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ABSTRACT

This guide contains concept-based activities in economics for use with students in grades one through three. One component of a two-part publication, the guide demonstrates how the conceptual structure of the economics discipline presented in the first publication (ED 148 648) can be used to help students at the primary grade level make more effective economic decisions. By using these activities, teachers will be able to strengthen the elementary social studies textbook's treatment of economic content and introduce children to a number of relevant and important ideas which these texts omit. The economic content is expressed in the form of six economic generalizations, each of which focuses on two or three economic concepts and on important relationships among these concepts. The concepts include scarcity, choice making, opportunity cost, specialization, and division of labor. The activities are many and varied and involve students in playing games, listing examples, learning to discriminate between sensible and crazy sentences, setting up stores in the classroom, classifying pictures of goods and services, and analyzing and discussing pictures. For each activity the following information is provided: overview, rationale, objectives, description of materials needed, and specific teaching methods. To help the teacher who lacks formal preparation in economics, separate overviews are provided for each of the six economic generalizations. (Author/RM)

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Master Curriculum Guide in Economics for the Nation's Schools

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Part II
Strategies
for Teaching Economics
Primary-Level (Grades 1-3)

Donald G. Davison, *Chairman*



1977

Joint Council on Economic Education

Donald G. Davison, Chairman, Primary Level Committee, is Professor of Economics, The University of Iowa, and serves as Executive Director of the Iowa Council on Economic Education.

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Donald G. Davison
Chairman
Primary Level Committee
Master Curriculum Project

Preface

Strategies for Teaching Economics is one component of a two-part publication entitled *Master Curriculum Guide in Economics for the Nation's Schools*. Part I of the Guide, *A Framework for Teaching Economics: Basic Concepts*, presents a conceptual structure of the economics discipline and shows how that structure can be used to assist in more effective personal economic decision-making. Part II of the Guide, *Strategies for Teaching Economics*, demonstrates how the conceptual *Framework* can be taught at various grade levels: Primary, Intermediate and Secondary. It has been packaged in several volumes to allow more flexible use by classroom teachers and curriculum development specialists.

The Joint Council greatly appreciates the fine cooperation given to us by the many universities and school systems associated with the development of these curriculum strategies. We are especially indebted to the individuals who drafted these materials. Meticulous classroom-testing by talented teachers near the development sites provided the necessary shakedown to assure that each lesson published was classroom-tested. While no claim is made that these lessons have been evaluated under all classroom conditions, we do know that the lessons work with the pupil populations designated. We consider the present volume as a working document and expect that modified versions will be forthcoming in the years ahead.

The entire Master Curriculum Project was made possible by general contributions from all our many dedicated sponsors. In addition, supplementary grants were received from General Motors, Ford Motor Car Fund and American Telephone and Telegraph. We appreciate the confidence these sponsors have expressed in the economic education movement. Special commendation should be given to S. Stowell Symmes, Director of Curriculum, who has coordinated the project for the Joint Council from its inception.

We are confident that *Strategies for Teaching Economics* will serve teachers well as practical guidelines for building economics lessons into existing curricula. Properly used the *Master Curriculum Guide* can become a powerful device for accelerating economics instruction at all grade levels.

M. L. Frankel
President

Foreword

The *Master Curriculum Guide* was published to be used as a tool for curriculum development—it is not a curriculum per se. It is designed as a resource document for school systems engaged in K-12 economic education ideas and Part II provides detailed classroom lessons illustrating tested ways in which these ideas can be taught at different levels of difficulty. Thus, the *Master Curriculum Guide* indicates that economic ideas can be taught, where they can be taught and how they can be taught.

It was decided to slice the school years into three segments: Primary, Intermediate and Secondary, with the secondary packets oriented toward subject fields. Curriculum committees were established for these segments. In preparing the volumes of Part II, the committees have specified levels of difficulty for each lesson, rather than code the lessons for single grades, one, two, three and so forth. Teachers must decide the appropriate grade for each lesson based upon the capacity of their students. Those teaching in "middle schools" will want to examine both the intermediate level package and the various secondary packages.

By judiciously selecting lessons from the volumes of teaching strategies, teachers can systematically upgrade the quantity and quality of economics instruction in their existing courses. Each lesson is self-contained and ready for teaching, but good teachers who have had economic education training can readily modify the activity to fit their special classroom needs. The lessons are concept-based rather than unit or theme-oriented. Once teachers have mastered the instructional activity, placement within existing courses or inclusion as supplements to text units will rapidly follow. Sample materials for classroom use (e.g., pictures, cards, games, etc.) may be reproduced at the teacher's discretion.

The curriculum strategies published in this volume have been classroom-tested. However, field-testing has not been conducted throughout the United States. For this reason, we see the present edition as a working document that will be improved based upon responses from users throughout the country. The Instructional Activity Evaluation Form found on pages viii-ix, or modified versions of it, may be used by supervisors to obtain feedback from teachers. We urge teachers to send copies of such evaluations to the Joint Council. This will enable us to obtain insights for future revisions. Furthermore, since we view these collections of concept-oriented curriculum activities as starting points, teachers are urged to submit their own activities dealing with concepts selected from the Framework. Those teachers wishing to submit activities should use a format that includes the essential elements of the format outlined on page x. This guide was developed to encourage writers to provide immediately teachable lessons. If the Joint Council receives a sufficient number of activities that have been classroom-tested, we will be well on our way toward supplying multiple volumes of concept-oriented mini-lessons at various grade levels. In fact, we would have a growing "curriculum activities bank" which, when published, would provide teachers with a rich source of classroom-tested lessons designed to teach various components of the economics Framework.

The *Master Curriculum Guide* Project, like all complex undertakings, is the product of many people whose contributions must remain unacknowledged, because it is nearly impossible to assign authorship to ideas that have been shaped and reshaped as they were molded into a published document. Perhaps by briefly tracing the evolutionary character of the product, we can not only clarify its purpose but also give credit to some of the principals involved.

The *Master Curriculum Guide* Project is an outgrowth of the Developmental Economic Education Project (DEEP). Working documents produced for the DEEP experiment in curriculum change conducted between 1964 and 1969 included the "two little red books," as they were called in the field: one a statement of economic concepts to be taught as outlined in the *Task Force Report on Economic Education in the Schools*, and the second, some suggestions for grade placement. These materials were later fashioned into a single volume entitled *Economics in the Curriculum*. During the '60s and the early '70s, these publications were extensively used, especially by those schools associated with the DEEP Cooperating Schools Program. Literally hundreds of curriculum guides and lesson plans were generated from these documents and through them thousands of teachers and students

were introduced to economic education.

During the 1973 National Affiliated Economic Education Directors Meeting, many Council and Center Directors, led by the California and Oklahoma contingents, urged the Joint Council to undertake what has become known as the Master Curriculum Guide Project. It took three years for Lee Hansen's committee to develop a new *Framework for Teaching Economics*. At the same time the Framework was being prepared, curriculum task force groups chaired by the individuals whose names are affixed to these published volumes were established. Behind the scenes, the project relied heavily on a Steering Committee of professional economic educators: Peter V. Harrington, Director, Indiana Council for Economic Education, Purdue University; Hugh G. Lovell, Professor of Economics, Portland State University; Clayton Millington, Executive Vice President, Oklahoma Council on Economic Education, Oklahoma State University; Leon M. Schur, Director, Center for Economic Education, University of Wisconsin-Milwaukee; and Roman F. Warmke, Chairman, Department of Economic Education, Ohio University.

These individuals served in an advisory capacity for various project committees and significantly helped to shape the nature of the product. June V. Gilliard, Curriculum Specialist for the Joint Council, contributed importantly to the design of the teaching strategies and prepared the Instructional Activity Evaluation Form. Each committee was given the responsibility to make a first selection of those economic concepts which could be most usefully taught within the grade level division established. We know that more ideas than are included in these volumes can be taught. Our objective for these first editions was to produce a few quality activities that could be immediately used by teachers. The lessons have been classroom-tested at the development sites and we look forward to having them field-tested in classrooms throughout the nation.

We are indebted to all individuals who have participated in the preparation of *Strategies for Teaching Economics: Primary Level*, but special thanks are due to the Chairman, Donald G. Davison. Through his leadership, the committee has provided us with superb models that will serve to accelerate concept learning in economics.

S. Stowell Symmes
Director of Curriculum and
Coordinator, Master Curriculum Project

MASTER CURRICULUM

Instructional Activity Evaluation Form

Please complete an evaluation form for each activity used and return to: _____
(Name of Supervisor)

NAME: _____
(Person Completing Form) SCHOOL ADDRESS: _____

DATE: _____

TITLE AND/OR LEVEL OF ACTIVITY PACKAGE: _____

NUMBER AND/OR TITLE OF ACTIVITY: _____

DESCRIPTION OF CLASS WITH WHICH ACTIVITY WAS USED:

Course Title: _____

Age Range or Grade Level: _____

Title of Textbook (if any): _____

Student Ability Level(s) - (Check one):

- Above Average
- Average
- Below Average
- Heterogeneous Group including All the Above

ACTIVITY EFFECTIVENESS (Circle the number you think indicates the appropriate rating):

1. Are objectives clearly stated?

Very Clear 5 4 3 2 1 Vague

2. Are objectives realistic in terms of student maturity at the specified age or grade level?

Very Realistic 5 4 3 2 1 Unrealistic

3. Are teaching procedures stated in a manner so as to be easily understood?

Easy to Understand 5 4 3 2 1 Very Difficult to Understand

4. Are teaching procedures appropriate for accomplishing objectives?

Very Appropriate 5 4 3 2 1 Not Appropriate

5. Are teaching procedures appropriate for students of this age or grade level?

Very Appropriate 5 4 3 2 1 Not Appropriate

6. Are recommended student materials appropriate for the age or grade level specified?

Very Appropriate 5 4 3 2 1 Not Appropriate

7. To what extent does this activity contribute to pupils' understanding of the particular economic concept it is designed to teach?

Very Much 5 4 3 2 1 Not At All

8. Did you use any of the items suggested for evaluation? _____
If yes, please provide the information requested below.

| Number of Evaluation Item | Average Level of Class Performance (Circle one) | | | |
|---------------------------|---|------|------------|------|
| _____ | Excellent | Good | Acceptable | Poor |
| _____ | Excellent | Good | Acceptable | Poor |
| _____ | Excellent | Good | Acceptable | Poor |
| _____ | Excellent | Good | Acceptable | Poor |
| _____ | Excellent | Good | Acceptable | Poor |

9. What would be your overall rating of evaluation techniques suggested for this activity?

Excellent 5 4 3 2 1 Poor

10. What would be your overall rating of the activity in terms of its effectiveness for achieving stated objectives?

Very Effective 5 4 3 2 1 Not At All Effective

COMMENTS AND RECOMMENDATIONS: What changes and/or additions would you recommend for making this a more effective instructional activity? Please describe or, if available, include some samples of any additional teacher or student materials you might have used (for example: evaluation techniques). We shall welcome specific elaboration relative to any of the above questions.

(Attach extra sheets with comments and materials or use back of form)

Form prepared by June V. Gilliard, Curriculum Specialist, JCEE.

