

# Focus: Grades K-2 ECONOMICS



National Council on Economic Education



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# Foreword

*Focus: Grades K-2 Economics* is a core publication of the National Council on Economic Education (NCEE). This curriculum prepares students for study in economics, an essential life skill too often overlooked in the elementary classroom. By featuring key concepts such as scarcity, opportunity cost, resource use and human capital development, students are gently prepared for steady progress in economics throughout their K-12 education.

NCEE believes that students can begin learning economics early and that important progress can be made in grades K-2. The Focus series demonstrates how economics can enhance learning in a variety of subjects and at all grade levels. Activities in this publication are interactive, reflecting the belief that students learn best through active, highly personalized experiences with economics. Application of economic understanding to real-world situations and contexts dominate the lessons. In addition, the lessons explicitly teach the Voluntary National Content Standards in Economics, specifically the benchmarks for grade 4.

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# Content Standards: Economics

## Standard 1

- **Benchmark 1 for 4th grade:** People make choices because they cannot have everything they want.
- **Benchmark 2 for 4th grade:** Economic wants are desires that can be satisfied by consuming a good, service, or leisure activity.
- **Benchmark 3 for 4th grade:** Goods are objects that can satisfy people's wants.
- **Benchmark 4 for 4th grade:** Services are actions that can satisfy people's wants.
- **Benchmark 6 for 4th grade:** Whenever a choice is made, something is given up.
- **Benchmark 7 for 4th grade:** The opportunity cost of a choice is the value of the best alternative given up.
- **Benchmark 8 for 4th grade:** People whose wants are satisfied by using goods and services are called consumers.
- **Benchmark 9 for 4th grade:** Productive resources are the natural resources, human resources and capital goods available to make goods and services.
- **Benchmark 10 for 4th grade:** Natural resources, such as land, are “gifts of nature”; they are present without human intervention.
- **Benchmark 11 for 4th grade:** Human resources are the quantity and quality of human effort directed toward producing goods and services.
- **Benchmark 12 for 4th grade:** Capital goods (resources) are goods produced and used to make other goods and services.
- **Benchmark 13 for 4th grade:** Human capital refers to the quality of labor resources, which can be improved through investments in education, training, and health.
- **Benchmark 15 for 4th grade:** People who make goods and provide services are called producers.

## Standard 2

- **Benchmark 2 for 4th Grade:** A cost is what you give up when you decide to do something.
- **Benchmark 3 for 4th grade:** A benefit is something that satisfies your wants.

## Standard 5

- **Benchmark 1 for 4th grade:** Exchange is trading goods and services with people for other goods and services or for money.
- **Benchmark 2 for 4th grade:** The oldest form of exchange is barter – the direct trading of goods and services between people.

## Standard 6

- **Benchmark 1 for 4th grade:** Economic specialization occurs when people concentrate their production on fewer kinds of goods and services than they consume.
- **Benchmark 4 for 4th grade:** Greater specialization leads to increased interdependence among producers and consumers.

## Standard 7

- **Benchmark 2 for 4th grade:** A market exists whenever buyers and sellers exchange goods and services.

## Standard 11

- **Benchmark 2 for 4th grade:** Money makes trading easier by replacing barter with transactions involving currency, coins, or checks.

## Standard 15

- **Benchmark 1 for 4th grade:** When workers learn and practice new skills they are improving their human capital.



## A Correlation of the Lessons with the Voluntary National Content Standards in Economics

		Lessons	1	2	3	4	5	6	7	8	9	10
Standard	Benchmark											
Standard 1	1 for 4th grade	People make choices						•				
	2 for 4th grade	Economic wants	•	•								
	3 for 4th grade	Goods	•		•	•						•
	4 for 4th grade	Services	•		•	•						•
	6 for 4th grade	Choices require giving something up							•			
	7 for 4th grade	Opportunity cost							•			
	8 for 4th grade	Consumers		•					•			
	9 for 4th grade	Productive resources				•		•				
	10 for 4th grade	Natural resources			•			•				
	11 for 4th grade	Human resources				•	•	•				
	12 for 4th grade	Capital goods (resources)				•	•	•				
	13 for 4th grade	Human capital				•						
	15 for 4th grade	Producers						•	•			
Standard 2	2 for 4th grade	Cost							•			
	3 for 4th grade	Benefit							•			
Standard 5	1 for 4th grade	Exchange									•	
	2 for 4th grade	Barter									•	
Standard 6	1 for 4th grade	Specialization								•		
	4 for 4th grade	Specialization and interdependence								•		
Standard 7	2 for 4th grade	Market										•
Standard 11	2 for 4th grade	Functions of money									•	
Standard 15	1 for 4th grade	Investment in human capital				•						



# Lesson 1 – The ABCs of Goods and Services

## LESSON DESCRIPTION

The students will distinguish between goods and services and act out scenes to identify goods and services.

## CONCEPTS

Economic wants  
Goods  
Services

## CONTENT STANDARD

### Standard 1 – Scarcity

- **Benchmark 2 for 4th grade:** Economic wants are desires that can be satisfied by consuming a good, service, or leisure activity.
- **Benchmark 3 for 4th grade:** Goods are objects that can satisfy people's wants.
- **Benchmark 4 for 4th grade:** Services are actions that can satisfy people's wants.

## OBJECTIVES

The students will:

1. Define and provide examples of “economic wants.”
2. Define and identify “goods.”
3. Define and identify “services.”

## TIME REQUIRED

45-60 minutes

## MATERIALS

- ✓ Props with which to pantomime service activities (suggestions: a doctor – a stethoscope and a doll; hair stylist – a pair of

scissors and a doll with hair; custodian – a broom and a dustpan; teacher – chalk and chalkboard)

- ✓ Visuals 1.1, 1.2 and 1.3
- ✓ Chalkboard or “Goods and Services” bulletin board
- ✓ One copy of Activity 1.1 on card stock, cut apart to provide one card per student. For younger students, use the entire card. For older grade levels, the letter can be cut from the bottom of the card to make the activity more challenging.
- ✓ One copy of Activity 1.2 for each student

## PROCEDURE

1. Ask the students if they have ever played charades – a game where people act out something, and others must guess what is being acted. *Answers will vary.*
2. Tell the students that the teacher is going to act out jobs and that the students will guess what job the teacher is doing.
3. Using suggested activities and props mentioned in the materials section (or other activities and props that would also exhibit a service), depict several activities for the students to guess.
4. After the students have guessed the services demonstrated, explain that everyone has economic wants. **Economic wants** are desires that can be satisfied by consuming a good, service or leisure activity. Wants are things people would like to have. Provide the following example of an economic want:

*After school, Sarah is usually hungry. She really wants food – consuming food will satisfy her want. She stops at the store and buys apples. On the way home, she eats an apple.*

## Lesson 1 – The ABCs of Goods and Services

- She has satisfied her want for food by eating an apple.*
5. Ask the students for examples of things that they want. Write several of their wants on the board.
  6. Refer to the jobs that the teacher acted out. Explain that the demonstrations showed a person performing services for people. By consuming the service, a person or people satisfied their economic wants. A **service** is an action that can satisfy people's wants. It is an activity people do for other people. Ask the students the following questions (or another, appropriate set of questions if the teacher acted out a different set of jobs):
    - A. The doctor was checking a person's heart. What want does this satisfy? *The want people have to be healthy*
    - B. The hairstylist was cutting a person's hair. What want does this satisfy? *The want to look good, to have your eyes not covered by hair*
    - C. The custodian was cleaning a building that people use. What want does this satisfy? *The want people have to work, shop, live or go to school in a clean place*
    - D. The teacher was teaching the children. What want does this satisfy? *The want to read and write or the want for knowledge or education*
  7. Explain that people's economic wants are also satisfied by goods. **Goods** are objects that can satisfy people's wants. Goods are things that people can hold and keep and use. Refer to the list of wants on the board. Ask the students which of the items on the list are goods. Circle all of the goods.
  8. Place the students in pairs. Give each student a card from Activity 1.1. Ask each student to decide if he or she is holding a card that shows someone performing a service, or if the card shows a good. Instruct the students to ask their partners for advice if they are unsure.
  9. Instruct each student to think about the first letter in the good or service that is shown on her or his card. Display Visual 1.1. Ask the following questions:
    - A. What is shown in the picture? *An apple*
    - B. What letter does the word "apple" begin with? *A*
    - C. Is an apple a good or a service? *A good*
  10. Continue this questioning with Visuals 1.2 and 1.3.
  11. Write the words "Goods" and "Services" on the chalkboard, or separate the words "Goods" and "Services" side-by-side on a "Goods and Services" bulletin board. Instruct each student to think about the first letter of the word describing what is pictured on his or her card.
  12. Explain that the teacher is going to recite the alphabet. When the students hear the first letter of the word that describes their picture, they should come to the board and stand under the word "Goods" if they have a picture of a good, or stand under "Services" if they have a picture of a service. (For example: Call out the letter "A." The student holding the "axe" card should come forward and stand under "Goods.")
  13. As each student comes forward, ask the student to name what is pictured on her or his card. Ask the rest of the students if they agree that the word the student says begins with the letter the teacher has recited. Ask the rest of the students to confirm whether the object pictured is a good or a service.
  14. As each student comes to the front of the room and answers the teacher's question, tape the student's picture under the word "Goods" or "Services" and have the student return to his or her seat. Continue with the alphabet, having each student name his or her picture and asking for agreement from

the class. (*A – axe (good); B – book (good); C – car (good); D – doctor (service); E – egg (good); F – fan (good); G – grocer (service); H – hairstylist (service); I – ice cream cone (good); J – jar of jelly (good); K – kite (good); L – lemon (good); M – mechanic (service); N – nail (good); O – ornament (good); P – painter (service); Q – quilt (good); R – ring (good); S – soup (good); T – teacher (service); U – umbrella (good); V – veterinarian (service); W – waiter (service); X – x-ray (good); Y – yo-yo (good); Z – zipper (good)*)

## CLOSURE

15. Invite a student to the front of the room. Whisper one of the following activities in the student's ear and instruct the student to act out the activity. Instruct the other students to guess what the student is doing and whether the student is consuming or using a good or performing a service.

Eating an apple  
Walking in the rain using an umbrella  
Serving dinner to people in a restaurant  
Zipping and unzipping a coat  
Reading a book  
Painting a house

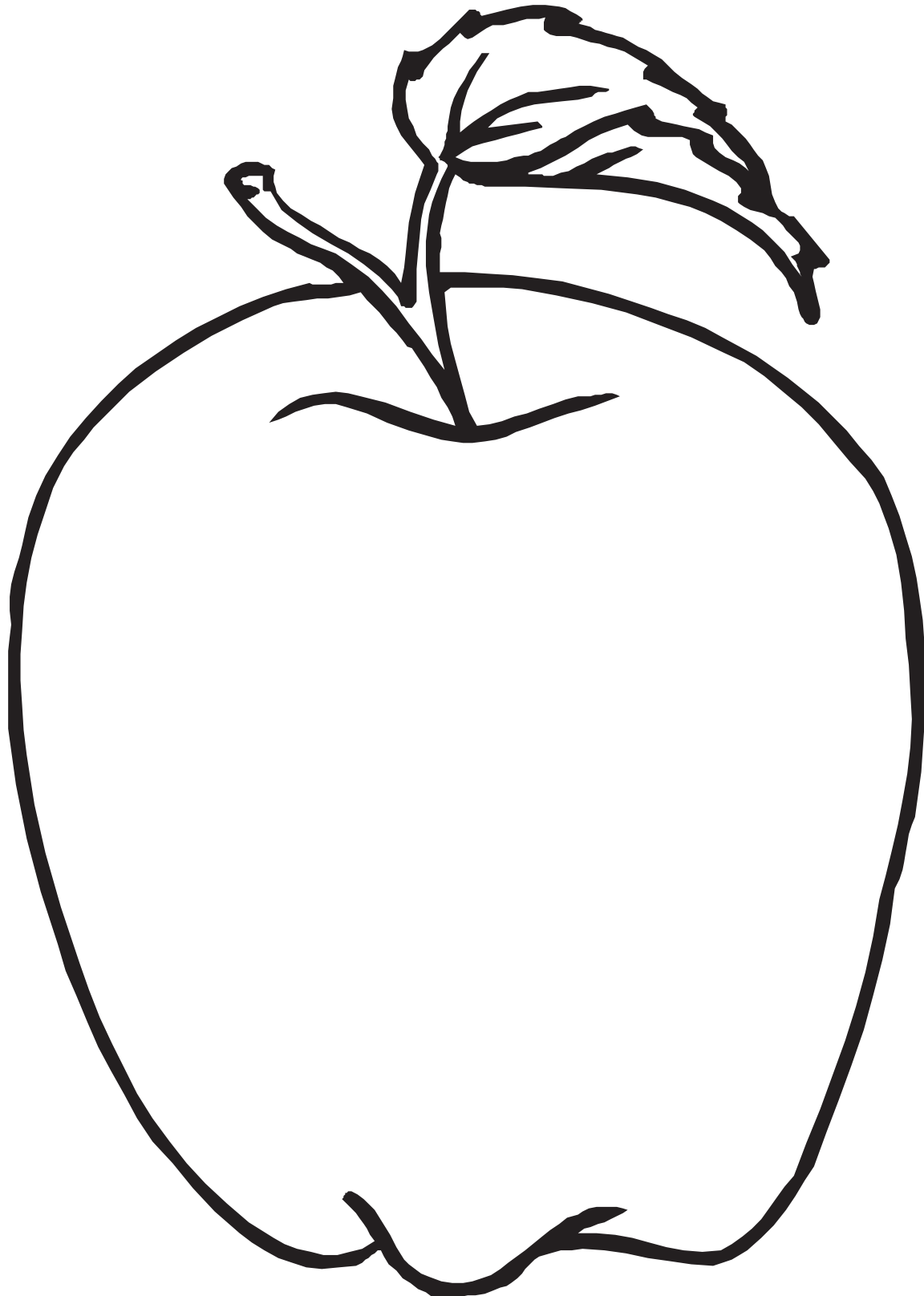
## ASSESSMENT

1. Distribute a copy of Activity 1.2 to each student.

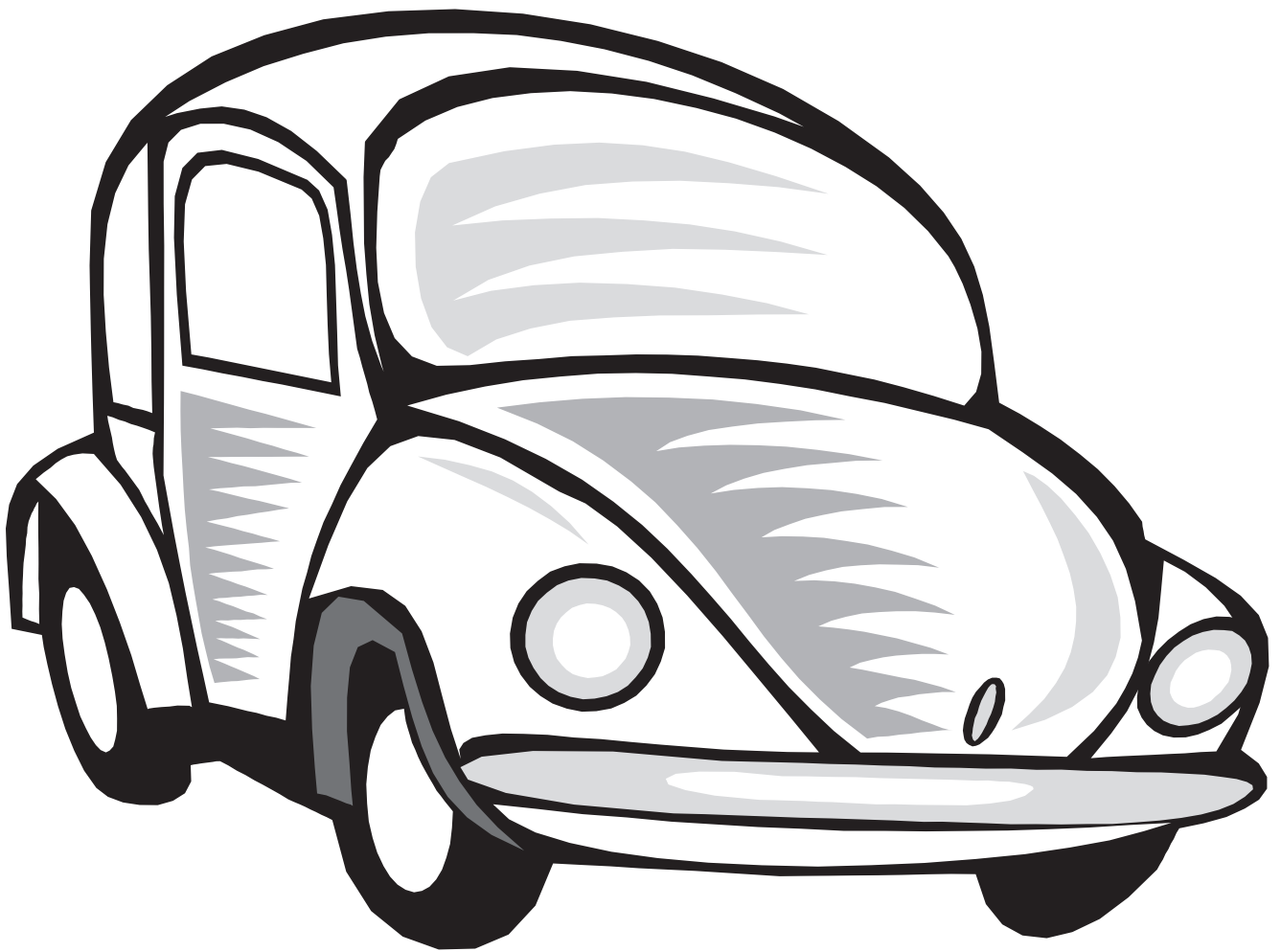
*Answers: Add these after the pictures have been placed on the assessment page*

2. Instruct the students to draw a line down the center of a piece of paper forming two columns and label the columns “goods” and “services.” Have them write a list of goods they use every day and a list of services they use every day.

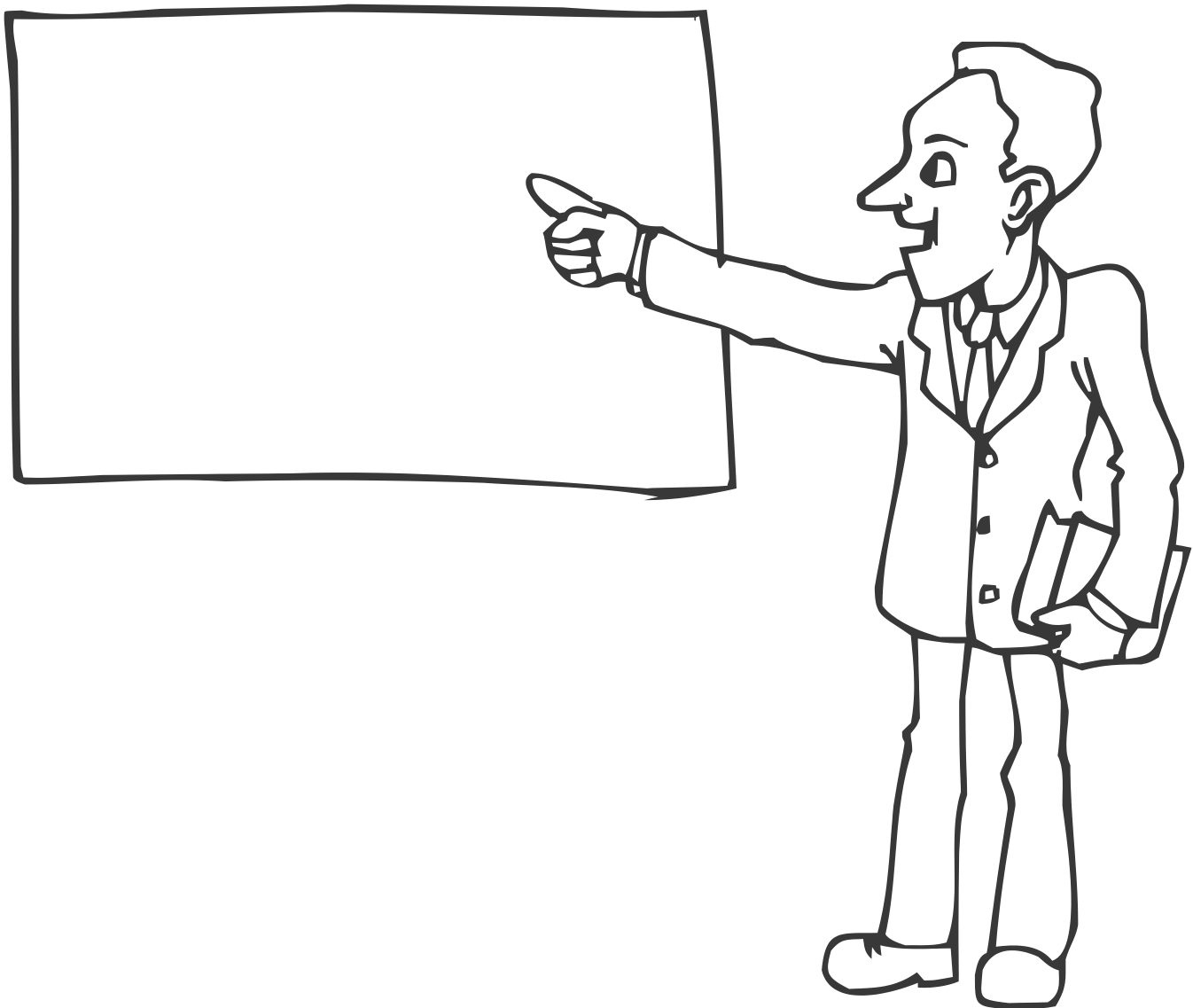
## Visual 1.1 – Apple



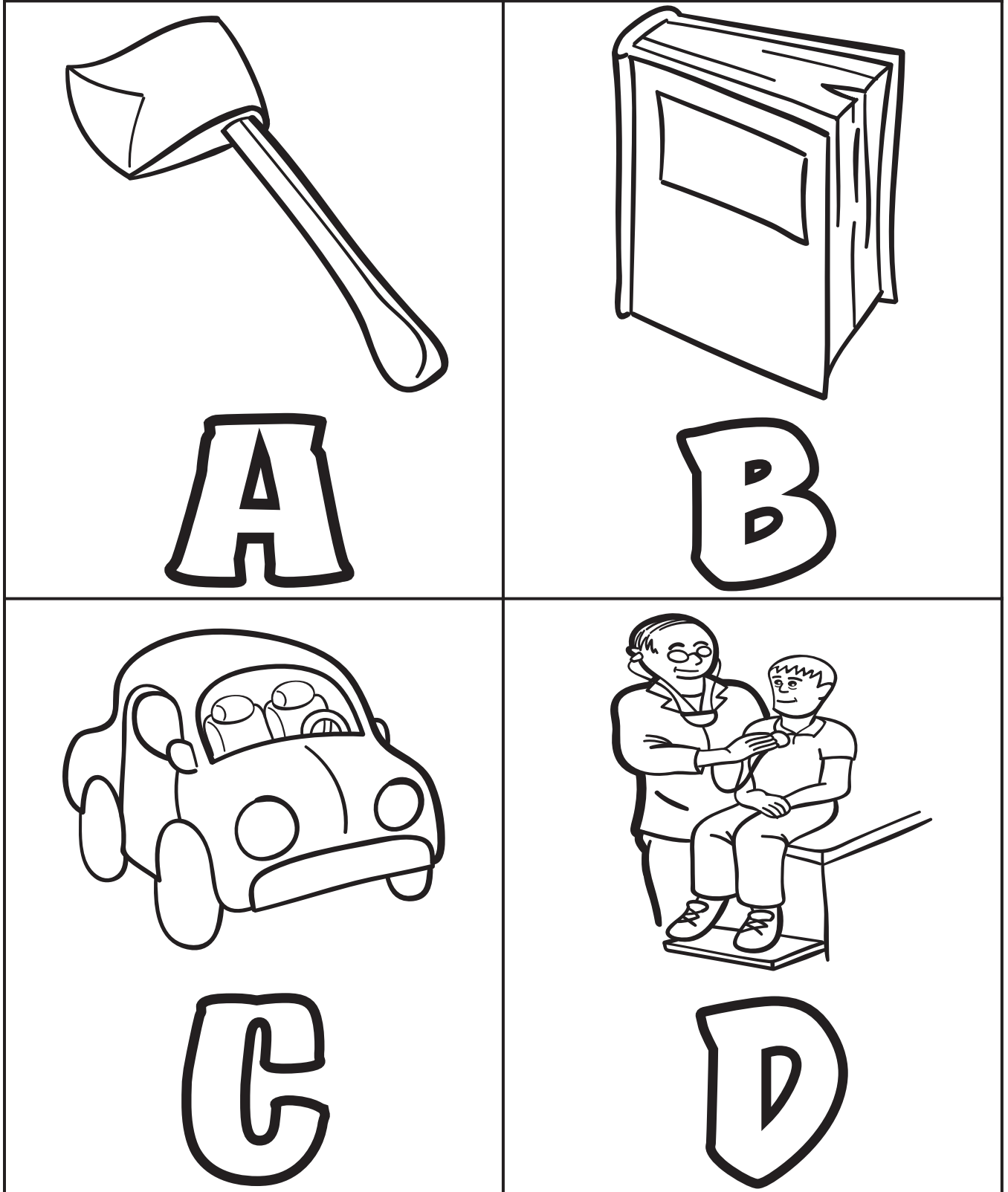
## Visual 1.2 – Car



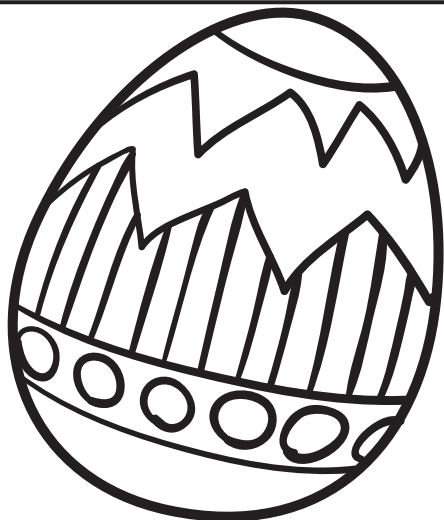
## Visual 1.3 – Teacher



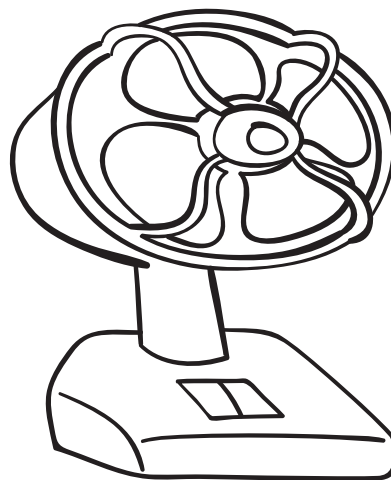
## Activity 1.1 – ABC Cards



## Activity 1.1 – (continued) ABC Cards



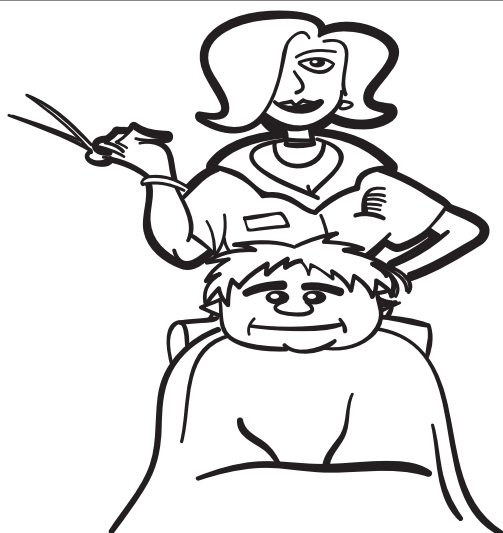
**E**



**F**



**G**

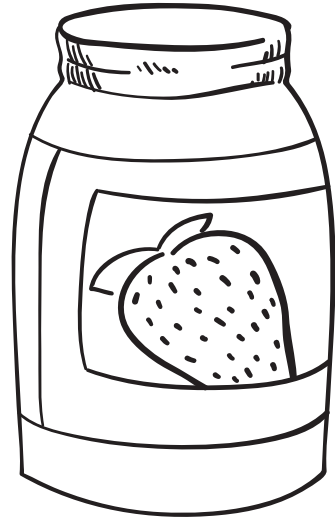


**H**

## Activity 1.1 – (continued) ABC Cards



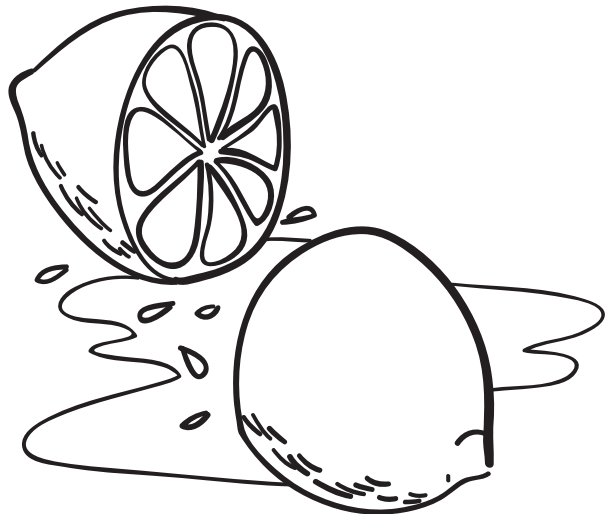
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J

