

Business and Labor

TOPIC SUMMARY

The U.S. economy is based on the freedom of consumers, producers, and workers. Three major types of businesses exist in this economy. A sole proprietorship is owned by a single person, and a partnership is owned by two or more people. A corporation is owned by stockholders and operated by a board of directors. It has some advantages over the other two types of businesses because it can more easily raise or borrow money. Corporations also have limited liability, and owners are not responsible for the corporation's debts. Although businesses may vary in their organization, they all need a labor force. Some workers choose to organize labor unions, which seek increased wages and improved working conditions for members. Businesses have responsibilities to employees, consumers, and stockholders, as well as the community. Businesses have an obligation to offer safe products and to treat customers and workers fairly.

FOLDABLES™
Study Organizer

Comparing Information Study Foldable *This Foldable will help students compare the differences and similarities between business and labor practices.*

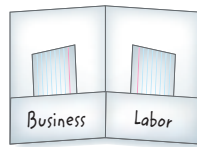
Step 1 *Fold a two inch tab along the long edge of a sheet of paper.*



Step 2 *Fold the paper in half so the tab is on the inside.*



Step 3 *Open the paper pocket Foldable and glue or staple the edges together. Store note cards in the pockets.*



Reading and Writing

Collect information about business and labor practices. Write a summary paragraph about each, using note cards.

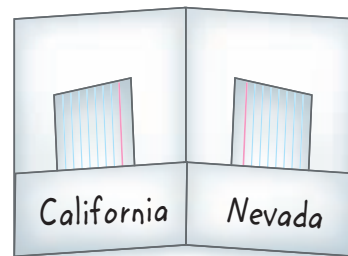
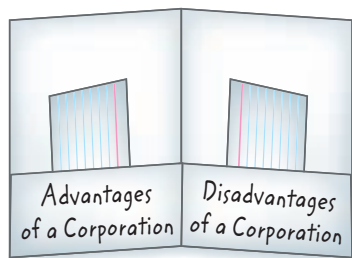
TOPIC ACTIVITY IDEAS

Negotiating

Have students create the Study Foldable above, including the Reading and Writing activity. Organize the class in two groups, one representing business owners and the other representing the labor force. Have the two groups negotiate a wage increase for workers. Groups should review the information in the Foldable to find talking points. They should create a list of bargaining points. Have representatives from each group come to a "bargaining table" to state their positions.

COMPARING AND CONTRASTING

Have students use the Foldable to compare the advantages and disadvantages of the corporate structure. Students should list on their note cards the advantages and disadvantages of a corporation as compared with other business structures. When students have completed their note cards, have them scan newspapers or magazines for articles about corporate activities. Students should determine whether the advantages and disadvantages they noted in the Foldable have any effect on the corporation discussed in the article. Have students mark the example they find and place a copy in the appropriate Foldable pocket.



EVALUATING

Have students use the Foldable to compare labor practices in two different states. Then have them identify two states that have a different policies regarding the right to work. Tell students to label the Foldable pockets with the names of the two states, as shown. Then students should record on their note cards examples of how labor disputes or workplace problems would be handled in the two states. When students have finished this task, lead a class discussion about the impact of right-to-work laws on workers.

Student Study Tip

Remind students that comparing and contrasting are important tools for evaluating items and ideas. Tell students that reading closely can help them identify similarities and differences among topics and that recognizing these relationships can lead to better understanding of the subject matter.