MASTER CURRICULUM Instructional Activity Format

- CONCEPT:** State the concept that serves as the main organizer for the activity.
- RECOMMENDED USE:** State grade and/or ability level of students for whom the activity is intended.
- TIME REQUIRED:** State number of class periods needed to complete the activity.
- MATERIALS REQUIRED:** List all materials needed for the activity (e.g., books, games, films, etc.)
- RATIONALE:** A brief statement explaining the significance of the activity. The statement may focus on what students should know, be aware of or be able to do. Or, it may focus on the importance of the instructional approach being used (e.g., use of gaming/simulation for motivational purposes or for purposes of having students apply certain skills, knowledge, etc.).
- RELATED CONCEPTS:** Other economic concepts specifically dealt with in the activity.
- INSTRUCTIONAL OBJECTIVES:** Each objective should specify (1) the particular learning (knowledge, skill or attitude) the student is expected to demonstrate; (2) the action the student will perform in demonstrating this knowledge, skill or attitude (e.g., write, compare, state, list, etc.); (3) the conditions under which the action is to occur (e.g., given certain data or information, after viewing a particular film, given a particular field-trip experience, etc.).
- TEACHER STRATEGY/
PUPIL ACTIVITY:** Description of the teaching-learning process to be used for pupil attainment of objectives.
- EVALUATION:** Description of strategies, testing instruments, or other materials to be used for assessing student learning.

Prepared by June V. Gilliard
Joint Council on Economic Education

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Overview and Rationale

Every society must face the fact that its labor and other resources available for the production of goods and services are insufficient to produce all the goods and services wanted by members of that society. Because of this gap between resources and people's wants, every society must create a set of institutions or social arrangements, commonly referred to as an economic system. The economic system provides society with a systematic way of managing its scarce resources, providing answers to the vital questions of which goods will and will not be produced, which resource mix will be used in their production, and how the resulting output of goods will be distributed among members of society.

An understanding of the purpose, organization and operation of an economic system requires the ability to deal with a set of sophisticated concepts and relationships. The purpose of economic education is not to prepare young people to become economists, but to ensure that before leaving school students should have acquired a background in economics which will equip them to make informed and intelligent decisions in the marketplace and in the voting booth. The development of these understandings and decision-making skills requires a sustained and systematic effort over a number of years and should commence at the beginning of the formal education process.

Young children of primary-grade age are faced with the fact of scarcity and consequently are involved in economic decisions. Time is a valuable and a scarce element to youngsters. They must make decisions on how to use their "free" time. They must decide which games they should play or whether their free time should be used for watching television and, if so, which program.

Increasingly, children are making decisions in the marketplace. Again, scarcity appears in the form of their many wants, and they must make decisions because of their limited income. Should they spend their income on a movie, for candy, a soft drink or popcorn; or should they save some of their income for spending in the future?

Children are fascinated with the idea that they, as well as adults, make decisions as consumers, producers and savers. When provided with instructional strategies that relate to their personal experience children in the primary grades are highly motivated to explore important economic dimensions of the decision-making process. If presented within their experience realm, children can gain valuable insights into basic economic concepts and relationships.

The limited number of economic concepts and relationships selected for development in the primary grades are fundamental ones. Each of the economic concepts is included in the list of Basic Economic Concepts identified in the Joint Council's *Framework for Teaching Economics*. Their treatment in the primary grades sets the stage for further elaboration and refinement of these concepts in subsequent grades, and serves as building blocks for the introduction of additional and more sophisticated concepts.

The economic content presented in the primary grades is

expressed in the form of economic generalizations. There are six economic generalizations, and each generalization focuses on two or three key economic concepts and on important relationships among these concepts.

Although the context in which they are treated differs, economic generalizations 1-3 deal with the same set of basic concepts: scarcity, choice-making, and opportunity cost. The fourth economic generalization focuses on labor as the major source of income for most individuals and examines some of the factors accounting for differences in incomes of individuals and households. Economic generalizations 5 and 6 focus on the concepts of specialization and division of labor. In generalization 5 the relationship between these concepts and productivity and interdependence is developed. In generalization 6 the focus is on the need for an efficient exchange mechanism in a highly specialized economy. Students are introduced to two forms of exchange, barter and money, and to some of their strengths and weaknesses.

Most of the economic concepts identified above appear in a number of the new social studies texts for the primary grades. Too often, however, the texts do not provide adequate development of important dimensions of the concepts and of simple but important relationships among concepts. The use of the *Master Curriculum Guide* will enable the teacher to strengthen the present textbook treatment of economic content.

There remains a substantial number of social studies texts that do not provide pupils with any meaningful exposure to economics. However, these texts do treat a number of topics or themes which provide excellent opportunities for developing children's understanding of economic concepts. Most teachers will discover that the activities contained in these *Strategies* will strengthen and reinforce children's understanding of the content of the conventional social studies texts as well as introduce children to a number of relevant and important ideas which these texts omit.

The following discussion illustrates how the introduction of economic content can be used to strengthen the content of current social studies texts. The individual and the family are focal points for most textbooks used in the primary grades. Almost without exception, the texts introduce and reintroduce the students at different grade levels to the idea that some member(s) of the family work outside the home to earn "money" and that the family uses this money to buy goods and services "needed" and wanted. Unfortunately, the texts generally do not introduce students to the idea that a gap exists between a family's wants for goods and services and a family's income required to obtain these goods and services in the marketplace. Thus, most texts miss the opportunity to introduce children to the economic concepts of scarcity (family's wants-income gap), the need for family decision-making, and the costs and benefits involved in such decision-making.

In introducing primary-grade children to economic scarcity and the related concepts of choice-making and opportuni-

ity cost, this document provides separate sets of activities for each of the key concepts: unlimited wants, limited income, choice-making and opportunity cost. There are at least three separate activities for each of the concepts to be developed. Activities have been coded by three ability levels. These levels may approximate grade-level designations. Teachers are expected to choose an activity which is most appropriate for the experience and ability levels of their pupils.

Teachers may choose among several activities to introduce pupils to the idea that they, their fellow students, members of their family, and people generally seem to have endless wants for goods and services. Regardless of the activity selected, student participation is stressed and a variety of strategies is used to motivate students. The activities typically are open-ended, allowing students to work at their own ability level. Most importantly, the activities can be completed in a relatively short span of time and can be implemented with the materials available in the typical classroom.

To assist the teacher who lacks formal preparation in

economics, separate overviews are provided for each of the six economic generalizations. The overviews identify and provide a description of the economic concepts and understandings that are to be developed in the classroom through the use of instructional strategies accompanying each economic generalization. Prior to using any of the activities with their students, teachers should carefully examine the economic content presented in these overviews.

Before introducing activities into the classroom, teachers should also familiarize themselves with the evaluation section for each economic generalization. This section contains a set of cognitive objectives and a set of affective objectives for each of the six economic generalizations presented in the guide. These objectives are written in behavioral terms, and appropriate evaluation activities are provided. Teachers may not find it feasible to evaluate all the objectives, just as they may not find it feasible to use all the activities presented in the guide. However, appropriate items can be selected to fit your level, your goals, and your style of evaluation.

Evaluation—Measuring Expected Outcomes

This section contains a set of cognitive objectives (A) and a set of affective objectives (B) for each of the six economic generalizations presented in the guide. Informal observation will probably be the main method of evaluating student progress in terms of these objectives. If formal evaluation is desired, Appendix A contains recommended procedures and Appendix B contains sample review exercises for each of the generalizations.

After each objective a suggested formal evaluation procedure is listed in parentheses (see Appendix A). In those cases where the objective is covered by a review exercise (see Appendix B), the corresponding exercise question is also listed (e.g., Evaluation: Item 1; Review Exercise 1-1). Unless read orally, the vocabulary in the review exercises may be difficult for most primary students. These exercises are designed to be used at the end of the second or third grade to assess the effectiveness of the program at these levels.

Generalization 1

Because income of a household is limited and its wants for goods and services are unlimited, it must choose which of its many wants for consumer goods and services it will satisfy.

A. Knowledge and Understandings

1. When asked, a student will be able to identify verbally whether a familiar item should be classified as a good or as a service. (Evaluation: Item 1; Review Exercise 1-1)
2. When asked what "unlimited wants" means, the student will verbally respond with an appropriate definition. (Evaluation: Item 2; Review Exercise 1-3)
3. The student will name at least five market places where he/she can purchase goods and/or services (Evaluation: Item 2)
4. Given a list of stores, the student will be able to select an appropriate one for purchasing a given item. (Evaluation: Item 4)
5. Given a specific item (candy, jump rope, model, ice cream), the student will be able to tell where he/she would go to purchase that item (it would be wise to restrict the list of items to goods and services which the student has listed as one of his/her wants). (Evaluation: Item 2)
6. Given three choices, a student will be able to select the expected price one would have to pay for the item. (Evaluation: Item 5; Review Exercise 1-2, 1-4)
7. Given a specific item (candy bar, pencil, squirt gun, comic book), the student will be able to tell approximately how much it costs and where to buy it.

(Evaluation: Item 2)

8. Having selected an item from a list of choices, the student will be able to identify the money cost of the item and the "opportunity cost" of his or her selection. (Evaluation: Item 6; Review Exercise 1-5)

B. Feelings, Beliefs, Attitudes and Values

1. Without looking at a stimulus (page of a catalog, etc.), the student will be able to name at least five items he/she wants. (Evaluation: Item 2)
2. Students will generalize that they have many wants. For example, when talking about a certain item or when discussing a particular choice situation, students will indicate that they really want "a lot of things." (Evaluation: This would be very difficult to evaluate in a systematic manner. Probably the best that could be done would be to record anecdotal remarks as they occur. Evaluation: Item 3)
3. Given a list of items that could satisfy personal wants, a student will be able to identify which item he/she wants the most and tell why it is his/her first choice. (Evaluation: Item 2)
4. Given a list of items, the student will be able to indicate whether a baby would want the item, whether he/she would want it, whether a parent would want it, and/or whether a grandparent would want it. (Evaluation: Item 7)
5. The student will be able to identify at least one reason why each of the following critical situations could happen:
 - You go to a friend's house for dinner, and they don't have dessert.
 - A friend is going to summer camp, but your parents said you won't be able to go.
 - You want to buy a toy with your own money, but your parents won't let you.
 - A friend gets an allowance (25¢ a week), but you don't get anything.Probe to see how many different reasons each student can think of: (Evaluation: Item 2)

Generalization 2

Because household income is limited, households must choose how much of their income they will use to purchase goods and services privately and how much they will use to purchase collectively through government.

A. Knowledge and Understandings

1. The student will be able verbally to list five items that are often supplied by government to households

and/or businesses. (Evaluation: Item 2; Review Exercise 2-1)

2. The student will be able to name five items the government must purchase to supply fire protection (i.e., fire trucks, hoses, fire hydrants, ladders, etc.). (Evaluation: Item 2; Review Exercise 2-2)
3. The student will be able to identify a source of income used by government to purchase needed items. (Evaluation: Item 2; Review Exercise 2-3)
4. The student will be able to identify why a city cannot hire all the workers it would like and/or cannot supply all the goods and services it would like. (Evaluation: Item 2; Review Exercise 2-4)
5. The student will be able to identify a possible opportunity cost of hiring the garbage collector in the following situation: A city wants to hire another firefighter, another teacher and another garbage collector but only has enough income to hire one. (Evaluation: Item 2; Review Exercise 2-5)

B. Feelings, Beliefs, Attitudes and Values

1. Students will be able to give two reasons why some people would want the city to provide sidewalks (safety for children, make it easier to walk places, etc.), and students will be able to give two reasons why some people would not want the city to provide sidewalks (cost too much, have to shovel snow off the sidewalk in winter, takes up garden space, encourages children to play in front of their house, etc.). (Evaluation: Item 2)
2. After the class generates a list of things their school needs to provide; the student will be able to select the item he/she thinks is the most important and support his/her choice with two specific reasons. (Evaluation: Item 8)
3. Given a list of services a city could supply and given a description of a person, the student will be able to identify which item the person would want the most and support his/her selection with a specific reason. (Evaluation: Item 9)

Generalization 3

Because wants are unlimited and resources are limited and versatile, choices must be made as to what goods and services are to be produced.