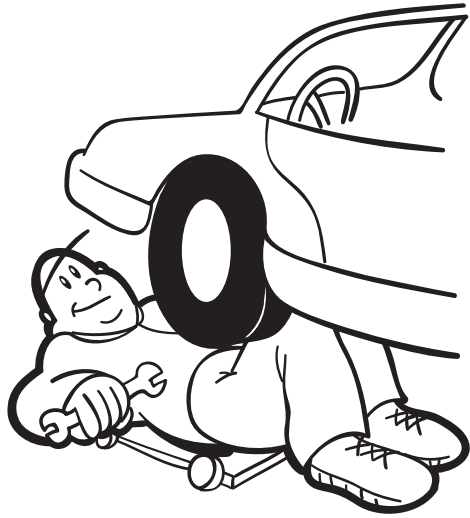


K

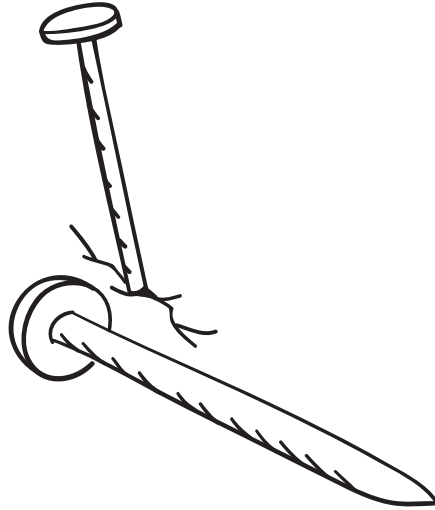


L

## Activity 1.1 – (continued) ABC Cards



M



N

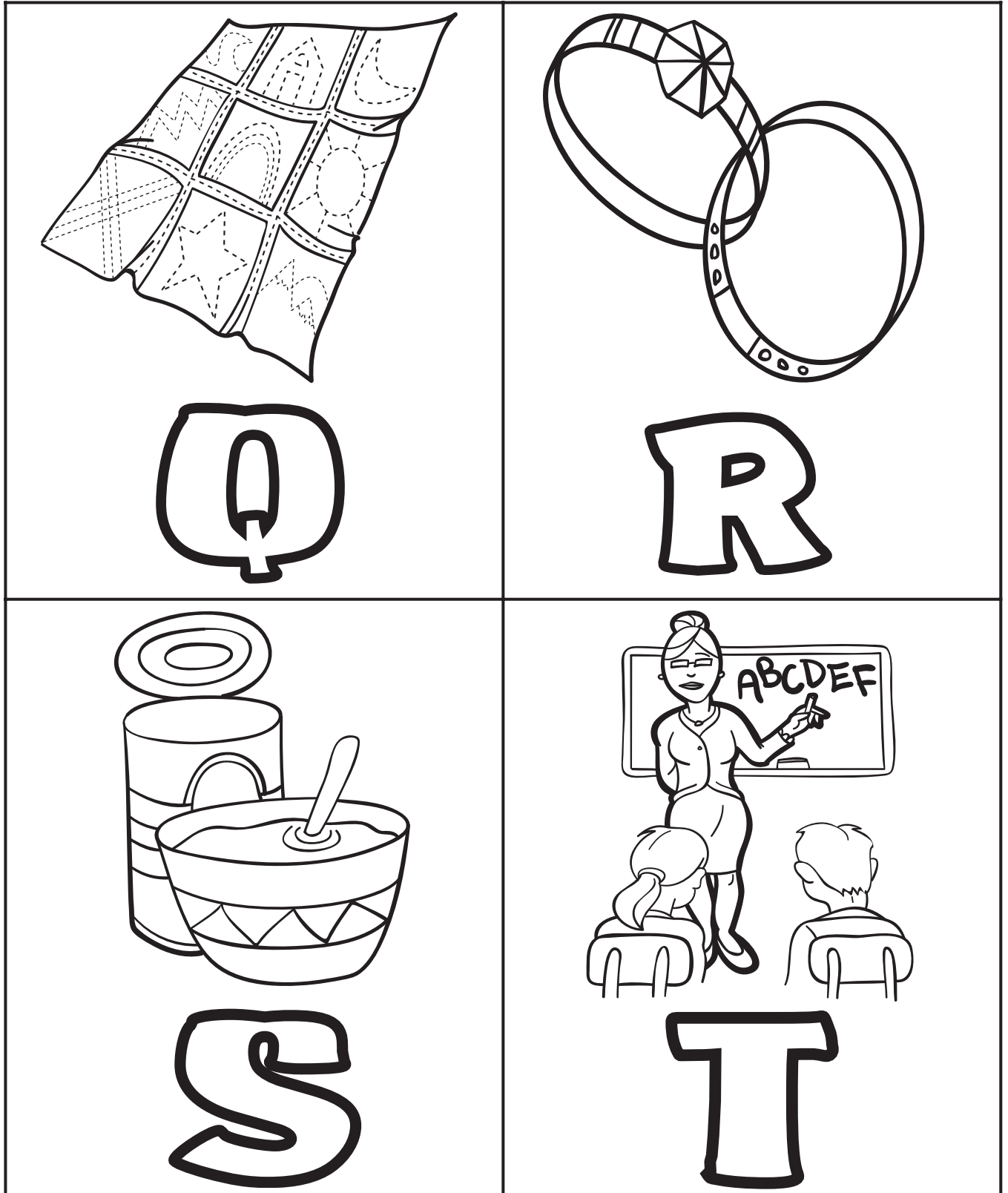


O



P

## Activity 1.1 – (continued) ABC Cards



## Activity 1.1 – (continued) ABC Cards



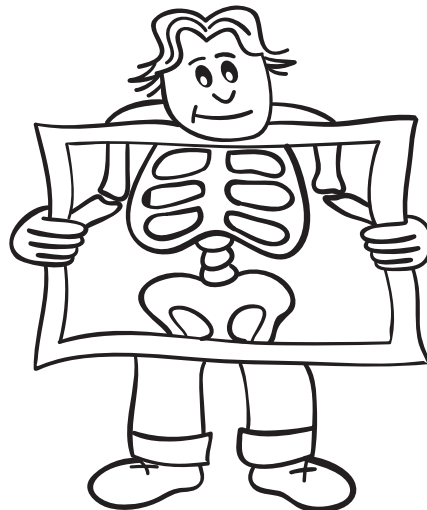
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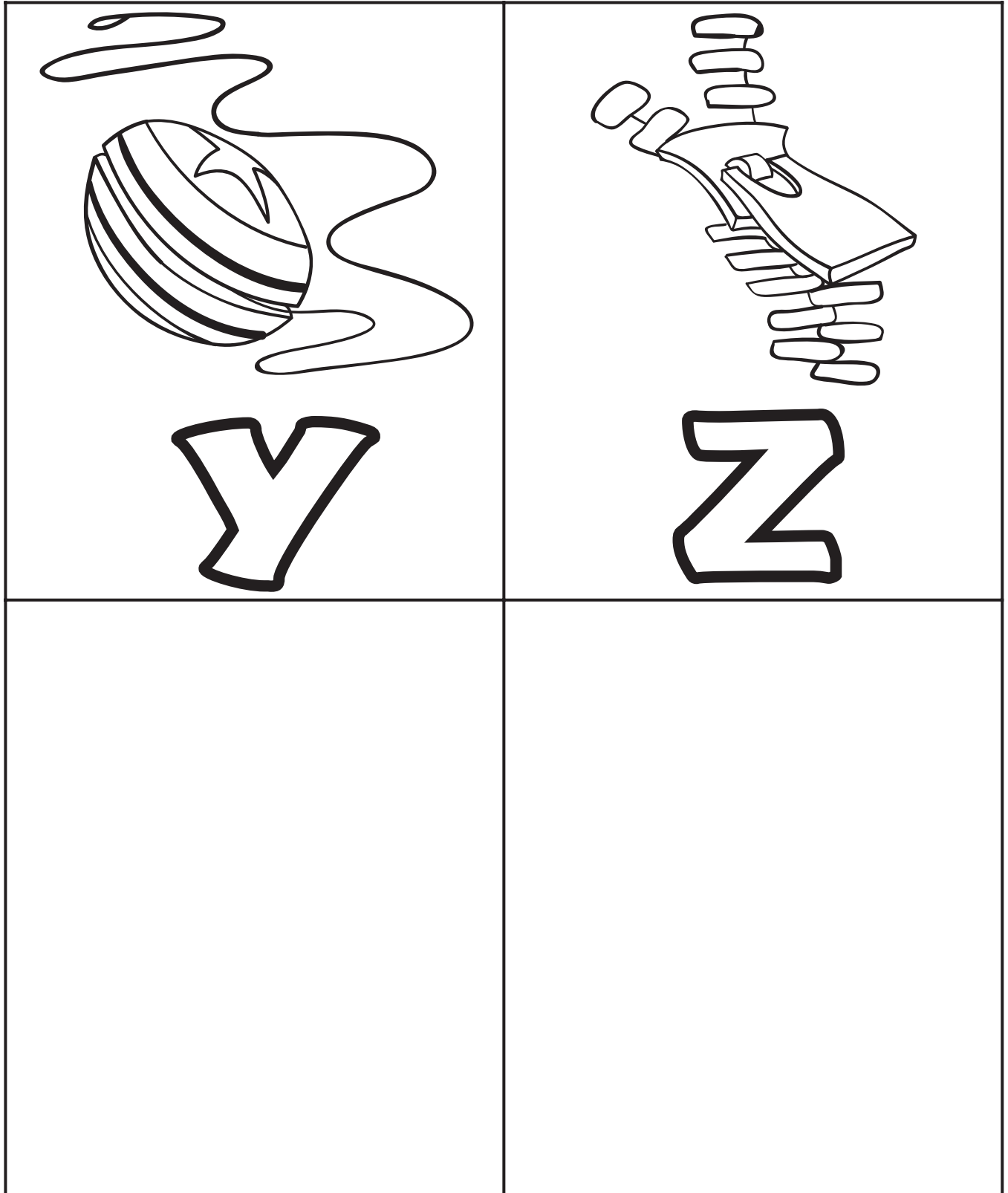


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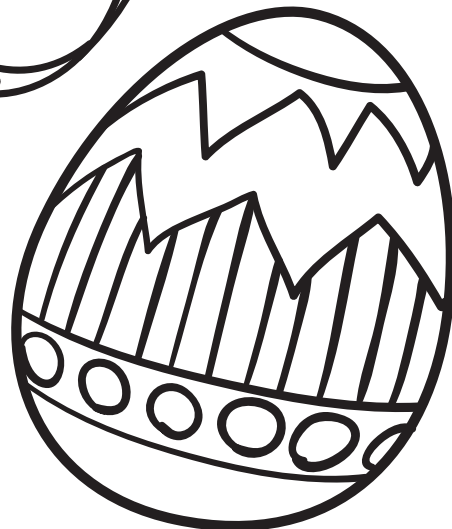
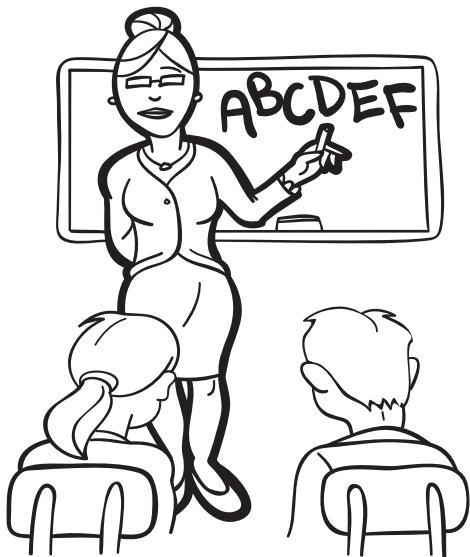
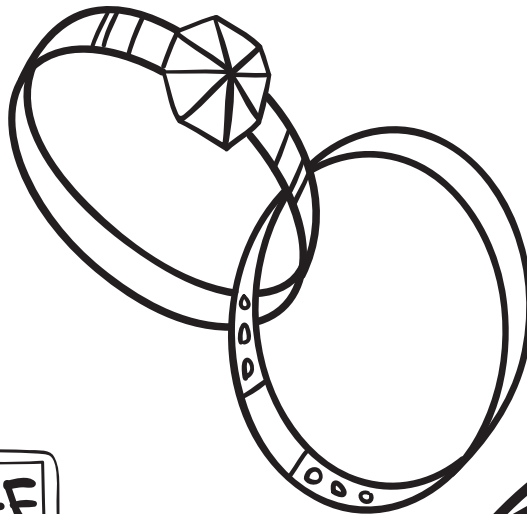
X

## Activity 1.1 – (continued) ABC Cards



## Activity 1.2 – Assessment

Circle the goods with a blue crayon and circle the services with a red crayon.



# Lesson 2 – A Mystery Bag of Wants

## LESSON DESCRIPTION

In this lesson, the students consider picture clues in a “Mystery Bag of Wants” to determine what the teacher wants for the classroom. The students create individual Mystery Want bags and use the bags in a small-group activity to reinforce their understanding of economic wants and their position as consumers in the economy. A three-part assessment provides various levels of student skill development.

## CONCEPTS

Consumer  
Economic wants

## CONTENT STANDARD

### Standard 1 – Scarcity

- **Benchmark 2 for 4th grade:** Economic wants are desires that can be satisfied by consuming a good, service or leisure activity.
- **Benchmark 8 for 4th grade:** People whose wants are satisfied by using goods and services are called consumers.

## OBJECTIVES

The students will:

1. Define “economic wants” and “consumer.”
2. Identify situations in which they are consumers.
3. Explain that people have many wants and that peoples’ wants are not the same.

## TIME REQUIRED

75-90 minutes

## MATERIALS

- ✓ One set of crayons for each student
- ✓ One pencil for each student
- ✂ One pair of scissors for each student
- ✓ One glue stick for each student
- ✓ One paper lunch sack for each student
- ✓ Supplies for teacher’s “Mystery Want bag”:
  - One paper lunch sack for the teacher
  - One copy of Activity 2.1, copied on card stock
  - One copy of a single page of Activity 2.2, copied on card stock
- ✓ Enough copies of Activity 2.1, copied on card stock and cut apart, to provide each student with his or her own animal picture card
- ✓ Enough copies of Activity 2.2 to provide each student with a full set of animal card sets, corresponding to each student’s animal picture card from Activity 2.1
- ✓ One copy of Activity 2.3 for each student
- ✓ One copy of Visual 2.1, prepared as a transparency or hand-copied onto a chart tablet

Prior to the lesson, prepare the teacher’s “Mystery Want bag.”

1. Decorate the teacher’s lunch sack as desired, and write the words “Mystery Want” on one side of the bag.
2. Place one animal picture in the bag – the bird, hermit crab, fish or hamster – from Activity 2.1. Do not choose the dog or cat. If the class already has a classroom animal that is represented in Activity 2.1, discard the picture card of that animal and the corresponding card set from the lesson.
3. Choose the page from Activity 2.2 that corresponds with the animal picture card placed in the teacher’s Mystery Want bag.

## Lesson 2 – A Mystery Bag of Wants

Copy the page on card stock, cut the individual cards apart, color them, and place them in the Mystery Want bag.

### PROCEDURE

1. Show the students the Mystery Want bag, but do not show them what is inside the bag. For example, if the bird card from Activity 2.1 was selected, then that card and the Activity 2.2 cards showing items for the bird will be in the bag.
2. Tell the students there is something the teacher wants for the classroom and that inside the bag are clues to help them figure out what it is the teacher wants.
3. Write “Mystery Wants” on the board. Ask the following questions:
  - A. What are these words? (The teacher should read the words if the students cannot.)
  - B. What do they mean? *Answers will vary.*
4. Explain that a mystery is something people don’t know the answer to or something that isn’t fully understood. **Economic Wants** are desires that can be satisfied by consuming a good, service or leisure activity – wants are things people would like to have. (**NOTE:** If the students have not been exposed to the terms “good,” “service” and “leisure activity,” give the following brief definitions with examples. A **good** is something people want that they can hold or touch, such as a doll or a book. A **service** is an activity that people do for other people, such as driving a school bus or sweeping the floor. A **leisure activity** is something people do for fun or to relax, such as swimming or riding a bike.
5. Tell the students that the teacher will show them the pictures that are in the Mystery Want bag, one at a time. Explain that each picture represents an item that would be useful to have for the classroom Mystery Want.
6. Remove the card from the bag that is least likely to give away the Mystery Want. Show the card to the class, and ask the students to identify what is pictured on the card. Ask if anyone can guess what the Mystery Want is after seeing the card. *The students will guess, but it is unlikely they will guess correctly after just one clue.* Continue showing cards and allowing the students to guess until a student guesses correctly or until the last picture in the bag is the picture of the teacher’s want – a class pet (or an additional classroom animal if the class already has a class pet).
7. Remove the picture of the animal and identify it.
8. Show the cards again and write the name of each item on the board. Ask why the class would want these things for its class pet. *They are things that are used to care for the animal: food, a place to live, a toy.* Ask the students to think of other things they would want if this animal were the class pet. Add additional items to the list on the board.
9. Ask the students where to get the items on the cards. *Possible responses include “at a store” or “at a pet store”; ordering from a catalog or online; someone might give them the items.*
10. Write the word “consumer” on the board. Ask if anyone can read the word. If the students are unable to read the word, read it aloud and have the students repeat the word. Tell the students that it is a special name for people who buy and/or use things. **Consumers** are people whose wants are satisfied by using goods and services. In the students’ language: you are a consumer when you use a good or service.

11. Ask the students for examples of times they have been consumers. *Answers will vary but may include watching a movie, using crayons for coloring a class project, eating an ice cream cone, riding on a roller coaster, getting a haircut or shopping for groceries.*
12. Assign student partners. Explain that the students will work with a partner to prepare their own Mystery Want bags. Distribute the Activity 2.2 card sets that were not used in the beginning of the lesson, one set to each student. Provide the same set to each student in the pair. Record the card set each student receives. (NOTE: There are only six different animal card sets, so for each animal, several students will have the card set corresponding to that animal.)
13. Give each student a paper bag, crayons, pencils, scissors and glue.
14. Explain that the partners should not show any other students their card sets. Remind the students that they are creating MYSTERY Want bags – so no one else should know what is in their bags, yet. Instruct the students to color the pictures on the cards, including the card with the words “Mystery Want.” Tell the students not to cut the cards apart.
15. Explain that there is one blank section on their Activity 2.2 page. Tell the students not to write or draw anything in that section yet. Tell the students that as soon as they finish coloring the pictures and words on their page, they should show the page to their partner.
16. Instruct the students to identify and discuss quietly the items on their pages with their partners. The partners should guess the animal they think would use the items, and explain why he or she would want the items for that animal. Walk among the students to be sure they are correctly identifying their animals. If student pairs cannot identify the correct animal, guide them to the correct choice by explaining why people would want the items for the animal and how the items would be used for the animal.
17. As each student correctly identifies the animal that corresponds with the animal card set he or she has, give that student the picture card of that animal. Ask the students to think about something that is not already on the cards that they might want and that would be useful for their animal. For example, a student might draw a veterinarian caring for the animal or a brush with which to groom a dog.
18. When the student pairs have received the appropriate animal picture card and discussed an additional useful item for the animal, instruct the students to draw and label the additional item wanted, in the blank space on the card. Tell the students to cut the cards apart, glue the section containing the words “Mystery Want” to one side of the paper bag, and place the remaining cards – including the animal picture card – in the bag.
19. Allow time for all of the students to complete the preparation of their individual mystery-want bags.
20. Announce that the next activity will be done in small groups. Organize the groups so that each member of a group prepared a different set of cards from Activity 2.2.
  - The number of groups will correspond to the largest number of any card set. For example, if five sets of bird cards were used, then those five students will be in different groups. Students with different card sets will be distributed among those groups.
  - No small group should have more than one student with a particular set of cards. Depending on the number of students in the class, it is possible some

## Lesson 2 - A Mystery Bag of Wants

groups will have fewer members than others.

21. Review the opening activity from Procedure step 1. Remind the students of the following:

- They were shown one card at a time.
- They were asked to identify what was pictured on the card.
- They were then given the opportunity to guess what the Mystery Want was.

22. Explain that in the small groups, one group member at a time will present cards from his or her bag, one card at a time, to the other members of the group. The other students in the group will have the chance to identify what is pictured on the card and, if possible, guess what animal they would care for with the item. As in the whole-class activity, the students should remove one clue at a time until the picture of the animal is the only one remaining in the bag. If the group members have not guessed the correct animal by the time they remove all items from the bag, the student will remove the picture from the bag and identify it.

23. Tell the group members to take turns, allowing each group member to reveal the pictures in his or her Mystery Want bag.

24. The groups may finish at different times. If this happens, instruct the groups that have finished to discuss why the items in each bag are useful in caring for the animal the bag represents. Also ask them to identify other things they would want if they were able to have the animal as a pet.

### CLOSURE

25. Tell the students to return to their seats.
26. Display a copy of Visual 2.1. Discuss the headings and how they relate to the care of the animals listed.

A. Column 1 – Food: *Necessary to keep the animal alive (Water may be mentioned.)*

B. Column 2 – House: *Comfortable place to live; keeps the animal safe*

C. Column 3 – Toys: *Provide exercise; fun way for children to play with the animal*

D. Column 4 – Other: *May include veterinarian care, additional equipment, grooming products*

27. Ask the students to recall the animal picture card and item cards that were in the teacher's Mystery Want bag. If using a chart tablet, attach the teacher's animal picture card to the row on the chart containing the animal's name. Refer to the list of items previously written on the board. Discuss each and write it in the appropriate column on Visual 2.1.

28. Referring to the Visual 2.1 chart, select another animal. If using a chart tablet, attach the animal picture card for that animal in the correct space. Ask each student who created an individual bag for that animal to discuss the want cards he or she had and the appropriate column in which to record them. Write the name of each item in the appropriate column. Discuss how each item will be used in the care of the animal. Continue until all the students have had an opportunity to review the want cards in their bags and add the wants to the chart in the appropriate columns.

29. Point out the similarities and differences among the items in the various columns. Discuss the following:

A. Every animal wants food, but is it the same food? *No, the animals require different foods to live.*

B. How do the items in the remaining columns compare? *All of the animals must have a house or bedding, but each is unique. Toys and exercise equipment are*

*important for some. Others may not have anything listed in that column. The “Other” column will have a variety of items – some similar, some not.*

C. Would all of these animals be appropriate for a classroom pet? Why or why not? *The dog and cat are usually not pets for a class. Their care would be too time-consuming for a class, and their presence could be disruptive.*

D. Does anyone have one or more of these animals at home? *Answers will vary, but expect the students to give many examples of animals at home. Some students may live on farms and want to talk about cows, horses and other farm animals.*

30. Remind the students that all people are consumers, but their wants can be very different. Ask the students to give examples. *The students may repeat examples from the lesson. Other responses may include differences in favorite types of candy, equipment for different sports, and parents driving different kinds of cars.*

31. Review the important content of the lesson by discussing the following:

A. What are economic wants? *In student language: wants are things we would like to have. Economic wants are desires that can be satisfied by consuming a good, service or leisure activity.*

B. Give examples of things you want. *Answers will vary but may include toys, video games, a trip to Disney World, a new car for the family.*

C. Do all people have the same wants? *No. We all want food, a place to live, and many other things, but we do not all want identical things.*

D. Who is a consumer? *In student language: you are a consumer when you use a good or service. People whose wants are satisfied by using goods and services are called consumers.*

E. Give examples of times you have

been consumers. *Answers will vary but may include watching a movie or going to a doctor for a checkup.*

## ASSESSMENT

Distribute a copy of Activity 2.3 to each student. Assessment “A” is appropriate for students with limited reading and writing skills. Assessments “B” and “C” are suitable for students with greater proficiency.

Review the directions with the students. Instruct the students to complete the assessment. Allow time for the students to work. Collect the completed assessments.

### Assessment Answers

#### Assessment A

*The answers will vary. Check for appropriate wants for the student and the student’s family. Sentences may not be complete.*

#### Assessment B

1. *Consumer*
2. *Crayons*
3. *Bike*
4. *Book*
5. *Car*
6. *b*
7. *c*
8. (Sample answer) *I want to buy cookies and milk at the grocery store.*
9. (Sample answer) *I want to get a new soccer ball at the toy store for my game on Saturday.*
10. (Sample answer) *I want a new winter coat from the clothing store.*

## Lesson 2 – A Mystery Bag of Wants



### Assessment C





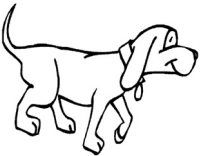

The student will select one of the items and circle it. *Example: swing set*

1. Why do you want it? *I want the swing set because we do not have one at my house. It will be fun to play on.*
2. How will you use it? *I will play with my little sister. We will take turns.*
3. *One day I told my mother I wanted a new soccer ball. She took me to the sports store to buy one. I am a consumer when I use the ball to play soccer.*
4. (Example) Jack: *J – jump-rope; A – ant farm; C – crayons; K – keyboard*

## Visual 2.1 - A Mystery Bag of Wants

**We are consumers. We want many goods and services.**

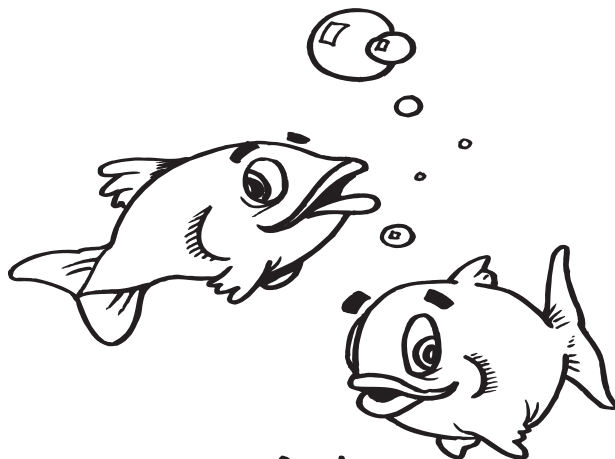
**We want some goods and services to help us take care of our pets.**

	Food	House	Toys	Other
 <b>hamster</b>				
 <b>fish</b>				
 <b>hermit crab</b>				
 <b>bird</b>				
 <b>dog</b>				
 <b>cat</b>				

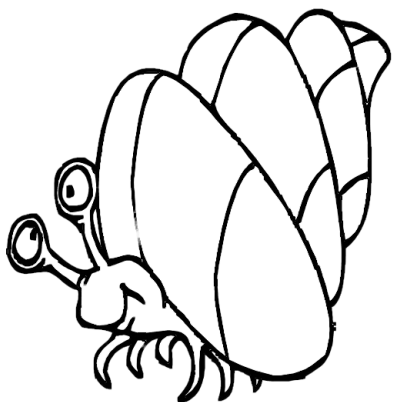
## Activity 2.1 - Animal Cards



hamster



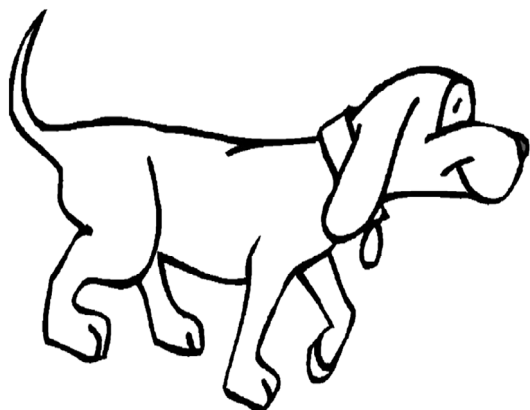
fish



hermit crab



bird



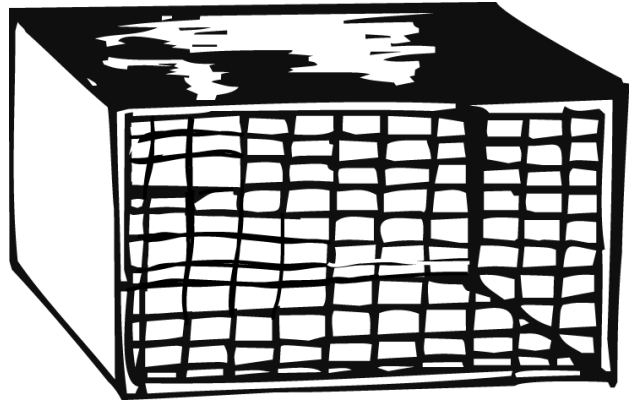
dog



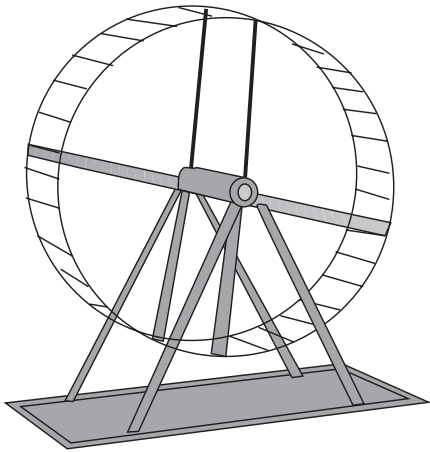
cat

## Activity 2.2 - Card Set A – Hamster

# Mystery Want



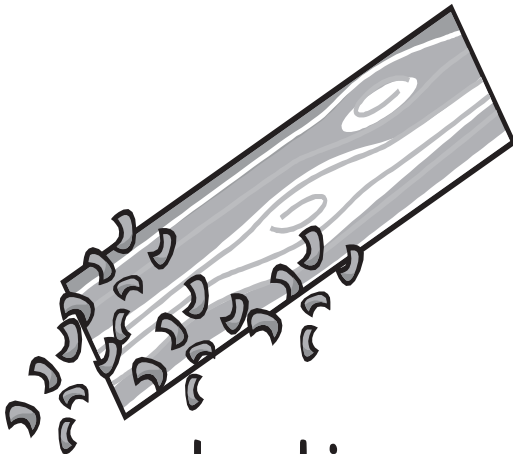
cage



exercise wheel



hamster food



cedar chips

Activity 2.2 - (continued) Card Set B – Fish

**Mystery  
Want**



**fish bowl**



**decorative castle**



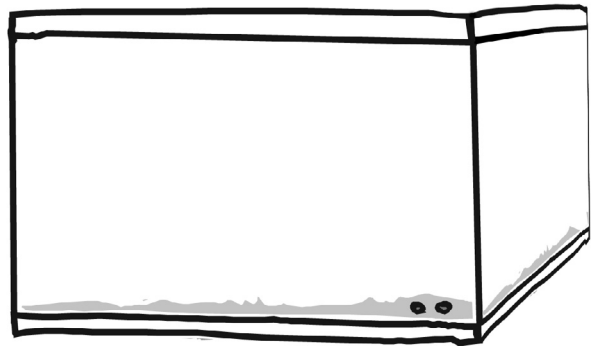
**fish food**



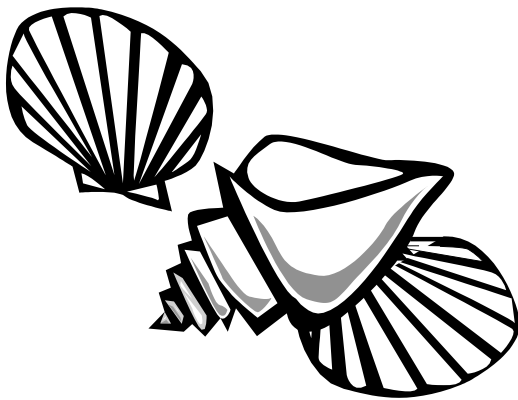
**fish net**

## Activity 2.2 - (continued) Card Set C – Hermit Crab

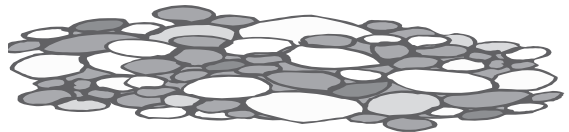
# Mystery Want



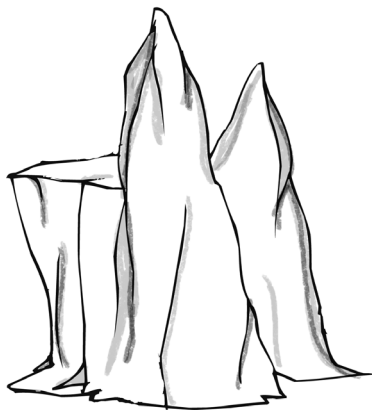
habitat



shells



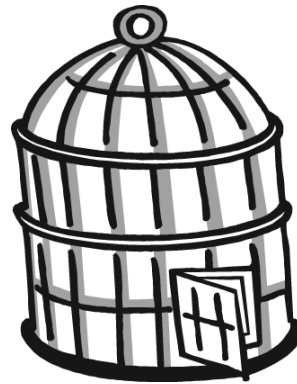
food pellets



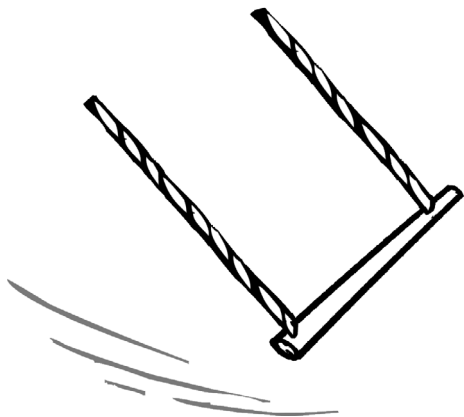
rocks to climb on

Activity 2.2 - (continued) Card Set D – Bird

# Mystery Want



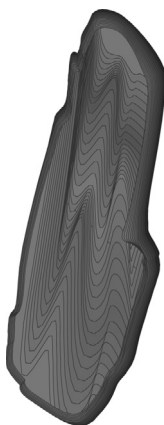
cage



swing



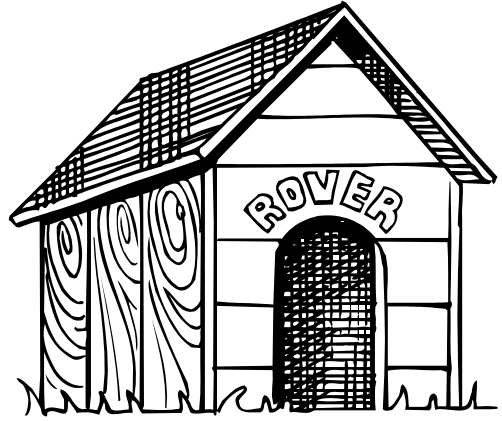
seeds



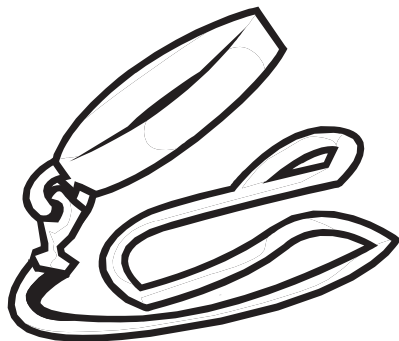
beak toy

Activity 2.2 - (continued) **Card Set E – Dog**

**Mystery  
Want**



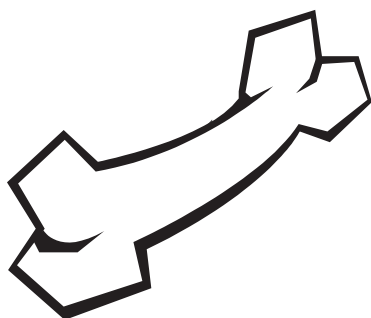
**dog house**



**leash**



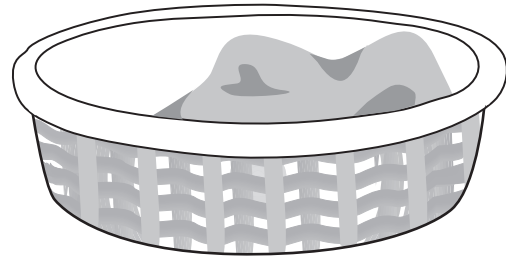
**dog food**



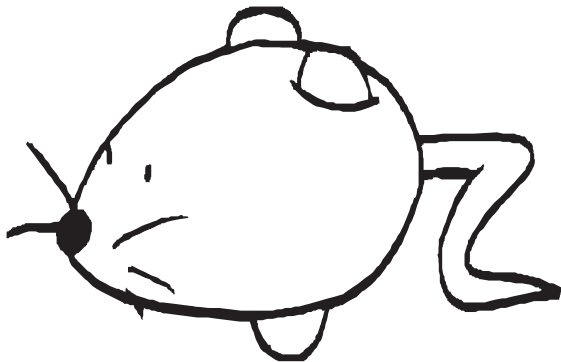
**bone**

Activity 2.2 - (continued) **Card Set F – Cat**

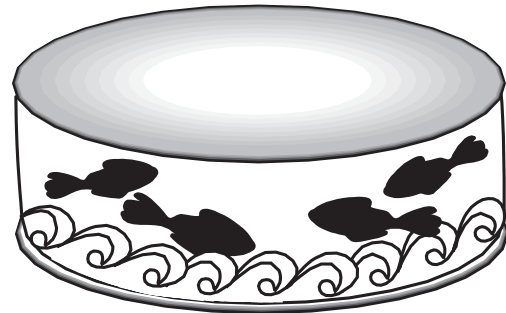
# Mystery Want



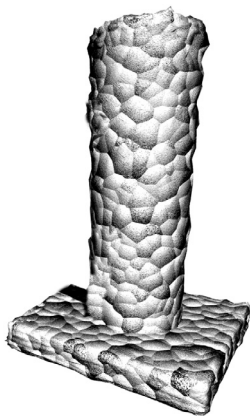
cat bed



toy mouse



cat food



scratching post

## Activity 2.3 - Assessment A

You are a consumer. In the first box, draw something you want for yourself. Complete the sentences. In the second box, draw something you want for your family. Complete the sentences.

<b>Myself</b>
<p>I want _____ for myself.</p>          <p>I want this because _____.</p> <p>I will use this to _____.</p>
<b>My Family</b>
<p>I want _____ for my family.</p>          <p>I want this because _____.</p> <p>We will use this to _____.</p>

## Activity 2.3 - (continued) Assessment B

Use the correct word from the box to complete each sentence.

consumer

bike

book

crayons

car

1. Sam bought apples and cheese at the grocery store.

Sam is a \_\_\_\_\_.

2. I want a new box of \_\_\_\_\_  
to color a picture.

3. My best friend wants a \_\_\_\_\_  
just like mine to ride to school.

4. My teacher wants a \_\_\_\_\_  
to read to the class.

5. My family wants a new \_\_\_\_\_  
to drive to visit my grandparents.

## Activity 2.3 - (continued) **Assessment B**

Circle the letter of the correct answer.

6. Economic wants are
- (a) the same for everyone.
  - (b) things people would like to have.
  - (c) always given to us by our friends.

Circle the letter of the correct answer.

7. People whose wants are satisfied by using goods and services are called
- (a) satisfied people.
  - (b) independent.
  - (c) consumers.

You are a consumer with many wants. Write a sentence about something you want at each of the following stores.

