- Examples of trade relationships and division of labor in historical or modern contexts.

Lesson Steps:

1. Introduction (10 minutes):

- Define **comparative advantage**: The ability of an individual, group, or nation to produce a good or service at a lower opportunity cost than others.
- Define **specialization**: Focusing on producing a specific good or service to increase efficiency.
- Explain the connection: By specializing in areas of comparative advantage and engaging in trade, individuals and nations can achieve greater overall productivity and societal benefits.
- Emphasize **Adam Smith's insight**: When individuals pursue their own self-interest (e.g., focusing on what they do best), it leads to societal gains as markets become more efficient and productive.
- Provide a real-world example, such as international trade (e.g., the U.S. specializing in technology and Brazil in coffee).

2. Viewing Clip (5 minutes):

- [Show or summarize the Game of Thrones scene where Tyrion explains how he chose to specialize in knowledge.](#)
- Highlight how Tyrion's insights about specialization demonstrate how individual actions focused on self-interest contribute to the well-being of the larger society.

3. Group Discussion (15 minutes):

- Divide students into small groups to discuss:
 - What does comparative advantage mean in the context of Tyrion's explanation?
 - How does Tyrion's specialization benefit the economy in Westeros. How does specialization in general benefit a modern economy?
 - How does self-interest drive individuals and nations to specialize, and why does this lead to societal gains?
 - Are there any risks to over-specialization (e.g., dependency, lack of diversification)?

4. Concept Application (20 minutes):

- **Case Study Analysis:**
 - Provide examples of specialization and trade:
 - Historical: The Silk Road trade between Asia and Europe.
 - Modern: Trade of oil and technology between OPEC countries and the U.S.
 - Ask students to analyze:
 - The opportunity costs for each trading partner.
 - How specialization increased the total output of goods.
 - How self-interest drove specialization and trade, leading to societal benefits.
 - The mutual gains and potential vulnerabilities created by trade.
- Relate these examples back to Tyrion's insights and Adam Smith's notion of self-interest leading to societal prosperity.

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

- Summarize key takeaways:
 - Comparative advantage and specialization allow for increased efficiency and mutual gains through trade.
 - When individuals or nations act in their self-interest by specializing, society as a whole benefits.
 - Understanding opportunity costs is essential for making decisions about what to produce and trade.
 - While specialization creates efficiencies, it also highlights the importance of managing dependencies.
- Pose a reflective question: How might comparative advantage and specialization shape your future decisions about work, trade, or personal goals?

6. Activity (20 minutes):

- **Comparative Advantage Simulation:**

- Assign students to groups and give each group roles as producers of different goods (e.g., swords and grain in Westeros). Give each student different underlying production possibilities.
- Each group calculates their production capabilities and opportunity costs.
- Have each group determine a production bundle they would choose were trade and exchange not possible.
- Let students begin to trade with one another. Groups may decide how to specialize and trade based on comparative advantage and self-interest.
- Discuss the results:
 - How did pursuing self-interest through specialization improve overall efficiency and production? Did pursuing self-interest allow each group to consume more with trade than they did when self-sufficient?
 - What were the gains from specialization for individuals and society?
 - What challenges or dependencies arose from trade?