A. Knowledge and Understandings

1. Given a list of words associated with a house, the student can identify the items which would be classified as resources needed to build the house. (Evaluation: Review Exercise 3-1)
2. The student can list three resources needed to build a stop sign (i.e., metal, paint, wood, labor, tools, time, etc.). (Evaluation: Review Exercise 3-2)
3. The student will be able to match the appropriate definition with the term "limited resources." (Evaluation: Review Exercise 3-3)
4. When asked why we have to make choices on how we use our resources, the student will respond with an appropriate explanation (limited resources combined with many wants force us to make choices).

(Evaluation: Item 2)

5. The student will be able to identify examples of opportunity cost from a list of items related to the use of wood. (Evaluation: Review Exercise 3-4)

B. Feelings, Beliefs, Attitudes and Values

1. The student will verbalize that due to limited resources we have to consider alternatives (opportunity cost) carefully when we decide to make something. (Evaluation: Item 3)
2. Students will state their opinions/feelings as they decide how to use a limited resource. (Evaluation: Item 10)

Generalization 4

Labor income is the main source of income for most households.

A. Knowledge and Understandings

1. Students will be able to tell what their parents' main source of income is. (Evaluation: Item 2)
2. Students will be able to list at least five different jobs they could perform to earn money income. (Evaluation: Item 2; Review Exercise 4-1)
3. The student will be able to list three different ways families can increase their income. (Evaluation: Item 11)
4. The student will be able to rank a set of five occupations according to the amount of money income they generally provide. (Evaluation: Review Exercise 4-2)
5. The student will be able to identify which occupation in a set of three takes the most skill to perform. (Evaluation: Review Exercise 4-3)
6. The student will be able to distinguish transfer payments provided by the government to supplement incomes from wages and salaries earned. (Evaluation: Item 12; Review Exercise 4-4)
7. The student will be able to tell why certain types of transfer payments are given to some households. (Evaluation: Item 2)

B. Feelings, Beliefs, Attitudes and Values

1. Students will be able to tell why they think one job is more appealing than another. (Evaluation: Item 13A)
2. The student will be able to name one job he/she would not want and tell why he/she would not want it. (Evaluation: Item 13B)
3. The student will be able to give one reason why some people would rather have a given occupation as compared to another. (Evaluation: Item 13C)
4. The student will be able to give one reason why some people think our government should supplement some households' income. (Evaluation: Item 13D)
5. The student will be able to give one reason why some people do not think the government should supplement some households' income. (Evaluation: Item 13D)

Generalization 5

Because households want more goods and services than

can be produced with available resources, there is a need to find new and more efficient ways of using existing resources (specialization and division of labor).

A. Knowledge and Understandings

1. The student will be able to list three different ways workers in public schools specialize. (Evaluation: Review Exercise 5-1)
2. The student will be able to name two specialized tasks used to produce a given product. (Evaluation: Review Exercise 5-2, 5-4)
3. The student will be able to give two reasons why specialization increases and/or improves output. (Evaluation: Review Exercise 5-3)
4. The student will be able to identify one reason why specialization leads to increased interdependence. (Evaluation: Item 14)

B. Feelings, Beliefs, Attitudes and Values

1. Students will show that they value specialization by suggesting cooperative ways to solve problems. (Evaluation: Item 3, Item 13E)
2. Students will tell how they would feel if another person they depended upon failed to do his/her job (Evaluation: Item 14)

Generalization 6

Because specialization and division of labor result in increased output and in increases in the amount of goods and services exchanged, there is a need for a money system.

A. Knowledge and Understandings

1. The student will be able to describe the problems we would have if we had to trade directly with the person who produces the goods or services we want. (Evaluation: Item 2)
2. The student will be able to list two ways specialists are able to obtain goods and services they want. (Evaluation: Review Exercise 6-1)
3. The student will be able to name the type of money normally used in a given transaction. (Evaluation: Review Exercise 6-2)
4. The student will be able to identify some given terms as denoting: (1) a producer, (2) a good or service, or (3) a medium of exchange or as a measure of value. (Evaluation: Review Exercise 6-3)
5. The student will be able to list two functions money plays in a specialized economy. (Evaluation: Item 15)

B. Feelings, Beliefs, Attitudes and Values

1. Students will tell how much they would be willing to pay for a given object. (Evaluation: Item 10 and Item 15)
2. The student will be able to suggest possible values another person holds who is willing to pay a higher price for a given item. (Evaluation: Item 10 and Item 15)
3. Students will share their feelings about a time they made a bad buy (paid too much for an item or didn't get what was expected). (Evaluation: Item 13)

Six Economic Generalizations

Economic Generalization 1

Because income of a household is limited and its wants for goods and services are unlimited, it must choose which of its many wants for consumer goods and services it will satisfy.

Overview

The concept of scarcity is the fundamental building block of the discipline of economics. With respect to scarcity, economists focus on the relationship between the resources required for the production of goods and services and people's wants for goods and services. Scarcity exists because the supply of the resources is not sufficient to provide all the goods and services that individuals want.

Scarcity requires choice-making and every society must have institutional arrangements to make choices about the following: what goods and services will be produced, how goods and services will be produced, and for whom goods and services will be produced. In other words, since individuals cannot have everything they would like, choices must be made about what households will have, how resources will be combined to produce outputs, and how the output will be divided up among the population. Scarcity at this level will be referred to as the "wants-resource gap."

The idea that choices at the level of the economic system as a whole have to be made about what, how, and for whom may be too abstract for students at the primary-grade level to appreciate. If this is the case, scarcity and the necessity for choice-making can be discussed at a different level. An alternative is to discuss scarcity in terms of individual or family wants, limited family income, and family choice-making. This view of scarcity will be referred to as the "wants-income gap."

Although the emphasis here is on the "wants-income gap," it should be explicitly stated that in the United States economy most of the many wants of consuming units (households) for goods and services are satisfied through purchases from private businesses in the marketplace. That is, profit-motivated business firms use society's scarce resources—natural, human and capital—to produce what people want. Of course, some wants are satisfied through governments and voluntary production units. However, no matter how goods and services are produced the money income of consuming units is limited, choices must be made as to which wants for goods and services will be satisfied (the concept of income is fairly complex, and at this point it might be best to focus on income households obtained through the sale of labor service of businesses).

We know everybody has many wants which can be satisfied with goods and services, but in general, what else can be said about them? First, a great variety of wants exists, and it seems difficult, if not impossible, to list all the wants of people. Among a list of other factors, age differences and social differences help to account for the differences in people's wants. Second, most wants can be satisfied by a

variety of goods and services. The desire for travel can be satisfied by different forms of transportation services: horse, bicycle, motorcycle, car, train, bus, boat, airplane, etc. Equally long lists of goods and services can be made which will satisfy our wants for goods, clothing, shelter, and entertainment. Third, the list of people's wants for goods and services seems to be an unending one, and it seems impossible to provide all the goods and services required to satisfy all the people's wants for them.

Ample evidence exists to convince us quickly that there are not enough goods and services to satisfy everyone's wants. The typical consuming unit (household) faces an almost immediate restraint when it attempts to satisfy its wants through the acquisition of goods and services. Families have limited money incomes to pay for goods and services. Since money income is limited and money prices must be paid to obtain goods and services, income and prices are restraining forces limiting the number and kinds of goods and services which can be acquired.

Because of income and price restraints, consuming units cannot satisfy all of their wants for goods and services. Since all wants cannot be satisfied and since wants vary in importance, families must establish priorities in choosing which wants will be satisfied. The particular choices made will be determined in large part by the size of the family income, the prices of different goods or services, and the ability of different goods and services to satisfy the wants.

Wise choice-making is necessary in order to obtain the most satisfaction possible from the purchase of goods and services. These choices must be based in part upon the opportunity cost of goods and services. In general, opportunity cost represents what is given up when a choice is made among alternatives. When a good or service is purchased, its opportunity cost to the family is not the money price paid, but the other goods and services which could have been purchased with the limited money income. Choices must be made in order to purchase those goods and services which provide the consuming unit with the most satisfaction in relation to the amount of money income spent for them.

Economic Subtopics

1. People's wants for goods and services seem to be never-ending (p. 7).
2. People purchase most goods and services from private business firms in the marketplace and such purchases require money income (p. 14).
3. Since a person's income is usually insufficient to buy all the goods and services wanted he/she must make choices which are determined by tastes, income and prices (p. 17).
4. Persons should make wise decisions in choosing what goods they buy because whenever they buy a particular good, they must give up some other good (p. 21).

Subtopic 1

People's wants for goods and services seem to be never-ending.

1. Overview

The activities for Subtopic 1 focus on three major dimensions of people's wants for goods and services: the seemingly endless nature of individuals' or families' wants for goods and services; the idea that most wants can be satisfied with a variety of goods and services (versatility)*; and the significant differences in the tastes and preferences of individuals for goods and services.

Most, if not all people, including children, seem to have endless wants, the satisfaction of which involves the consumption of goods and/or services. For example, children constantly seem to have an empty stomach, a sweet tooth, and a need to be entertained. The satisfaction of these wants may involve the consumption of such goods as cookies, rolls, candy, soft drinks, various games, and the like.

For most of us, there are generally a number of different goods or services which can satisfy a given want (versatility). For example, that trip downtown that we want to take may be accomplished through various means: walking, roller skates, bicycle, motorcycle, car, bus, etc.; and all of us recognize the difficult time children have when they are attempting to select that single piece of candy from among all the different kinds available.

Children, as well as adults, differ in their taste or preferences for goods and services. Some adults prefer big cars, others small cars; some like blue jeans, others prefer slacks or dresses; some prefer bracelets, while others choose earrings, and some want both. Some children, like "Popeye," adore spinach, but many are willing to forego spinach or almost any other vegetable. Some children prefer strawberry ice, while others may choose chocolate, tutti-frutti, or some other exotic flavor.

The dimensions of *wants* treated in the activities for Subtopic 1 help to set the stage for the development of the concepts of choice-making and opportunity cost presented in subsequent subtopics in Generalization 1. These concepts will also be extended and reinforced in subsequent generalizations.

2. List of Activities

| Item | Title | Recommended Designated Level | | |
|------|-------------------|------------------------------|---|---|
| | | 1 | 2 | 3 |
| 1 | What do you want? | X | | |
| 2 | Slotting | | X | |
| 3 | The Place Changer | | X | |
| 4 | The Bug | | | X |
| 5 | One-String Rule | | | X |
| 6 | Categories | | | X |

*For definition of key economic terms, see Appendix C, Glossary.

Title: What do you want? (Unlimited Wants)

Recommended Level: 1

Generalization 1: Because income of a household is limited and its wants for goods and services are unlimited, it must choose which of its wants for consumer goods and services it will satisfy.

Subtopic 1: People's wants for goods and services seem to be never-ending.

Rationale for Activity: The purpose of this activity is to demonstrate the variety and number of items (goods and services) that people would like to buy. The list provides needed data for drawing such conclusions as: (1) We have unlimited wants for goods and services, (2) Our parents want different items than we do, and (3) Not all children want the same items.

Objectives:

1. For any store that is named (i.e., Sears, Drug Fair, Wards), each student will name at least one item he/she wants that could be purchased there.
2. The class will be able to make several general statements regarding the items they listed.