8. Grocery store

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9. Toy store

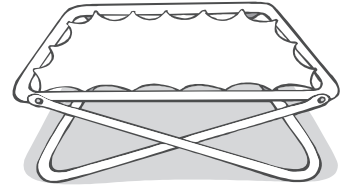
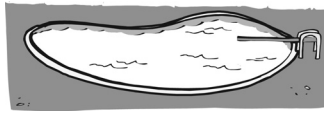
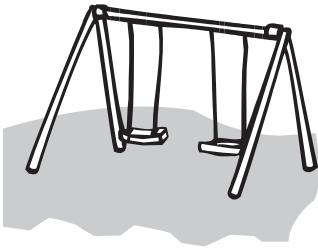
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10. Clothing store

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## Activity 2.3 - (continued) Assessment C

Pretend you want one of the following things for yourself, a friend or your family. Circle one.



Answer the following. Use complete sentences.

1. Why do you want it?

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2. How will you use it?

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## Activity 2.3 - (continued) **Assessment C**

- 3. Write a short paragraph about a time you were a consumer. Use complete sentences. Use the words “consumer” and “want” in your paragraph.**

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- 4. Write the letters of your first name on the lines below. Write one thing you want that begins with each letter. Add more lines if you need them.**

**Example: S - skate board A - apples M - marbles**

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# Lesson 3 – Gifts from Mother Nature

## LESSON DESCRIPTION

The students will explore the gifts of nature around them and make a book, a bulletin board and a mobile to illustrate natural resources and how they are used to produce goods and services.

## CONCEPTS

Goods  
Natural resources  
Services

## CONTENT STANDARD

### Standard 1 – Scarcity

- **Benchmark 3 for 4th grade:** Goods are objects that can satisfy people's wants.
- **Benchmark 4 for 4th grade:** Services are actions that can satisfy people's wants.
- **Benchmark 10 for 4th grade:** Natural resources, such as land, are "gifts of nature"; they are present without human intervention.

## OBJECTIVES

The students will:

1. Define “natural resources.”
2. Give examples of natural resources.
3. Identify and define “goods” and “services.”
4. Explain that natural resources are used to produce goods and services.

## TIME REQUIRED

Day 1: 30 minutes  
Day 2: 30 minutes  
Day 3: 30 minutes

## MATERIALS

- ✓ One copy of Activity 3.1, cut apart and placed in a gift-wrapped box
- ✓ A sign that says, "Gifts from Nature"
- ✓ One piece of blank, unruled paper for each student
- ✓ One set of crayons or markers for each student
- ✓ One hole punch
- ✓ One set of three brads, suitable for binding paper together as a book
- ✓ Bulletin board
- ✓ Poster board or construction paper for bulletin-board signage
- ✓ Copper penny, wooden clothespin and tea bag (or similar items)
- ✓ One copy of Activity 3.2, signed by teacher, for each student
- ✓ (Optional) One copy of *The Giving Tree*, by Shel Silverstein (ISBN 0060586753)
- ✓ (Optional) One copy of *The Lorax*, by Dr. Seuss (ISBN 0394823370)
- ✓ Visual 3.1
- ✓ (Optional) A mobile of some kind to demonstrate how mobiles are put together
- ✓ Enough mobile-making materials to give a set of materials to each group of three or four students:
  - Cardstock
  - Poster board
  - Markers
  - ✂ Scissors
  - Glue stick
  - Hole punch
  - Several feet of yarn
- ✓ One copy of Activity 3.3
- ✓ One copy of Activity 3.4 for each student

## PROCEDURE

### Day 1

1. Show the students the gift box and tell

## Lesson 3 – Gifts from Mother Nature

- them that this box has some gifts in it. Explain that when the box is opened, they should try to figure out where the gifts came from.
2. Open the box and display the resource cards inside. Discuss the pictures on the cards with the students. Ask the students where the items pictured can be found. **Outside, on the ground, on the earth** Help the students realize that all of the pictures represent things that nature provides. Place a sign on the box that reads, "Gifts from Nature."
  3. Tell the students that gifts from nature have a special name. They are called **natural resources**. Explain that natural resources are present in the world without any help from people. Explain that natural resources are used to produce things that are useful to people. Give examples of things the natural resources in the pictures could be used to produce. For example:
    - The tree might be used for wood to produce items people use, or it could provide fruit or nuts for people to eat or shade on a hot day.
    - The sun provides warmth and light for people to use.
    - The river provides water for people to drink. People can float and boat on the river, and water can be used to produce other things, such as medicine.
    - The wildflowers can be used by a florist, or they can provide beauty for people to enjoy.
    - The deer could be used in a zoo or could be captured by hunters to be used for food.
    - The mountain could provide beautiful scenery for tourists to enjoy.
  4. Tell the class that today they will dream a little about natural resources. Instruct the students to close their eyes and imagine they are taking a ride into the countryside to explore and identify some natural resources.
  5. While the students keep their eyes closed, read them the following scenario (or substitute a similar alternative):

*We are driving along a highway. We are approaching a forest with many large trees growing there. Look! I see a deer running through the woods . . . and some squirrels and rabbits, too . . . We just crossed over a little bridge. There's a little river running through the woods. I just saw a fish jump up from the river! It's such a pretty day. The sun is shining so brightly. But there are some clouds in the distance, out over the mountains. We may get a storm after a while."*

Add to the scenario as you go along. Ask the students, "What do you see?" Let the students add their ideas to the scenario.
  6. After finishing the "drive in the country," ask the students to open their eyes and discuss their "trip." Repeat parts of the scenario if necessary. Ask the students to talk about some of the natural resources they "saw" on their trip. **Possible responses include trees, water, land, animals, sunlight, rocks, acorns, leaves and feathers.**
  7. Record the students' responses on the board. Ask the students to be specific, and help them provide detail about the natural resources they list. If the students identify "land," for instance, ask them what is growing on the land, and what might be under the land if they dig deep enough. Get as many responses as possible from the students.
  8. Discuss the list of resources the students have created. Ask the students what each of the natural resources could be used to produce. **Answers will vary but might include food produced from animals or plants and trees, warmth and light from the sun, and water to drink from the river or from the impending rain.**

9. Distribute paper and crayons or markers to each student, and have the students draw a picture of a natural resource from their trip into the country. Instruct each student to write a sentence explaining why the picture he or she draws is a natural resource. *Occurs in the world without the help of people* When the students have finished their pictures, have them share their pictures with the class.
10. Using the hole punch and three brads, bind all of the pages together into a class book. Ask the students to help decide on a title for the book (such as "A Ride in the Country" or "Our Natural Resources"). Make a title page and attach it to the book.

## Day 2

11. Read the class book the students produced on day 1. Explain that a book is a good. Explain that **goods** are things people make and use to satisfy their wants. Goods are things that can be seen and touched. Ask the students for other examples of goods. *Answers will vary but may include items such as toys, food and clothing.*
12. Explain that **services** are actions or activities that satisfy peoples' wants. Explain that teachers provide education – a service – for students who want to learn. Ask the students for examples of services. *Answers will vary but may include such things as mowing the grass, cutting someone's hair or fixing a car.*
13. Ask the students to look at the class book again, and think about what natural resource might have been used to produce the materials for the book. *Trees, for the paper*
14. Tell the students that they are going to make a bulletin board of goods that are produced from natural resources. Make a title for the bulletin board on a piece of poster board or construction paper – "Goods That Come From Natural Resources." Place the title on the bulletin board.
15. Display a copper penny, a wooden clothespin and a tea bag, or an alternative set of items. Attach the items to the bulletin board and label each one with the natural resources used to produce it. Explain that natural resources were used to produce each of these goods:
  - The copper penny was produced from copper ore taken from the ground.
  - The tea bag was produced from leaves of a plant.
  - The clothespin was produced from wood that came from a tree.
16. Explain that the students are going to help collect enough materials to complete the bulletin board.
17. Tell the students that their homework assignment is to explain their study of natural resources to their parents or other family members. Explain that once they have told their parents about natural resources, they should ask their parents to help them find something that was made from a natural resource, that they can bring to school and put on the bulletin board.
18. At the end of the day, distribute a copy of Activity 3.2 to each student, and tell the students that they can use this note to help explain the project to their parents.
19. (Optional) Reinforce the students' understanding of natural resources by reading one of these books to the class:
  - *The Giving Tree*, by Shel Silverstein: After reading the book, discuss the gifts that the tree gave to the boy in the story. This book also illustrates services provided by natural resources – in this case, shade and swinging.
  - *The Lorax*, by Dr. Seuss. After reading this book, discuss the gifts from nature in the story.

## Lesson 3 – Gifts from Mother Nature

20. For several days, let the students bring items to class and put them on the bulletin board, labeling them with the natural resources that were used to produce them. *Items brought in might include such things as a shirt produced from cotton, or charcoal, toothpicks and paper, all produced from a tree.*

### Day 3

21. Review and discuss the concept of natural resources:
- Review the definition of natural resources as the "gifts of nature" that are present without human intervention.
  - Ask the students to give examples of natural resources, and make a list of the students' responses on the chalkboard.
  - Explain that natural resources can be used to produce a good or provide a service.
22. Tell the students that today they will make a mobile to show how natural resources are used. Display Visual 3.1 and explain how the mobile is constructed. (Optional: If a real mobile is available, show it to the students at this time.)
23. Divide the students into groups of three or four students each. Give each group the materials needed to make a mobile.
24. Give one student in each group a larger piece of poster board, and instruct that student to copy the words "Gifts of Nature" or "Natural Resources" as the title sign for the group's mobile.
25. Explain that each student should make one piece of his or her group's mobile, as follows:
- Choose a natural resource, draw a picture of the natural resource on a small piece of poster board or card stock, and label the natural resource.
  - Attach the picture of the natural resource to the group's title sign with a

piece of yarn.

- Draw and label a picture of one or more goods or services that can be produced using the natural resource on a small piece of poster board or card stock.
- Attach the picture of the goods or services to the picture of the natural resource.

Tell the students they may use ideas from the bulletin board to choose their natural resource and its goods and services.

26. Allow time for each group to discuss its mobile with the class and explain the natural resources and the goods and services drawn. Display the mobiles in the classroom.

### CLOSURE

27. Review the concepts presented in the lesson by discussing the following:
- A. What are natural resources? *Natural resources are the "gifts of nature" that are present in the world without help from people.*
- B. Name some natural resources. *Answers will vary, but may include trees, soil, sunlight and water.*
- C. What is a good? *Goods are items people make and use to satisfy wants.*
- D. Give some examples of goods produced from natural resources. *Answers will vary, but might include wooden furniture that is made using trees, sodas that are made using water, a ring that was made from gold or diamonds, or an apple pie that is made using apples.*
- E. What is a service? *A service is an action or activity that satisfies peoples' wants.*

### ASSESSMENT

Distribute one copy of Activity 3.3 to each student. Use the following instructions to guide the students through Activity 3.3

1. Read the questions aloud and allow time for the students to mark the correct pictures. Complete one row at a time.

- First Row: Instruct the students to point to the star at the beginning of the row. Tell them to circle the picture on that row that is a natural resource.
- Second Row: Instruct the students to point to the heart at the beginning of the row. Tell them to circle the picture on that row that is a natural resource.
- Third Row: Instruct the students to point to the arrow at the beginning of the row. Tell them to circle the picture on that row that is a natural resource.
- Fourth Row: Instruct the students to point to the happy face at the beginning of the row. Tell them to circle the picture on that row that is a natural resource.

2. Distribute one copy of Activity 3.4 to each student. Explain that the tree is a natural resource. Tell the students to draw and label four different pictures of goods or services around the tree that could be produced from the tree.
3. Instruct students to write a story on the back about how a tree is used to produce goods and services. In the story they should explain what natural resources are.

C. Turn your papers over and write a story on the back about how this tree was used to produce goods and services. In the story, explain what natural resources are. *Stories will vary but should tell about the goods and services produced from a tree. A definition of natural resources should be included in the story.*

### Answers for Activity 3.3

A. Circle the picture in each row that is a natural resource:

First row (star): *Lake (#2)*

Second row (heart): *Apple (#1)*

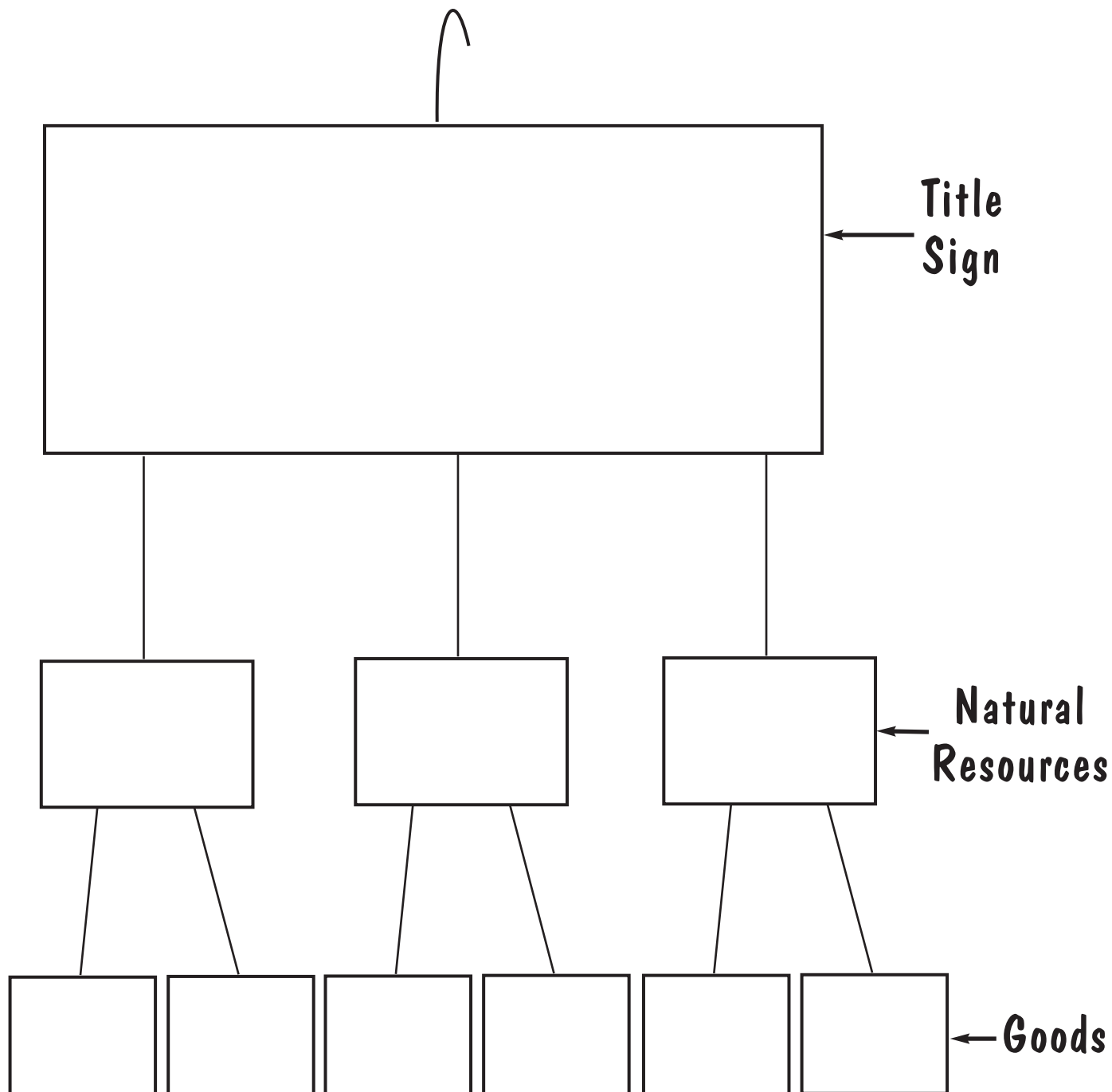
Third row (arrow): *Flower (#4)*

Fourth row (happy face): *Sun (#3)*

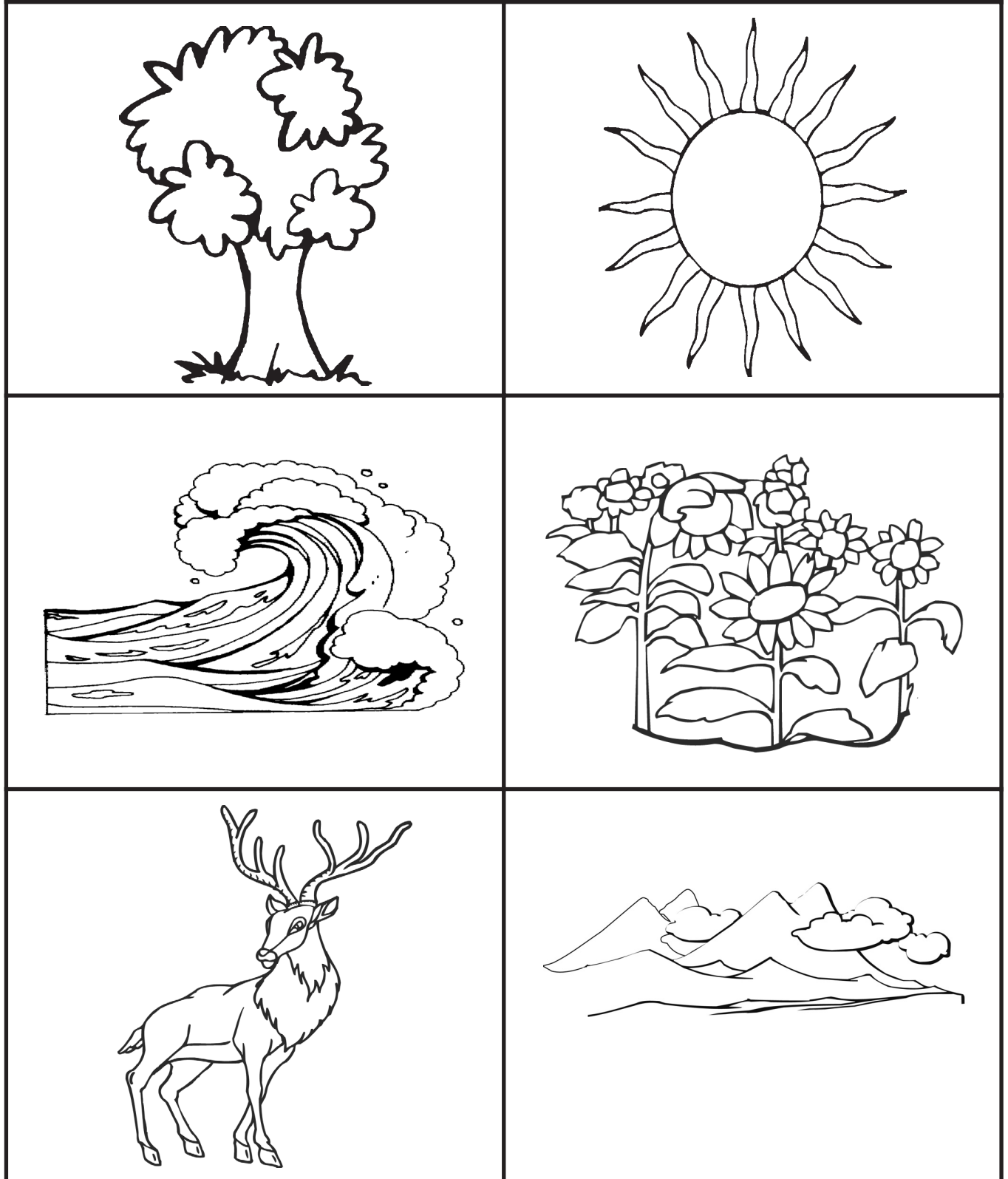
B. Draw and label four different pictures of goods or services around the tree that could be produced from the tree.

*Answers will vary, but each picture must illustrate a good or service that is provided by a tree, such as a wooden toy, shade or fruit.*

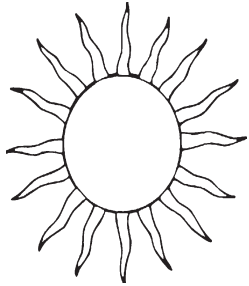
## Visual 3.1 - Natural Resources Mobile



## Activity 3.1 - Natural Resource Cards



## Activity 3.2 - A Note to Parents



Dear Parents,

We have been studying natural resources, the gifts of nature that are present in the world without the help of people. We are making a bulletin board to show goods and services that are produced using natural resources. We have already attached three goods to the board. Your child should be able to talk about these three items with you. They are :

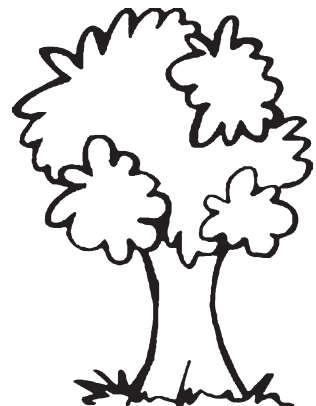
- A clothespin that was made using wood from a tree
- A coin that was made from copper ore, found underground
- A tea bag that was made from the leaves of a plant

Your child has a homework assignment: to find something at home that was made using natural resources. It should be something small that he or she can bring to school and attach to the bulletin board. Talk to your child about this item. Be sure he or she knows what natural resource was used to make it.

Thank you,

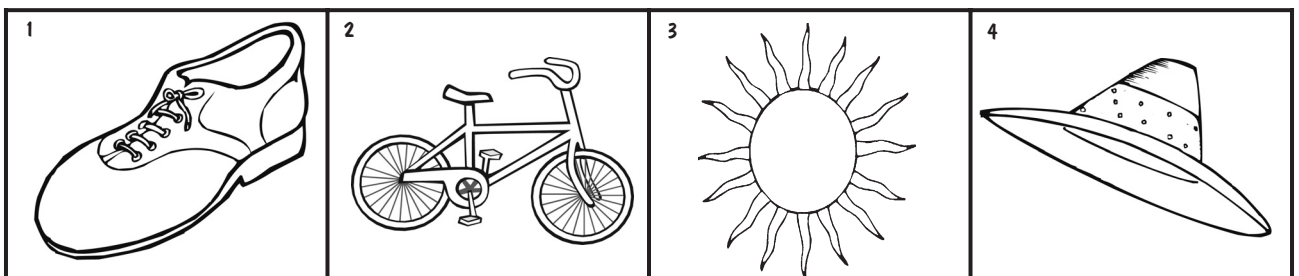
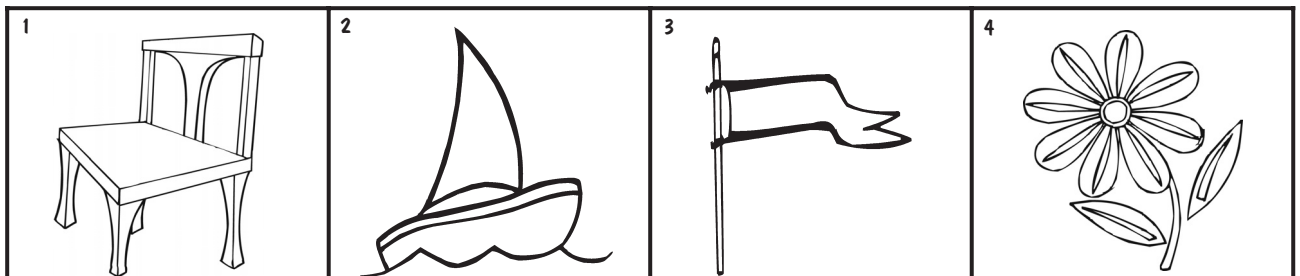
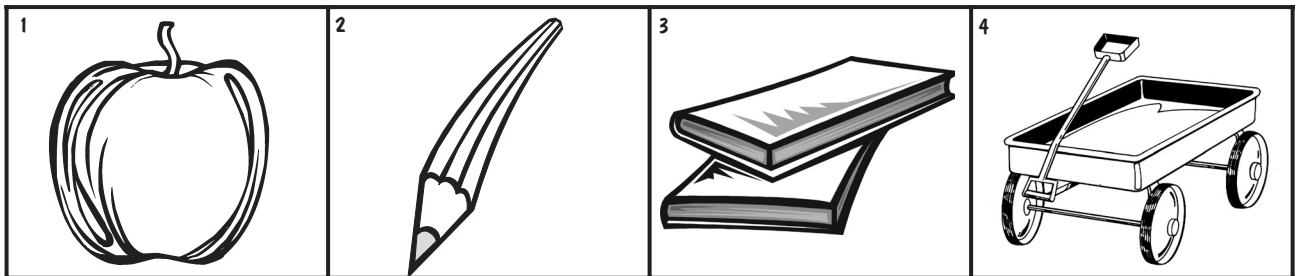
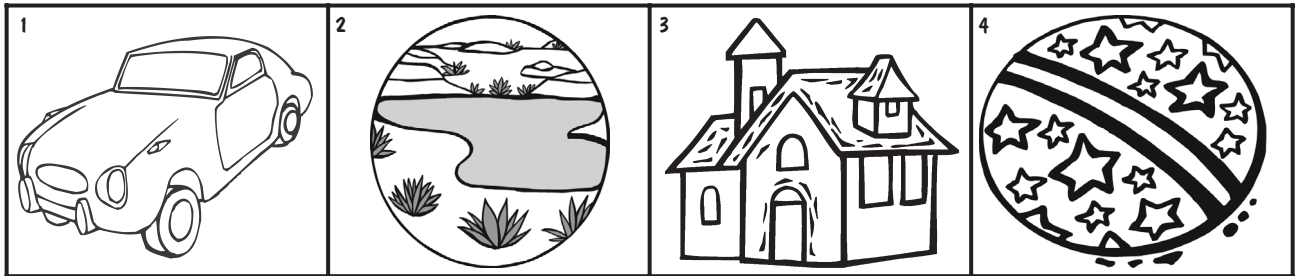
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(Your child's teacher)



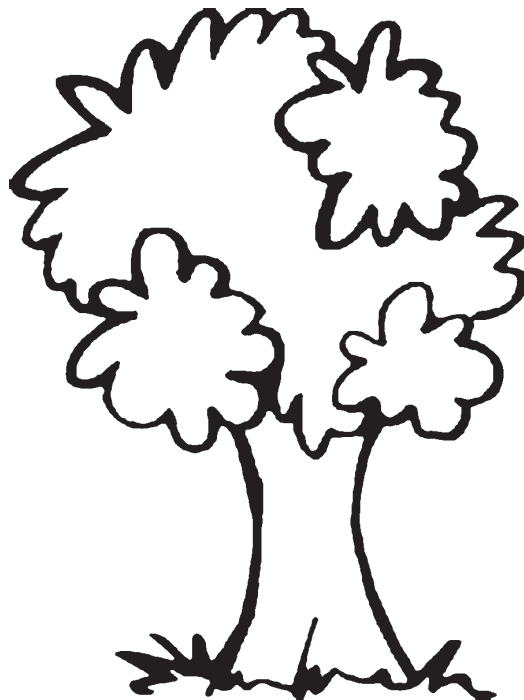
## Activity 3.3 - Assessment

A. Find a natural resource in each row below:



## Activity 3.4 - Assessment

- B. Look at the tree below. It is a natural resource. Around the tree, draw and label four different goods or services that can be produced from it.



# Lesson 4 – We Are Human Resources – We Have Human Capital

## LESSON DESCRIPTION

The students play a quiz game to learn about jobs/careers, the goods and services people produce when they work at their jobs, and special characteristics of different jobs. The students learn what human capital is and brainstorm the human capital needed for different jobs. Finally, the students and teacher develop a bulletin board that reflects the human capital of students in the class.

## CONCEPTS

Capital good  
Goods  
Human capital  
Human resource  
Services

## CONTENT STANDARDS

### Standard 1 – Unlimited wants & limited productive resources

- **Benchmark 3 for 4th grade:** Goods are objects that can satisfy people's wants.
- **Benchmark 4 for 4th grade:** Services are actions that can satisfy people's wants.
- **Benchmark 9 for 4th grade:** Productive resources are the natural resources, human resources and capital goods available to make goods and services.
- **Benchmark 11 for 4th grade:** Human resources are the quantity and quality of human effort directed toward producing goods and services.
- **Benchmark 12 for 4th grade:** Capital goods are goods that are produced and used to make other goods and services.
- **Benchmark 13 for 4th grade:** "Human capital" refers to quality of labor resources, which can be improved through investments in education, training and health.

### Standard 15 – Investment in capital and human capital

- **Benchmark 1 for 4th grade:** When workers learn and practice new skills, they are improving their human capital.

## OBJECTIVES

The students will:

1. Identify the goods or services that workers produce.
2. Explain that human resources and capital goods are productive resources.
3. Define and give examples of "human resources" (workers) and "capital goods."
4. Distinguish specific jobs by special characteristics and functions of the jobs.
5. Define "human capital" and identify the human capital that they and members of their families possess.

## TIME REQUIRED

Day 1 – 45 minutes

Day 2 – 45 minutes

## MATERIALS

- ✓ Chalk board, chart paper or blank transparencies
- ✓ At least one 4" x 6" unlined index card for each student
- ✓ Crayons or markers for each student
- ✓ One empty box, big enough to hold 4" by 6" index cards.
- ✓ Visual 4.1
- ✓ A capital good, such as a hammer, pair of scissors or hole punch for a demonstration

## Lesson 4 – We Are Human Resources – We Have Human Capital

- ✓ One copy of Activity 4.1 for each student
- ✓ One copy of Activity 4.2 for each student

### PROCEDURE

#### Day 1

1. Explain that **goods** are things people want that they can hold or touch, such as pencils and candy. **Services** are actions that can satisfy people's wants, such as haircuts and bus rides. Discuss the following:
  - A. Name some examples of goods.  
*Answers will vary but might include a computer, clothing and sport shoes.*
  - B. Name some examples of services.  
*Answers will vary but might include a cutting hair, teaching, making lunch and taking out the trash.*
2. Explain that people are human resources. **Human resources** (workers) are people who have jobs producing goods and services. Brainstorm with the students to think of people they know and the different kinds of jobs that those people do. Write the names of people the students know, and list the jobs the students mention, on the board, chart paper or a transparency. *Answers will vary but might include teacher, plumber, medical doctor, nurse, artist and baker.* (For non-readers, draw a picture of each worker next to the name of that person.)
3. Ask the students what goods or services workers in each of the jobs produce. Write or draw the students' responses beside each of the jobs.
4. Divide the class into groups of two students each. Give each pair of students a 4" x 6" unlined index card.
5. Assign each pair of students one of the jobs from the list on the board. (If "teacher" is on the list, do not assign that job.) Help the students write the name of the job and draw and color a picture of the human resource (worker) doing his or her job and the good or service the worker produces.
6. Explain that workers in each job have special characteristics. Remind the students that elementary school teachers are workers. Point out some characteristics elementary school teachers need, such as the ability to be patient with children; the ability to read, write and do math; the ability to use a computer; the ability to speak clearly in front of a group; and so on.
7. Explain that other workers may wear special uniforms and use special tools or equipment.
8. Tell the student pairs to think of special characteristics for the worker on their cards. For example: "wears a uniform," "works in a hospital," "uses a computer," "writes letters," "uses a cash register," "helps people," and "uses special tools." Instruct the students to list five characteristics on the backs of their cards. If the students cannot read, tell them to think of a different characteristic for each of the five fingers on their hands, and circulate among the groups to help them with their lists.
9. After each group has come up with a list of five characteristics, tell the groups to take turns reporting their findings to the class. Tell each group, one at a time, to show their human resource (worker) card as they report on the worker, the good or service produced, and the special characteristics they have listed.
10. When all the groups have reported, collect the cards and place the cards with the worker names and pictures in an empty box. Leave the list of the workers and the goods or services they produce on the board, visible to the students.
11. Tell the students that they will now play a game called "Mystery Workers." In this game, some students will be "workers," with a specific job. The students who win a

position as Mystery Worker by correctly guessing the job of another Mystery Worker, will choose a job card from the box of mystery workers and will answer questions from their classmates, as their classmates attempt to guess the worker's job.

12. Display Visual 4.1 and explain the rules of the game to the students as follows:

- The first student to be a Mystery Worker will select one job card from the box. The student will spend a moment reviewing the card but should not allow other students to see the card.

- Students will ask questions of the Mystery Workers, trying to find out the worker's job.

- To ask a question, students must raise their hands and wait to be called upon by the Mystery Worker. If students talk out of turn, they lose their turn to ask a question of that mystery worker.

- The Mystery Worker may not call on the same person two times in a row.

- Each question from a classmate will begin with the statement, "You are a human resource." After a student makes this statement, he or she may ask a question.

- If the students do not make the statement "You are a human resource," before asking their question, they lose that turn.

- Ask questions about the Mystery Worker's job characteristics. Ask only questions that the Mystery Worker can answer with a "yes" or "no." Here are some questions that the Mystery Worker can answer with a "yes" or "no."

- ◆ Do you wear a uniform?
- ◆ Do you use a computer?
- ◆ Do you take orders from customers?
- ◆ Do you use tools?
- ◆ Do you work outdoors?
- ◆ Do you produce a good?
- ◆ Do you produce a service?
- The student who guesses a Mystery

Worker's job becomes the next Mystery Worker.

13. Demonstrate how the students will ask questions by telling the students that there will be a practice round. Choose a job card and accept questions from the students, being certain that they precede each question with the statement, "You are a human resource."
14. After finishing the practice round, instruct the student who guessed correctly in the practice round to choose a job card. Make a rule limiting the number of questions that can be asked so that if the job has not been guessed, the student may divulge the answer and the teacher may choose a new worker. Begin the game, playing as many rounds as time permits.
15. When the rounds are completed, ask each worker to return to the front of the room to review what job they had and what good or service they produced. Invite the rest of the class to add to the discussion.

## Day 2

16. Tell the students that in most jobs, workers use some kind of equipment to produce their goods and services. Show the students a tool such as a scissors, hole punch or hammer, and ask the students to identify it. Explain that the tool is also called a "capital good" and that **capital goods** are resources that people make and use to produce other goods and services.
17. Using the worker cards from the previous day, ask the students what capital goods each of the workers might use to do his or her job. If necessary, give examples to prompt the students.
18. Tell the students that there are many capital goods in their classroom and that these are goods that teachers use to produce the service of education for students. Give the

## Lesson 4 – We Are Human Resources – We Have Human Capital

students one example of a capital good, such as the overhead projector.

