

## Handout E: *I, Pencil* Essays

**Directions:** Choose ONE of the three prompts below and write a well-constructed, five paragraph essay that thoroughly addresses the question. An ideal essay contains the following:

- A well-developed, analytical thesis.
- Three distinguishable topic sentences, each of which provides a clearly distinguished, new argumentative point that directly address the question.
- Three paragraphs that support the topic sentences with paraphrased evidence derived from the article.
- A conclusion that provides a thorough, analytical summary of the arguments.

### Prompts

1. Compare and contrast: The article concludes with the phrase, “Leave all creative energies uninhibited.”
  - a. What does this mean?
  - b. Why should one not limit or regulate “creative energies”?
  - c. What are some potential reasons why this concept might be wrong?
  - d. What implications does this have for the relationship between a free market and human freedom?
2. Describe the part each of the following plays in the “life” of a pencil. Do they each ascribe the same value to the pencil? How do the things they individually value affect why they choose to play a part in the making of the pencil?
  - a. loggers
  - b. graphite or zinc miners
  - c. picker of coffee berries
  - d. president of the pencil company
  - e. first-grade child

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3. In his work *The Wealth of Nations* (1776), Scottish philosopher Adam Smith stated:

Every individual... neither intends to promote the public interest, nor knows how much he is promoting it... he intends only his own security; and by directing that industry in such a manner as its produce may be of the greatest value, he intends only his own gain, and he is in this, as in many other cases, led by an invisible hand to promote an end which was no part of his intention. (Book IV, Chapter II.)

- a. What does Smith mean by an “invisible hand”?
  - b. Detail in three separate paragraphs how *I, Pencil* demonstrates the concept of the “Invisible Hand” in action.
4. Prices play a powerful role in distributing resources, although there is no single person or group that is managing them. Using *I, Pencil*, explain how prices distribute goods and services across the world with no central authority or planner. Consider the following:
- a. What do economists mean when they state that prices steer to where they are most needed? How does this occur?
  - b. If the above is true, why is it usually dangerous artificially to set a price for a market? What effects does price setting have and why?
  - c. Why would government or other entities “setting” a price be destructive? Explain.