Materials:

1. Large piece of paper to list the items named.
2. Word cards (construction paper, pieces of sentence strip, etc.)

Procedure:

1. Have the students list different stores they visit.
2. Select several of these stores and make a wall chart for each one.
3. Distribute five word cards to each student and have the student name and/or draw an object that he/she would like to have from one of these stores (all five could come from one store). The students should put their names on each of their cards in such a way that they will be visible when the cards are displayed.
4. As the students finish the cards they give them to an aide (older student or a student selected from the class) to be attached to the appropriate chart. One student should be designated for each chart.
5. After all the students have had their cards attached to an appropriate chart a discussion should be held to see what general statements can be made regarding the items listed. *Note:* This discussion phase is the key part of the lesson. Try to get the students to realize they are making generalizations about their behavior (e.g., "Gee! I see all kinds of things I would like to have."). Have them predict what goods students in similar classes would choose, what their parents would choose, or what an older class would choose. For example, they might note that their parents or older children might want some of the things they have listed on the chart, as well as other things not listed on the chart.

Optional:

1. These charts could be turned into "ceiling hangs" and hung from the ceiling as a rough map showing the general location of the stores in relation to the classroom.

Title: Slotting (Unlimited Wants)

Recommended Level: 2

Generalization 1: Because income of a household is limited and its wants for goods and services are unlimited, it must choose which of its many wants for consumer goods and services it will satisfy.

Subtopic 1: People's wants for goods and services seem to be never-ending.

Rationale for Activity: This activity is designed to generate a long list of items that can satisfy a given want. This helps to dramatize the unlimited nature of wants. Fluency (the ability to list many items within a given category) is also developed. The goal should be to see how many items the students can list. Leave it open-ended to allow for individual ability and to underscore the unlimited nature of our wants for goods and services.

Objective:

1. Each student will be able to list several words to fit each slot.

Materials:

1. Materials to record the words. Long strips of paper can be used as a motivational gimmick (i.e., adding machine paper, thin strips of butcher paper, strips of computer paper, etc.). The teacher should save the material for possible use in later activities (e.g., Generalization 1, Subtopic 3, "Twenty Questions").

2. If needed, older students can take dictation.

Procedure:

1. Model the activity at least one time with the class. See how many words they can list which would fit in the slot below.

I am thirsty, I want to drink a glass of _____.

2. Have the students work individually or in small groups with the following sentences: The students can choose the sentences they would like to complete. The question with the asterisk is particularly good in the follow-up discussion.

I would like to play _____.

I want _____ for dessert.

I would like to have a _____ in my bedroom.

I would like a _____ for a pet.

*My family wants a _____.

I want to go to _____.

I want a _____ for our school.

If I had all the money I needed, I would buy a _____.

3. Have any student who responded to the first sentence show his/her list to the class. After the first student is finished, allow other students to suggest additional answers to the sentence. Tape the first answers on the board and follow the same procedure with the remaining questions. Ask students if it would be possible to list all their wants for goods and services. How long would this list have to be? (After comparing lists, students should see that their wants for goods and services actually are unending.)

Title: The Place Changer (Unlimited Wants)

Recommended Level: 2

Generalization 1: Because income of a household is limited and its wants for goods and services are unlimited, it must choose which of its many wants for consumer goods and services it will satisfy.

Subtopic 1: People's wants for goods and services seem to be never-ending.

Rationale for Activity: This activity is designed to show not only that our wants for goods and services are unlimited, but that the kinds of goods and services we want vary with our circumstances.

Objectives:

1. Students will be able to list several goods and services they would want if they were transferred to another setting.
2. Each student will be able to give a reason for naming each item listed in Objective 1.

Materials:

1. A method of recording the items named by the students (chalk board, transparency, butcher paper, etc.).

Procedure:

1. Have the students list possible places where they could be sent.
2. Select one of these places and have the class list different items (goods and/or services) they would want in their new setting.
For examples: What would they want for food?
..... protection? transportation?

Optional:

1. Name places where a person might want a boat a glass of water a nap a ride.

Title: The Bug (Unlimited Wants)

Recommended Level: 3

Generalization 1: Because income of a household is limited and its wants for goods and services are unlimited, it must choose which of its many wants for consumer goods and services it will satisfy.

Subtopic 1: People's wants for goods and services seem to be never-ending.

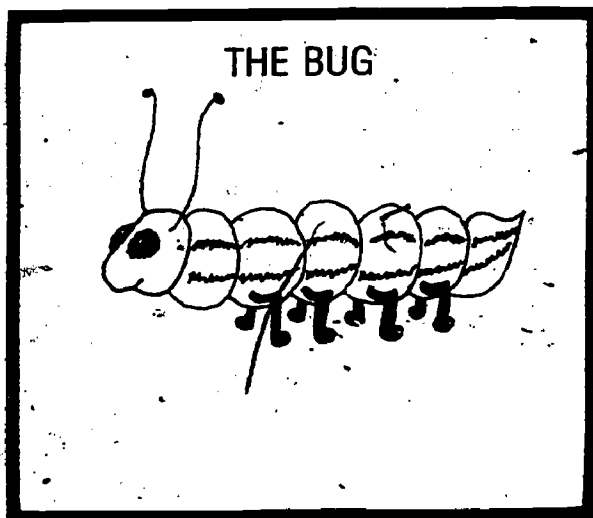
Rationale for Activity: The intent of this activity is to reinforce students' understanding of the idea that a given good may be used to satisfy a number of different wants (versatility). At the same time, the activity develops the students' descriptive powers and listening skills.

Objective:

1. The students will be able to listen to a description of a want and identify items which could satisfy that person's want.

Materials:

1. A deck of 3 × 5 cards: each card has the name and/or sketch of a particular item (i.e., fishing pole, candy bar, baseball, bus ride, haircut, book, dog, cat, fish, etc.). The samples on pages 11 and 12 may be reproduced as a beginning set. Cards may be added that will build vocabulary. The deck should contain two cards for each case (i.e., two cards each having a picture of a fishing pole, two cards each having a picture of a candy bar, etc.). The deck should also contain the Bug Card.



This card serves the same role as the "Old Maid" card.

Procedure:

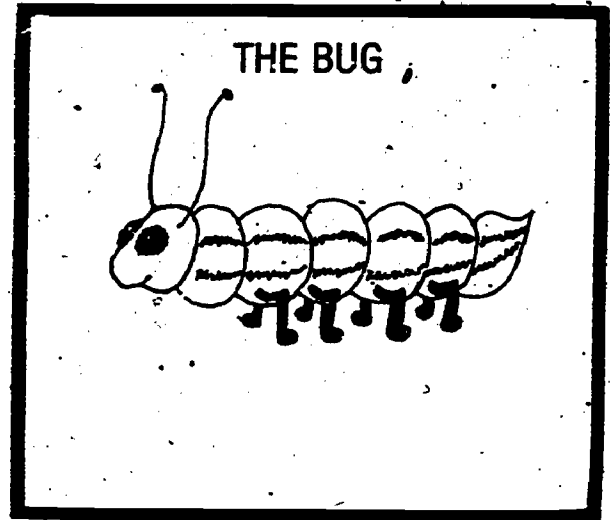
1. Introduce the game by holding up a sample card (jump rope, C.B. radio, pocket knife, cow, silly putty) and asking why a person might want the item on the card. Have students identify a number of wants that each good might satisfy.

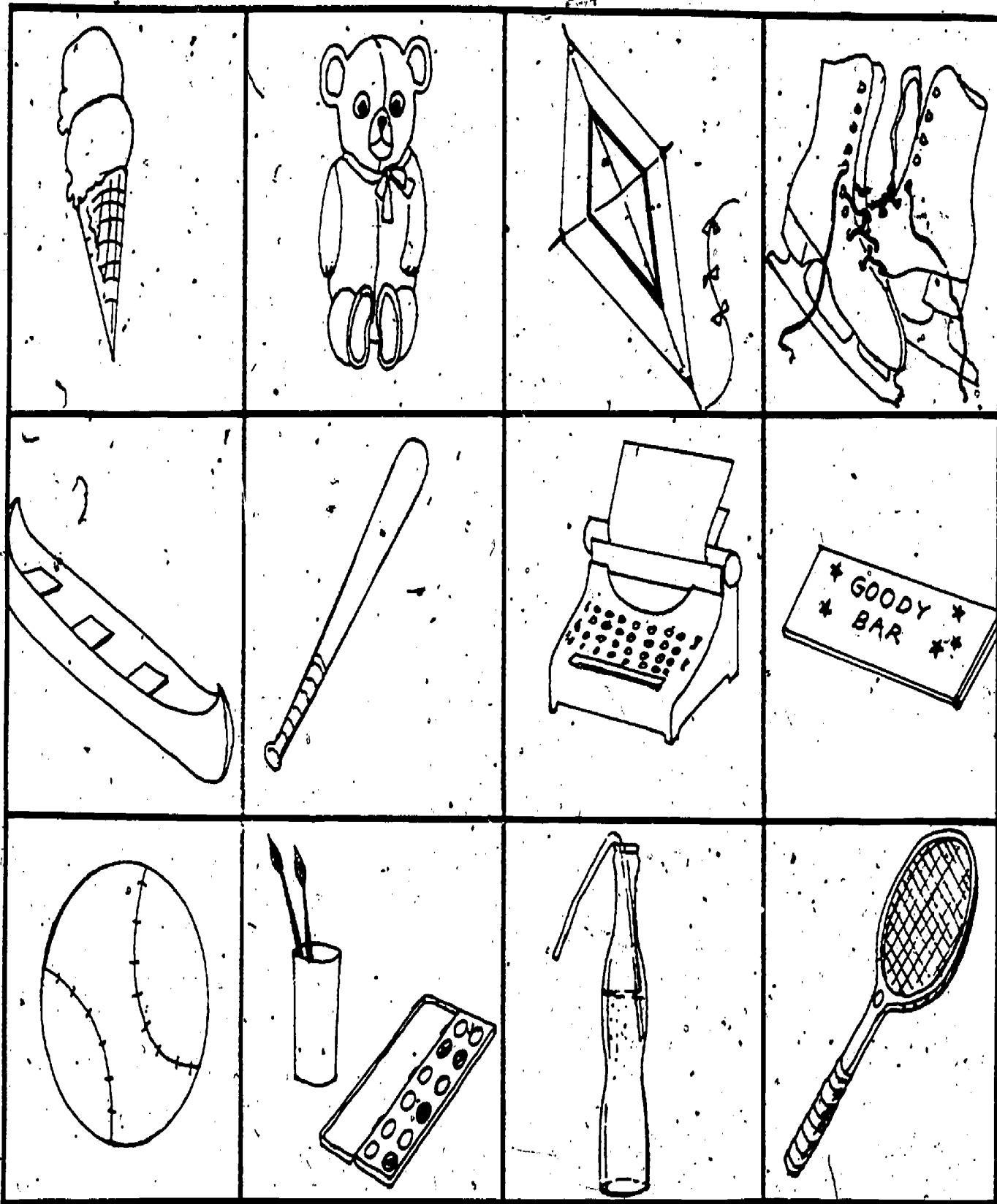
2. The deck of paired items should be shuffled. The Bug Card is not in the deck at this time. Each of the students is given two cards. It is important to stress to the students that they do not show their cards to each other.
3. The students are now directed to put their heads down (eyes closed) and hold up a card. You circulate among the students and exchange cards with several students. In one of the exchanges you substitute The Bug Card. Again, it is important that the students do not know who has The Bug Card. Coach the students on how to act as if they have The Bug and how to hide it if they do. It is also a good idea to have the students lightly tap their feet as you make the exchange so that it is harder for them to hear where you are stopping to exchange cards.
4. The purpose of the game is for the students to get a matched pair and not get caught with The Bug. If a student is dealt a matched pair (two cat cards, or two fishing pole cards, etc.), he/she declares them and is given two more cards.
5. The game is played by calling up a student (this can be done on a rotation basis or each student can be given a number and you can spin a dial to see which number comes up). The student selects one of his/her cards and tells why a person might want the item pictured on the card. He/she is not allowed to name the item, only describe who and why someone might want it. For example, a student selecting a card with a flashlight might say that a policeman would want this item to look in stores at night to make sure there are no robbers in the store. (It is important, and it will take some practice, that the student does not name the object but only tells who might want it and how it could be used.)
6. After the item has been described, any student who thinks he has a match (a card that matches the description) stands up. In this case, a student having the other flashlight card would stand; also, a student having a pair of glasses on his card might stand. If a student has The Bug, that student might also stand. Now the child that gave the description must pick one of the three students hoping he has selected the one who has the card that matches his/hers. The student keeps the card he/she described and secretly exchanges the other card with the student selected. Again, it is important that the students do not let other students see their cards. It is also a good time for both students to act as if they have The Bug.
7. If the student is successful in getting a match he/she lays down the match and draws two more cards. The deck will need to contain about half again as many pairs of cards as there are students playing the game.
8. The student with the most pairs at the end of the time period is the winner. And, of course, the student holding The Bug has been stung and is the loser. If you think The Bug will cause too much excitement, the game can be played without it. The purpose of The Bug Card is motivation. Too much motivation can be as detrimental as too little.
9. Following completion of the game, discuss the following questions:
 - a. For what items were wants easiest to list?
 - b. Would the wants for a flashlight be different for a burglar than for a police officer?