*it for a long time (experience), someone in their family taught them.*

19. One student at a time, ask each student to find one additional example of a capital good in the classroom. *Answers might include school building, pencils, bulletin board, computer, desks, tables, chairs, file cabinet, phone or intercom, pencil sharpener, scissors, rulers, hole punchers, lights, bookshelves, overhead projector, screen, maps, staplers, yardsticks and books.* Ask the students why these items are capital goods. *Because they are goods used to produce other goods or services – e.g., education*
20. Demonstrate using a capital good by picking up the hammer, scissors or hole punch at the wrong end and trying to pound, cut or make holes while holding the item incorrectly. When the students laugh or state that the teacher is doing it wrong, ask them to explain. They will likely suggest the correct way to hold the tool or demonstrate how to use it correctly. Gingerly turn the good around and experiment with using it correctly. Ask the students how to improve the ability to use the hammer or other capital good. *Get instruction from someone and practice.*
21. Write the term “human capital” on the board or overhead. Explain that human resources have human capital. **Human capital** is all the special skills and abilities that people have that make us better human resources (workers). Ask the students what some of their special skills and abilities are – that is, what they are good at. *Answers will vary might but include playing soccer, playing the piano, telling time, feeding the family pet, playing with their baby siblings, skipping, dancing, tying shoes and jumping rope.* Ask the students to discuss how they became good at these things. *Answers might include they were just always good at this, they took lessons or went to school to learn, they have to practice a lot, they’ve been doing*

22. Review the idea that all these skills and abilities make up the students’ human capital, and explain that everyone has different kinds and amounts of human capital.
23. Organize the students in groups of four or five and ask each group to select a leader. Have each group brainstorm a list of special skills and abilities that adults in their lives have, how they use this human capital and, if possible, how they acquired it. After 5 to 10 minutes, ask one group leader to tell the class about two examples from his or her group. After each group has reported, discuss the human capital and how it is used – for example, on the person’s job, around the house, to help family and friends, or just for fun.

### CLOSURE

24. Review the important concepts in the lesson by asking the following questions:
  - A. What are goods? *Things people want that they can hold or touch*
  - B. Provide examples of goods. *Pencils, candy, clothes, shoes, paper, books, toys and so on*
  - C. What are services? *Actions that can satisfy people’s wants*
  - D. Provide examples of services. *Haircuts, bus rides, taxi rides, car repair, car wash, dog walking, lawn mowing and so on*
  - E. What are human resources? *Workers – people who have jobs producing goods and services*
  - F. What do human resources (workers) produce? *Goods and services*
  - G. Name examples of human resources. *Doctor, teacher, truck driver, bus driver, police officer, firefighter, mail carrier, nurse, lawyer, custodian, sales clerk and so on*
  - H. What are capital goods? *Resources made by people and used to produce other goods and services*

I. What capital goods would a firefighter use? *Fire truck, hose, axe, hat and boots, fire station*

J. What is human capital? *Human capital is all the special skills and abilities that people have that make us better human resources (workers).*

## ASSESSMENT

Ask the students to think about their own human capital. Ask for student volunteers to state their special skills and abilities, as the teacher lists them under the heading “human capital” on the board or on a transparency.

Give each student a copy of Activity 4.1 and ask the students to color the figures as themselves and, around the outside of the Activity, to list their own human capital. (Optional: The students may paste their school photo on the head of the figure.) Post the drawings on a “human resource/human capital” bulletin board.

Distribute a copy of Activity 4.2 to each student. Review the directions with the students.

## Visual 4.1 – Rules for the Mystery Worker Game

The first student to be a Mystery Worker will select one job card from the box. The student will spend a moment reviewing the card but should not allow other students to see the card.

Students will ask questions of the Mystery Workers, trying to find out the worker's job.

After a student makes this statement, he or she may ask a question.

The Mystery Worker may not call on the same person two times in a row.

Each question from a classmate will begin with the statement, "You are a human resource." After making this statement, a question may be asked.

If the students do not make the statement, "You are a human resource" before asking their question, they lose that turn.

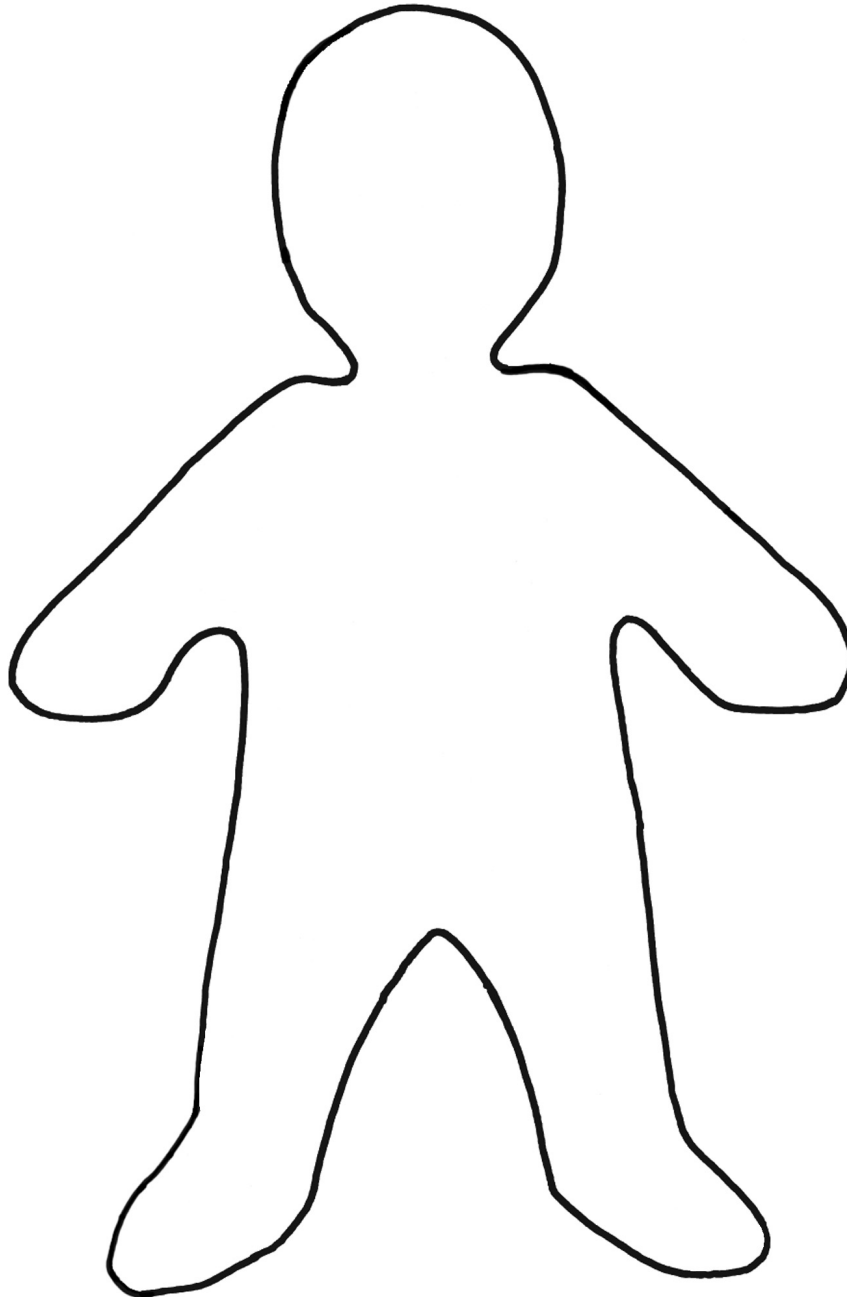
- Ask questions about the Mystery Worker's job characteristics. Ask only questions that the Mystery Worker can answer with a "yes" or "no." Here are some questions that the Mystery Worker can answer with a "yes" or "no."

- ◆ Do you wear a uniform?
- ◆ Do you use a computer?
- ◆ Do you take orders from customers?
- ◆ Do you use tools?
- ◆ Do you work outdoors?
- ◆ Do you produce a good?
- ◆ Do you produce a service?

The student who guesses a Mystery Worker's job becomes the next Mystery Worker.

## Activity 4.1 – Human Resource and Human Capital


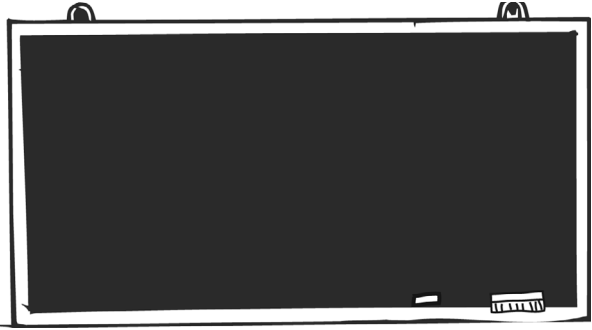

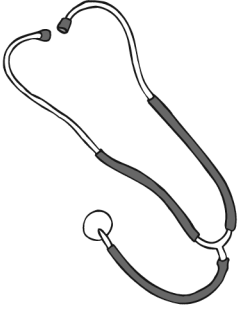
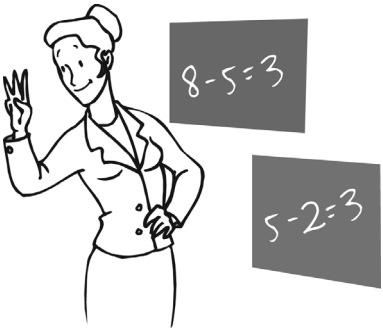
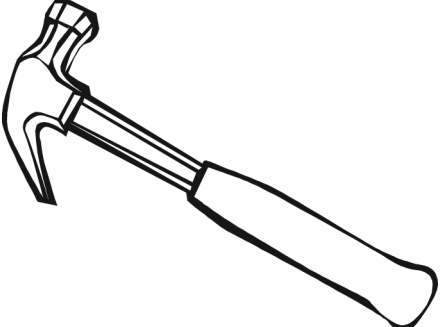

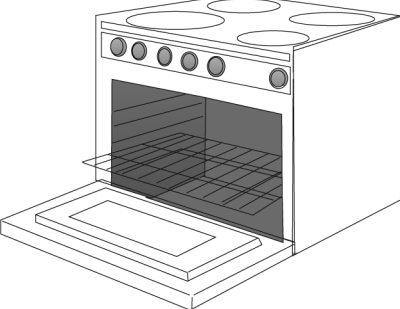
**I am a human resource.**



**I have human capital.**

## Activity 4.2 – Assessment

Draw a line from the human resource (worker) to a capital good (tool) that the worker would use to produce a good or service. If the worker produces a good, draw a line under that worker. If the worker produces a service, draw a circle around that worker.

# Lesson 5 – Running for Capital Goods

## LESSON DESCRIPTION

In this lesson, the students discover how capital goods (sometimes called “capital resources”) are used to make a person’s job easier. The students participate in a puzzle relay race that will help them identify capital goods used by a variety of human resources. Each student will create his or her own capital goods puzzle to be used by the class. In addition, the students select a human resource and identify capital goods the human resource uses in his or her job.

## CONCEPTS

Capital goods (resources)  
Human resources

## CONTENT STANDARD

### Standard 1 – Scarcity

- **Benchmark 11 for 4th grade:** Human resources are the quantity and quality of human effort directed toward producing goods and services.
- **Benchmark 12 for 4th grade:** Capital goods (resources) are goods produced and used to make other goods and services.

## OBJECTIVES

The students will:

1. Define “capital goods.”
2. Identify a human resource and two capital goods that human resource will use in her or his job.
3. Give examples of capital goods and state how they are used to produce goods and services.

## TIME REQUIRED

75-90 minutes

## MATERIALS

- ✓ Prior to the lesson, prepare a chain made of construction paper:
  - Cut construction paper (any color) into nine strips, 1 inch wide and 11 inches long. Begin chain by stapling one strip end-to-end, forming a circle. Continue chain by linking next strip through first circle and each circle thereafter until all strips are used.



- ✓ Four sheets of construction paper (any color)
- ✓ Rulers
- ✓ Staplers
- ✓ Pencils
- ✓ Visual 5.1
- ✓ Visual 5.2, cut into puzzle pieces
- ✓ Two copies of Activity 5.1, printed on card stock and cut apart. Place one complete copy of Activity 5.1 (four puzzles) in one large zip-loc bag and place the other four puzzles in another zip-loc bag.
- ✓ One copy of Activity 5.2, printed on card stock, for each student
- ✓ One pair of scissors for each student
- ✓ One large zip-loc bag for each student
- ✓ One copy of “Assessment A” from Activity 5.3 for each student
- ✓ One copy of “Assessment B” from Activity 5.3 for each student

## PROCEDURE

1. Display the teacher-made chain of construction paper. Explain that the students are going to produce paper chains

## Lesson 5 – Running for Capital Goods

- like this one. Allow time for the students to view the chain.
2. Divide the class into two groups, “Group A” and “Group B.” Explain that each group will make a chain that is 15 links long. Do not instruct the students on how to make the chain.
  3. Distribute two sheets of construction paper, rulers, scissors, staplers and pencils to Group A.
  4. Distribute two sheets of construction paper to Group B.
  5. Tell the students that each group will have 10 minutes to create its chain. Tell the groups that they may use only the materials given to them by the teacher.
  6. Stop production of the chains after 7-10 minutes. Have each group display the chain it produced. Ask one member of each group to explain how his or her group constructed its chain.
  7. Discuss the following questions:
    - A. What problems did the groups have in producing their chains? *Group B should have had difficulty because it did not have rulers, staplers and scissors.*
    - B. How are the chains different? *Group B's chain should have rougher edges, less-uniform strips and so on.*
    - C. What made Group A's job easier? *They had rulers, staplers and scissors.*
  8. Explain that the scissors, staplers and rulers are goods that are produced and used to make other goods and services. These are called **capital goods (resources)**.
  9. Ask the students to name some capital goods (resources) used by a doctor. *Answers will vary but might include stethoscope, x-ray machine, lights, tables, thermometers and so on.*
  10. Ask the students to explain how these capital goods (resources) are used by a doctor. *Answers will vary but might include the following: A doctor uses a stethoscope to listen to the patient's heart; the lights help the doctor to see; the thermometer is used to check for fever.*
  11. Ask the students to name some jobs and capital goods (resources) used by people in those jobs to make their jobs easier. Write the students' responses on the board as the students provide them. *Answers will vary but might include carpenter/hammers, firefighters/ladders, teachers/computers, store clerk/cash register, mail carrier/mail truck, police officer/police car, dentist/dentist chair, mechanic/wrench, doctor/stethoscope, bus drivers/buses, construction workers/dump trucks and so on.*
  12. Have the students explain how these capital goods (resources) listed are used in people's jobs. *A carpenter uses a hammer to build a house. A firefighter uses a ladder to rescue people from high windows. A teacher uses a computer to print worksheets. A doctor uses a stethoscope to listen to someone's heart. A bus driver uses a bus to bring students to school.*
  13. Display Visual 5.1. Identify the human resource – the office worker, and identify the capital goods (resources) – the telephone and computer. Ask the students to explain how the office worker uses the telephone and computer. *The telephone allows the office worker to make and receive calls. The office worker can use the computer to make documents or e-mail customers.*
  14. Display Visual 5.2. Put the puzzle pieces together. Have the students identify the human resource (*teacher*) and the capital goods (*books and white board*). Ask the students to explain how a teacher can use these capital goods. *A teacher writes on the*

*board. Books are read to the students or used to teach lessons.*

15. Tell the students that they will now participate in a capital good (resource) puzzle relay. Check for understanding by asking the students what capital goods (resources) are. *Capital goods (resources) are goods produced and used to make other goods and services.*
16. Divide the students into two teams. Give each team a zip-loc bag containing the capital goods puzzle pieces. The teams will work four puzzles. Remind the students that each puzzle will include one human resource and two capital goods (resources) that the human resource might use on his or her job.
17. Select three student volunteers to demonstrate how the relay works, as the teacher explains the rules of the relay, as follows:
  - Each team lines up at one end of the playing area.
  - There are two sets of pieces for each of the teams – one set for human resources, and one set for capital goods. Spread the pieces out so that each team can see all of their human resource pieces and capital goods pieces.
  - One student from each team begins the relay by running to his or her team's puzzle sets, selecting a puzzle piece from the team's human resource set, and placing the puzzle piece out in the playing area.
  - The student who has selected the human resource puzzle piece then runs back and tags the next student in line for his or her team.
  - The second student in line for each team runs to the team's puzzle pieces. From the set of capital goods puzzle pieces, that student finds one of the capital goods used by the human resource the first student selected, and places that capital good piece with the human resource piece.
  - That student runs back to the team and tags the next player on his or her team. That

third player runs to the puzzle pieces to find the second capital good and complete the puzzle.

- The fourth player for each team chooses a second human resource. Play continues until all the team's puzzles are completed.
  - The first team to complete all their puzzles is the winner.
18. After the teams finish the relay, discuss each puzzle by identifying the human resource and how the capital goods are used in their jobs. *Answers might include the following: A pilot uses an airplane to fly people places and uses an airport to park the plane; a carpenter uses a hammer to put boards together and uses saws to cut boards to make them fit; a chef uses an oven to bake goods and uses pots and pans to mix things; a hairstylist uses scissors to cut people's hair and uses a chair for people to sit.*

## CLOSURE

19. Ask the following questions:
  - A. What are capital goods (resources)? *Goods made by people and used to make other goods and services*
  - B. What are some capital goods (resources)? *Factories, work trucks, trains, airplanes, desks and so on*
  - C. What are some capital goods that a firefighter might use? *Fire truck, ladder, hose and fire hydrant, oxygen mask*
  - D. How do these capital goods help the firefighter to do his or her job? *An oxygen mask helps a firefighter breath while in the smoke. The firefighters use a ladder to reach high places. The hose and hydrant supply the water to help put out the fire.*
  - E. What are some capital goods that a mail carrier might use? *Truck, mail box, bag*
  - F. How do these capital goods make the mail carrier's job easier? *She drives a truck to get to the houses. The mail carrier puts the mail in the mailboxes. She carries the mail in the bag.*

## Lesson 5 – Running for Capital Goods

20. Distribute a copy of Activity 5.2 to each student. Tell the students that they will create a capital goods puzzle of their own that will be used by the classroom. They should think of jobs and capital goods that are different from the puzzles used in the relay. Show the students how they will place the name of a human resource on the bottom piece of the puzzle, and write the name of one capital good on each of the remaining two pieces. Ask the students to illustrate their puzzle pieces by drawing a picture of the human resource or capital good on the piece.
21. Have the students cut out their puzzles and place them in their zip-loc bags.
22. When all the students have finished, have them share their puzzles with their classmates. Place the completed puzzles in a learning center. Since these puzzles will not be self-correcting, they could be used to further check the students' mastery of the concept of capital goods (resources). The puzzles might include a farmer with tractor and plow, a nurse with stethoscope and bed, or an astronaut with space shuttle and oxygen tank.

### ASSESSMENT

Administer one or both of Assessments "A" and "B" as follows:

#### Assessment A

Distribute a copy of Activity 5.3, Assessment "A," to each student. Tell the students they will each name a human resource. They will draw and label a representation of three capital goods (resources) that the human resource might use on his or her job. They will describe how each of the capital goods is used by the human resource.

*Answers will vary but might include responses such as the following examples: A paramedic (human resource) uses an ambulance, stretcher and blood-pressure cuff (capital goods) in his or her job. The paramedic travels in the*

*ambulance; she or he places the patient on the stretcher and uses the blood pressure cuff on the patient. A veterinarian (human resource) uses beds, bowls and an office (capital goods) in his or her job. People bring their animals to the office, the animals sleep in the beds and food is placed in bowls for the animals to eat.*

#### Assessment B

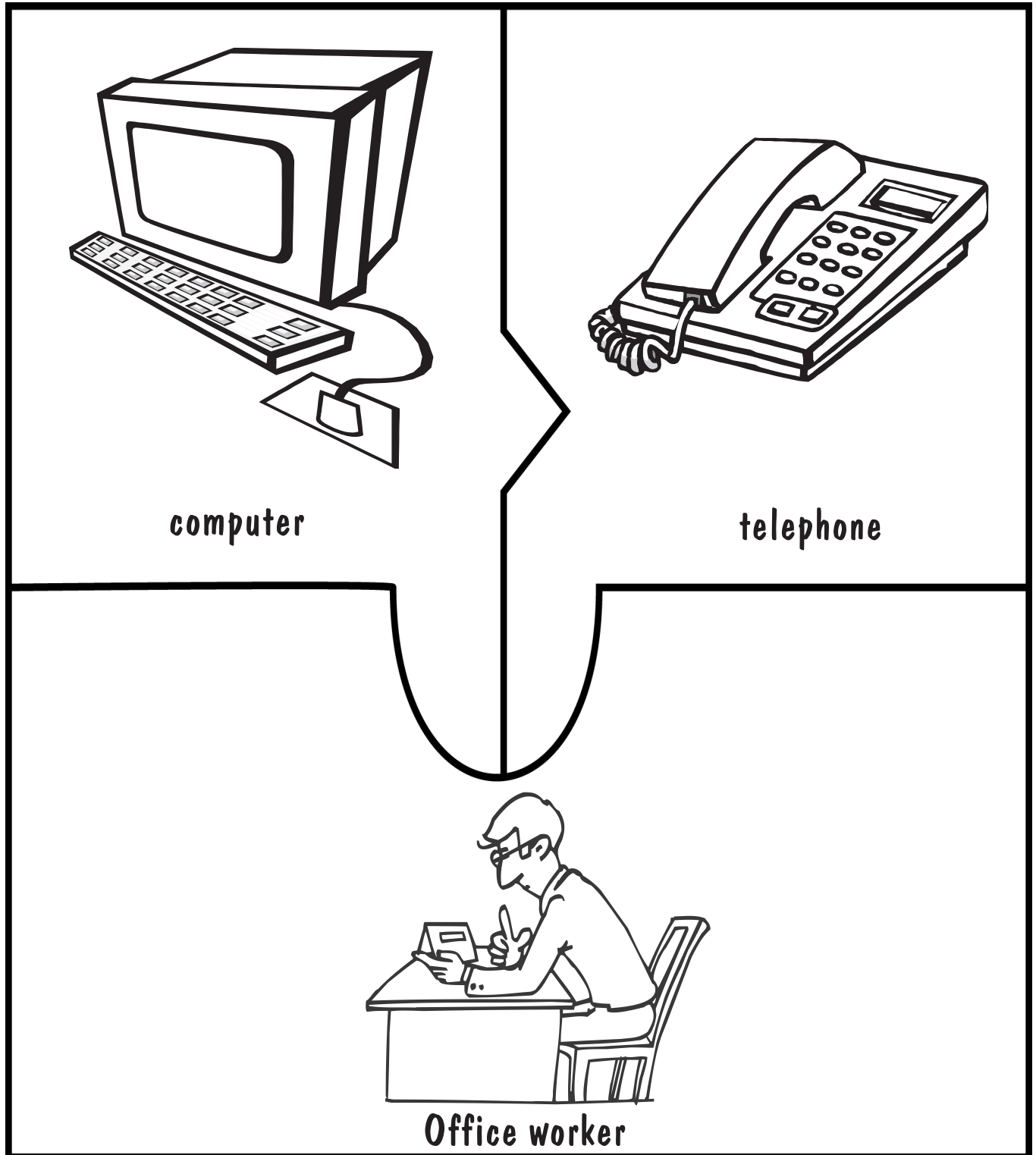
Distribute a copy of Activity 5.3, Assessment "B," to each student. Instruct the students to use the list of capital goods in the box at the top of the page to complete each statement. The students should write two statements naming a human resource and at least two capital goods that the human resource uses in his or her job.

#### Answers to multiple-choice statements:

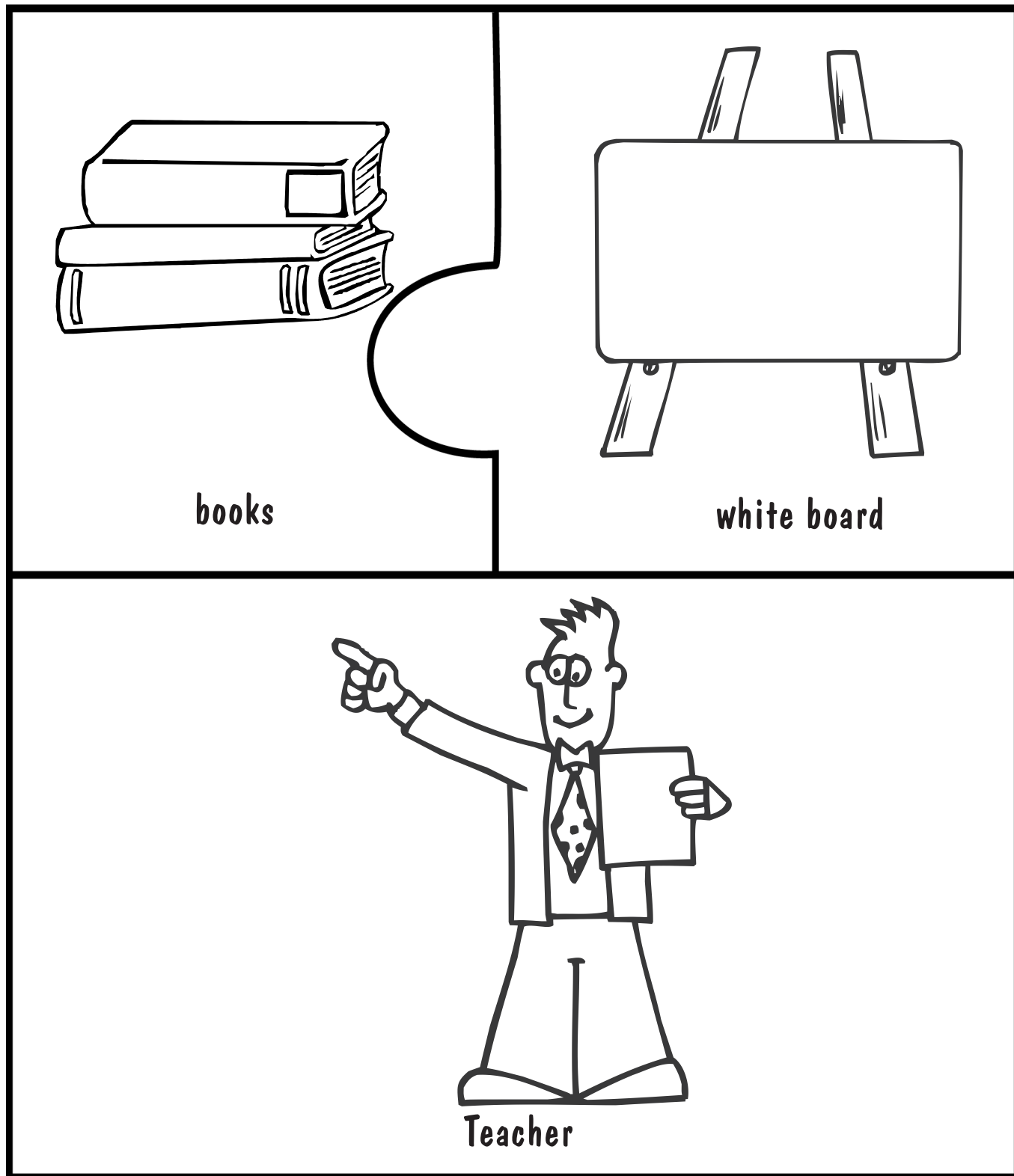
1. *Paint brush*
2. *Tractor*
3. *Stadium*
4. *Ladder*
5. *Cash register*
6. *Lawn mower*
7. *Television*

*The statements will vary. Check for identifying a human resource and at least two capital goods that human resource uses in his or her job.*

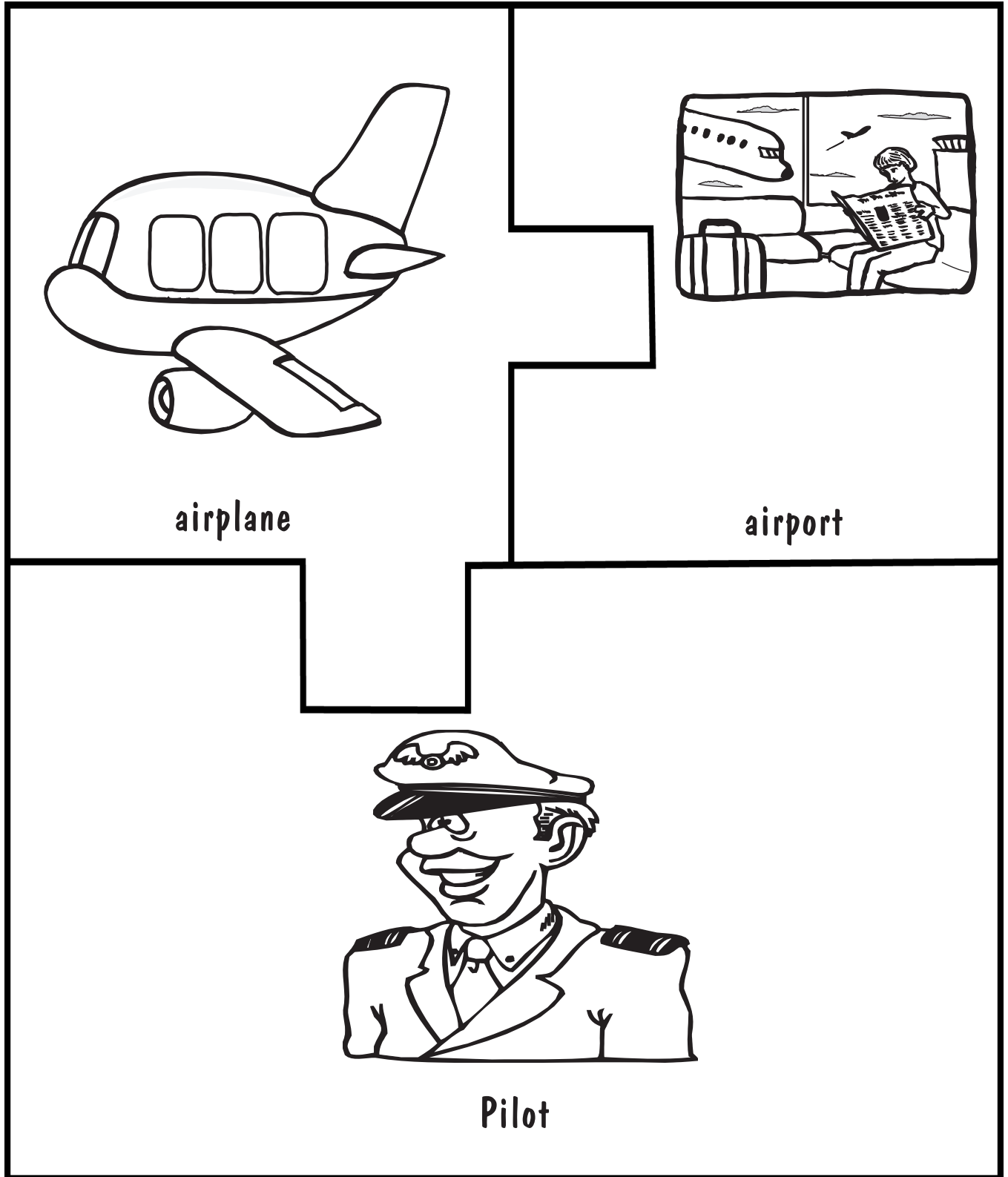
## Visual 5.1 - Capital Goods Relay Puzzle – Office Worker



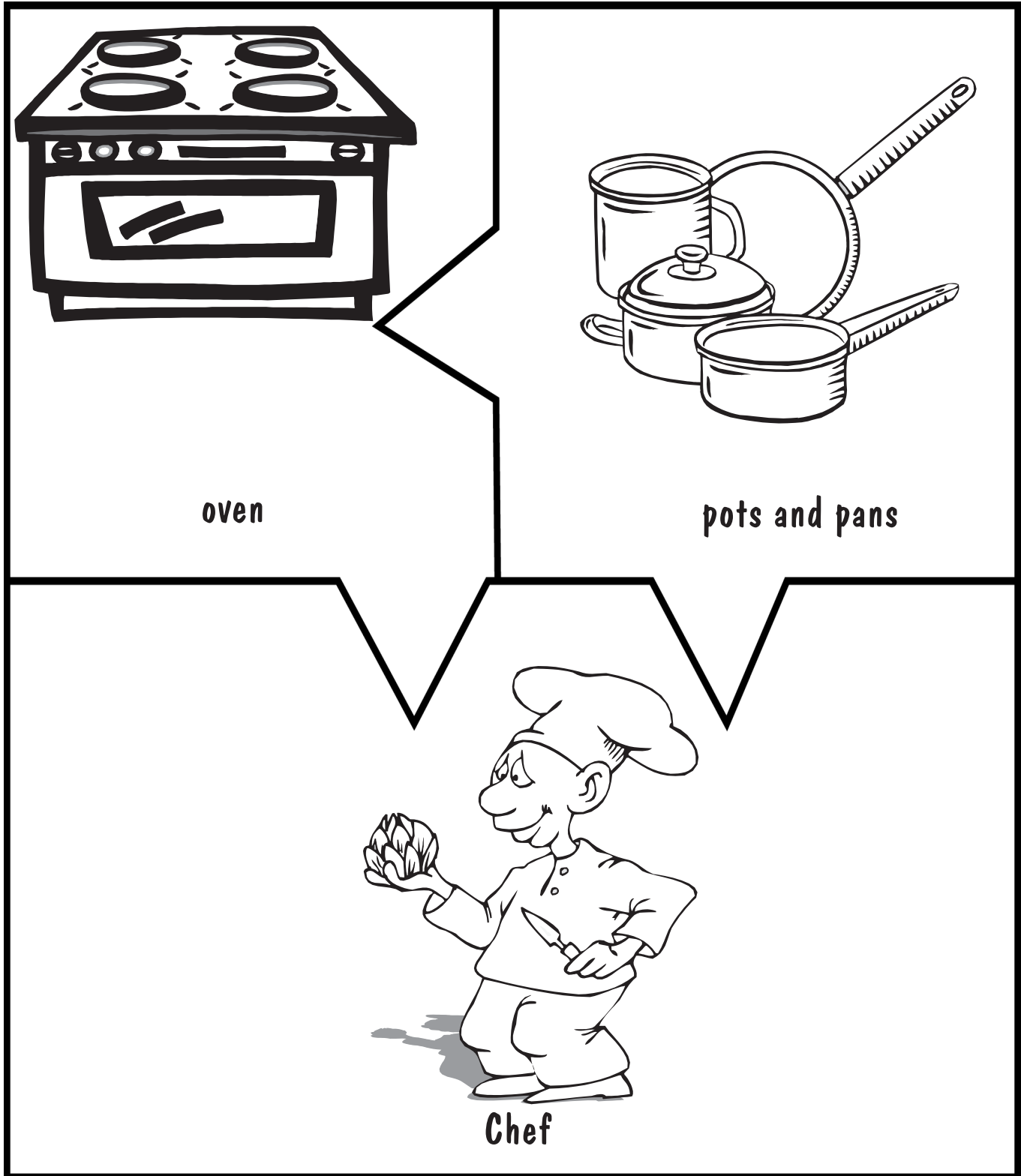
## Visual 5.2 - Capital Goods Relay Puzzle – Teacher



