

# ***Economics: A Christian Worldview – Short Film: “The Cantillon Effect”***

## **(TEACHER INSTRUCTIONS/KEY)**

### **Purpose**

Students see how the process of inflation benefits those closest to those who print/create “money” at the expense of those farthest away.

### **Time**

15-20 minutes

### **Instructions**

1. Play the short film “The Cantillon Effect” (9:37):

<https://youtu.be/ls6WigEIN3Y>

2. Ask for students’ thoughts on this film.

#### **Ask students questions like these:**

- What does the definition of the Cantillon Effect (“The closer you are to the source of money creation, the more you benefit”) mean?
- From what percent silver did the emperor debase the coins to?
- What did the emperor do to his troops’ salaries?
- What is shown by the fact that a Roman buyer who traveled outside the Roman empire could experience sellers who wouldn’t accept debased coins?
- We don’t have emperors who dilute the silver content of coins today, but what does the U.S. government do that parallels this action?