- c. Conclude by asking what the children learned about goods, services and wants (e.g., the goods we talked about have many uses that satisfy different wants).

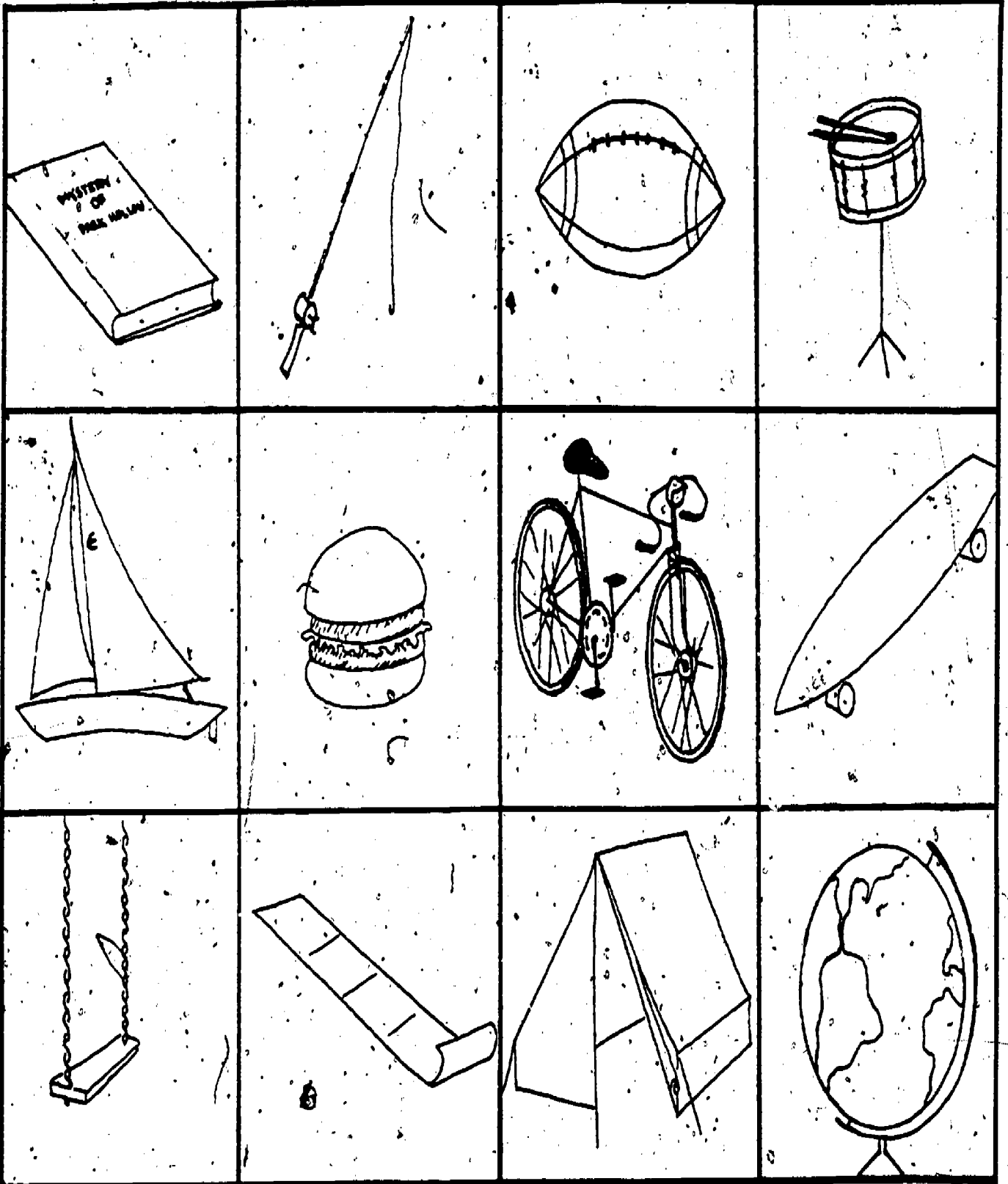
Optional:

1. Hand out the cards to the students, including The Bug (four cards each). If a child has a matching pair, have the student name the good and list some of the uses (wants) for it. Then, one at a time, have children take a card from the person on their right, again checking for matches. Continue this procedure until someone runs out of cards (the winner). The loser is the person with The Bug at the end of the game.
2. Some students may require exercises in classifying products as "goods" or "services." This would be especially true if the pictures used in the game show both goods (baseballs) and services (bus rides).





From *Master Curriculum Guide, Part II, Primary Level, JCHB, 1977.*



Title: One-String Rule (Unlimited Wants)

Recommended Level: 3

Generalization 1: Because income of a household is limited and its wants for goods and services are unlimited, it must choose which of its many wants for consumer goods and services it will satisfy.

Subtopic 1: People's wants for goods and services seem to be never-ending.

Rationale for Activity: This is a classification activity designed to stretch the students' conceptual understanding of wants as related to specific areas (i.e., health, music, entertainment, etc.) The activity reinforces the idea that a variety of items can be used to satisfy a given want and that both goods and services satisfy wants.

Objectives:

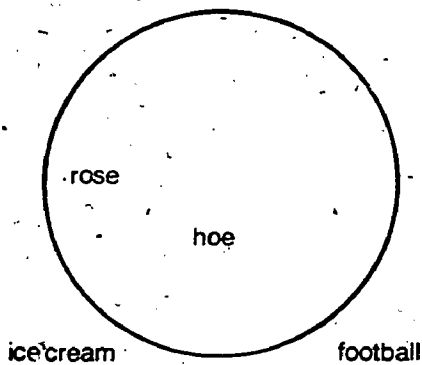
1. The students will be able to list specific items that will fulfill a general want (for example, a rose bush, a shrub, or a lawnmower could be used to fulfill the want for an attractive yard).
2. The students will be able to select from a list of general wants one which fits a set of specific items.

Materials:

1. Materials needed to list a series of general wants (i.e., chalk board, butcher paper, etc.).
2. Space to play the One-String Rule.

Procedure:

1. Have the students generate a list of specific items (5 to 10) for each of the general wants presented. The list of general wants might include: good health, entertainment, food, recreation, education, and safety.
2. Draw the One-String configuration on the board (transparency).



3. The idea of the game is for the students to figure out what rule you have for the One String. Items which fit the rule go inside the string. Items which do not fit the rule go outside. It is a good idea to place at least one or two items inside and outside the string at the beginning of the game.

This gives the students some data to go on and avoids having merely a guessing game. In introducing the activity, you might use the two general categories, goods and services.

4. The students name other items (the words can come from the lists generated in Item 1 but the students should not be restricted to these words). They name the words to test their theories as to what the rule could be.
5. When someone thinks he/she knows the rule, he or she stands. Students are given one more chance to test their theory at this time. They do this by naming another item. After seeing if it fits the rule or not, they can either pass or guess the rule. If they guess the rule they win; if they are wrong they lose and are out of the game.
6. Winners can then come up and pick the next rule and the game is played again.

Title: Categories (Unlimited Wants)

Recommended Level: 3

Generalization 1: Because income of a household is limited and its wants for goods and services are unlimited, it must choose which of its many wants for consumer goods and services it will satisfy.

Subtopic 1: People's wants for goods and services seem to be never-ending.

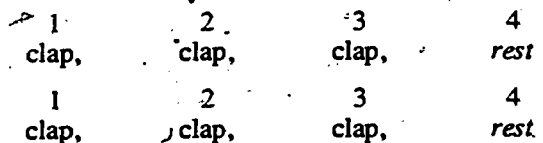
Rationale for Activity: This activity is designed to stress the variety of items that can be used to fulfill a want. It also can be used to reinforce such concepts as wants, goods and services. It is a classification activity and thus serves to clarify and give depth to these concepts. The game is high in motivation, stresses fluency (an aspect of creativity), and can easily be adapted to reinforce a variety of concepts in many subject areas.

Objective:

1. The student will be able to name specific items that could fulfill a given want (i.e., an apple could fulfill the want for food, a chess set could fulfill the want for entertainment, etc.).

Procedure:

1. Have the students stand and form a circle.
2. The game is played to a clapping rhythm:



3. Model the clapping pattern and have the students join in and practice with you, using categories of first, goods and second, services. As part of the introduction, have the students identify differences between goods and services.
4. When the rhythm has been established, introduce the

activity. On a rest you will name a category (i.e., food, games, entertainment, good health, clothing, nice house, a car, a tool; etc.). On the next rest, the student to your left has to name an item that fits that category (i.e., food: apple, pie, bread, grapes, cake, steak, etc.). If the student doesn't say anything on the rest, repeats what somebody else has said, or says something before the rest (on a clap) he moves to the end of the line.

5. After completion of the activity, have the students identify the category for which it was easiest to list items. Have them explain why. Do the same for the most difficult category.

Subtopic 2

People purchase most goods and services from private business firms in the marketplace and such purchases require money income.

1. Overview

In the activities for Subtopic 1, students were introduced to some of the dimensions of people's wants for goods and services, including the idea that people's wants are endless or unlimited. In the set of activities for Subtopic 2, students are introduced to the major ideas that (1) most goods and services we consume are purchased in the marketplace from some store or other kind of business; (2) money income is needed to purchase goods and services from businesses; and (3) most people obtain money income through the sale of their labor services to some business (earned income). Today, many children receive money income either in payment for performing certain productive tasks in the house or neighborhood (earned income) or in the form of gifts (unearned income).

The activities for Subtopic 2 stress the idea that most wants for goods and services are satisfied in the marketplace and that purchases in the marketplace involve money transactions and that individuals and families must have a source of money income (earned or unearned) if they are to engage in transactions in the marketplace. The activities for this subtopic provide the understandings students need to explore the "wants-income gap" presented in Subtopic 3.

2. List of Activities

| Item | Title | Recommended Designated Level | | |
|------|-------------------------|------------------------------|---|---|
| | | 1 | 2 | 3 |
| 1 | Earning Money | X | | |
| 2 | The Five and Dime Store | X | | |
| 3 | The Money Chain | | X | |
| 4 | Crazy Sentences | | X | |
| 5 | Time is Money | | | X |

Title: Earning Money (Satisfying Wants)

Recommended Level: 1

Generalization 1: Because income of a household is limited and its wants for goods and services are unlimited, it must choose which of its many wants for consumer goods and services it will satisfy.