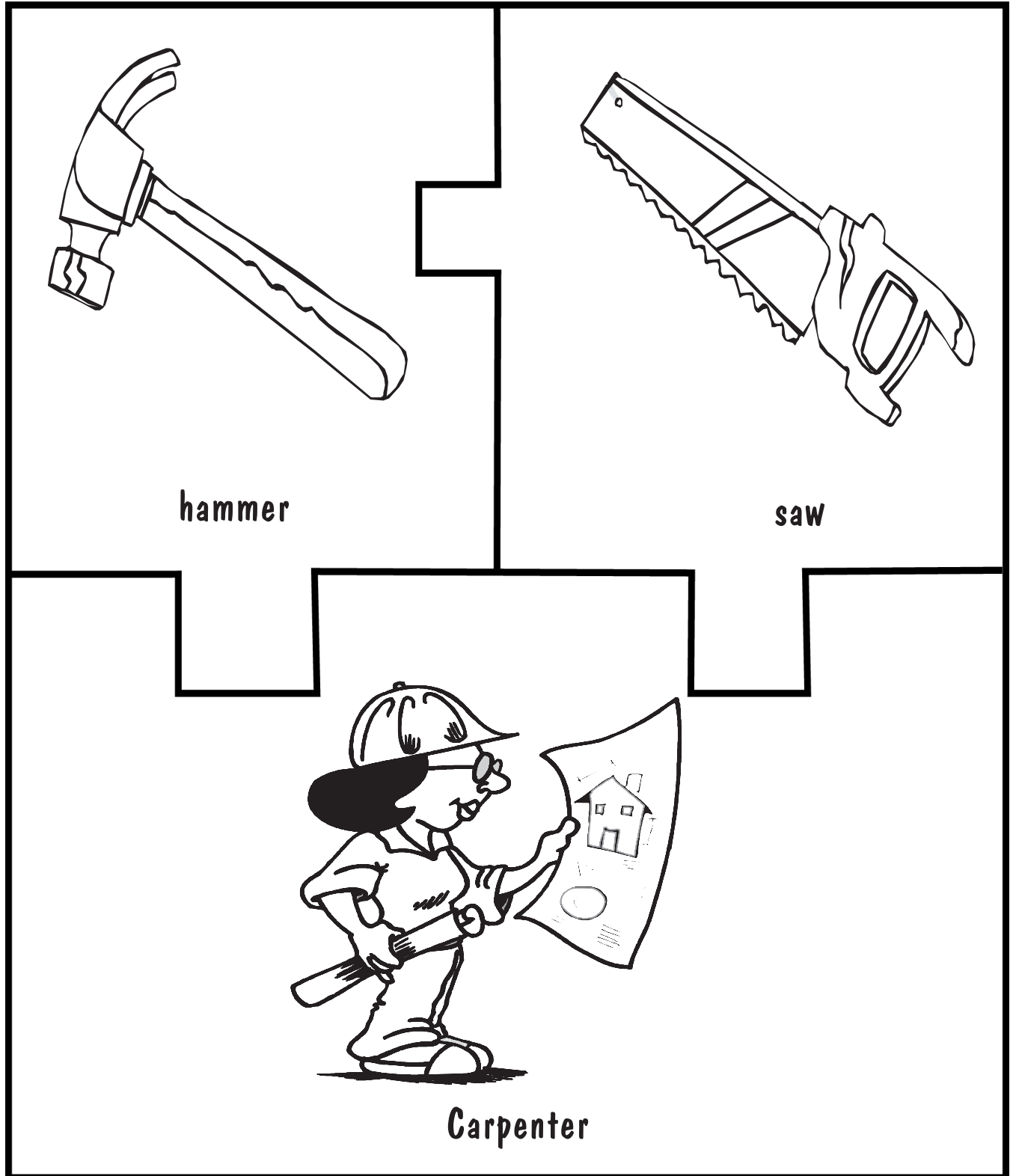
## Activity 5.1 - Capital Goods Relay Puzzle – Pilot



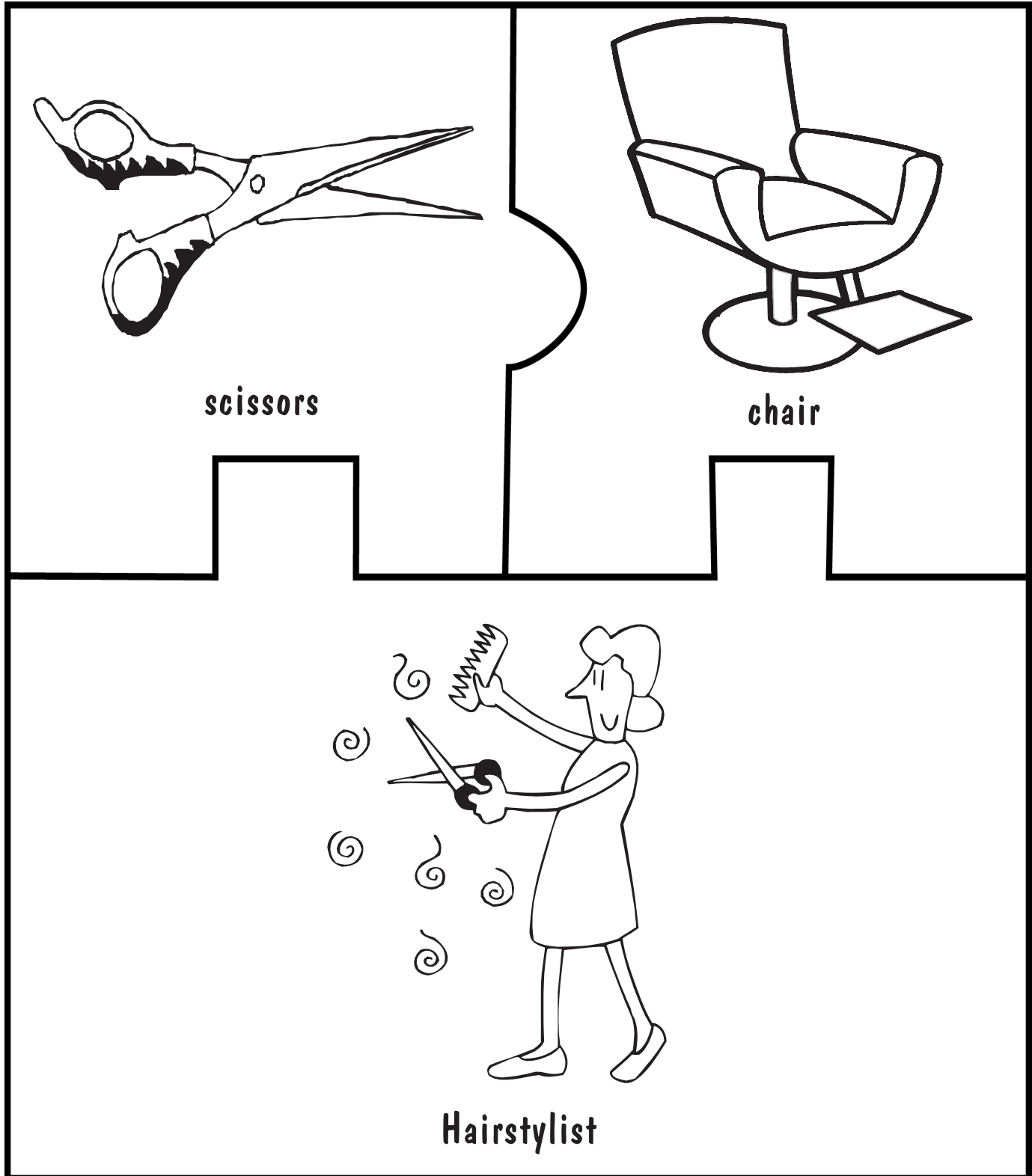
## Activity 5.1 - (continued) Capital Goods Relay Puzzle – Chef



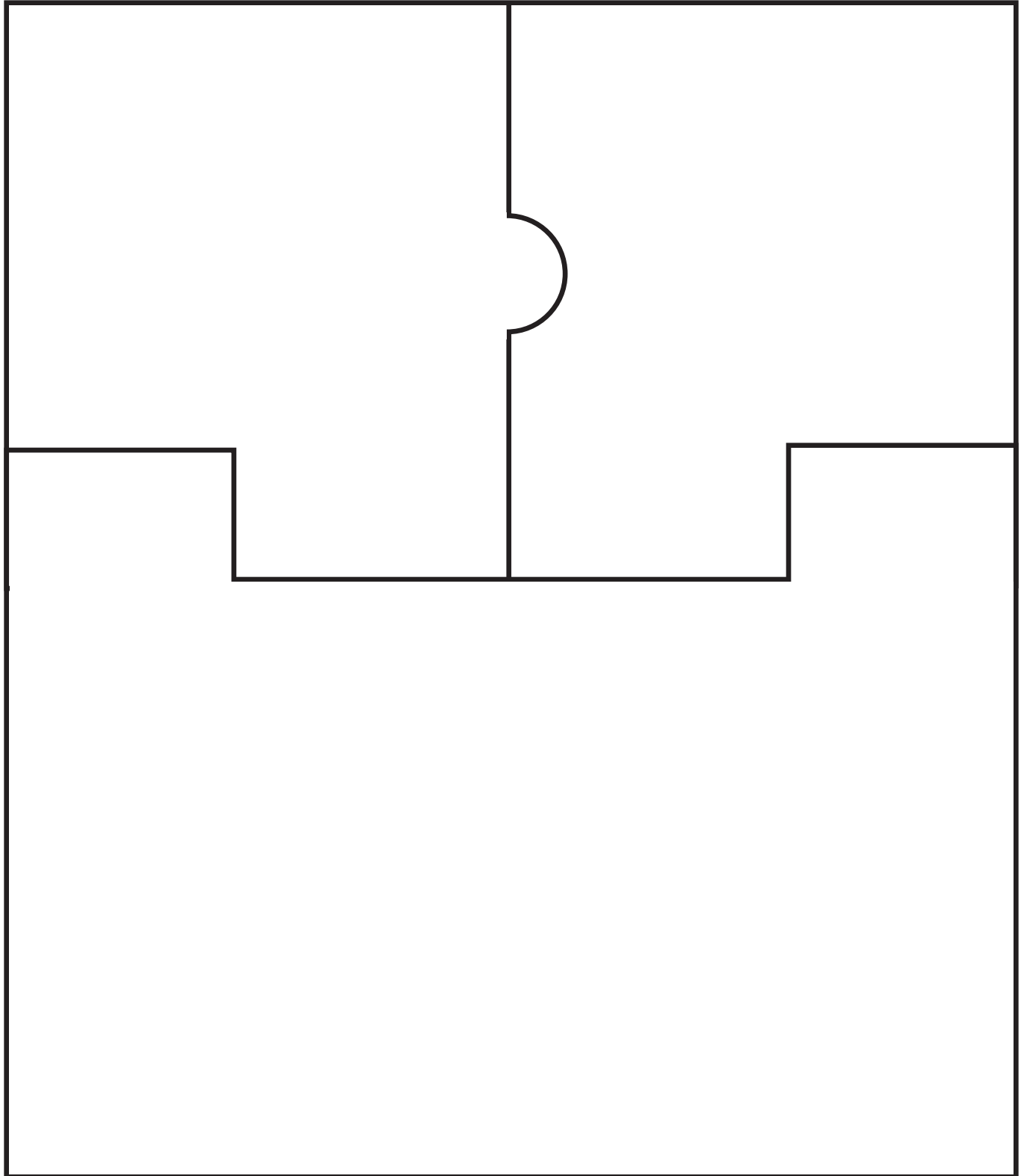
## Activity 5.1 - (continued) Capital Goods Relay Puzzle – Carpenter



## Activity 5.1 - (continued) Capital Goods Relay Puzzle – Hairstylist



## Activity 5.2 - Closure Capital Goods (Resources) Puzzle



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## Activity 5.3 - (continued) Assessment B - Capital Goods

Capital goods are goods produced and used to make other goods and services.

Use the following capital goods to complete each statement.

ladder	tractor	lawn mower
stadium	cash register	television
		paint brush

1. An artist will use a \_\_\_\_\_ when producing a painting.
2. A \_\_\_\_\_ will help a farmer get his crops ready for planting.
3. The football player plays football in a \_\_\_\_\_.
4. When reaching high places a carpenter will stand on a \_\_\_\_\_.
5. The cashier uses a \_\_\_\_\_ to find out how much a consumer needs to pay for her groceries.
6. The gardener uses a \_\_\_\_\_ to cut the grass.
7. The weatherman tells the forecast on the \_\_\_\_\_.

Write two statements identifying a human resource and at least two capital goods that a human resource uses in her or his job.

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# Lesson 6 – Should We Produce Bread or Muffins?

## LESSON DESCRIPTION

In this lesson, the students use resource cards to identify resources and their uses, then determine that resources are scarce.

## CONCEPTS

Producer  
Productive resources  
Natural resources  
Human resources  
Capital goods  
Scarcity

## CONTENT STANDARD

### Standard 1 – Scarcity

- **Benchmark 1 for 4th grade:** People make choices because they cannot have everything they want.
- **Benchmark 9 for 4th grade:** Productive resources are the natural resources, human resources and capital goods available to make goods and services.
- **Benchmark 10 for 4th grade:** Natural resources, such as land, are “gifts of nature”; they are present without human intervention.
- **Benchmark 11 for 4th grade:** Human resources are the quantity and quality of human effort directed toward producing goods and services.
- **Benchmark 12 for 4th grade:** Capital goods are goods produced and used to make other goods and services.
- **Benchmark 15 for 4th grade:** People who make goods and provide services are called producers.

## OBJECTIVES

The students will:

1. Define “producer” and identify products that can be produced with a set of resources.
2. Identify capital goods.
3. Identify human resources.
4. State that resources are limited.
5. State that people must make choices about what to produce.

## TIME REQUIRED

45-60 minutes

## MATERIALS

- ✓ One copy of Activity 6.1, cut apart
- ✓ One copy of Activity 6.2
- ✓ Poster paper and drawing supplies for four groups of students
- ✓ One copy of Activity 6.3 for each student

## PROCEDURE

1. Tell the students they are going to learn about producers and the resources they use. Draw three columns on the board, and label the columns as “natural resources,” “human resources” and “capital goods.” Read each label to the students.
2. Explain that productive resources are used to make goods and services. There are different types of productive resources. **Natural resources** are gifts from nature that people use to provide goods and services. For example, people use the land to grow vegetables, they use the sun to provide heat, and they use oil to make gasoline.
3. Explain that natural resources have so many uses that people have to decide what

## Lesson 6 – Should We Produce Bread or Muffins?

- products to produce using them. For example, land can be used for many purposes. People can use land to build a school, to grow wheat, to plant trees, or to have a park. Ask the students what other products can be made using land. *Possible answers: homes, stores, roads, and so on* Write the students' suggestions in the "natural resources" column on the board.
4. Explain that people do not have enough natural resources to produce everything they want. For example, some people may want to use a piece of land to build a park, while other people may want to use that same piece of land to build a school.
  5. Introduce **human resources** as people doing work to produce goods and services. Explain that teachers are human resources; they provide education, which is a service. Ask the students to name other human resources. *Possible answers: carpenter, baker, doctor, nurse, bus driver, cook, and so on* Write the students' answers in the "human resources" column on the board.
  6. Explain that there are not enough human resources to produce everything people want. For example, teachers are so busy teaching that they can't drive the school bus. During the day a carpenter is so busy building houses that she cannot also bake pies.
  7. Introduce **capital goods** as goods that people make that are used to produce other goods and services. For example, people make chalkboards (whiteboards), and then teachers use the boards to produce education. People make baking pans so that bakers can use them to produce cakes.
  8. Explain that capital goods include tools, buildings and machines. All of these things are made so that other things can be produced. Ask the students for other examples of capital goods. *Possible answers: hammer, saw, mixer, marker, student desks, and so on* Add the students' responses to the "capital resources" column on the board.
  9. Show the class the resource cards from Activity 6.1 and explain that the class will now use them for an activity. Turn the resource cards upside-down on a table (so that the pictures are face-down) and spread them around. Invite each student to choose a card from the pile and show the picture on the card to the rest of the class. After all the students have shown their pictures to the class, ask each student the following questions. As the students name their resource and its type, add the resource to the list in the appropriate column on the board. There are no natural resources among the cards.
    - What is pictured on your card?
    - What type of resource is it?
    - What could you produce using this resource?
  10. Explain that people who make goods and provide services are called **producers**. For example, a carpenter makes cabinets, which are goods. Teachers provide education, which is a service. Ask for examples of other producers. *Gardener, seamstress, firefighter, waiter, and so on*
  11. Ask the students to name goods and services produced by each of the producers they listed. *Gardener – grass cutting, pruning; seamstress – coats, pants; firefighter – putting out fires, rescuing people trapped in cars; waiter – serving dinner or lunch*
  12. Place the students in groups. Turn all cards right-side up on a table. Invite the groups to the table. Explain that the resources on some of these cards can be used together. Instruct each group to choose five cards that illustrate resources that are often used together to produce something. *Groups should gather the following sets of cards:*

*hammer, saw, drill, measuring tape, tool belt, carpenter; cupcake pan, rolling pin, mixing bowl, mixer, spoon, baker; stethoscope, thermometer, scale, syringe, medical bag, doctor or nurse; chalk, eraser, chalkboard, desk, globe, teacher.*

13. Help each group brainstorm all of the things that can be produced using its set of cards. See Activity 6.2 for possible responses.
14. Place all the cards on the table again, face-up. Assign each student in the carpentry group one of the products the students brainstormed. (Example: one student is a homebuilder, one student makes cabinets, one student builds storage sheds, one student builds office buildings, one student builds garages, and one student builds stores.)
15. Instruct the homebuilder (or different producer, as brainstormed by the students) to pick up all of the resource cards he or she will use to build homes. *Hammer, saw, drill, measuring tape, tool belt, carpenter* Then ask the cabinet maker (or another producer) to pick up all of the resource cards she or he will use to make cabinets. *There should be no more resources available for this use, after the homebuilder has picked up the resource cards.*
16. Explain that resources are limited, so people cannot produce everything they want to produce. This is called **scarcity**.
17. To reiterate the point about scarcity, assign a different product from the students' brainstormed list to each member of the baker group. Ask the bread maker (or other baker, as brainstormed by the students) to choose all of the resources she or he will use to make bread. Ask the muffin maker (or another producer, as appropriate) to choose resources. Ask the students why the

class cannot have both bread and muffins. *There are not enough resources for both uses.*

(NOTE: The students may suggest that the producers share the resources. Explain that this doesn't solve the problem because a mixing bowl that is being used to mix bread dough cannot be used to prepare muffin batter at the same time.)

18. Explain that the class cannot have bread and muffins. People cannot have everything they want because resources are scarce. So, people have to make choices.

## CLOSURE

19. Instruct each group to draw a poster showing their human resource at work, using the capital goods shown on the group's cards. Instruct each group to draw three columns on the back of its poster. In the first column, the groups should write a list or draw pictures of all goods and services that could be produced using the resources on the poster. In the second column, the groups should identify the human resource. In the third column, the groups should list or draw pictures of all of the capital goods.
20. When the groups have completed their drawings and lists, ask the groups to come forward with their posters, one group at a time. When a group comes forward to present its poster, have the members of the group ask the following questions of the class:
  - What goods and services could be produced using these resources?
  - What human resource uses the resources in the picture?
  - What capital goods are shown in the picture?
21. When each group has displayed its poster, ask the students to take their seats. Ask the following questions:
  - A. What do we call things that are given

## Lesson 6 – Should We Produce Bread or Muffins?

to us by nature and used to produce goods and services? *Natural resources*

B. What are some examples of natural resources? *Sun, trees, land, oil, coal*

C. What are some goods and services that can be produced using land? *Parks, roads, buildings*

D. What do we call people doing work to produce goods and services? *Human resources*

E. What are some examples of human resources? *Carpenter, doctor, teacher, baker, bus driver*

F. What are some goods that can be produced by a baker? *Bread, muffins, pies*

G. What do we call goods that people make that are used to produce other goods and services? *Capital goods*

H. What are some examples of capital goods? *Saw, drill, pans, mixing bowls, stethoscope*

I. What are some goods that can be produced using a saw? *House, doghouse, cabinet, playground equipment*

J. Why can't the baker make muffins and bread at the same time? *There are not enough resources for both uses.*

K. What word describes not having enough resources to produce bread and muffins? *scarcity*

*Needle, scissors, sewing machine, measuring tape*

4. Explain why these resources cannot be used to produce a shirt and a skirt at the same time.

*There are not enough resources to produce both goods. Resources are scarce.*

### ASSESSMENT

Distribute Activity 6.3 and allow time for the students to complete the assessment. When the students have completed the assessment, review the correct answers with the students.

#### *Answers to the Assessment:*

1. Name or draw pictures of three goods that can be produced using these resources.

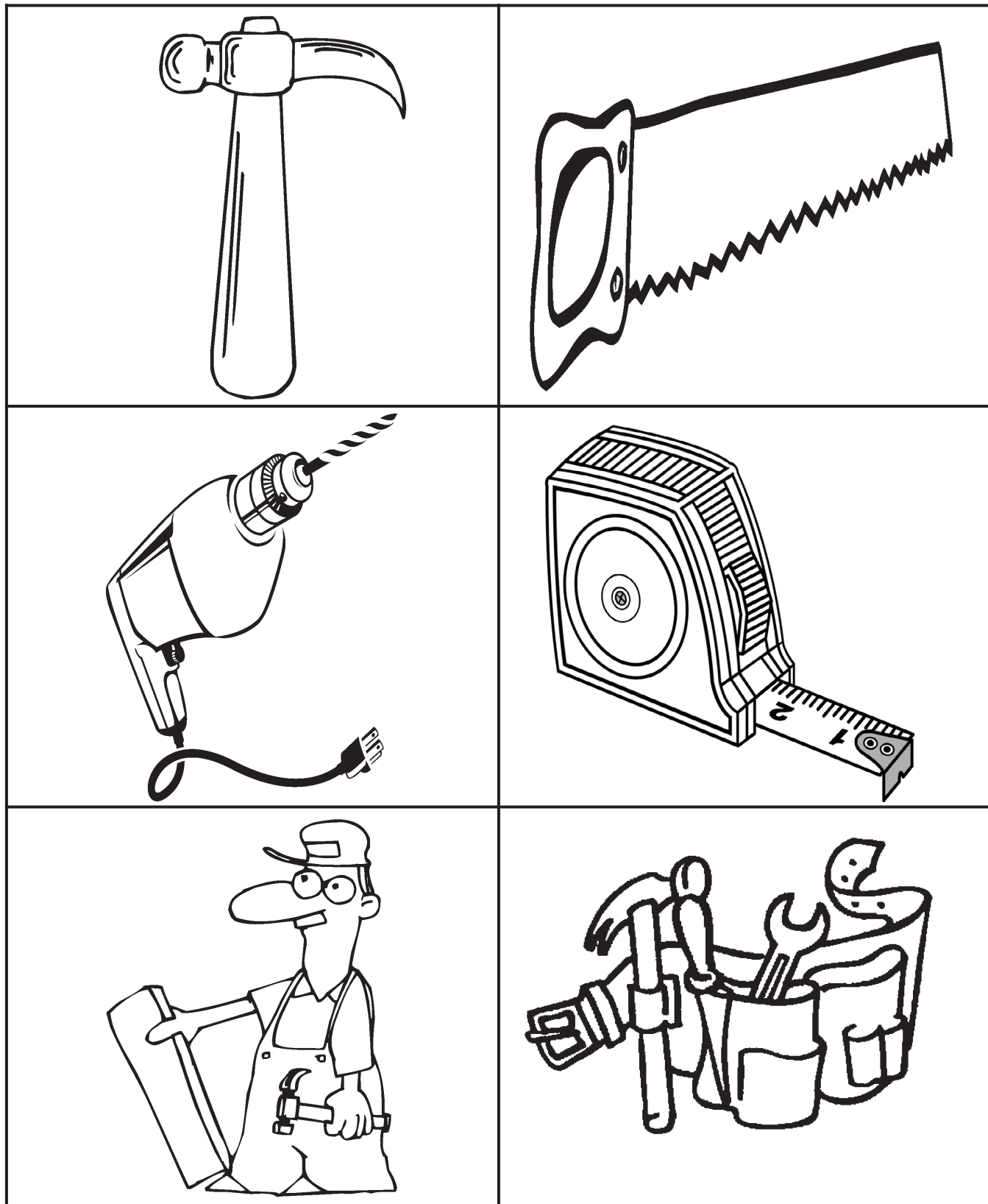
*Answers will vary.*

2. Circle the picture of the human resource.

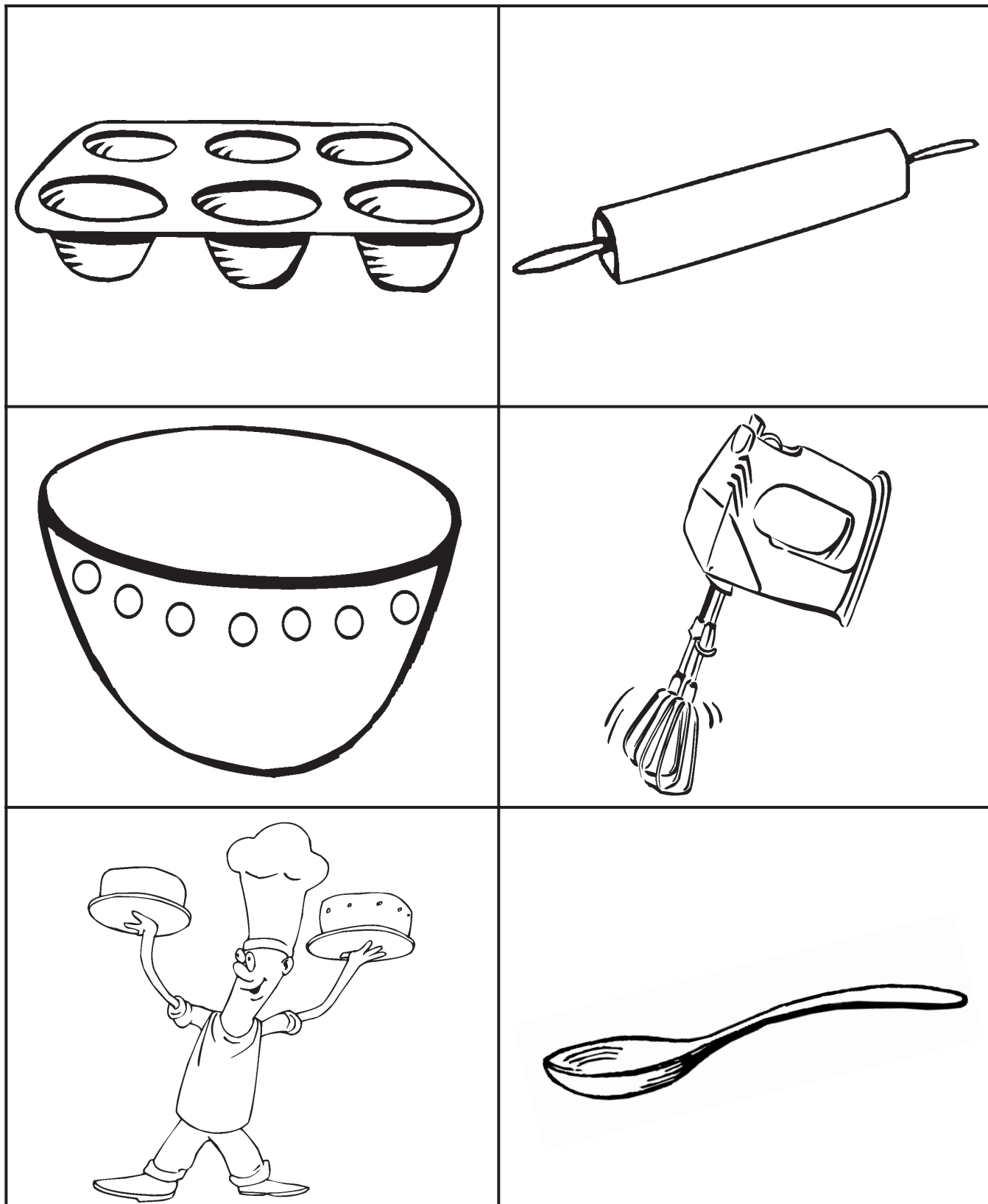
*Seamstress (or tailor)*

3. Underline the pictures of capital goods.

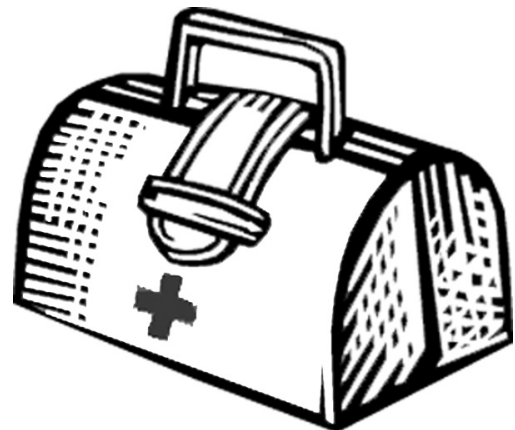
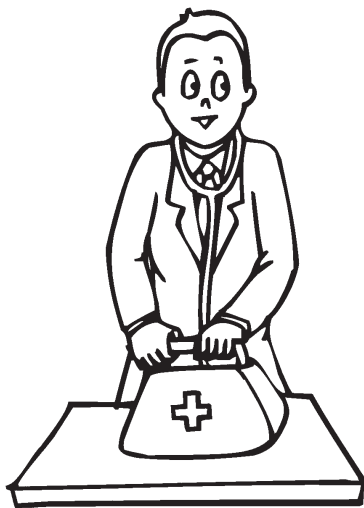
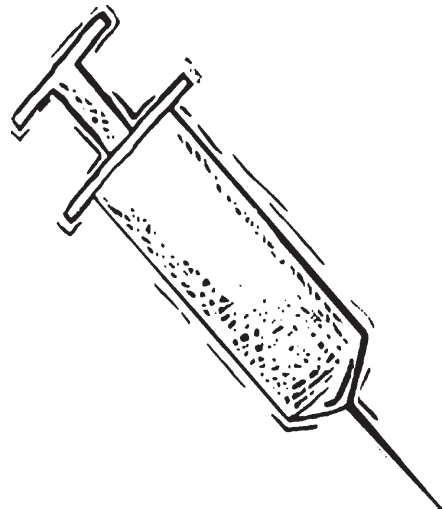
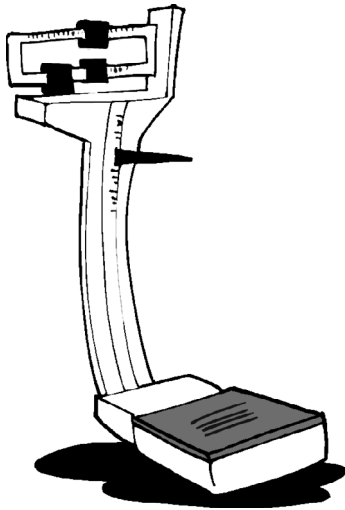
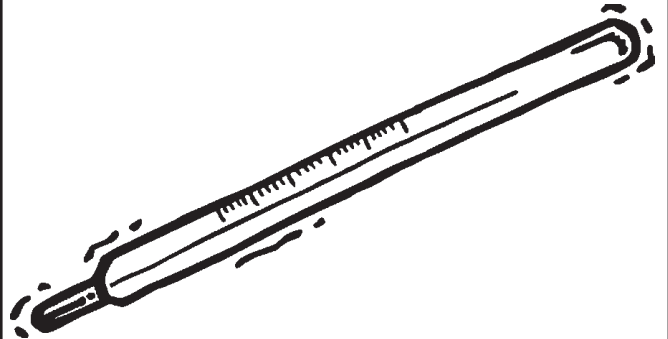
## Activity 6.1 – Resource Cards



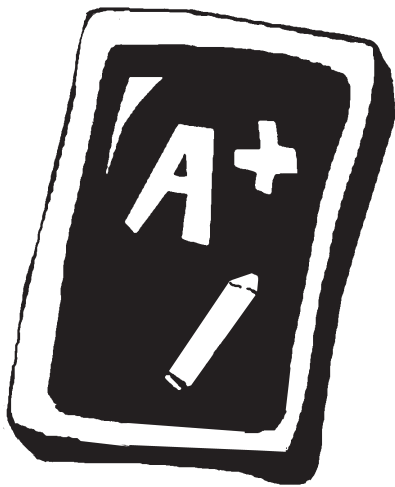
## Activity 6.1 – (continued) Resource Cards



## Activity 6.1 – (continued) Resource Cards



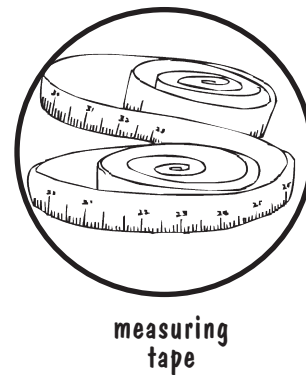
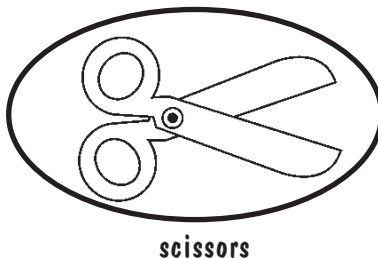
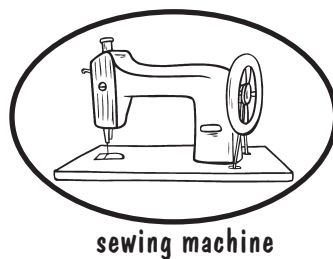
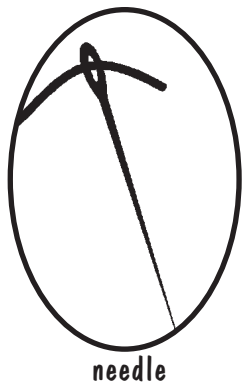
## Activity 6.1 – (continued) Resource Cards



## Activity 6.2 – What We Can Make With Resources – Sample Answers

<b>Resources</b>	<b>Products (Possible Answers)</b>
<b>Hammer, saw, drill, measuring tape, tool belt, carpenter</b>	<b>House, garage, school, office building, store, storage shed, cabinets</b>
<b>Cupcake pan, rolling pin, mixing bowl, mixer, spoon, baker</b>	<b>Cake, bread, cupcakes, pastries, doughnuts, muffins</b>
<b>Stethoscope, thermometer, scale, syringe, medical bag, doctor or nurse</b>	<b>Health care for children, health care for elderly people, health care for people who are poor, health care for kids at school, health care for people in hospitals, health care for people in the military</b>
<b>Chalk, eraser, chalkboard, desk, globe, teacher</b>	<b>Education for elementary stu- dents, education for middle school students, education for high school students, education for college students, education for people who want to learn how to fix a car, education for people who want to learn English</b>

## Activity 6.3 – Assessment



1. Name or draw pictures of three goods that can be produced using these resources.

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2. Circle the picture of the human resource.

