



American Business

Merit Badge Workbook

This workbook is not required but is designed to help you with this merit badge. No one can add or subtract from the Boy Scout Requirements #33215. Use page backs & add pages as needed. Please send comments to: craig@craiglincoln.com. Requirements revised: 2002, Workbook Updated: January 2004.

Scout's Name: _____ Unit: _____

Counselor's Name: _____ Counselor's Ph #: _____

1) Do the following:

a) Explain four features of the free enterprise system in the United States.

Tell its benefits _____

and responsibilities. _____

Describe the difference between freedom _____

and license. _____

Tell how the Scout Oath and Law apply to business and free enterprise. _____

b) Describe the Industrial Revolution: _____

Tell about the major developments that marked the start of the modern industrial era in the United States. _____

Tell about five people who had a great influence on business or industry in the United States. Tell what each did.

Influential Person

Tell what each did.

_____	_____
_____	_____
_____	_____
_____	_____
_____	_____

2) Do the following:

a) Visit a bank. _____

Talk with one of the officers or staff. _____

Chart the organization of the bank. Show its relationship with other banks, business, and industry.

b) Explain how changes in interest rates, taxes, and government spending affect the flow of money into or out of business and industry.

Interest Rates _____

Taxes _____

Government Spending _____

c) Explain how a proprietorship or partnership gets its capital. _____

Discuss and explain four ways a corporation gets its capital.

d) Explain the place of profit in business. _____

e) Name five kinds of insurance useful to business. Describe their purposes.

Type of Insurance	Describe the purpose
_____	_____
_____	_____
_____	_____
_____	_____

3) Do the following:

a) Pick two or more stocks from the financial pages of a newspaper. _____

Request the annual report or prospectus from one of the companies _____

by writing, or visit its Web site (with your parent's permission) to view the annual report online. *(Note: Per National, "parent" means "parent or guardian".)* _____

Explain how a company's annual report and prospectus can be used to help you manage your investments. _____

b) Pretend to have bought \$1,000 worth of the stocks from the company you wrote to in requirement 3a. Explain how you "bought" the stocks. Tell why you decided to "buy" stock in this company. Keep a weekly record for three months of the market value of your stocks. Show any dividends declared.

Stock 1: _____ Stock 2: _____

Week	Date	Price	Dividends?	Price	Dividends?	(Optional Notes)
1	_____	_____	_____	_____	_____	_____
2	_____	_____	_____	_____	_____	_____
3	_____	_____	_____	_____	_____	_____
4	_____	_____	_____	_____	_____	_____
5	_____	_____	_____	_____	_____	_____
6	_____	_____	_____	_____	_____	_____
7	_____	_____	_____	_____	_____	_____
8	_____	_____	_____	_____	_____	_____
9	_____	_____	_____	_____	_____	_____
10	_____	_____	_____	_____	_____	_____
11	_____	_____	_____	_____	_____	_____
12	_____	_____	_____	_____	_____	_____
13	_____	_____	_____	_____	_____	_____

4) Do ONE of the following:

a) Draw an organizational chart of a typical central labor council.

-OR- b) Describe automation, _____

 union shop, _____
 open shop, _____
 collective-bargaining agreements, _____
 shop steward, _____
 business agent, _____
 and union counselor. _____

c) Explain the part played by four federal or state agencies in labor relations.

5) Run a small business involving a product or service for at least three months. _____
 First find out the need for it. _____

For example: a newspaper route, lawn mowing, sales of things you have made or grown. Keep records showing the costs, income, and profit or loss.

Week	Date	Costs	Income	Profit or Loss	(Optional notes)
1	_____	_____	_____	_____	_____
2	_____	_____	_____	_____	_____
3	_____	_____	_____	_____	_____
4	_____	_____	_____	_____	_____
5	_____	_____	_____	_____	_____
6	_____	_____	_____	_____	_____
7	_____	_____	_____	_____	_____
8	_____	_____	_____	_____	_____
9	_____	_____	_____	_____	_____
10	_____	_____	_____	_____	_____
11	_____	_____	_____	_____	_____
12	_____	_____	_____	_____	_____
13	_____	_____	_____	_____	_____

Report:

a) How service, _____

friendliness, _____

hard work, _____

and salesmanship helped build your business. _____

b) The benefits you and others received because you were in business. _____

Comparable 4-H, FFA, or Junior Achievement projects may be used for requirement 5.

6) Do ONE of the following:

a) Make an oral presentation to your Scout troop about an e-commerce company. *(Per National, "troop" means "unit".)* _____

Tell about the benefits _____

and pitfalls of doing business online, _____

and explain the differences between a retailer _____

and an e-commerce company. _____

In your presentation, explain the similarities a retailer and an e-commerce company might share. _____

-OR- b) Choose three products from your local grocery store or mall and tell your merit badge counselor how the packaging could be improved upon so that it has less impact on the environment.

Grocery Store Item	How could the packaging could be improved upon so that it has less impact on the environment?
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Gather information from news sources and books about a current business leader. _____

Write a two-page biography about this person or make a short presentation to your counselor. Focus on how this person became a successful business leader. *(Hint: You can attach your report.)*