Subtopic 2: People purchase most of the goods and services from private business firms in the marketplace and such purchases require money income.

Rationale for Activity: This activity focuses on ways students can earn money to buy goods and services they want. The activity (1) helps students to share ideas for earning money and (2) demonstrates that one can earn money income by performing different productive tasks.

Objectives:

1. The students will name ways they can earn 10¢, \$1.00; and \$5.00.
2. The class will be able to make several general statements about earning money.

Materials:

1. A large piece of paper for each list (i.e., the 10¢ List, the \$1.00 List, etc.).
2. Materials needed for listing and coding student contributions (i.e., felt pen, crayon, etc.).

Procedure:

1. Ask the students to list all the different ways that they have of earning money income at their age. This would probably best be done as a class activity. It could be done in small groups using older students to take dictation.
2. Have the students indicate in which set each item belongs in terms of the amount of money they usually earn (i.e., clear the table—the 10¢ List; feed a neighbor's dog while they're on vacation—the \$5.00 List; sweep the porch—the 10¢ List; etc.).
3. After five or 10 items have been listed on each chart, have the students make some general statements about the sets (i.e., "There are few ways for us to earn \$5.00." "Most of our work for pay is done at home." "Some work at home we do not get paid for.") **Note:** This discussion phase is the key part of the lesson. Try to get the students to realize they are making generalizations about their ability to earn money income. List the kinds of tasks performed by different children in the class for which they receive money income.

Title: The Five and Dime Store (Satisfying Wants)

Recommended Level: 1

Generalization 1: Because income of a household is limited and its wants for goods and services are unlimited, it must choose which of its many wants for consumer goods and services it will satisfy.

Subtopic 2: People purchase most of the goods and services from private business firms in the marketplace and such purchases require money income.

Rationale for Activity: This activity develops an understanding of differences in prices and/or the amount of money required to purchase different goods. Students help to generate a list of items that can be purchased for 5¢, 10¢, and \$1.00. Encourage fluency (listing as many items as possible) as this helps to stretch the students' understanding of price differences.

Objective:

1. The students will name goods and/or services that can be purchased for 5¢, 10¢, 25¢, and \$1.00 (the object is to clarify the differences in prices of goods and services and to elaborate on the generalization that purchases require money income).

Materials:

1. A large piece of paper for each list (i.e., the 5¢ List, the 10¢ List, etc.).
2. Materials needed for listing students contributions (felt pen, crayons, etc.).

Procedure:

1. The 5¢ List, the 10¢ List, etc. should be displayed (these lists could be in the form of a bulletin board, butcher paper covering the chalk board, designated areas on a table, etc.).
2. Present the students with a series of objects, wrappers, word cards, etc., and ask them to designate the appropriate list (gum—the 10¢ List; a kite—the \$1.00 List, etc.).
3. Ask them to add more items to each list (students could be assigned a list and challenged to find at least 15 items for their list). Other constraints could be added to the lists for more advanced students (i.e., "Can you find 10 tools that cost less than \$1.00 but more than 50¢?").
4. Using two items from two different price lists, ask the students how much money income would be required to purchase the paired items (e.g., gum and kite—\$1.10). Why are some goods priced at 5¢ and others at \$1.00?

Title: The Money Chain (Satisfying Wants)

Recommended Level: 2

Generalization 1: Because income of a household is limited

and its wants for goods and services are unlimited, it must choose which of its many wants for consumer goods and services it will satisfy.

Subtopic 2: People purchase most of the goods and services from private business firms in the marketplace and such purchases require money income.

Rationale for Activity: This activity reinforces students' understanding that most goods must be purchased from stores or businesses and that money income is needed to purchase them. This lesson also develops fluency (how many words a student can list) and flexibility (how many different types of association the student can make), thereby developing important aspects of creativity and problem-solving.

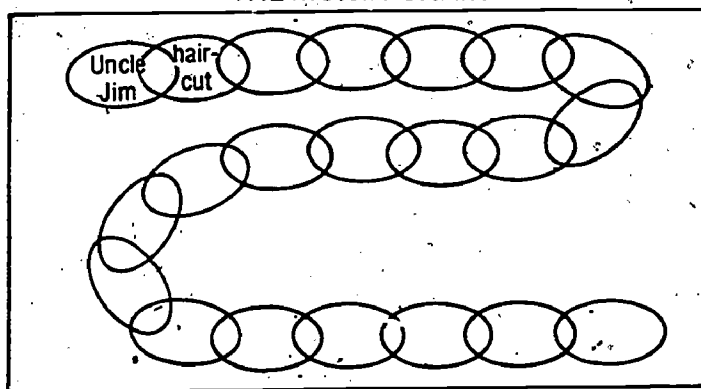
Objective:

1. The students will be able to name a word and explain how they associate this word with the process of using money to make a purchase from a store or business.

Procedure:

1. Display the blank chart (list) entitled The Money Chain.

THE MONEY CHAIN



2. Tell the students that they are to name a word that has something to do with buying goods and/or services from a store or business, including the price of the good. Model several examples:

Uncle Jim: "Uncle Jim once gave me a quarter to buy a Coke from a drugstore."

haircut: "I got a haircut for \$2.00 yesterday at the new barber shop."

3. Continue the activity and see how long a chain you can develop.
4. Following completion of the activity, have students classify the things purchased into two categories: goods and services. List items on the blackboard. Then ask several students to make a generalized statement using the key word price and income for some of the goods and services listed on the blackboard.

Optional:

1. List the words first (as fast as you can) and then come back and have the students explain their relationship. How many words can the class list in 1 minute? 5 minutes? etc.

2. Use the same words but see if different students can think of a new way to associate them with using money to purchase goods or services.
3. Tell the students that they are to name a word that has something to do with how income was received for each part of the above chart. Model several examples:

Uncle Jim: "How did you get income needed to buy a Coke? Was this earned income or a gift?"

haircut: "What are the different ways that you could get the income needed to purchase the haircut?"

Crazy Sentence

The whole family . . . visited the dentist . . . at Tom's Garage . . . for 1¢.

Materials:

1. Cards (all the same size) for writing the specific examples (see Objective 1).
2. A method of recording sensible sentences fitting the following pattern (it would be good to have several sample sentences already written on the chart when the lesson begins).

Procedure:

1. Present and discuss the sample sentences displayed on the chart. Discuss the meaning of marketplace (i.e., a marketplace could be a store, an ice cream truck, a gum machine, etc.—any time an exchange of money for goods or services is made). *Note:* Market exchanges between buyers and sellers can take place by telephone or mail order.
2. Have the students generate other sensible sentences.
3. Make cards for each sentence (four cards per sentence—following the pattern noted above).
4. Shuffle the examples for each part of the sentence together and lay them face down under the appropriate heading (you should have four stacks of cards).
5. Each student (or team) is given a card from each of the four stacks.
6. The purpose of the game is to make sensible sentences out of the crazy sentences that you are dealt. When it's your turn, you can draw one card from one of the piles in an attempt to improve your sentence. You must discard one of your cards after you draw. The next person can either draw from one of the original stacks or from one of the discards.
7. When you get a sensible sentence you read the sentence to the other players, lay it down in front of you, and draw four more cards (one from each of the piles). *Note:* This is a key phase of the activity. We hope that students will disagree on whether or not a sentence is sensible. The debate on such an issue can be used to underscore Subtopic 2.
8. When the game is completed, discuss the following questions: What do all the cards in stack one have in common? Stack two? Stack three? Stack four?
9. What would happen in real life if the stacks did not make sense and were always crazy? (Families would buy foolish things for prices that did not make sense.)

Title: Crazy Sentences (Satisfying Wants)

Recommended Level: 2

Generalization 1: Because income of a household is limited and its wants for goods and services are unlimited, it must choose which of its many wants for consumer goods and services it will satisfy.

Subtopic 2: People purchase most of the goods and services from private business firms in the marketplace and such purchases require money income.

Rationale for Activity: This activity is designed to strengthen students' understanding of the key concepts: goods, services, prices, and marketplace. Students debate whether a sentence is "sensible," and through the debate, students should clarify and stretch their understanding of the key concepts.

Objectives:

1. The students will be able to list specific examples of each of the following key phrases in Subtopic 2:
 - People in the family
 - Goods and services
 - Marketplaces (store or business)
 - Prices
2. The students will be able to discriminate between sensible and crazy sentences using the specific examples noted in Objective 1. For example:

Sensible Sentence

Grandfather . . . got a haircut . . . at the barber shop . . . for \$3.00.

| People in the family | Goods or services | Marketplaces | Money |
|----------------------|--------------------------|---------------------|---------------|
| The whole family | had a dinner | at Joe's Grill | for \$15.00. |
| My sister | bought a piece of gum | at the gum machine | for 1¢. |
| My little brother | bought a teddy bear | at the ABC Toy Shop | for \$5.00. |
| Grandfather | bought a set of crutches | at the drug store | for \$15.00. |
| Mom | got a watch fixed | at the watch shop | for \$5.00. |
| My friend | got a haircut | at the barber shop | for \$3.00. |
| Dad | bought a tractor | at B&D Farm Supply | for \$10,000. |

Title: Time is Money (Satisfying Wants)

Recommended Level: 3

Generalization 1: Because income of a household is limited and its wants for goods and services are unlimited, it must choose which of its many wants for consumer goods and services it will satisfy.

Subtopic 2: People purchase most of the goods and services from private business firms in the marketplace and such purchases require money income.

Rationale for Activity: The purpose of this activity is to develop the realization that labor time is a limited resource and that money spent on an item can be equated with the time it takes to earn that money. The goods and services students buy to satisfy their wants require money income. Their money income is limited, whether their money is earned or received as a gift. The labor time it takes to earn that money income is also a limited resource.

Objective:

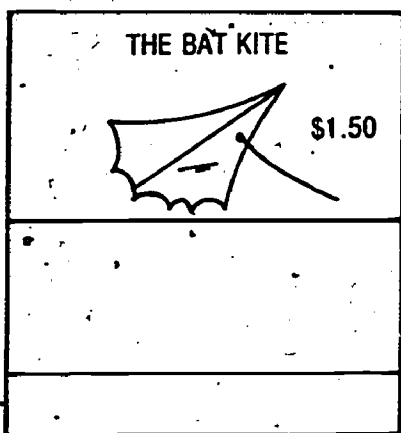
1. Given a certain fee for performing a task, students will be able to determine how many times they would have to perform that task in order to earn enough money to buy a particular item.

Materials:

1. A list (student-generated) of tasks and the corresponding fees students would get for performing those tasks.
2. A list of items (student-generated) students would like to buy.

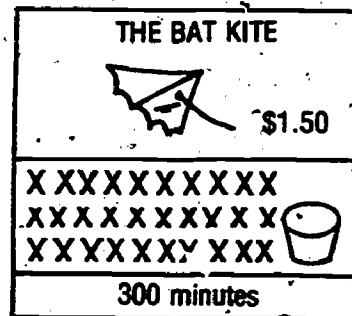
Procedure:

1. The outcome of this activity is a chart, or a series of charts. Have the students identify an item they would like to buy; you should either give them the price or have them decide what the approximate price would be. For example, the students could select a Bat Kite that they know costs \$1.50.



2. Have the students then select a way of earning the money for buying the kite (e.g., dumping all the waste cans in the house for 5¢).
3. The students then develop a symbol or use an "X" to

- indicate how many times they would have to dump the waste cans to make enough money to buy the Bat Kite.
4. Finally, they would guess how long it would take to dump all the waste cans in their house. Using this approximate time they count the total number of minutes of dumping waste cans it would take to earn enough money to buy the Bat Kite. The number of minutes is added at the bottom of the chart.
5. Similar charts could be made using other jobs to earn the money to buy the Bat Kite.