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3. Underline the pictures of capital goods.

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4. Explain why the sewing machine cannot be used to produce a shirt and a skirt at the same time.

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# Lesson 7 – Let's Make Choices

## LESSON DESCRIPTION

The students explore choices made as consumers and as producers. They evaluate alternative treats, reviewing the costs and benefits of each. As each student makes his or her choice, both the choice and the opportunity cost are identified.

## CONCEPTS

Alternative  
Choice  
Consumer  
Costs and benefits  
Opportunity cost  
Producer

## CONTENT STANDARDS

### Standard 1 – Scarcity

- **Benchmark 6 for 4th grade:** Whenever a choice is made, something is given up.
- **Benchmark 7 for 4th grade:** The opportunity cost of a choice is the value of the best alternative given up.
- **Benchmark 8 for 4th grade:** People whose wants are satisfied by using goods and services are called consumers.
- **Benchmark 15 for 4th grade:** People who make goods and provide services are called producers.

### Standard 2 – Marginal Cost/Benefit

- **Benchmark 2 for 4th grade:** A cost is what you give up when you decide to do something.
- **Benchmark 3 for 4th grade:** A benefit is what satisfies your wants.

## OBJECTIVES

The students will:

1. Define “Consumer” and “Producer.”

2. State that they must make choices because they cannot have everything they want.
3. Identify the costs and benefits of a choice.
4. Define and identify opportunity cost.
5. Make a choice between two alternatives, and identify the opportunity cost.
6. Explain that both consumers and producers make choices and have opportunity costs.

## TIME REQUIRED

**Day 1:** 30-45 minutes

**Day 2:** 30-45 minutes

**Day 3:** 30-45 minutes (Optional)

## MATERIALS

- ✓ Visual 7.1
- ✓ Enough copies of Activity 7.1, cut apart, to provide one classroom dollar for each student
- ✓ One copy of Activities 7.2 and 7.3 for each student
- ✓ Three different “treats,” enough of each so that each student may have his or her first choice. (**NOTE:** Examples of free or inexpensive treats include: pencils, pens or notepads, obtained as promotional items from a bank or other business; or small candies, purchased without much expense immediately following a holiday such as Halloween or Valentine’s Day.)
- ✓ Three small baskets or containers in which to display the alternative treats
- ✓ A large tray or box lid on which to display the baskets. Label the tray or box lid with the word “alternatives.”
- ✓ Three cards with names and/or drawings of the treats
- ✓ A poster with the title “Our Dollar Votes”

## Lesson 7 – Let’s Make Choices

- Draw and label the three chosen treats down the left side of the poster in a column.

- ✓ Glue
- ✓ (Optional) *Something from Nothing*, by Phoebe Gilman; *Something Special for Me*, by Vera Williams

### PROCEDURE

#### Day 1

1. Write the word “consumer” on the board. Explain that a **consumer** is someone who buys or uses goods and services. Explain that **goods** are things people use that they can touch or carry, such as a hamburger, a pencil or a toy. **Services** are actions that can satisfy people’s wants, such as haircuts, car repair or dog-walking.
2. Ask the students for examples of times they are consumers. *Answers will vary but should include examples of students using goods and services.*
3. Tell the students that today they are going to be consumers for a class activity.
4. Determine some performance, task or activity for which all the students can be rewarded, and pay each student one dollar for it, using the dollars from Activity 7.1. This can be something simple, such as the following:
  - Good behavior in the lunchroom
  - Cleaning the classroom after an art project
  - Class progress in learning an assigned skill, such as counting by twos or threes
5. After the students have earned their classroom dollars, tell them they will be able to spend their money to buy goods at a class store. Explain that they will be consumers when they make their purchases.
6. Tell the students that the store is stocked with treats they might like. Show them each of the three treats in the store and explain that each treat will cost one classroom dollar. Ask the following questions:
  - A. How many of you want some of these treats? *Answers will vary.*
  - B. How many want more than one treat? *Answers will vary.*
  - C. Will you be able to buy lots and lots of these treats? *No* Why not? *Because I do not have enough money*
7. Explain that when people cannot have all of the things they want, they must make choices. The students cannot have all of the treats they want, so they will have to make choices. Ask the students to give examples of a time when they could not have something they wanted and to explain what they did when that happened. *Answers will vary.* As the students provide examples, emphasize the choices that the students had to make.
8. Tell the students that you would like to help them make a good choice that will make them happy. Display Visual 7.1 and explain that this page will help them think about their choices before they make them.
9. Call attention to the words “benefits” and “costs” on the Visual. Explain that **benefits** are the good things about a choice and **costs** are the bad things about a choice.
10. Tell the students to think about the word “alternatives” on the Visual. Tell the students that alternatives are the possible choices that a person has. In this case, alternatives include all of the items from which the students may choose at the store. Write the names of the treats or draw pictures of them in the “alternatives” boxes in the left column of the Visual.
11. Discuss each treat, one at a time, and brainstorm with the students to list the costs and benefits of each. *Answers will vary, but may include some of the following types of responses for some suggested treat items:*  
**Pencil:** *benefits – useful for writing,*

*drawing and erasing, and will have a pencil for school; costs – not much fun to play with, could get broken, will get smaller when sharpened, eraser could wear out*

**Lollipop:** *benefits – tastes good, comes in different flavors; costs – bad for your teeth, will not last very long, makes a sticky mess, could choke on it, parents may not want you to eat sweets*

**Kazoo:** *benefits – fun to play with, could play songs with friends, comes in different colors; costs – may break, makes noise*

Record the students' responses in the appropriate box beside each treat on the Visual. For kindergarten students and other non-readers, the teacher may decide only to draw happy or sad faces in response to each student suggestion, or use single words for each suggestion.

12. Ask the students if the completed chart tells them what they should choose. *Answers will vary.* Explain that there is not one correct choice. The answer is different for each person because each person must choose the thing that best satisfies him or her.
13. Tell the students that when a choice is made, that choice always has an opportunity cost. Write "opportunity cost" on the board. Explain that **opportunity cost** is the best alternative that a person gives up when the person makes a choice. Opportunity cost is a person's second choice. Read the students the following scenario:
 

I have a dollar to spend in the class store. I could buy a lollipop, a pencil or a kazoo. I really want a lollipop and a kazoo. I have enough money to buy only one thing. I choose the lollipop. In order to buy the lollipop, I give up the chance to have the kazoo. My choice is the lollipop. My opportunity cost is the kazoo.
14. Tell the students that they will each have an opportunity cost when they choose a treat.
15. Place the treats in three baskets, one for each treat. Place the three baskets on a large tray or box lid, labeled "alternatives."
16. Select a student to be the "shopkeeper," whose duty it will be to collect the \$1 payment for each item purchased.
17. Select a student to choose a treat, first by choosing his or her two favorite choices from among the three alternatives. Have that student choose and hold up the two different items that he or she likes most from the three available alternatives.
18. Remind the student that he or she only has enough money to purchase one treat. After the student chooses the two treats, tell the student to hold up his or her favorite item and say, "This is my choice." Then have the student place the second-favorite item back in the box and say, "This is my opportunity cost." Have the student pay the shopkeeper for the chosen treat.
19. Repeat this activity until every student in the class has chosen a treat and made the appropriate statements. After the first student makes a choice, several students may choose at the same time. Be sure the shopkeeper also gets to purchase an item and experience an opportunity cost.
20. Ask the students to recall that they had to make these choices because they did not have enough money to buy more than one treat. Discuss the following:
  - A. Did you get all of the treats you wanted? *Students will probably say "no."*
  - B. Why not? *Because we did not have enough money*
  - C. What do we call the item that you had to give up? *Opportunity cost*

(NOTE: Be sure that the students understand that their opportunity cost is not all of the items given up, but only the one that is the highest-valued alternative not chosen – the second-best choice.)

## Lesson 7 – Let’s Make Choices

### Day 2

21. Place the cards with the names and drawings of the treats at three different locations in the room. Ask the students to recall the choices they made on the previous day. Have them walk over and stand by the card that names their chosen treat. Have the class count aloud to determine how many students are in each group.
22. Write “Our Choices” on the board. Below this title, list each alternative and the number of students choosing that treat.
23. Tell the students to think about what they gave up and put back in the box when they were making their choices. Ask them to recall the name of the term that describes what they gave up. *Opportunity cost*
24. Tell the students to move to the card that names their opportunity cost and stand by it. Again, have the class count how many students are in each group. Write “Our opportunity costs” on the board. Below this title list each alternative and record the number of students accordingly. Tell the students to return to their seats.
25. Ask the students if the choice was the same for everyone. *No* Help the students see that there were several different types of choice and opportunity-cost possibilities in this activity:
  - Choose lollipop – give up pencil
  - Choose lollipop – give up kazoo
  - Choose pencil – give up lollipop
  - Choose pencil – give up kazoo
  - Choose kazoo – give up lollipop
  - Choose kazoo – give up pencil
26. Tell the students that they will now look at some other ways of displaying the information they collected about their choices and their opportunity costs.
27. Place the three baskets with the remaining treat alternatives on the floor in a row. Have the students stand or sit down in a single-file line beside the basket that represents their individual choice. Explain that they have just made a “human bar graph” showing all of the choices for the entire class. Repeat this activity with their opportunity costs.
28. Have the students return to their seats. Discuss how the graph made it easier to see which items were the most and the least popular. On the board, write some number sentences to show this, such as “lollipops > pencils.”
29. Give each student a copy of Activity 7.2. Explain that the students will now make individual graphs to display the information and illustrate the choices and the opportunity costs for the entire class. Instruct the students to write or draw each of the three treats in the three boxes in the left column of the “choices” graph. Then instruct them to color the correct number of blocks next to each treat to show the choices that the class made, as recorded on the board. Repeat the process with the opportunity cost graph.
30. Call the student shopkeeper to the front of the room. Tell the students that the shopkeeper is a producer. Write the word “producer” on the board, and explain that a producer is someone who makes or sells goods and services. Discuss the following questions:
  - A. Can you give examples of some other producers? *Answers will vary, but may include such examples as a police officer, a baker or a secretary.* Talk about the goods and services that each suggested producer provides.
  - B. What choices might the shopkeeper have to make? *When the shopkeeper runs out of items to sell, he or she must choose and order more items to sell.*
  - C. When the shopkeeper orders more goods to sell, which item do you think he or she will order the most of? *The item that*

*was most popular with the consumers and that earned the most money for the shopkeeper*

Emphasize to the students that both consumers and producers have to make choices, and both consumers' and producers' choices have opportunity costs.

31. Explain to the students that when we purchase items in a store, our choices tell the producers which items the consumers like and wish to buy. In that way the dollars we spend act like votes that tell the producers what and how much to produce. When we buy an item, we are voting with our dollars for that item to be produced.
32. Distribute the class dollars again to the students. Display the "Our Dollar Votes" poster. Tell the students to put glue on the back of their dollars and glue the dollars onto the poster next to the item they purchased.

### Day 3 (Optional)

33. Because young students require much repetition to master a skill, read the following books to the class. Discuss the decisions the characters made in the stories and the opportunity cost that they experienced.  
*Something from Nothing*, by Phoebe Gilman  
*Something Special for Me*, by Vera Williams
34. To help students remember the concept of opportunity cost, teach them the song below:

#### *Oh, Give Me a Choice*

(To the tune of *Home on the Range*)

Oh, give me a choice,  
Oh, a difficult choice,  
And I'll think about what I could use.  
I'll have to decide,  
With my eyes open wide,  
What I'll give up and what I will choose.

Opportunity cost!  
It's the thing you give up when you choose.  
It's the price that is paid

When a choice must be made.  
It's the thing that I surely will lose.

### CLOSURE

35. Use the following questions to review the concepts presented in this lesson:
  - A. Who are consumers? *People who buy or use goods and services produced by others*
  - B. Are you a consumer? *Yes*
  - C. Who are producers? *People who make and/or sell goods and provide services*
  - D. Give examples of some producers.  
*Answers will vary, but may include such producers as a firefighter, a nurse, a construction worker and a farmer.*
  - E. When people cannot have all of the things that they want, what must they do?  
*Make choices*
  - F. When people make choices, it helps to think about the good things and bad things about each alternative. What do we call the good things about an alternative? *Benefits*  
What do we call the bad things about an alternative? *Costs*
  - G. When you make a choice, you always have to give something up. What do we call the best thing that you have to give up?  
*Opportunity cost*
  - H. Suppose your dad is going to a movie and your mom is going to the pool. Where would you choose to go? *Answers will vary.*  
What would be your opportunity cost?  
*Answers will vary.*
  - I. Suppose your mother said that you could choose the main dish for dinner tonight. She has enough ingredients to make spaghetti, pizza or fried chicken. Which two dishes do you like best? *Answers will vary.*  
What would your choice be? *Answers will vary.*  
What would be your opportunity cost?  
*Answers will vary.*
  - J. If you could have any fruit that you want for lunch, what would you choose?  
*Answers will vary.* What would be your opportunity cost? Why? *Answers will vary.*  
(NOTE: The students must recognize that

## Lesson 7 – Let's Make Choices

their opportunity cost is the best alternative, not all other possible fruit choices.)

3. Apples are hard to peel.
4. Apples are nice and crunchy.

### ASSESSMENT

#### First part

Distribute a copy of Activity 7.3 to each student. Tell the students to listen to the story below so that they will be able to answer the questions.

Andrew went to the store with his parents because he wanted to buy a book. He had enough money from his allowance to buy only one book. His favorite books were *All About Trucks* and *The Big Book of Horses*. He decided to buy the horse book.

1. Instruct the students to point to the star at the beginning of row "A." Read the question in row "A" to the students and tell them to circle the picture that shows the person who is a consumer in this story.

2. Ask the students to point to the heart at the beginning of row "B." Read the question in row "B" to the students and tell them to circle the picture that shows Andrew's choice.

3. Ask the students to point to the arrow at the beginning of row "C." Read the question in row "C" to the students and tell them to circle the picture that shows Andrew's opportunity cost.

#### Second part

Tell the students to listen to the story below.

Terry wants to buy some fruit at the store – either a banana or an apple. Terry is thinking about the costs and benefits of each alternative.

Instruct the students to point to the moon at the beginning of row "D." Explain that they should listen to each statement the teacher reads, and then write on each line under the piece of fruit either a "B" for a benefit or "C" for a cost.

1. Bananas taste good on cereal for breakfast.

2. A banana might get soft and turn brown and ugly.

#### Third part

Tell the students to point to the happy face at the beginning of row "E." Ask them to think about some time when they could not have everything they wanted, and they had to make a choice. Tell them to turn the paper over, and on the back, draw a picture and write a story about their choice and their opportunity cost.

#### Answers:

##### First part:

1. (2) *Andrew is the consumer.*
2. (3) *Book – The Big Book of Horses*
3. (1) *Book – All About Trucks*









##### Second part (D):

1. *B (benefit)*
2. *C (cost)*
3. *C (cost)*
4. *B (benefit)*

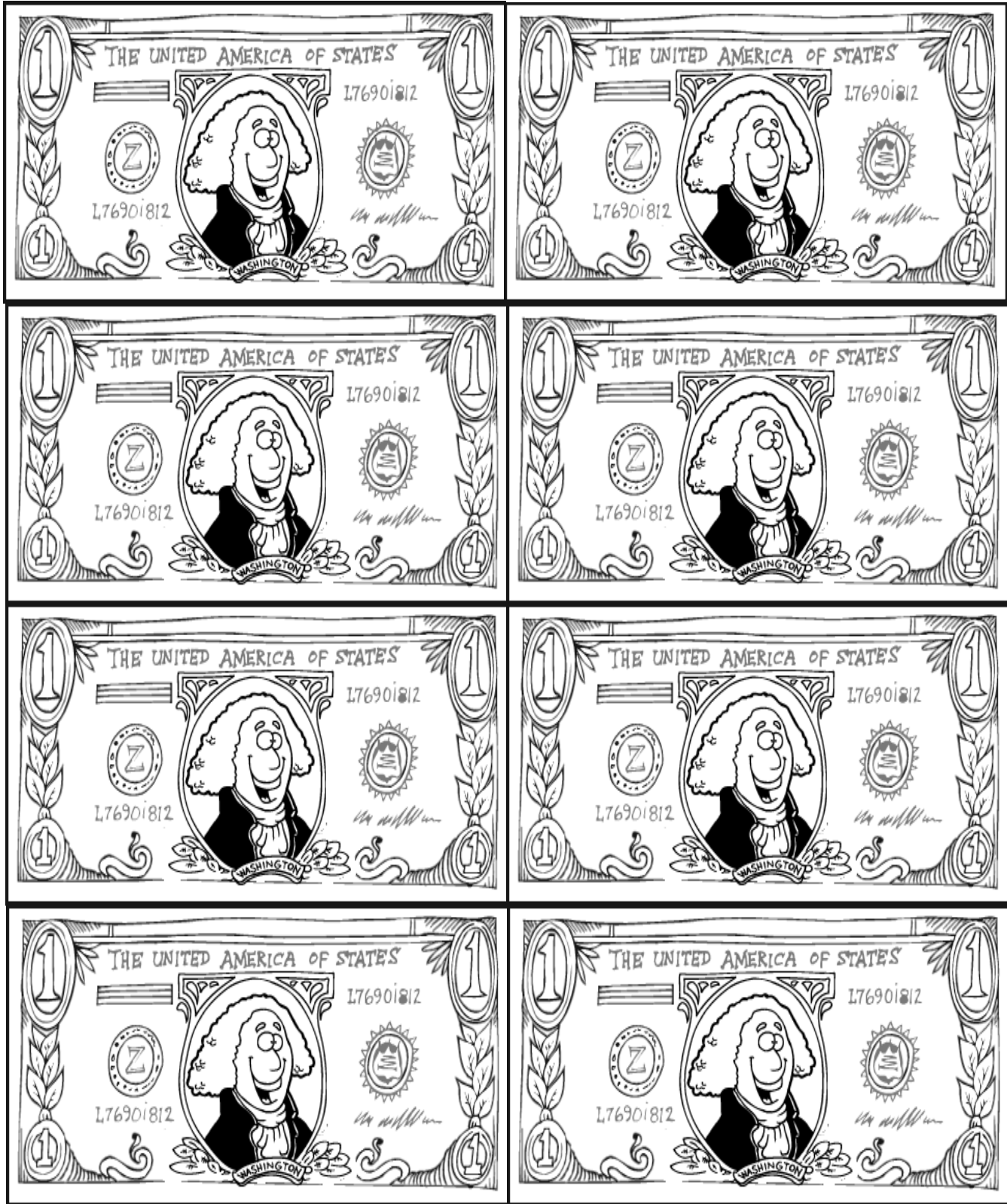
##### Third part (E):

*Answers will vary, but the answers must describe a choice and an opportunity cost.*

## Visual 7.1 - Costs and Benefits

<b>Alternatives:</b>	<b>Benefits</b>  <b>(Good Things)</b>	<b>Costs</b>  <b>(Bad Things)</b>
<b>Treat #1</b>		
<b>Treat #2</b>		
<b>Treat #3</b>		

## Activity 7.1 - Classroom Dollars



## Activity 7.2 - How We Chose

### Our Choices

Treat #1														
----------	--	--	--	--	--	--	--	--	--	--	--	--	--	--

Treat #2														
----------	--	--	--	--	--	--	--	--	--	--	--	--	--	--

Treat #3														
----------	--	--	--	--	--	--	--	--	--	--	--	--	--	--

1	2	3	4	5	6	7	8	9	10	11	12	13	14
---	---	---	---	---	---	---	---	---	----	----	----	----	----

### Our Opportunity Costs

Treat #1														
----------	--	--	--	--	--	--	--	--	--	--	--	--	--	--

Treat #2														
----------	--	--	--	--	--	--	--	--	--	--	--	--	--	--

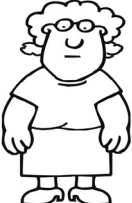

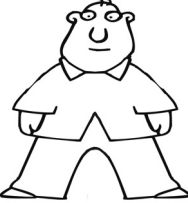

Treat #3														
----------	--	--	--	--	--	--	--	--	--	--	--	--	--	--

1	2	3	4	5	6	7	8	9	10	11	12	13	14
---	---	---	---	---	---	---	---	---	----	----	----	----	----

## Activity 7.3 - Assessment



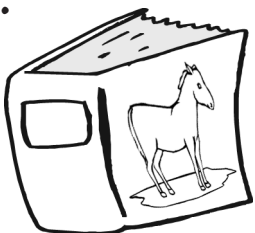

A. Listen to the story. Circle the person who is the consumer in this story.



1. Mom 	2. Andrew 	3. Dad 	4. Andrew's sister 
---	--	--	---



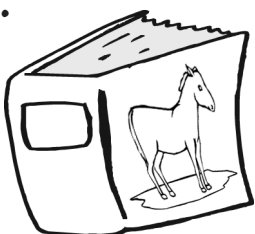

B. Circle Andrew's choice.



1. 	2. <i>Books For Sale</i> 	3. 	4. 
--	---	---	--

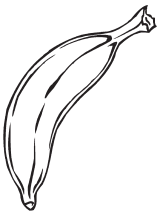
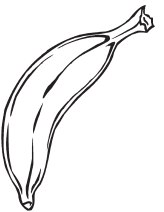
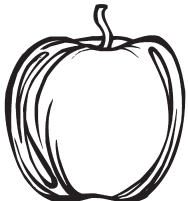
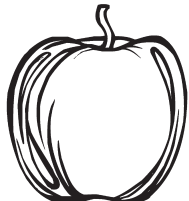
C. Circle Andrew's opportunity cost.



1. 	2. <i>Books For Sale</i> 	3. 	4. 
---	--	--	---

D. Listen to the story. Write "B" for benefits and "C" for costs.



1. 	2. 	3. 	4. 
1. _____	2. _____	3. _____	4. _____

E. Think about some time when you could not have everything you wanted, and you had to make a choice. On the back of this page, draw a picture and write a story about your choice and your opportunity cost.

# Lesson 8 – We Specialize - We Are Interdependent

## LESSON DESCRIPTION

In this lesson the students interview specialists in their school. They create a paper-doll streamer of the specialists and develop stories about the “crazy, mixed-up school day,” when one specialist is mysteriously missing from his or her job. The students discuss who they depend on in their community and brainstorm specialized jobs they do in their households.

## CONCEPTS

Human resource  
Interdependence  
Specialization

## CONTENT STANDARD

### Standard 6 – Specialization and trade

- **Benchmark 1 for 4th grade:** Economic specialization occurs when people concentrate their production on fewer kinds of goods and services than they consume.
- **Benchmark 4 for 4th grade:** Greater specialization leads to greater interdependence among producers and consumers.

## OBJECTIVES

The students will:

1. Define “specialization.”
2. Give examples of specialized workers and the goods or services the workers produce.
3. Define “interdependence.”
4. Predict what might occur when a specialized worker doesn’t do his or her work.

## TIME REQUIRED

**Day 1:** 60-75 minutes

**Day 2:** 60-75 minutes

## MATERIALS

### Day 1

- ✓ One copy of Activity 8.1 given to school staff members representing a variety of jobs
- ✓ (Optional) One copy of Activity 8.2 for each interviewee
  - Prior to the lesson, distribute Activity 8.1 to school personnel to request interviews.
    - (Optional) Attach Activity 8.2 to Activity 8.1. Activity 8.2 includes the interview questions so that staff members can prepare for the questions they might be asked.
      - Arrange for parent volunteers to monitor students who remain in the classroom while interviews are being conducted.
- ✓ Visual 8.1
- ✓ One copy of Activity 8.2 for each interview team
- ✓ One copy of Activity 8.3 for each student
- ✓ Crayons, markers, scissors

### Day 2

- ✓ One copy of Activity 8.4 for each student

## PROCEDURE

### Day 1

1. Begin the lesson by asking if anyone has recently gotten a haircut. *Answers will vary, but someone will likely answer yes.*
2. Ask the students who cut their hair. *Answers will vary but might include mom, dad, barber or hair stylist.*

## Lesson 8 – We Specialize - We Are Interdependent

3. Explain that most people do not cut their own hair. They depend on someone else in their family or on a barber or a hair stylist to do this for them. “Interdependence” is the economic term for this. **Interdependence** occurs when people rely on other people to get the goods and services that they want.
4. Discuss the following:
  - A. Who are the people you depend on for some of the goods and services you consume? *Answers might include their doctor, who checks their health, gives them vaccinations, and prescribes medicines if they are ill; their parents, who fix them nutritious meals; the school bus driver, who brings them to school.*
  - B. Who do you think the people you depend on, such as a school bus driver or a doctor, depend on? *Grocery store owner, dry cleaner, mechanic, trash hauler and so on*
5. Explain that each of these workers *specializes* in producing a few goods or services and that as a result, all these workers are interdependent. **Specialization** occurs when people make fewer kinds of goods and services than they consume. For example, a doctor provides medical care. Doctors usually don’t cut their own hair or repair their own cars. They depend on a hair stylist and a mechanic for those services.
6. Tell the students that they will be interviewing workers (human resources) in their school. (Be sure to include the custodian.) Explain that the students will be divided into teams of five to six and that each team will conduct at least two interviews. Tell the students that they will be responsible for asking the workers questions – interviewing the workers – but that an adult or the teacher will record the workers’ responses.
7. Divide the students into teams of five to six students each. Explain that parent volunteers will monitor the students who remain in the class.
8. Give each group a copy of Activity 8.2. Display Visual 8.1. Review the interview questions from the Activity with the students so that they are familiar with the questions before the interview. Make sure the students know the questions and understand the terms “goods,” “services,” “produce,” “depend on,” and “specialist.”
9. Before leaving the classroom remind the students that *they* will be asking the workers the questions. Encourage everyone to participate. (Optional) Assign specific questions to individual students.
10. As the students conduct the interviews, the teacher and other participating adults should record the answers. When a team has conducted all of its interviews, instruct the team to return to the classroom. Continue with this procedure until all the teams have participated in interviews.
11. When all teams have returned to the classroom, discuss the following:
  - A. What was the specialist’s job title? *Answers will vary but might include the principal, the librarian, the cafeteria worker, the nurse, the counselor, the music teacher, the secretary and the bus driver.*
  - B. What good or service did the specialist provide? *Answers will vary but might include responses such as the following: The principal provided a service – helping teachers, parents and students at the school. The librarian provided a service – reading stories, lending books and helping with research. The cafeteria worker provided a good – food and drink for lunch. The nurse provided a service – helping sick students feel better. The music teacher provided a service – helping students learn to sing, play an instrument and read music. The secretary provided a service – answering phones and directing*

*visitors. The bus driver provided a service – transporting students to and from school and to and from field trips.*

12. Tell the students to meet in their interview team groups. Give each student a copy of Activity 8.3. Explain that each student will make a paper doll to represent one of the workers the student's team interviewed. Tell each student to write the name of one of the workers his or her team interviewed on the paper doll. Explain that the students should use what they learned in their interviews to help them complete the sentences on the doll. Tell the students that team members may help one another complete the paper dolls.
13. Tell the students that once they have completed the sentences, they may use crayons or markers to decorate their dolls. Once their dolls are decorated, the students should cut the dolls out.
14. Instruct members of each group to tape their paper dolls together, hand-to-hand, within their groups.
15. Instruct the groups to join their strings of paper dolls together, hand-to-hand.
16. Tack the chain of dolls to a bulletin board or wall while helping the students review the workers in the school and the goods and services that those workers specialize in producing. *Answers might include: The secretary provides the service of answering the telephone and collecting the attendance and lunch counts. The custodian provides the service of sweeping the hallways and classrooms. The teachers provide the service of teaching various subjects to the students.* Emphasize that all of the workers in the school are interdependent, as they rely on one another to make the school run smoothly and well.

## Day 2

17. Before the students arrive, cut all the dolls

representing the custodian out of the paper-doll chain. Leave the remaining sections of the chain hanging, disconnected from the other sections.

18. When the students notice what has been done to the chain of dolls, explain that unfortunately, the custodian couldn't come to school today, so the custodians must be removed from the chain of interdependent workers.
19. Ask the students what they think might happen because the custodian is not at school to produce his or her goods or services. *Answers might include: The hallways will be dirty; the boards will not be erased; the toilets will be smelly; people at school will run out of toilet paper and paper towels.*
20. Discuss the following:
  - A. What might be done about the problem of the custodian not being at school? *Answers might include: Do nothing and hope the custodian returns tomorrow; students could do the work; find a substitute custodian from another school.* (NOTE: If the students don't suggest that someone else in the school might have to do the job, help them reach this conclusion.)
  - B. Who might do the custodian's job, and what might happen while that worker is doing the custodian's job instead of his or her own job? *Answers might include: If the teacher has to sweep the floors, the students might not have a math lesson; if the secretary has to clean the bathrooms, she will not be able to answer phone calls from parents.*
21. Tell the following story to the students to illustrate what might happen on a "crazy, mixed-up day" when the custodian couldn't come to work at school.  
*Today, the custodian didn't come to work. The school secretary was called to help put paper*

## Lesson 8 – We Specialize - We Are Interdependent

*towels and toilet paper in the bathrooms. While the secretary was gone, the cook had to answer the phone in the school office. He wasn't in the cafeteria to get the pizzas from the oven, so the pizzas burned. The students didn't have lunch because the pizzas were burned. The students were very hungry, so the principal went to the store to buy sandwiches. While the principal was gone, a teacher had to go to the office to talk with some parents who wanted to learn about the school. While the teacher was out of the classroom, the hungry students raided her desk, looking for snacks. When the principal came back with the sandwiches, she sat down to talk with the visiting parents, while the teacher and the students went to the cafeteria to eat. While they were eating, the custodian came to school. She was just in time to clean up the cafeteria when the students finished eating. The custodian finished cleaning the bathrooms, so the secretary was able to go back to the office. The cook made it back to the cafeteria to clean up the burnt pizza mess and get ready for tomorrow. The teacher and students went back to the classroom to try to catch up on math. Let's hope tomorrow is a better day. It will be better if all of the specialized workers are back at their jobs, so everyone can depend on the others. When all of the specialized workers are doing their jobs, the school runs smoothly, and all the children can learn!*

22. After concluding the story, tape the missing custodians back into the paper-doll chain. Point out that fixing the chain shows that all the specialized workers are back at their jobs. Now they can depend on one another to get the work done so that the school runs smoothly and the students learn their lessons.
23. Explain that the students will work in small groups to create their own stories about "The Crazy, Mixed-Up School Day."
24. Assign each group a worker around which to build their story. Explain that each

group's story should tell what happens if the group's worker doesn't come to school. Other school workers can't depend on the missing worker to do his or her specialized job, and other workers have to do the missing worker's job. Tell the students that they can make the story funny. (**NOTE:** Younger children may have to work in small groups, with the teacher as the recorder. If this is the case, it may take several days to complete the stories.)

25. After the groups have created their stories, allow each group to present its story to the class.

### CLOSURE

26. Explain that people depend on a lot of specialized workers - not only in school, but in their homes and in their communities. Discuss the following:
  - A. Name some examples of specialized workers at school. *Teacher, principal, bus driver, nurse*
  - B. Name some examples of specialized workers in your community and the good or service the worker produces. *Answers might include: baker (bread, cookies); law enforcement officer (helping people who are lost, arresting criminals, patrolling streets where children play); hair stylist (cutting hair, styling hair, giving perms, coloring hair); firefighter (putting out fires, rescuing pets); dry cleaner (cleaning clothes, pressing clothes).*
  - C. Name other goods and services that these community workers consume but do not produce for themselves. *Answers will vary but might include: the baker goes to the hairstylist; the firefighter buys bread at the bakery; mom takes the family to a restaurant for dinner; dad takes clothing to the dry cleaner for cleaning and pressing.*

## **ASSESSMENT**

Distribute a copy of Activity 8.4 to each student. Tell the students to complete the page by drawing a picture of a specialist. The students should complete the sentences at the bottom of the page by writing a short description of what the specialist does and why others depend on him or her. Have non-readers and writers complete the sentences orally for the teacher.

## Visual 8.1 - Interview Form

Name of Specialist: \_\_\_\_\_

Job Title: \_\_\_\_\_

Describe your work: \_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

Do you produce a good or a service? \_\_\_\_\_

What goods or services do you produce? \_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

Who depends on you for the the goods/services you produce?

\_\_\_\_\_

On whom do you depend for goods and services you want but don't produce? \_\_\_\_\_

\_\_\_\_\_

Interview team: \_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

## Activity 8.1 - Interview Request Form

The students of Mr./Ms.

\_\_\_\_\_ will be interviewing  
the human resources at our school on

\_\_\_\_\_ [date] from \_\_\_\_\_ AM/PM  
until \_\_\_\_\_ AM/PM.

We would like to interview you! If the date and/or times are not  
convenient, please indicate below.

Thank you!

