

***Economics: A Christian Worldview* – Short Film:
“How a Luxury Tax Crashed the Boat Industry and Killed 25,000 Jobs”**

(TEACHER INSTRUCTIONS/KEY)

Purpose

Students see more details of the disastrous 1991 “luxury tax”—its impact on workers, its futility, and the sure-as-the-law-of-gravity human instinct to avoid pain and paying taxes.

Time

15 minutes

Instructions

1. Play the short film “**How a Luxury Tax Crashed the Boat Industry and Killed 25,000 Jobs**” (10:09) for students:
<https://www.youtube.com/watch?v=b4vEPpYUjaY>
2. Ask student volunteers for their thoughts on the film.
3. Ask students: What new things did you learn about this luxury tax—facts that were not included in the article we read?
4. What aspect of human nature did we confirm with how yacht buyers dealt with this new tax? How does this also confirm the effectiveness of voluntary exchange/“capitalism” as an economic “system”?