



## Who Holds the Purse Strings?

### Counting the Cost of Liberty Activity

Students will work in groups as newly created American households. They will have a set income (coins/tokens, play money, or printed currency). They must budget for survival needs while facing different taxation systems (Arbitrary Ruler versus House of Representatives).

The teacher will split the class into small families of 3–5 students. The teacher can distribute income equally to each family or create a lottery type of system in which the amount per family is varied (for example, no fewer than 20 coins/tokens and no more than 30 coins/tokens).

Households (families) will go through 2 rounds in this activity:

- Round 1: Use the “Tax Event Statements – Arbitrary Ruler Tax” (see later page), which can be used as a class or per team. \*Note: The teacher is free to add any additional taxes; the more random they are, the better. The basic idea is to make sure that each team is taxed at least twice (some families 3 times) during this activity.
- Round 2: Families will select a representative who will be allowed to vote on whether or not their family will support taxes on the “Tax Event Statements – House of Representatives Tax.” At least 3 tax statements must be accepted (voted and approved by a majority class vote) per family, but the class has a right to refuse some taxes. \*Note: The teacher can display all statements or pick statements to focus on.
- When the families cast their vote in the class voting, a simple majority wins. \*Note: Some taxes are optional. If an optional tax is approved, the families aren't required to pay it but could do so. Students identify in their records if they contributed to it.



Students will keep track of the amount of taxes they have paid and identify which of their Budget categories (and how much in those categories) they need to reduce to pay the required taxes. [See a later page for Household (Family) Budget Costs.]

## Tax Event Statements

### Arbitrary Ruler Tax

- **Sneaker Tax:** Anyone with sneakers loses 2 tokens.
- **Palace Project:** Everyone pays 3 tokens for the ruler's palace.
- **Birthday Fireworks:** Pay 2 tokens for royal celebrations.
- **Random Tax:** All families lose 1 token just because the ruler had a bad day.
- **Surprise Tribute:** Everyone owes 2 tokens for the ruler's pet parrot's new golden cage.
- **Silly Rule:** The ruler has declared "smiling" or "giggling" illegal unless you pay 1 token.
- **Random Confiscation:** The ruler takes 2 tokens from the richest-looking family (teacher chooses randomly).
- **Road Dust Fine:** If you walked to class today, pay 1 token for "dust maintenance."
- **Window Tax:** If your family is near a window, pay 2 tokens.

### House of Representatives Tax

- **School Repair:** House votes for 1 token from all families.
- **Defense in the Halls Fund:** House votes for 2 tokens per family.
- **Library Fund:** House votes 1 token from each family to buy books for a public library.
- **Volunteer Bonus:** House votes for a 1-token reward for families who help clean the town.
- **Harvest Festival:** House votes for an optional 1-token donation.
- **Sickness Relief:** House votes to collect 1 token from each family to help sick neighbors.



- Shared Barn Project: Families can choose to pay 2 tokens for a new barn that helps all farmers.
- Road Upgrade: House votes 1 token per family to improve travel routes.
- Lottery Prize: House votes to give 2 tokens to a randomly chosen family (simulate with a draw; everyone contributed fairly first).
- Public Market Festival: House votes for an **optional** 2-token donation to host a trade fair.
- Community Food Pantry: House votes for 1 token from families to store emergency food.

## Household (Family) Budget Costs

Students should figure how much to budget for their family with the amount given to them. See example. They should add costs per student and know that they can budget some items for only part of their family. \*Note: Starred items are required and can't be reduced. Example: Each student should have at least 1 set of clothes. For 3 students, that means at least 3 tokens.

**Example for a family of 4 with 25 tokens provided:**

Category	Costs (Tokens) Per Student	Total Students in Family	Total Amount Budgeted
Shelter*	2	4	8
Food*	1	4	4
Clothing*	1	4	4
Tools/Work Supplies	1	4	4
Savings	1	3	3
Extras (Fun Activities)	1	2	2
Total Budgeted			25



Category	Costs (Tokens) Per Student	Total Students In Family	Total Amount Budgeted
Shelter*	2		
Food*	1		
Clothing*	1		
Tools/Work Supplies	1		
Savings	1		
Extras (Fun Activities)	1		
Total Budgeted			

## Counting the Cost of Liberty – Rounds

### Round #1 - Arbitrary Ruler Taxation

Starting tokens:	
Taxes paid (List each tax and amount):	
Tokens left after taxes:	
Could you afford all basic needs?	
Was there anything you would have to cut in order to pay taxes?	



## Round #2 - House of Representatives Taxation

Starting tokens:	
Taxes paid (House vote):	
Tokens left after taxes:	
Could you afford all basic needs?	
Was there anything you would have to cut in order to pay taxes?	

### Discussion:

1. How did Round 2 feel different from Round 1? Why?
2. Did you feel you got more benefit as a family (and community) when you were able to vote for the taxes?
3. Were there any optional taxes that you voted on and paid? What about voted on and didn't choose to pay?

## Class Graphing (Extension Option)

Students can discuss as a class what their average taxes were per household and identify whether a representative taxation system met their needs better than an arbitrary ruler taxation system.

Teams should identify how many tokens (coins) were taken from them per round and then graph them on the bar graph. They should color their bars to get a visual representation of whether or not a representative taxation system was any different from an arbitrary ruler taxation system.