Comments or Questions:

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## Activity 8.2 - Interview Form

**Name of Specialist:** \_\_\_\_\_

**Job Title:** \_\_\_\_\_

**Describe your work:** \_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

**Do you produce a good or a service?** \_\_\_\_\_

**What goods or services do you produce?** \_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

**Who depends on you for the the goods/services you produce?**

\_\_\_\_\_

**On whom do you depend for goods and services you want but don't produce?** \_\_\_\_\_

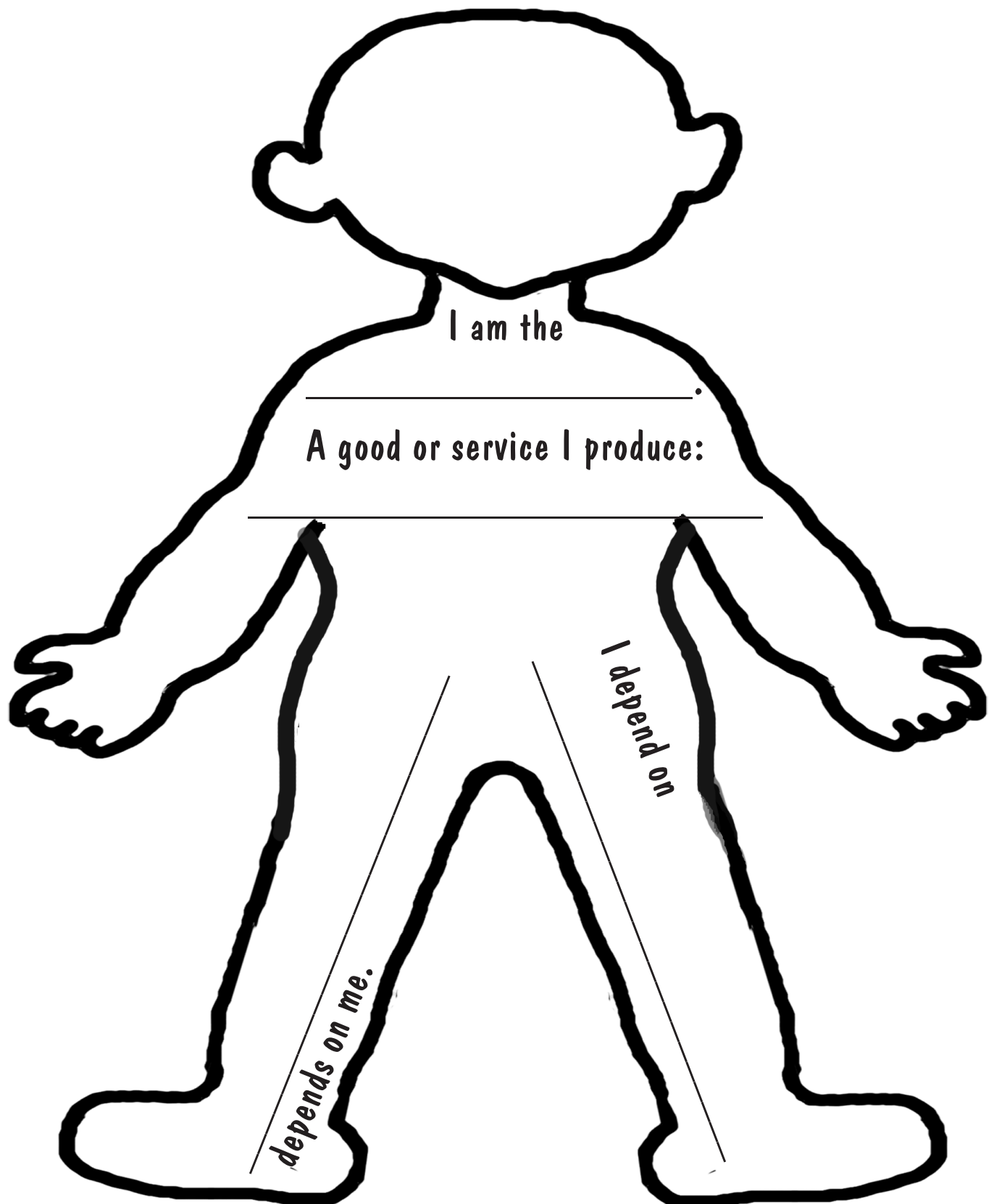
\_\_\_\_\_

**Interview team:** \_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

## Activity 8.3 – Specialists in Our School





## Activity 8.4 - Assessment

**We are Interdependent! I am a Specialist!**

Draw a picture of a specialist.

I specialize in producing \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

I am dependent on \_\_\_\_\_ for  
\_\_\_\_\_  
\_\_\_\_\_

# Lesson 9 – Exchanging for Goods and Services

## LESSON DESCRIPTION

Working in small groups, the students use barter exchanges and monetary exchanges to produce a classroom banner. A tic-tac-toe game will reinforce the differences between monetary and barter exchanges. In addition, the students will use age-appropriate assessments to identify and describe exchanges as either monetary or barter.

## CONCEPTS

Barter  
Exchange  
Money

## CONTENT STANDARDS

### Standard 5 – Trade

- **Benchmark 1 for 4th Grade:** Exchange is trading goods and services with people for other goods and services or for money.
- **Benchmark 2 for 4th Grade:** The oldest form of exchange is barter – the direct trading of goods and services between people.

### Standard 11 – Money

- **Benchmark 2 for 4th Grade:** Money makes it easier to trade, borrow, save, invest and compare the value of goods and services.

## OBJECTIVES

The students will:

1. Define “exchange” as trading goods and services for other goods and services or for money.
2. Give examples of monetary exchanges.
3. Give examples of barter exchanges.

4. Explain that money makes it easier to trade.

## TIME REQUIRED

Day 1 – 60 minutes

Day 2 – 60 to 75 minutes

## MATERIALS

### Day 1

- ✓ Three boxes of markers
- ✓ One copy of Visual 9.1
- ✓ Five copies of Activity 9.1 (one for each of five groups)
- ✓ Six red crayons, six blue crayons, six green crayons, six yellow crayons, six pieces of orange construction paper, 12 pairs of scissors, 12 glue sticks, and five paper lunch bags prepared as exchange bags – one for each group in the class – as follows:
  - **Group A:** Two red crayons, one blue crayon, one green crayon, three yellow crayons and three pieces of orange construction paper
  - **Group B:** One red crayon, one blue crayon, one green crayon, one yellow crayon, one piece of orange construction paper and four pairs of scissors
  - **Group C:** Three red crayons, one green crayon, one piece of orange construction paper, four pairs of scissors and four glue sticks
  - **Group D:** Two blue crayons, two green crayons, one yellow crayon, one piece of orange construction paper, four glue sticks
  - **Group E:** Two blue crayons, one green crayon, one yellow crayon, four pairs of scissors, four glue sticks

### Day 2

- ✓ One copy of Visual 9.1
- ✓ Five copies of Activity 9.1 (one for each of five groups)

## Lesson 9 – Exchanging for Goods and Services

- ✓ Four copies of Activity 9.2, cut apart, to provide six classroom dollars for each group's bag.
  - ✓ Eleven red crayons, 11 blue crayons, 11 green crayons, 11 yellow crayons, 11 pieces of orange construction paper, 22 pairs of scissors, 22 glue sticks, 30 paper \$1 bills, and six paper lunch bags prepared as exchange bags – one for each group in the class and one for the teacher – as follows:
    - **Group A:** Two red crayons, one blue crayon, one green crayon, three pieces of orange construction paper, six paper \$1 bills
    - **Group B:** One red crayon, one blue crayon, one green crayon, one yellow crayon, one piece of orange construction paper, four pairs of scissors, six paper \$1 bills
    - **Group C:** Three red crayons, one green crayon, one piece of orange construction paper, four pairs of scissors, four glue sticks, six paper \$1 bills
    - **Group D:** Two blue crayons, two green crayons, one yellow crayon, one piece of orange construction paper, four glue sticks, six paper \$1 bills
    - **Group E:** Two blue crayons, one green crayon, one yellow crayon, four pairs of scissors, four glue sticks, six paper \$1 bills
    - **Teacher bag:** Five red crayons, five blue crayons, five yellow crayons, five green crayons, 10 pairs of scissors, 10 glue sticks, five pieces of orange construction paper
  - ✓ One copy of Activity 9.3, copied on card stock and cut apart
  - ✓ One copy of Activity 9.4 for each student
  - ✓ One copy of Activity 9.5 for each student
  - ✂ One pair of scissors for each student
  - ✓ One copy of Activity 9.6 for each student
  - ✓ One copy of Activity 9.7 for each student
2. Randomly distribute markers to the students.
  3. Ask the following questions:
    - A. Who received their favorite color of marker? *Some students should have received their favorite color.*
    - B. Who did not receive their favorite color of marker? *Some students should not have received their favorite color.*
  4. Ask the students how everyone could have their favorite color of marker. *Answers might include buying more boxes of markers, being happy with what you have and trading with someone else.* (NOTE: Stop the discussion when the word “trade” or “exchange” is mentioned, and proceed to the next step.)
  5. Explain to the students that **exchange** is trading goods and services with people for other goods and services or for money.
  6. Tell the students they will be given five minutes to exchange the marker they have for one they like more. State that for an exchange to take place, both parties must be satisfied or happy with what they have.
  7. Stop the trading after five minutes and discuss the following:
    - A. Who was able to exchange for their favorite color? *Answers will vary.*
    - B. Was the exchange easy? *Answers will vary.* Why? *Couldn't find someone who had the color I wanted and wanted the color I had.*
    - C. Were both parties satisfied? *Answers will vary, but the students should note that both parties were satisfied if a trade occurred.*
    - D. Was everybody able to trade for his or her favorite color of marker? *Probably not*
    - E. Did anybody have to trade more than one time to get what he or she wanted? *Probably* Why? *To get the color I really wanted*

## PROCEDURE

### Day 1

1. Introduce the lesson by displaying the three boxes of markers. Ask several students to name their favorite color. *Answers will vary but might include yellow, red, orange and black.*

8. Collect the markers from the students.
  9. Divide the students into five small groups, and tell the groups they will produce economics banners for the classroom.
  10. Display Visual 9.1. Explain the following:
    - Each group must have all the materials listed *before* starting the banner.
    - Each group should color the letters as indicated.
    - Each group should cut the orange sheet of construction paper in half, lengthwise, and glue the ends together to form a long, banner-like sheet that is 22 inches long. Each group should cut out the letters of the word “Economics” from Activity 9.1, then glue the letters onto the banner.
  11. Have one group member from each group get a copy of Activity 9.1 and an exchange bag and take them to the group’s work area. Tell the group members to remove the contents from the bag and identify what the group has. Discuss the following:
    - A. Does your group have all of the things needed to produce the banners? *No*
    - B. What materials do you need that are not in the bag? *Answers will include scissors, red crayon, blue crayon, yellow crayon, green crayon, glue sticks or orange construction paper.*
  12. Ask the groups how they can solve the problem of missing resources. *They can trade with each other.*
  13. Explain that trading one good or service for another good or service is called **barter**.
  14. Choose a leader from each group. The leaders will barter for the goods needed to produce the economics banner. Choose a central location for the group leaders to barter. (Optional: Have the group leaders take only one item at a time to barter. This should eliminate confusion.)
  15. Allow time for the groups to barter. (**NOTE:** The teacher will serve as a facilitator during the bartering situation. Depending on the age level of the students, the teacher may need to assist with some of the bartering. The amount of time allowed for the bartering to be completed will vary with the age level of the students.)
  16. Ask the following questions:
    - A. Did each group collect all the materials? *Yes*
    - B. Why do you think all the groups were able to collect the materials? *Each group wanted an item that it did not have and was willing to trade extra items that it did have.*
    - C. Was the bartering easy or hard? *Answers will vary but might include: Easy, because each group leader was able to barter for what was wanted; hard, because the leader had to go to more than one group to collect materials; hard, because it took a lot of time.*
  17. Remind the students that barter is the exchange of goods and services for other goods and services. Ask them to recall times when they have bartered for goods or services they wanted. *Answers will vary but might include lunch items at school, clothes with a friend, toys, and so on*
  18. Produce the economics banner. Collect the banners from each group.
- Day 2**
19. Review the activities from the previous day with the following questions:
    - A. What did the class produce? *Economics banners*
    - B. Did each group have all of the materials needed to produce the banners? *No, not at first*
    - C. How did the groups solve this problem? *They bartered.*
    - D. What is barter? *Trading goods and services for other goods and services*

## Lesson 9 – Exchanging for Goods and Services

E. What barter exchanges took place?

*Answers will vary, but the students should describe trading a crayon for a pair of scissors or a pair of scissors for construction paper, and so forth.*

F. Why were groups willing to barter?

*Each group had something that it was willing to trade to get something it wanted more.*

20. Divide the students into the same small groups as on Day 1. Tell the students that they will produce more economics banners.

21. Display Visual 9.1. Explain the following:

- Each group must have all the materials listed *before* starting the banner.
- Each group should color the letters as indicated.
- Each group should cut the orange sheet of construction paper in half, lengthwise, and glue the ends together to form a long, banner-like sheet that is 22 inches long. Each group should cut out the letters of the word “Economics” from Activity 9.1, then glue the letters onto the banner.

22. Instruct one group member from each group to take a copy of Activity 9.1 and an exchange bag to the group’s work area. Tell the group members to remove the items from the bag and identify what the group has. Discuss the following:

A. Does your group have all of the things needed to produce the banners? *No*

B. What materials do you need that are not in the bag? *Answers will include scissors, red crayon, blue crayon, yellow crayon, green crayon, glue sticks and orange construction paper.*

C. What is different about the bags today? *There is money in the bags.*

D. How much money is in each bag? *\$6*

23. Explain that the \$6 is the group’s payment for producing banners the day before. Tell the students that money makes trading

easier. Explain that people can use money to exchange, or trade, for the goods and services that they want. Explain that people call this practice “buying goods and services.” Ask the students to name times they have used money – traded money – for goods and services that they wanted. *Buying lunch, buying toys, buying candy, and so on*

24. Display the materials in the teacher’s bag. Explain that groups may buy the materials to produce banners. The price for each item in the teacher’s bag is \$1. Ask the students how many items they could buy with \$6 if the price of each item is \$1. *Six items*

25. Choose one leader from each group to purchase the materials needed to produce the banner.

26. Allow time for the groups to exchange using money. (**NOTE:** The teacher/teacher’s desk is the “market,” where money is exchanged for the goods needed. The amount of time allowed for the exchanges to take place will vary with the age level of the students.)

27. After the trades are finished, discuss the following:

A. What was different about the trading today? *We used money to buy the goods.*

B. Did this make the trading easier? *Yes*

C. Why? *Each group leader only had to go to one place to get what was needed.*

28. Explain that trade using money is called monetary trade or exchange. Remind the students that most trades they and their family make involve money. Ask the students to recall situations in which they exchanged money for goods and services. *Answers may include “buying an ice cream cone,” “paying for lunch at school,” “going to the zoo,” and so on.*

29. Allow the groups to produce the economics banner. Collect the banners from each group.

## CLOSURE

30. Discuss the following:
  - A. What is exchange? *Exchange is trading goods and services for other goods and services or for money.*
  - B. What are the two forms of exchange? *Monetary and barter*
  - C. What is barter? *Barter is the direct trading of goods and services.*
  - D. Name some examples of barter. *Answers will vary but might include trading toys at recess, snacks, exchanging video games, or exchanging baseball cards.*
  - E. What is monetary exchange? *Using money to exchange or trade for goods and services*
  - F. Name some examples of monetary exchanges. *Answers will vary but might include eating at a restaurant, going to a movie, or buying a drink at a football game.*
  - G. Which kind of trades do you and your family make most often – barter or monetary? *Monetary*
31. Distribute a copy of Activity 9.3 to each student. Allow time for the students to cut out the “B” (barter) and “M” (money) circles, and place these aside.
32. Draw a tic-tac-toe grid on the board, similar to that in Activity 9.4.
33. Read the “Scenario #1” card from Activity 9.5 to the class. Ask the students if this is a monetary exchange or a barter exchange. *Monetary exchange* Write “M” in one of the places on the grid.
34. Read the “Scenario #2” card from Activity 9.5 to the class. Ask the students if is this a monetary exchange or a barter exchange. *Barter exchange* Write “B” on a different place on the grid.
35. Using a student copy of Activity 9.4, explain the rules of the tic-tac-toe grid.

– Each time a barter exchange scenario is read, the students should place a circle with a “B” on the grid.

– Each time a monetary exchange scenario is read, the students should place a circle with an “M” on the grid.

– Students win the tic-tac-toe game when they have three in a row – three “B’s” or three “M’s” – going vertically, horizontally or diagonally on the grid.

36. Give each student a copy of Activity 9.4. Read the scenarios from Activity 9.5. Allow time for several students to choose a square.

### Answers to scenarios from Activity 9.5

1. *Monetary (“M”)*
2. *Barter (“B”)*
3. *Monetary (“M”)*
4. *Monetary (“M”)*
5. *Barter (“B”)*
6. *Monetary (“M”)*
7. *Barter (“B”)*
8. *Barter (“B”)*
9. *Monetary (“M”)*
10. *Monetary (“M”)*
11. *Monetary (“M”)*
12. *Barter (“B”)*
13. *Barter (“B”)*
14. *Barter (“B”)*
15. *Monetary (“M”)*
16. *Monetary (“M”)*

## ASSESSMENT

Administer one or both Assessments, using Activity 9.6 and Activity 9.7, as follows:

**Assessment with Activity 9.6:** Distribute a copy of Activity 9.6 to each student. Tell the students that each picture on the page is about monetary or barter exchange. The students must decide if a picture is a monetary exchange or a barter exchange. They will write “B” for a barter exchange and “M” for a monetary exchange. The students will then write a statement about a time when they have traded and then explain whether the trade was barter or monetary.

## Lesson 9 – Exchanging for Goods and Services

### *Answers to pictures of monetary and barter exchanges*

- Trading toys – *Barter* (“B”)
- Trading lunches – *Barter* (“B”)
- Buying ticket to circus – *Monetary* (“M”)
- Buying pizza – *Monetary* (“M”)
- Trading backpacks – *Barter* (“B”)
- Buying at restaurant – *Monetary* (“M”)
- Trading crayons – *Barter* (“B”)
- Checking out at grocery store – *Monetary* (“M”)
- Paying for haircut – *Monetary* (“M”)

*The statements will vary. They may include buying a fish at the pet store, renting a video game, trading bicycles with a friend. Each statement must include whether it is a monetary or barter exchange.*

**Assessment with Activity 9.7:** Distribute a copy of Activity 9.7 to each student. Tell the students to illustrate or describe a barter situation in the first box. Tell the students to describe or illustrate an example of monetary exchange in the second box. *Answers will vary in box one but might include using each other’s toys at the swimming pool or trading video games for a week. Answers will vary in box two but might include buying candy at the store or paying for a cookie at the school carnival.*

## Visual 9.1 – Economics Banner

Each group will need the following materials to complete an Economics Banner.



1 red crayon



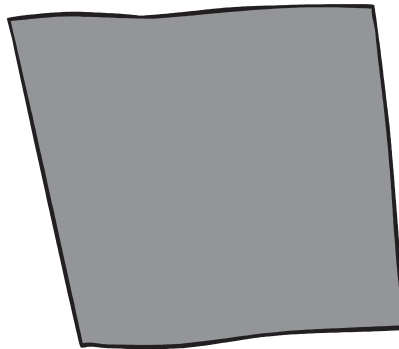
1 green crayon



1 blue crayon



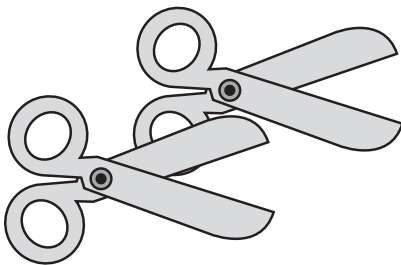
1 yellow crayon



1 piece of orange  
construction  
paper



2 glue sticks



2 pairs of scissors

**1 copy of Activity 9.1–E-C-O-N-O-M-I-C-S**

Color coding for the letters

E—red

C—blue

O—yellow

N—green

M—blue

I—green

S—red

## Activity 9.1 – E-C-O-N-O-M-I-C-S

E

C

O

N

O

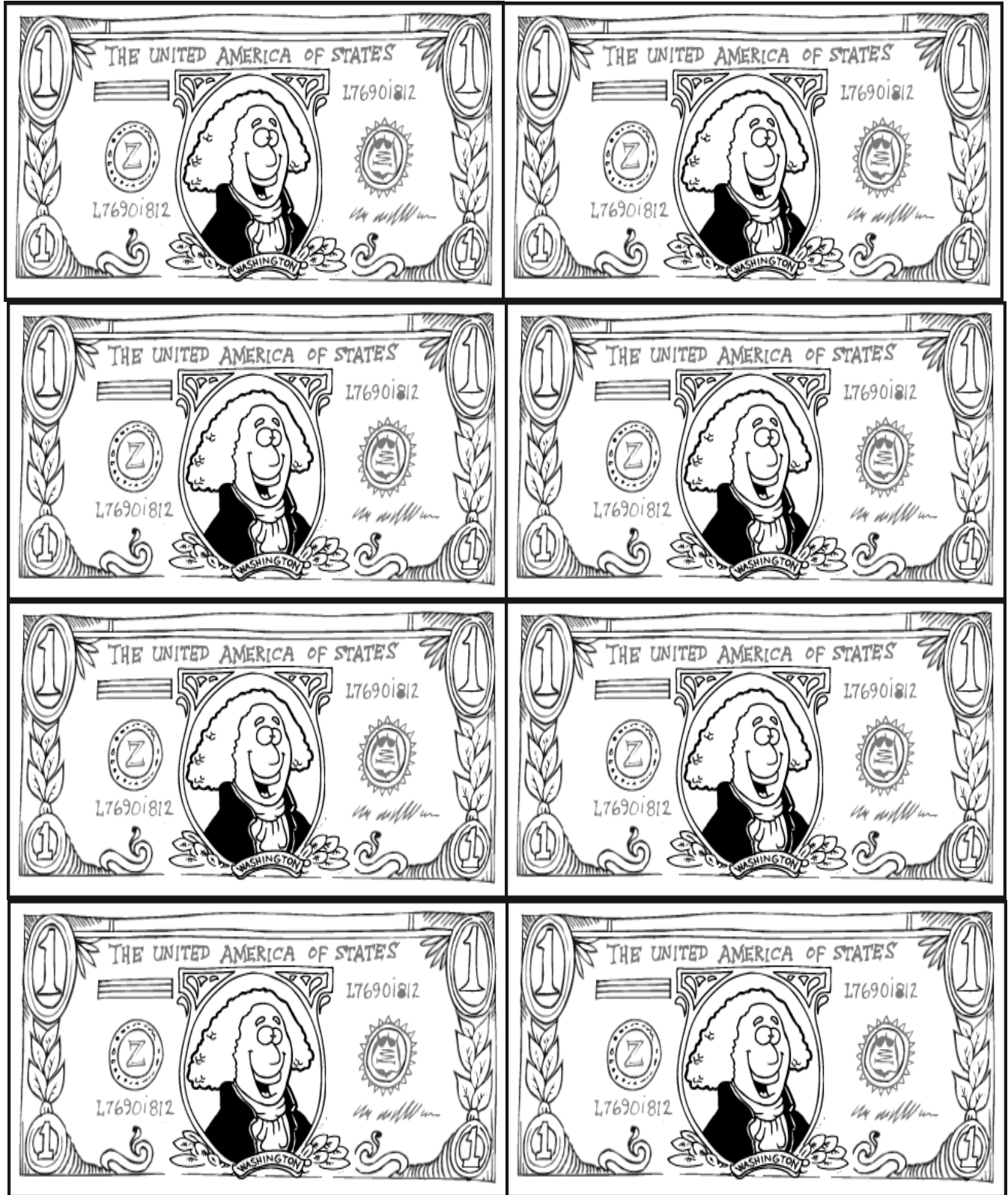
M

I

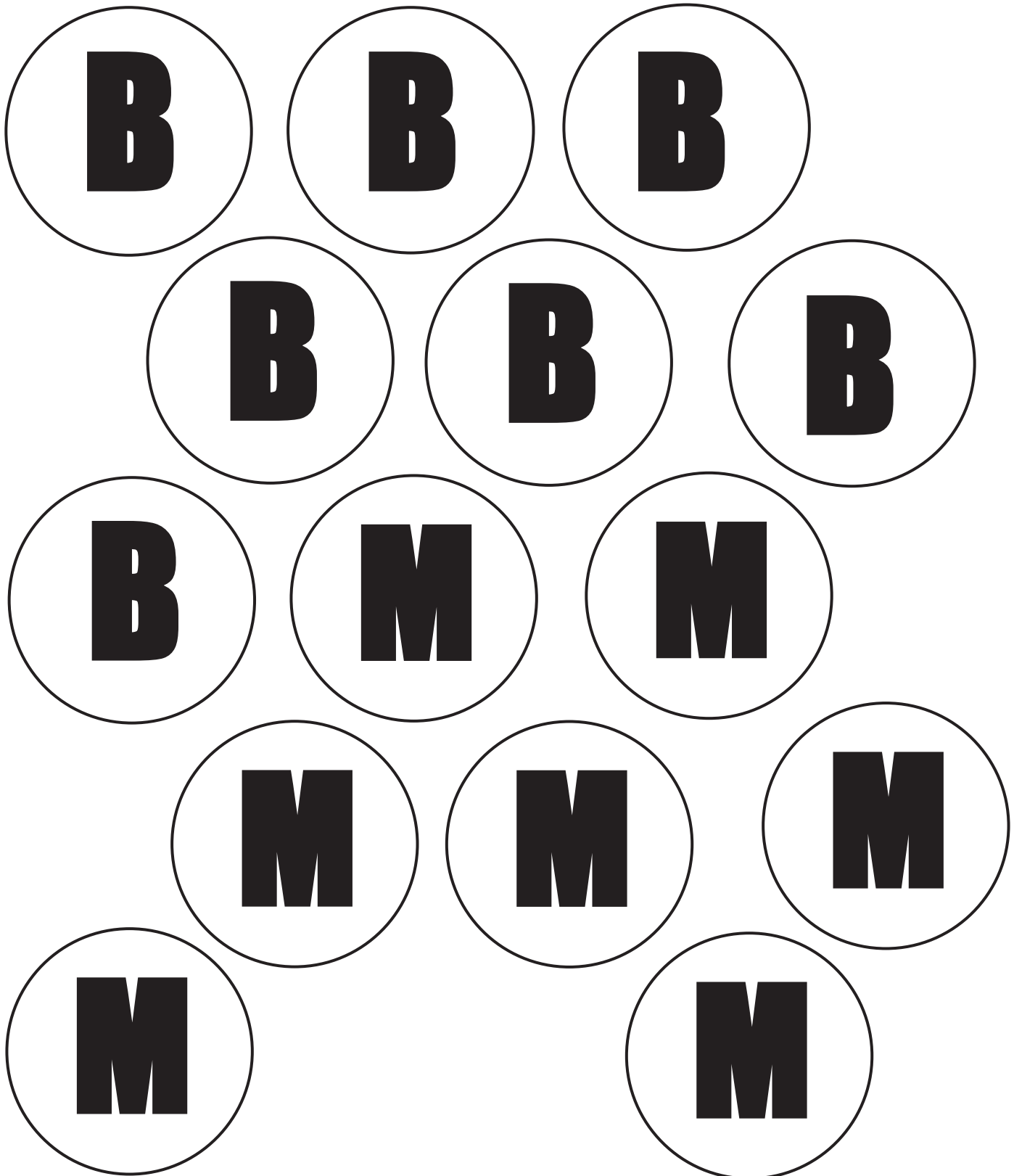
C

S

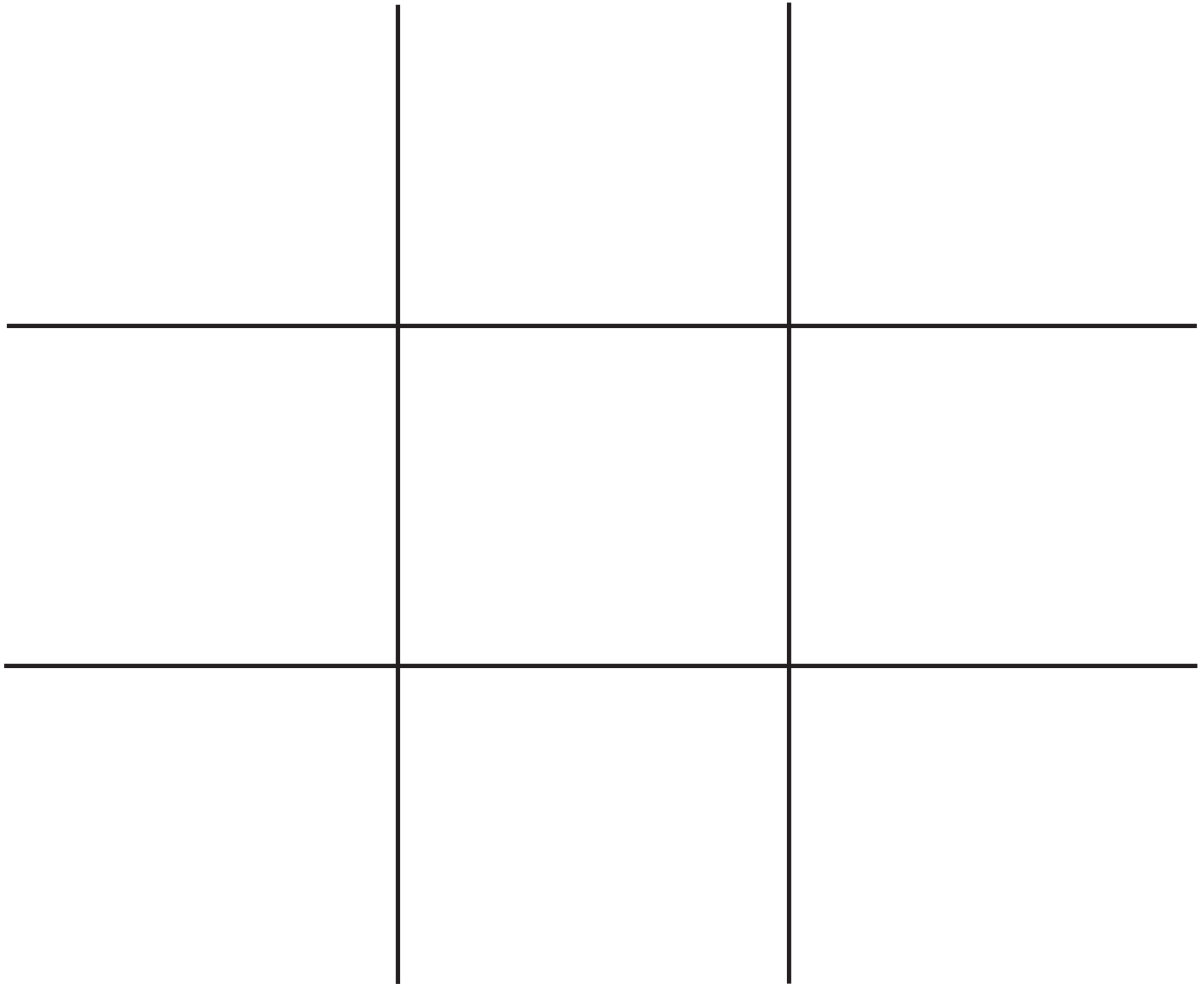
## Activity 9.2 - Classroom Dollars



## Activity 9.3 – Barter and Money Circles



## Activity 9.4 – Exchanging for Goods and Services Tic-Tac-Toe Grid



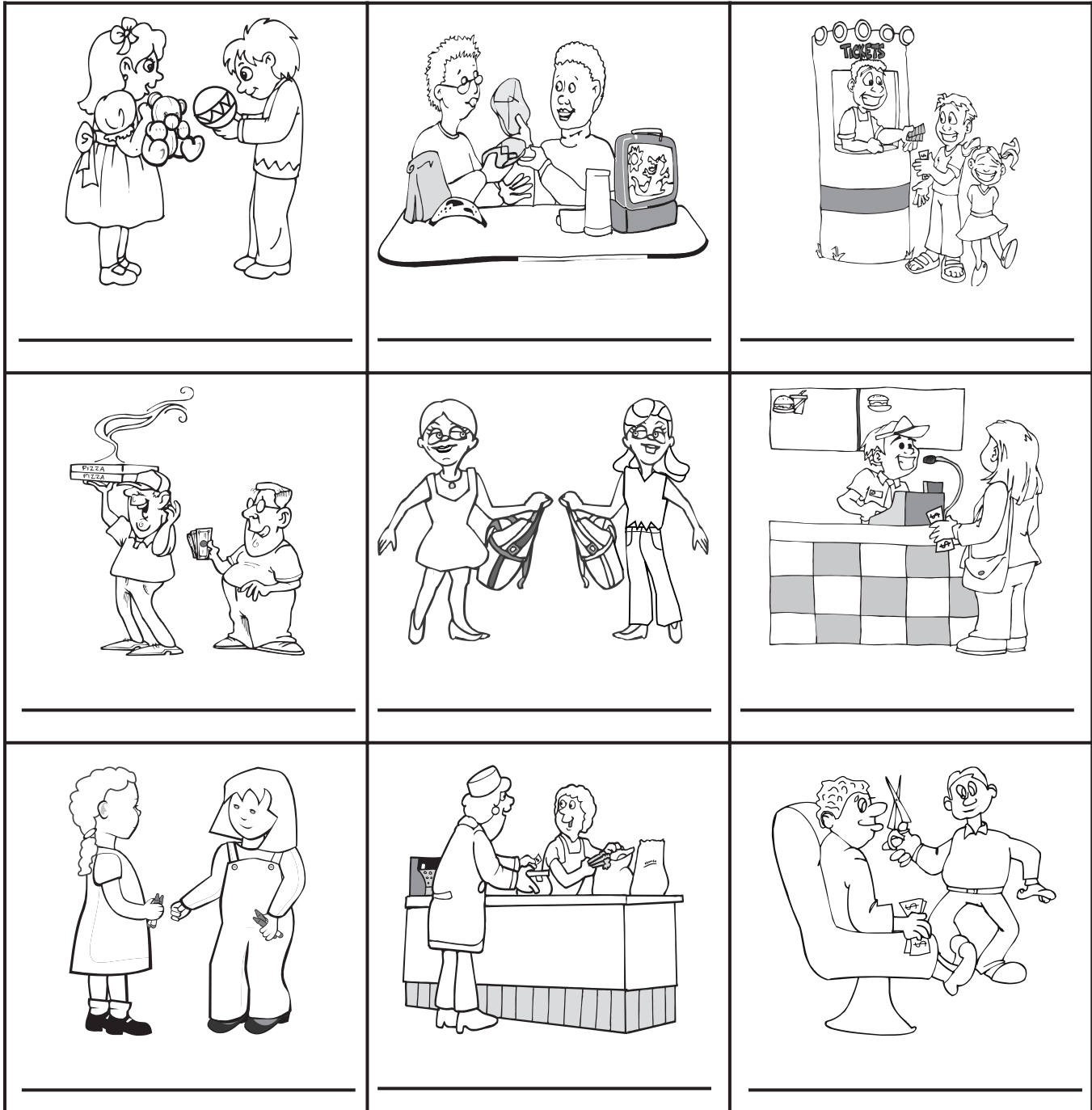
## Activity 9.5 – Monetary and Barter Exchange Scenarios

<p><b>#1. Jess was eating a chocolate ice cream cone that he bought for \$1.</b></p>	<p><b>#2. Molly and Abby wore each other's shirt to school.</b></p>
<p><b>#3. Michelle bought a ticket and went to see a movie.</b></p>	<p><b>#4. The family went out to eat and spent \$25.</b></p>
<p><b>#5. Will and Terrance did not like the sandwiches in their lunches. They decided to trade.</b></p>	<p><b>#6. Zen wrote a check for his new clothes.</b></p>
<p><b>#7. Mrs. Johnson was so happy when Tia mowed her lawn that she gave Tia an apple pie.</b></p>	<p><b>#8. Alysea and Maya traded their video games.</b></p>

## Activity 9.5 – (continued) Monetary and Barter Exchange Scenarios

<b>#9. Dominique spent his birthday money on new shoes.</b>	<b>#10. Ellen paid \$4 to go to the zoo.</b>
<b>#11. A class went on a field trip to the fire station and the park. Each student paid \$3 each for lunch.</b>	<b>#12. Cliff helped Mike fix his car, and Mike helped Cliff paint his garage.</b>
<b>#13. Nakesha and Eliscia traded books.</b>	<b>#14. Ian wanted to play soccer, so he traded a basketball to Markus for a soccer ball.</b>
<b>#15. It costs mom \$20 to have the car repaired.</b>	<b>#16. It took three quarters to wash the car.</b>

## Activity 9.6 – Assessment -Exchanging Goods and Services



Describe a time when you traded for something. Was it a monetary or barter trade?