6. Ask the following: What item took the longest work time to obtain? Did it make any difference what kind of work they chose? What would happen to children who chose not to work? Then ask the children if they were surprised at how much work was required to obtain a good or service. What surprised them the most?

Subtopic 3

Since a person's income is usually insufficient to buy all the goods and services wanted, he/she must make choices which are determined by tastes, income and prices.

1. Overview

In previous activities, students were introduced to the concepts of unlimited wants, money income, and money prices. They are aware that most goods and services that individuals or families want must be purchased in the marketplace and that such purchases involve the use of money income.

The activities for Subtopic 3 introduce students to the "wants-income-gap" that confronts nearly all individuals or families. This "gap" refers to the fact that the amount of income available to most individuals or families is insufficient to purchase all the goods and services they want. Because of this "gap," individuals must make choices. They must decide what goods they will and will not purchase.

The activities for this subtopic provide students with the opportunity to examine the major factors which influence a person's choice of goods and services purchased (tastes or preferences, prices of goods and services, and income).

The effect of tastes or preferences on a person's choices

shows up clearly at a luncheon buffet. Once you are moving along the tables laden with a vast array of foods, there is no price or income constraint. Under these conditions, a person's tastes or preferences dictate the kinds and amounts of each food that will be piled on his/her plate. Some persons may take a little of everything, others may take a lot of everything. Some persons will be quite choosy, zeroing in on a few things and really stacking up on these items. Fortunately, for most persons operating buffets, the size of the stomach does serve as an ultimate constraint.

In other circumstances, price and income constraints play a major role in determining the kinds and amount of goods and services we choose to buy. In the "olden" days, young couples with relatively small incomes might start off renting an apartment or house or perhaps buy a small house. Tastes or preferences might call for the purchase of that big beautiful house on top of the hill, but price and income constraints rule out this possibility.

Income and price constraints are constantly operating. Many of us would prefer that big, comfortable, and safe car; the trip abroad; the new patio; the Harvard experience for children, etc. Instead, many of us, because of income constraints, purchase the small or medium size automobile; visit the local zoo and museum, perhaps take a trip to Yellowstone National Park, and may send our children to a state university.

The activities that follow focus on the effect of these forces on decision-making as these occur within the experience realm of children. They, too, are confronted with the wants-income gap; and their choices are affected by their tastes, their income and the relative prices of goods and services.

2. List of Activities

| Item | Title | Recommended Designated Level | | |
|------|---------------------|------------------------------|---|---|
| | | 1 | 2 | 3 |
| 1 | What Do You Choose? | X | | |
| 2 | Price War | X | | |
| 3 | Twenty Questions | | X | |
| 4 | Class Meetings | | | X |

Title: What Do You Choose? (Making Choices)

Recommended Level: 1

Generalization 1: Because income of a household is limited and its wants for goods and services are unlimited, it must choose which of its many wants for consumer goods and services it will satisfy.

Subtopic 3: Since a person's income is usually insufficient to buy all the goods and services wanted, he/she must make choices which are determined by tastes, income and prices.

Rationale for Activity: This activity focuses on the effect of one factor affecting choice-making—on individual's tastes or preferences. Since students do not have to purchase the goods, there is no income or price constraint. This activity helps to clarify how tastes or preferences influence the choices of students or persons generally.

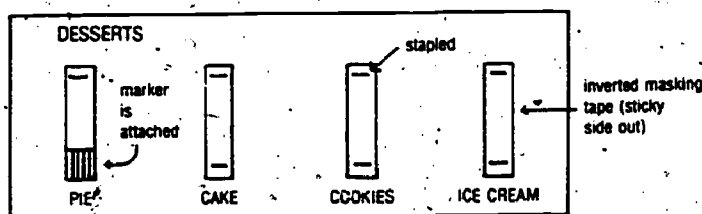
A graph is developed in this activity and serves as a data base for students to make generalizations about their choices. It should be stressed that the students are the ones who come up with the generalizations. The data displayed on the graph should be analyzed to verify the generalizations which are made.

Objectives:

1. Each student will indicate his/her first and second choice from a list of similar items (i.e., a list of ice cream flavors, brands of cereal, T.V. programs, colors, pets, cars, etc.).
2. The class will make general statements about preferences of students in the class.

Materials:

1. Colored squares of construction paper for each student. They should be color coded (i.e., first choice—blue, second—red) and approximately 1" square.
2. Prepared charts (desserts, pets, days, etc.) having a vertical column of masking tape (sticky side out) above each item listed on the chart (see diagram).



Procedure:

1. Demonstrate how the chart works by sticking a marker on one of the charts (attach one of the 1" markers to a column of tape).
2. Select one of the charts and have the students make their first and second choice. Have them go up to the chart (a group at a time) and place their markers on the chart.
3. After the students have added their markers to the chart; ask them to make some general statements. What item did most students choose? Have them give reasons for choosing that item. Have other children explain their first choice, their second choice. Do all children want the same thing? Why or why not? What two items would you choose if the first item cost 10¢, the second item 25¢, the third item 50¢, and the fourth item \$1.00? Have your choices changed? Why?

Title: Price War (Making Choices)

Recommended Level: 1

Generalization 1: Because income of a household is limited and its wants for goods and services are unlimited, it must choose which of its many wants for consumer goods and services it will satisfy.

Subtopic 3: Since a person's income is usually insufficient to buy all the goods and services wanted, he/she must make choices which are determined by tastes, income and prices.

Rationale for Activity: Price is one of the factors that a person considers in deciding what good to purchase. This activity illustrates that it is often best to purchase a given good at the lowest per unit price. The card game provided in this activity is designed to help students quickly to compute per unit price. Students have to compute approximate per unit price to determine the "best" buy (in terms of unit price).

Objective:

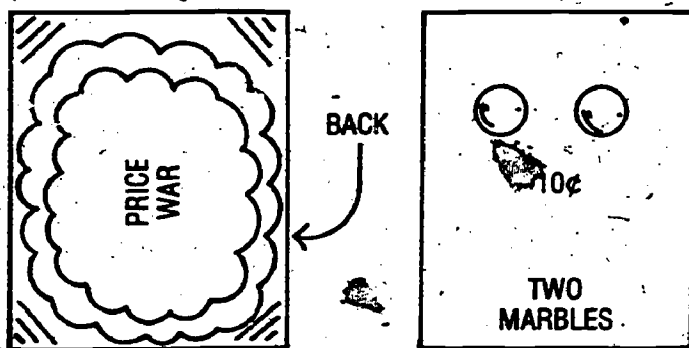
1. Given two cases of a sale price for a particular item, the student will be able to select the better buy.

Materials:

1. A deck of 40 (3 x 5) cards. Forty is an arbitrary number and can be varied according to your situation. The important thing is to have an inverse relationship between the number of cards and their respective power. For example, a 40-card deck might include:

| | | |
|----------|-------|----------------------|
| 5 cards | | ten marbles for 10¢ |
| 15 cards | | five marbles for 10¢ |
| 20 cards | | two marbles for 10¢ |

Cards can be made by running 3 x 5 cards through the ditto machine.



Procedure:

1. The teacher should examine two of the cards with the class. The pupils should note the per-unit price of a marble for each of the two cards. They should explain which card provides the "best buy" in terms of unit price.
2. Shuffle the deck and deal all the cards to the players (odd cards can be placed face down in the middle and go to the winner of the first "war").

3. Each player arranges his/her cards in one pile face down.
4. Each player turns up his or her top card and shows it to the other players. The player with the best buy wins the "war," gets to take the other players' cards and adds them to the bottom of his or her stack. The game continues until one player has won all the cards or until time is called (then the player who has most of the cards wins).
5. In case of a tie, each player places three cards face down and turns up the fourth. The winner of the "war" takes all the cards (the three lying face down and the fourth card turned up).
6. Before the students play the game as an independent activity, it would be a good idea to model it with the whole class.
7. The decks of cards can be designed according to the ability level of the students.
8. Two to five players can play the game (2-3 players is optimum).
9. After the game is completed, display the three different marble cards and have the children explain why one card is the "best" and one is the "worst." The teacher might prepare small bags of cookies, five per bag, for 6¢ a bag. The price of individual cookies would be 1¢. Have children determine what is the best buy. Children might also discuss a recent "good buy" made by their family.
10. Note that the "best buy" in terms of unit cost may mean too much total outlay by the consumer. For example, a large bag with 4 dozen cookies for \$2.40 (5¢ each) compared to a small bag with 5 cookies for \$.30 (6¢ each). Primary grade children know that the big bag is not the best buy for them nor would it be for a very small family.

Title: Twenty Questions (Making Choices)

Recommended Level: 2

Generalization 1: Because income of a household is limited and its wants for goods and services are unlimited, it must choose which of its many wants for consumer goods and services it will satisfy.

Subtopic 3: Since a person's income is usually insufficient to buy all the goods and services wanted, he/she must make choices which are determined by tastes, income and prices.

Rationale for Activity: An individual's tastes (preferences) and the price of a good are two of the factors that a person considers in deciding what good to purchase. This activity helps to strengthen students' understanding of these concepts. The activity also develops listening and question-asking skills.

Objective:

1. The students will ask questions which refer to taste and

price and can be answered with either a "yes" or "no" response.

Materials:

1. This activity calls for a long list of goods and services the student might want. If you saved any of the lists from previous activities (see Slotting—Generalization 1, Subtopic 1), you might tape the data on the board and ask if any of the students want goods and services different from those they listed earlier. If there is no existing list of wants, the following examples of items could be used to start the list:

doll, knife, yo-yo, subway ride, pencil, 49'er T-shirt, haircut, baseball, tennis ball, frisbee, record, comic book, water gun, Coke, movie, bike, wagon, dog, cat, guppy, catfish, snail, cookie; etc.

Procedure:

1. The teacher (or a student) secretly selects one of the items from the list.
2. The students try to determine which of the items has been selected by asking questions which can be answered with a "yes" or "no" response. *Important:* The students can ask only one "Is it . . . ?" question (i.e., "Is it a dog?"). They must ask other types of questions until they know for sure what the item is. Then they can ask the "Is it . . . ?" question. The number of questions can be limited or a time limit can be placed on the activity.
3. After the children are familiar with the game, add the constraint that questions must make reference to taste (i.e., "Would a young boy want this? Would a person on a diet want these?").
4. Now add the constraint that questions must deal with price (i.e., "Is the price less than 50¢?").

Title: Class Meetings (Making Choices)

Recommended Level: 3

Generalization 1: Because income of a household is limited and its wants for goods and services are unlimited, it must choose which of its many wants for consumer goods and services it will satisfy.

Subtopic 3: Since a person's income is usually insufficient to buy all the goods and services wanted, he/she must make choices which are determined by tastes, income and prices.

Rationale for Activity: This activity gives the students a chance to express their own tastes, their own concerns regarding price, and to note the need to make a choice because of limited funds. By taping the class discussion and having the students listen to and identify their own remarks related to taste, income and price, the students will become more aware of the role of taste, income and price in decision-making.

Objective:

1. Students will be able to identify comments that reflect or deal with taste, income (amount of funds available), and prices.

