**Activity: Defend your economic project!**

*During our « classic » SES courses, we learnt how to illustrate the diversity of producers (companies, administrations, social and solidarity economy) and also the distinction between market and non-market production.*

*Besides, we learnt that production results from the combination of labour, capital, technology and natural resources.*

*At last we gained an understanding of the main indicators of the company's wealth creation (turnover, added value, profit).*

*® Now we will concretely discover the economic side of creating a product.*

**VOCABULARY**

**Company:** an organization that sells goods or services in order to make money

**Association**: a group of people who work together in a single organization for a particular purpose

**Non-governmental organization**: an organization that tries to achieve social or political aims but is not controlled by a government.

**Factors** **of** **production**: something that is needed in order to make a particular product, for example labour, capital, technology and natural resources.

**Raw material**: any material, such as oil, cotton, or sugar in its natural condition, before it has been processed for use.

**Social and Solidarity Economy (SSE): “**concept designating enterprises and organizations, in particular cooperatives, mutual benefit societies, associations, foundations and social enterprises, which have the specific feature of producing goods, services and knowledge while pursuing both economic and social aims and fostering solidarity”. (ilo.org)

**Turnover**: the amount of business that a company does in a period of time (= Chiffre d’affaires)

**Profits**: money that is earned in trade or business after paying the costs of producing and selling goods and services



**The government has decided to give a substantial subsidy of 1 000 000 euros to encourage the development of companies and associations in the country.**

You have to present your project to the citizens of the class who will decide the distribution of this subsidy (it can be divided in several shares).

* Step one: Choose your partners (max: 3)
* Step two: Draw (pioche) a producer
* Step three: Find an existing producer you will work for
* Step four: Prepare your presentation completing the back of the page to show why you deserve a part of the subsidy:
  + I- Describe your producer and the type of goods or services you produce *(name, flagship product, turnover, profits, number of employees, competitors…)*
  + II- Identify all kind of supplies and costs you’ll need to produce your good or service (*factors of production, raw material, different components, employees…)*
  + III- Estimate approximately the amount of your average cost (= production cost for one good)
  + IV- Explain and justify what you will do with the subsidy
* Step five: Present your project in 5 minutes to the citizens of the class!
* Step six: The citizens vote for the most convincing projects.

WE ARE …………………………………………………………………………………………………………

*A start-up business A small company (less than 250 employees)*

*A big company (more than 250 employees) A company of the SSE*

*An association A Non-Governmental Organization (NGO)*

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| --- | --- |
| **I- WHO ARE YOU?** | *economic information on your producer, name, market, flagship product, turnover, profits, number of employees, main competitors…* |
| **II- HOW DO YOU PRODUCE?** | *factors of production, labour, capital, technology, natural resources, raw material, different components, employees…* |
| **III- WHY DO YOU NEED THE SUBSIDY?** | *We deserve a share of the government subsidy because…* |
| **A start-up business** | |
| **A small company (less than 250 employees)** | |
| **A big company (more than 250 employees)** | |
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