

The Color Trader

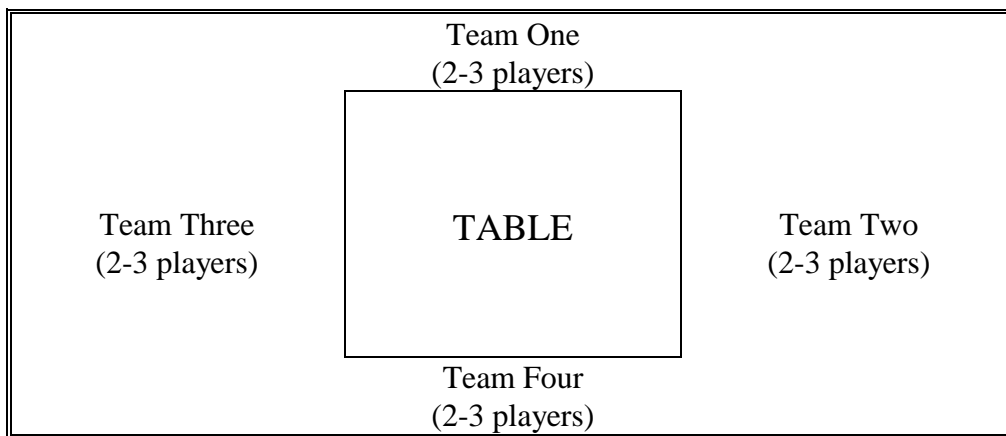
Rules Sheet

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Objective

This activity was designed for the purpose of creating an atmosphere where students are required to think about the ethical ramifications of the decisions they make. During the implementation of this activity, students will need to be placed into teams of two or three and grouped around the perimeter of a table (see *Color Trader Table Diagram*). Take a few moments to cover the directions and the procedures for this activity prior to implementing the activity.

Color Trader Table Diagram



Materials

Several items of opposing colors (i.e. green “doublemint gum” and white “spearmint gum”). You will need one set of opposing colored items for each team. You will also need to post the *Color Trader Scoring Sheet* and the *Color Trader Results Sheet* so that students may calculate and keep their team scores during the activity.

Directions

After selecting the teams and placing the students around the perimeter of the table, explain to the students that they will be participating in an activity which requires them to obtain as much money as possible. During the activity, there will be ten rounds—two of which will be bonus rounds. During each round, and on command from the instructor, the teams will be required to place one of the two items they hold on the table. Immediately after all teams have placed their selected items on the table, teams will compare the item they placed on the table with those placed on the table by other teams. Through this comparison, students will be able to calculate the amount of money they should add or subtract from their total earnings (see *Color Trader Scoring Sheet*).

Color Trader Scoring Sheet

At the signal from the instructor, your team will reveal your decision to place one of the two items you hold on the surface of the table. Your team will make money or lose money depending on what the other three teams in your trading group decide to place on the table. Please take a minute to examine all of the possible combinations listed below and rewards and penalties for each possible combination.

1. If every team decides to trade a “White Chip”, each team loses \$2,000.
2. If every team decides to trade a “Green Chip”, each team wins \$1,000.
3. If one “White Chip” and three “Green Chip’s” are traded, the team that played the “White Chip” wins \$3,000 and the teams that played the “Green Chip’s” lose \$1,000 each.
4. If one “Green Chip” and three “White Chips” are traded, the team that played the “Green Chip” wins \$4,000 and the teams that played the “White Chip’s” lose \$2,000 each.
5. If two “White Chip’s” and two “Green Chip’s” are traded, the teams that played a “White Chip” win \$2,000 each and the teams that played a “Green Chip” lose \$1,000 each.

Note: *Products of different colors or characteristics may be substituted for the “White” and “Green” products listed above.*

Procedure:

Your instructor will give your team a few seconds to record winnings or losses after each round. Teams should also use this time to determine which item you will trade during the next round. All four teams at one table must place items to be traded on the table at the same time (when the instructor gives the command). Teams will complete ten rounds, after which a determination will be made as to the team that has accumulated the greatest amount of money.

1. Each team will start the activity with \$2,000,
2. Each team should calculate their score at the completion of each round,
3. Conversation between teams is not allowed during rounds 1-5,
4. Conversation between teammates on one team is always allowed,
5. Conversation between teams is allowed in rounds 5-10,
6. You will have 2-3 minutes between rounds for planning you next move and the calculating your total score,
7. All teams must place their selected item on the table simultaneously,
8. Round six and ten are bonus rounds. At the completion of rounds six and ten, teams will total their scores and then double them (For example, if your total score at the end of round six is negative \$4,000, you will double it to negative \$8,000),
9. After completing round ten, teams should calculate their total scores and share that information with the remainder of the class.

The Color Trader Results Sheet

Round	Reward	Balance
		\$2,000
1.		
2.		
3.		
4.		
5.		
6.		
		x 2
7.		
8.		
9.		
10.		
Total:		x 2

Team Name: _____

Teacher Summary

At the conclusion of this activity, ask the teams to share their team scores. Typically, you will find that a number of the teams lost a significant amount of money. This loss is caused by a lack of cooperation among the teams. If all teams cooperated, each team would complete the activity with a total of \$40,000. However, most of your teams will probably not complete the activity with this total. This lack of cooperation between teams is very common. You may wish to calculate the total amount of money that could have been earned by the class if all teams had cooperated. The lesson: Cooperation between competitors is not always a negative. Too often, we teach students that in order to win, they must defeat their competition—this is most often not true in the “real-world”.