## Activity 9.7 – **Assessment** **-Exchanging Goods and Services**

**Describe and/or illustrate a barter situation.**

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**Describe and/or illustrate a monetary exchange situation.**

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# Lesson 10 – Markets Are Everywhere

## LESSON DESCRIPTION

The familiar nursery rhyme, “To market, to market to buy a fat pig / Home again, home again, jiggy-jig” is used to introduce the students to a variety of markets. A small-group game allows the students to apply math skills as they decide which direction to move on a game board to collect “market cards.” A two-part assessment is provided. Part “A” is appropriate for students with emerging reading and writing skills. Part “B” is suitable for students with greater proficiency.

## CONCEPTS

Goods  
Services  
Markets

## CONTENT STANDARDS

### Standard 1 – Scarcity

- **Benchmark 3 for 4th grade:** Goods are objects that can satisfy people’s wants.
- **Benchmark 4 for 4th grade:** Services are actions that can satisfy people’s wants.

### Standard 7 – Markets

- **Benchmark 2 for 4th grade:** A market exists whenever buyers and sellers exchange goods and services.

## OBJECTIVES

The students will:

1. Give examples of goods.
2. Give examples of services.
3. Define “market.”
4. Give examples of markets in which buyers and sellers meet face-to-face.

5. Give examples of markets in which buyers and sellers never meet.

## TIME REQUIRED

45-60 minutes

## MATERIALS

- ✓ Cellophane tape
- ✓ Chart tablet divided in two columns, with headings “Goods” and “Services”
- ✓ (Optional) Assortment of advertising flyers, newspaper ads and catalogs
- ✓ Visual 10.1, prepared as a transparency
- ✓ Visual 10.2, prepared as a transparency
- ✓ One “game set” for each group of students, prepared as follows:
  - One copy of Activity 10.1 – Exchange Cards Set “A” and “B,” copied on different colors of card stock and cut apart (**NOTE:** Multiple copies may be made if more playing cards are preferred.)
  - One copy of Activity 10.2, game board. Each page should be printed and cut out, centers matched, taped together and mounted on tag board to create the game board. Game board may be colored if desired.
  - One copy of Activity 10.3, “Record-Keeping Page,” copied on card stock, for each student
  - One die for each group of students
  - One small game-marker for each student
- ✓ One copy of Activity 10.4, “Rules of the Game” for the teacher.
- ✓ One copy of Activity 10.5, “Assessment,” for each student

## PROCEDURE

1. Write, “To market, to market to buy a fat pig / Home again, home again, jiggy jig”

## Lesson 10 – Markets Are Everywhere

- on the chalk board, in two lines. Read the sentences to the students. Ask if anyone has heard this rhyme before and whether anyone knows the next two lines of the poem.
2. Write the next two lines on the board: “To market, to market to buy a fat hog / Home again, home again, jiggity jog.” Read the sentences to the students.
  3. Ask the students what they notice about the last words in each line. *They rhyme. “Pig” rhymes with “jig,” “hog” rhymes with “jog.”*
  4. Underline the word “market” and read the word to the students. Ask the students if they know what the word “market” means. *Answers will vary but will likely be limited to a description of a grocery store or a farmer’s market.*
  5. Define a **market** as whenever buyers and sellers exchange goods and services. In student language, whenever people buy and sell goods and services, there is a market. (NOTE: If the students have not been taught the definitions of “goods” and “services,” they should be given at this time. **Goods** are objects that can satisfy people’s wants. They are things people want that can be touched and used. **Services** are actions that can satisfy people’s wants. They are activities that people do for others.)
  6. Display the chart tablet with the headings “Goods” and “Services.” Ask the students for examples of goods. Write the responses on the chart tablet, in the column marked “Goods,” for later use. The list should contain eight to 10 goods. *Answers will vary but may include dolls, scooters, balls, and so on.*
  7. Ask the students for examples of services. Write responses on the chart tablet in the column marked “Services.” The list should contain eight to 10 services. *Answers will vary but may include getting a haircut, going to the dentist, riding the school bus, and so on.*
  8. Tell the class that markets exist in many different places. Explain that a market is anyplace and anytime that buyers and sellers exchange goods and services. Discuss the following questions:
    - A. Can you think of examples of places people buy and sell things? *Answers will vary but will likely be limited to examples of physical locations such as the grocery store or toy store or getting a haircut at a salon.*
    - B. Have your parents ordered something on the computer? *Answers will vary.* If so, what did they buy? *Answers will vary.* (NOTE: If the students appear unaware of the Internet and use of computer as a market, the teacher should give examples such as, “I found a toy catalog on the Internet and used my computer to buy a special toy for my grandson.”)
    - C. Do you get catalogs or newspapers at your house? What kind of things are for sale in them? (Optional: Pass around examples of advertising flyers, catalogs and newspaper ads.) *The students may respond that they receive catalogs that sell toys or newspapers with inserts from discount or variety stores that sell an assortment of items.*
    - D. How do you get the things you want that are for sale in catalogs or newspapers? *You can order by phone or by mail, or drive to the store where a good or service is advertised. Sometimes you can order online by using the computer.*
    - E. Has anyone ever come to your house to work? What type of work did they do for your family? *Answers may include such examples as a plumber fixing a leaking faucet, a teenager raking leaves, a baby sitter and a house painter.*
    - F. Do you or your brother or sister do chores at home? Are you paid when you do? *Answers will vary; young children often*

*receive money for performing easy tasks at home.*

9. Explain that all of the ideas the class just discussed are examples of markets: going to a physical location or store; using the computer to order online; ordering by phone from a catalog or newspaper ad; workers coming to their homes, fixing something and getting paid for it; themselves and siblings performing chores and getting money for their services.
10. Point out that, in all these cases, buyers have received a good or service that they have paid for in return. The discussion questions are all about the ways that buyers and sellers exchange goods and services to get what they want.
11. Display Visual 10.1. Instruct the students to think about the markets that were just discussed. Ask the following questions:
  - A. Are people always face-to-face when exchanges take place in a market? *Not always*
  - B. Who can give examples of exchanges that are not made in person? *Answers may include “My mom doesn’t see another person when she orders clothing online,” “My dad doesn’t see the person he calls on the phone to order something from a catalog,” and so on.* (List responses on Visual 10.1 in the “Not Face-to-Face” column.)
  - C. What are some markets where people meet face-to-face? *Answers may include getting a haircut, someone hired to do yard work, buying a bike at a sports store, and so on.* (List responses on Visual 10.1 in the “Face-to-Face” column.)
12. Display Visual 10.2. Discuss the exchange occurring in each picture. As a picture is discussed, indicate the type of market in which it belongs. *Person using a computer – not face-to-face market; person getting a haircut – face-to-face market; babysitter –*

*face-to-face market; clerk with customer – face-to-face market; person mailing an order – not face-to-face market; person phoning an order – not face-to-face market.*

13. Tell the class they will play a game to help them remember different types of markets.
14. Divide the class into groups of three or four students each. (**NOTE:** Having a small number of players in each group reduces the amount of time necessary for a winner to be determined.)
15. Distribute a previously prepared game set to each group: Market Game Cards, sets “A” and “B,” from Activity 10.1 and the Activity 10.2 game board; one die; one game marker for each student; and one Activity 10.3 Record-Keeping Page for each student.
16. Explain that the object of the game is to be the first in the group to obtain two cards from each of two markets: “Face-to-Face Market” or “Not Face-to-Face Market.” The students may collect only two cards from each market. The students may move forward or backward in order to land on a market space but may move in only one direction per turn.
17. Explain the rules of the game, listed on Activity 10.4:
  - The object of the game is to be the first player to obtain two cards from each of two markets: “Face-to-Face” and “Not Face-to-Face.”
  - Students may collect only two cards from each market.
  - Sort the picture card sets into the different markets: “Face-to-Face Market” and “Not Face-to-Face Market.” There are eight cards for each market.
  - Divide the Face-to-Face Market cards into two sets of four, and place them face-down on the corresponding spaces on the game board. (It does not matter how the

## Lesson 10 – Markets Are Everywhere

cards are separated as long as they are from the correct set.)

- Divide the Not-Face-to-Face Market cards into two sets of four, and place them face-down on the corresponding spaces on the game board. (It does not matter how the cards are separated as long as they are from the correct set.)

- Place all individual student markers in the START circle.

- Allow the players to determine who will play first. Play proceeds clockwise.

- The first player rolls the die and moves the corresponding number of spaces in any direction.

- Students may move forward or backward in order to land on a market space but may move in only one direction per turn.

- The goal is to land on a market space.

- If players land on a market space, they select the top card from the pile, describe an exchange that might occur in that market and place the card on their individual game record page. Play then moves to the next player.

- If a player doesn't land on a market space, his or her turn is over, a card is not selected, and play proceeds to the next person.

- Players collect two cards from each market. It is acceptable to select two cards from the same market space. If a player lands on a market space and already has two cards from that market, the turn is over.

- Play proceeds until one player has two cards from each market on his or her game record page and is declared the winner.

18. Allow enough time for most groups to declare a winner.

### CLOSURE

19. Tell the students to return to their seats. Review the important points of the lesson

by discussing the following:

A. What is a market? *A market is whenever buyers and sellers come together to exchange goods and services.*

B. Explain and give examples of the types of markets the class has discussed. *A physical location, like a grocery store or car lot; a computer used to order something online; in person at our homes, like a plumber fixing a leak, or a baby sitter; using the phone or by mail to order from a catalog or newspaper*

C. In which of these markets would buyers and sellers meet face-to-face? *A store; at one's home*

D. In which of these markets would buyers and sellers not meet face-to-face? *Online – using a computer; by phone; by mail*

### ASSESSMENT

1. Ask a student to recite the rhyme "To Market, to Market." *To market, to market to buy a fat pig / Home again, home again, jiggity jig / To market, to market, to buy a fat hog / Home again, home again, jiggity jog.*
2. Write the first two lines of the rhyme on the board, inserting blanks for the last two words in the first line and a blank for the last word in the second line. ("To market, to market to buy a \_\_\_\_ \_\_\_\_ / Home again, home again, jiggity \_\_\_\_.")
3. Display the chart of goods and services exchanged in markets that was created earlier in the lesson. Ask a student to select one item from the list and insert it into the blanks in the first sentence. (For example, if "bike" is on the list, the rhyme would be, "To market, to market, to buy a new bike") Accept any appropriate adjective describing the bike – blue, fast, dirt, and so on.
4. Ask the student to then complete the second line of the rhyme using a word that

rhymes with bike. *“Home again, home again, jiggity jike”*; *nonsense words are acceptable.*

*words from the box at the top of the page. (computer, goods, home, mail, market, phone, services, store)*

5. Continue to create new rhymes using words from the list. (It is not necessary for every student to finish the rhyme with new words. Stop when it is clear the students understand the procedure.)
6. Distribute Activity 10.5 to each student. Assessment “A” is appropriate for students with emerging reading and writing skills. Assessment “B” is suitable for students with higher levels of reading and writing skills.
7. Review the directions with the students. Instruct the students to complete the assessment. Allow time for the students to work. Collect the completed assignments.

### Answers for Activity 10.5

#### Assessment A

*The answers will vary. Drawing should illustrate the market exchange described in the rhyme. Check for appropriate use of rhyming words. Nonsense words are acceptable in the second line. The sentence should describe a market appropriate for the exchange of the good or service illustrated.*

#### Assessment B

t e h e m e a t m h  
g m a i l i s u h o  
o a s c s o o e p e  
o r i c v s c h e o  
d k m h c r r m r h  
s e r v i c e s s o  
u t c i t e o t o m  
e o s u e p h o n e  
c o m p u t e r e o  
m n r m n t u e o o

#### Market Exchange Paragraph

*The answers will vary. Check for complete sentences. Look for appropriate use of the word “market” and inclusion of at least two other*



Visual 10.1 - Markets Are Everywhere!

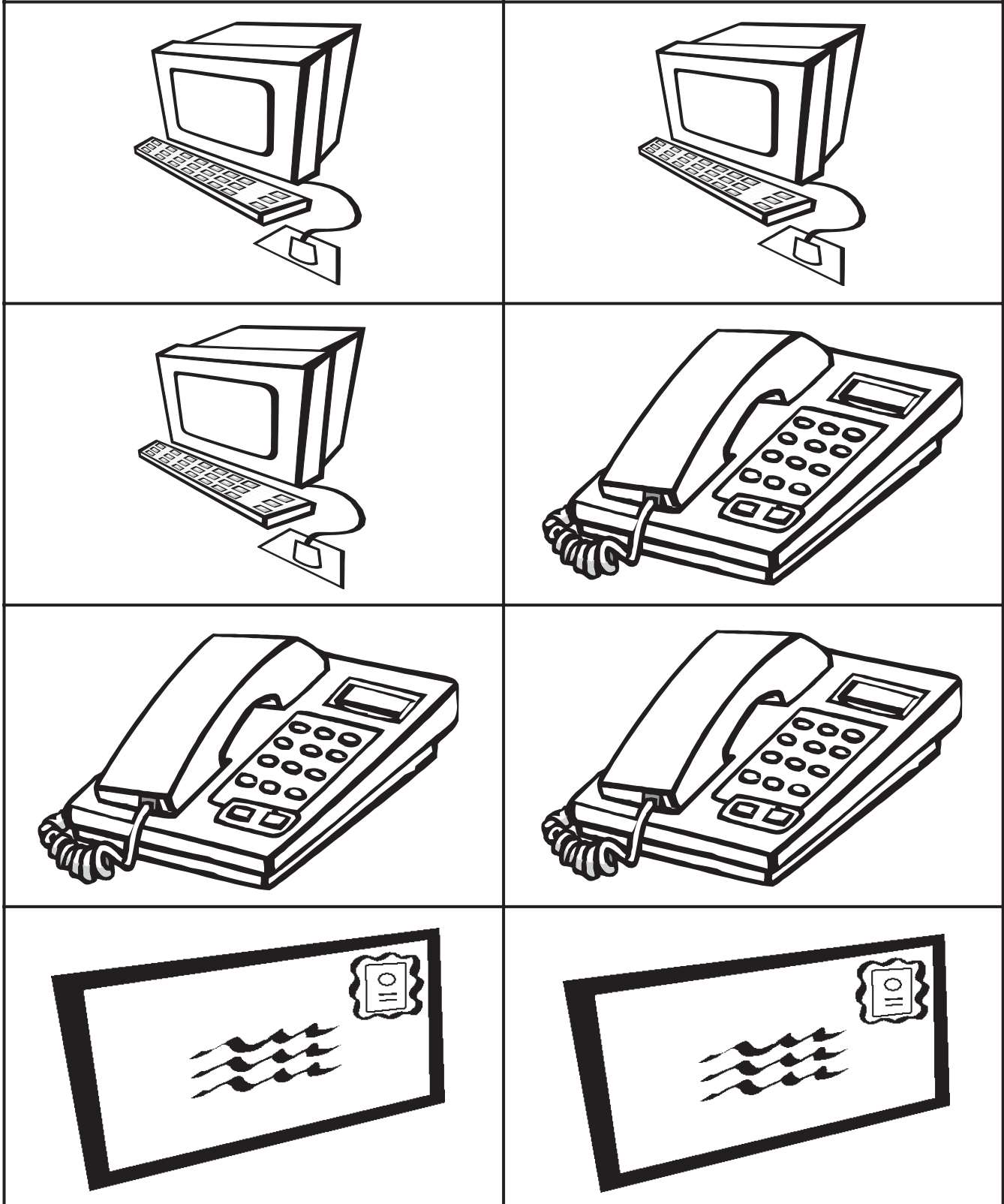
Not Face-to-Face Markets Cards	Face-to-Face Markets Cards

## Visual 10.2 - Markets Exchanges



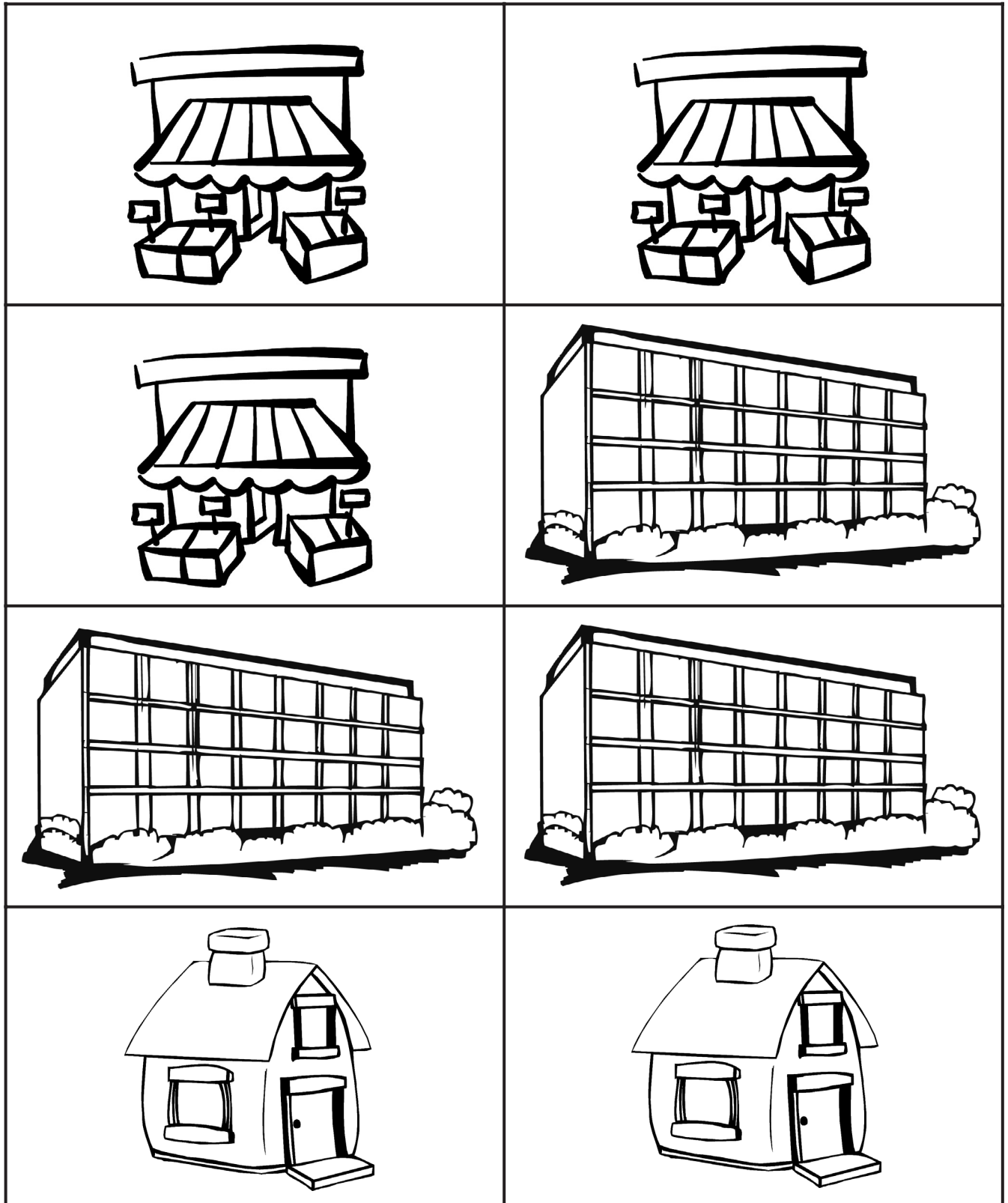
## Activity 10.1 - Market Game Cards - Set A

### Not Face-to-Face Market Cards

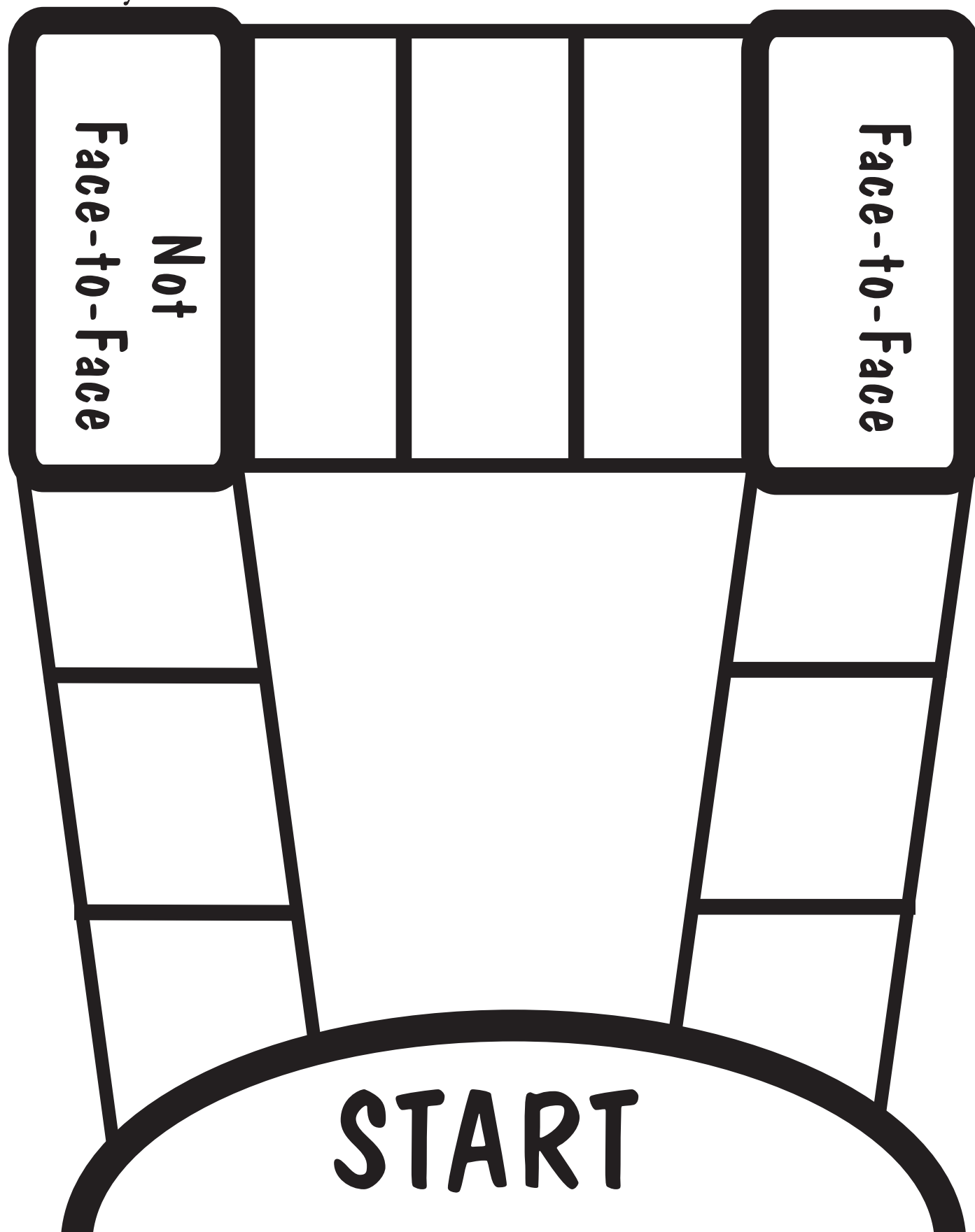


# Activity 10.1 - (continued) Market Game Cards - Set B

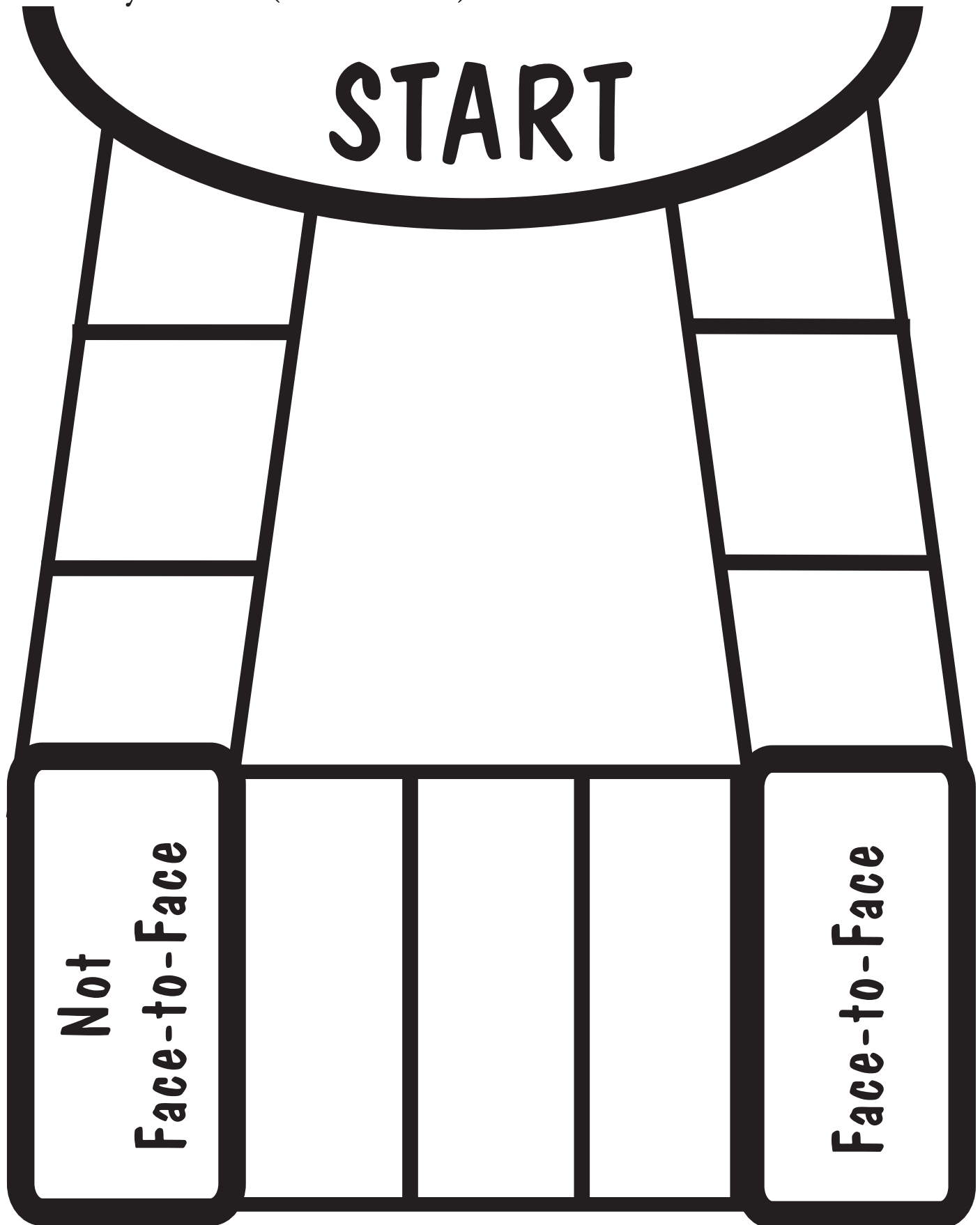
## Face-to-Face Market Cards



## Activity 10.2 - Game Board



Activity 10.2 - (continued) **Game Board**





# Activity 10.3 - Record-Keeping Page

Place market cards in the correct column.  
Collect two cards from each market to win the game.

Not Face-to-Face Markets Cards	Face-to-Face Markets Cards

## Activity 10.4 - Rules of the To Market Game

- The object of the game is to be the first player to obtain two good or service cards from each of two markets: “Face-to-Face” and “Not Face-to-Face.”
- Students may collect only two cards from each market.
- Sort the picture card sets into the different markets: “Face-to-Face Market” and “Not Face-to-Face Market.” There are eight cards for each market.
- Divide the Face-to-Face Market cards into two sets of four, and place them face-down on the corresponding spaces on the game board. (It does not matter how the cards are separated as long as they are from the correct set.)
- Divide the Not-Face-to-Face Market cards into two sets of four, and place them face-down on the corresponding spaces on the game board. (It does not matter how the cards are separated as long as they are from the correct set.)
- Place all individual student markers in the START circle.
- Allow the players to determine who will play first. Play proceeds clockwise.
- The first player rolls the die and moves the corresponding number of spaces in any direction.
- Students may move forward or backward in order to land on a market space but may move in only one direction per turn.
- The goal is to land on a market space.
- If players land on a market space, they select the top card from the pile, describe an exchange that might occur in that market and place the card on their individual game record page. Play then moves to the next player.
- If a player doesn’t land on a market space, his or her turn is over, a card is not selected, and play proceeds to the next person.
- Players collect two cards from each market. It is acceptable to select two cards from the same market space. If a player lands on a market space and already has two cards from that market, the turn is over.
- Play proceeds until one player has two cards from each market on his or her game record-keeping page and is declared the winner.



## Activity 10.5 - Assessment A

**Directions:** Fill in the blanks of the first sentence with words describing a good or service. Complete the second sentence so it rhymes with the first sentence.

**Example:** To market, to market, to buy a green car. Home again, home again, jiggy jar. Draw a picture of the good or service.

To market, to market to buy a \_\_\_\_\_.

Home again, home again, jiggy \_\_\_\_\_.

The rhyming words I used are \_\_\_\_\_ and \_\_\_\_\_.

The good or service I bought is \_\_\_\_\_.

Write a sentence about the market for this good or service.

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## Activity 10.5 - (continued) Assessment B

### Word Search

The words in the box are hidden in the puzzle. Find the words and circle them. All words are across or up and down.

computer	goods	home	mail	market	phone
	services		store		

t	e	h	e	m	e	a	t	m	h
g	m	a	i	l	i	s	u	h	o
o	a	s	c	s	o	o	e	p	e
o	r	i	c	v	s	c	h	e	o
d	k	m	h	c	r	r	m	r	h
s	e	r	v	i	c	e	s	s	o
u	t	c	i	t	e	o	t	o	m
e	o	s	u	e	p	h	o	n	e
c	o	m	p	u	t	e	r	e	o
m	n	r	m	n	t	u	e	o	o

Write a paragraph about a market exchange. Use complete sentences. Use the word "market" and explain what a market is. Use at least two other words from the box above in your paragraph.

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# Glossary of Terms

**Alternatives:** the possible choices that a person has (Lesson 7)

**Barter:** the oldest form of exchange; the direct trading of goods and services between people (Lesson 9)

**Benefit:** something that satisfies a person's wants (Lesson 7)

**Capital goods (resources):** goods produced and used to make other goods and services (Lessons 4, 5 and 6)

**Choice:** the alternative that best satisfies a person's wants (Lesson 7)

**Consumer:** a person whose wants are satisfied by using goods and services (Lessons 2 and 7)

**Cost:** what is given up when a person decides to do something (Lesson 7)

**Economic wants:** desires that can be satisfied by consuming a good, service, or leisure activity (Lessons 1 and 2)

**Exchange:** trading goods and services with people for other goods and services or for money (Lesson 9)

**Goods:** objects that satisfy people's wants (Lessons 1, 3, 4 and 10)

**Human capital:** the quality of labor (human) resources, which can be improved through investments in education, training and health (Lesson 4)

**Human resources:** the quantity and quality of human effort directed toward producing goods and services (Lessons 4, 5, 6 and 8)

**Interdependence:** when people rely on other people to get the goods and services they want (Lesson 8)

**Market:** whenever buyers and sellers exchange goods and services (Lesson 10)

**Money:** anything widely accepted as final payment for goods and services (Lesson 9)

**Natural resources:** gifts of nature, such as land; they are present without human intervention (Lessons 3 and 6)

**Opportunity cost:** the value of the best alternative given up (Lesson 7)

**Producer:** people who make goods and provide services (Lessons 6 and 7)

**Productive resources:** the natural resources, human resources, and capital goods available to make goods and services (Lesson 6)

**Scarcity:** the condition of not being able to have all of the goods and services one wants. It exists because human wants for goods and services exceed the quantity of goods and services that can be produced using all available resources. (Lesson 6)

**Services:** actions that satisfy people's wants (Lessons 1, 3, 4 and 10)

**Specialization:** when people concentrate their production on fewer kinds of goods and services than they consume (Lesson 8)