Materials:

1. A tape recorder.
2. A price list to fit the items being discussed.
3. A chart as described in Procedure—Step 5.

Procedure:

1. Gather the students around a chart or overhead projector displaying a price list of P.E. equipment (this list should be available through the district office or the secretary may have an appropriate catalog on file in the office).
2. Tell the students that the school (your grade, the primary grades, or whatever unit seems appropriate for your setting) has \$20.00 to buy some new equipment. Ask them to decide which equipment should be purchased.
3. The tape recorder should be used to record the students' discussion.
4. After the students have decided (or after you feel that sufficient discussion has taken place), tell the students that you want them to listen to their discussion.
5. Present a chart similar to the one pictured below:

| TASTE | PRICE | LIMITED FUNDS |
|-------|-------|---------------|
| | | |

6. Review the meaning of each of the three headings:
 Taste: One's likes and dislikes, preferences
 Price: How much the item costs
 Limited funds: \$20.00 (in this case)
7. Tell the students you are going to play back their discussion. Ask them to raise their hand whenever they hear a comment that refers to either taste, price or limited funds. It would be a good idea to give several examples of each case:
 Tom said he likes football better than foursquare. This is an example of "taste."
 Salina said that a football costs \$7.00. This is an example of "price."
 Coral reminded us we only have \$20.00. This is an example of "limited funds."
8. Each time a student raises his/her hand, stop the tape recorder and discuss the comment that was made. Either a tally could be made in the appropriate column or a key phrase could be listed in the appropriate column (i.e., football better than foursquare—Tom; football \$7.00—Salina; only \$20.00—Coral).
9. After the tape has been coded, ask the students to make some general statements about their tastes, how price affected their decision, and how the \$20.00 limitation affected their decision. These generalizations could be added to the bottom of the chart.
10. Other decisions that could be used include:

- We can take one field trip this year; where should we go? Or, we have \$100.00 for field trips this year. Here are the choices (and costs) of places we can go to. What should we do?
- We have \$20.00 to purchase new books for the library. Here is a list of books and their prices. Which should we choose?
- We have \$10.00 for our class party. Should we spend the money on refreshments, prizes or games?

Subtopic 4

Persons should make wise decisions in choosing what goods they buy because whenever they buy a particular good, they must give up some other good (opportunity cost).

1. Overview:

The concept of opportunity cost is a simple but powerful analytical tool which can be put to good use in situations involving choosing among alternatives. This concept is particularly useful in an economy where goods and services are exchanged for money rather than exchanged for other goods and services (barter). In a barter economy, the real or opportunity cost of exchanges is much more apparent. If we exchange two bunches of onions for one bunch of carrots, then we know the onions exchanged represent the cost of the carrots. But if we exchange (pay) 30¢ for the carrots, we typically think of the cost of the carrots as the amount of money exchanged for them, rather than the next best thing (onions) that we could have purchased with the 30¢.

Because an individual's (family's) income is insufficient to purchase all the goods and services wanted, choices must be made. Students should recognize that there are two kinds of costs involved wherever they choose to purchase a particular good. First, there is the obvious cost—the money cost or the price paid for the good purchased. Second, there is another significant cost involved in the purchase of a good and that is the other good(s) or service(s) which otherwise could have been purchased. Students should understand that whenever they decide to purchase a particular good, they also make the decision to forego the purchase of the next most preferred other good; and this kind of cost is known as *opportunity cost*. Whenever a student makes a choice, the cost of the thing chosen is the other thing that must be foregone because of this choice—the opportunity cost.

2. List of Activities

| Item | Title | Recommended Designated Level | | |
|------|-----------------|------------------------------|---|---|
| | | 1 | 2 | 3 |
| 1 | Using Your Time | X | X | |
| 2 | This or That | | X | |
| 3 | The Big Buy | | X | X |

Title: Using Your Time (Opportunity Cost)

Recommended Level: 1-2

Generalization 1: Because income of a household is limited and its wants for goods and services are unlimited, it must choose which of its many wants for consumer goods and services it will satisfy.

Subtopic 4: Persons should make wise decisions in choosing what goods they buy because whenever they buy a particular good, they must give up some other good (opportunity cost).

Rationale for Activity: This activity broadens the concept of opportunity cost. It is designed to encourage students to think of the opportunity cost in deciding how to spend their limited time (Saturday morning, free time in school, etc.).

Objectives:

- Students will give their personal reasons for selecting one activity over another.
- Students will list what they have given up (opportunity cost) in making a certain decision.

Materials:

- A method of recording student responses (blackboard, transparency, etc.)

Procedure:

- Ask students to list things they could do in a free hour at home. List these items in such a way that the students can easily refer back to them.
- Have the students vote for the activity that they think is best (the one they would select). Record the votes next to the items.
- Select the most popular item and have the students tell why they think it is the best. Do the same thing with the least popular item.
- Ask the students to identify which activity is best in terms of (a) money cost, (b) educational benefit, (c) enjoyment, (d) pleasing to others in the family, etc.
- Have the students list opportunities that they could be missing by selecting the most popular item. Indicate that these lost opportunities represent the "opportunity cost" of their selection.
- Other questions to consider:
 - If you are going on a trip in the car (at least a two-hour drive), what can you do while you're riding? What would your choice be? Why? What opportunities could you miss?
 - If you have an hour of free time at school, what could you do? Why? What opportunities could you miss?
 - If you're home sick in bed, what can you do?

Title: This or That (Opportunity Cost)

Recommended Level: 2

Generalization 1: Because income of a household is limited and its wants for goods and services are unlimited, it must choose which of its many wants for consumer goods and services it will satisfy.

Subtopic 4: Persons should make wise decisions in choosing what goods they buy because whenever they buy a particular good, they must give up some other good (opportunity cost).

Rationale for Activity: In this activity students must decide which item from a given pair they would select. The students should examine the different reasons for selecting an item. Emphasize the opportunity cost (the things they won't be able to do) of a given choice. It is important that as the teacher you don't try to impose your choice on the students. Develop an accepting atmosphere, encourage student/student debate, try to avoid premature closure, and stress that the alternatives should always be examined before making a choice.

Objectives:

1. The students will give reasons for selecting one item over another.
2. Each student will select one item over the other and identify the key reason for his/her selection.
3. The students will be able to name some of the opportunities they have lost by selecting a particular item.

Materials:

1. A method of recording student responses (blackboard, transparency, chart, etc.).
2. Problem situations (see Item 1 under Procedure).

Procedure:

1. Present the students with a problem or choice situation. Listed below are several examples:
Example A. A man is shipwrecked off an island. Before his boat sinks, he only has time to take one thing with him. What should he take, a gun, a fishing pole or his gold watch?
Example B. A family wants to get a pet. They can have only one. They live in an apartment house in the city. Which would be a better pet—a cat, a tropical fish or a dog?
Example C. A girl has five dollars. She must decide whether to buy a wagon (price is \$5.00) that she wants or a pair of earrings for her mother's birthday (price is \$5.00). No other choices, please.
Example D. An eight-year-old boy lives alone with his father on an isolated island. He wants to buy a toy. Which would be a better buy—a kite or a yo-yo?
2. Have the students list positive reasons for selecting each of the two items.
3. Ask the students to decide which they would select.
4. Ask the students what they have gained by selecting that item and then have them identify what they have lost by selecting that item.
5. Ask the students to think about what they have done.

| Kite | Yo-yo |
|--|--|
| <ul style="list-style-type: none">• play outside with it• do more things with it:<ul style="list-style-type: none">—send messages—experiment with it• you get more exercise | <ul style="list-style-type: none">• use it all year• won't get caught in a tree• can learn a lot of tricks |

Review some of their reasons for their selections and some of the opportunities they considered. Ask them to make some general statements about their values.

We value things that will last.
We value playing outside more than inside.
There isn't much you can do with a kite.
It is good to experiment with things.

Title: The Big Buy (Opportunity Cost)

Recommended Level: 2-3

Generalization 1: Because income of a household is limited and its wants for goods and services are unlimited, it must choose which of its many wants for consumer goods and services it will satisfy.

Subtopic 4: Persons should make wise decisions in choosing what goods they buy because whenever they buy a particular good, they must give up some other good (opportunity cost).

Rationale for Activity: In this game students can shop at different "stores" and make decisions about whether or not to spend their "money," where and when to spend it, and what to buy. Their decisions about spending money will involve the opportunity cost of time as well as the opportunity cost in terms of alternatives forgone.

Objective:

1. Students will learn to look at the opportunity cost of the many different alternatives available to them when they spend money.

Materials:

1. Set up three "stores" or purchasing centers. Each store should sell a different category of item, as follows: *The \$1 Store* sells goods, *The \$2 Store* sells goods, and *The Game Store* offers the opportunity to play a game of skill. To stock the two stores selling goods, have the children bring simple used items from home such as rubber bands, pencils, trading cards, old comic books, etc. Have each student bring up to five items. Sort the items into two piles by judging those that would be considered more valuable as \$2 items while the remainder has a \$1 value. Keep in mind that since play money is used, the items do not have to have a real market value of \$1. All the items catalogued as \$2 will be placed in the \$2 Store. One-half of the \$1

items will be placed in the \$1 Store and the other half will be placed in the Game Store to be used as prizes. When the stores are stocked, they each should have approximately the same number of items.

2. Have students prepare big signs to identify each store; for example, the Game Store might have a sign saying "Play the Game of Skill Here, 3 Tries for \$1" or "Play Spinner Here, 3 Spins for \$1."
3. Arrange a location for each store. The Game Store should have one game for students to play. One student plays while others wait in line. The games selected should be the kinds that individuals play at carnivals rather than group games; for example, a bean bag toss or ping pong ball toss through a small hole in a piece of plywood, or a six- or eight-number spinner, where the player guesses which number will come up.
4. Make some play money or use Monopoly money, enough to give each student five \$1 bills.
5. You will need a large alarm clock.

Procedure:

1. Explain to the class that there are three stores: two selling goods and one selling a service. *The \$1 Store* sells items for \$1 each; *The \$2 Store* sells items for \$2 each; and *The Game Store* has a game available to play, but each player must pay \$1 for three tries. In *The Game Store*, if the player wins (i.e., gets the bean bag or ping pong ball in the hole), he/she may select a prize from the goods available. Note it is possible for a player to win three items. Some will try but will not win anything. Once a player has taken three shots, he/she must go to the end of the line in order to buy another chance, unless there is no line.
2. Ask for three volunteers to be STORE OWNERS who will then sell the goods or the chance to play the game.
3. Give each student (except for the store owners) five \$1 bills of play money.
4. Tell the students that they will have 10 minutes to "shop" at the three stores; they can just look and not buy; they can spend all their money; or they can spend some now and save some for later.

5. Also tell them that after the first 10 minutes, there will be a big "sale" for five minutes, and the "Goods" store owners will be allowed to sell two for the price of one of any items that are left over, and the Game Store will let students have six tries for \$1. Mention that, of course, there may not be any items left over if the shoppers buy up everything.
6. Say "START BUYING!" and set the alarm for 10 minutes.
7. If a store sells out before the time is up, put up a big sign saying CLOSED.
8. When the alarm goes off, set it again for five minutes and say "THE SALE STARTS NOW!" Encourage store owners to try to sell all their goods.
9. When the alarm goes off again, announce that all the stores are closed, and have each store owner count his/her money.
10. Discuss the following questions with the class:

- Which store was the most popular with the shoppers? Why?
- Which store earned the most money? Why?
- Why did some students spend all their money during the first ten minutes, and others wait for the big sale?
- How many students spent all their money at The \$1 Store? What could they have bought at The \$2 Store instead? What did they give up in order to buy what they did?
- How did students spend time? Just looking? Standing in line? Why? What was the opportunity cost of looking or standing in line?
- Which students feel that they were "the best shoppers"? Why?
- What is the opportunity cost of buying five items from The \$1 Store or 5 dollars of game playing?
- Who waited for the big sale and found that the item he/she wanted most was sold out or that The Game Store was too crowded and he/she couldn't play? What does this tell us about the risk of waiting?
- Why couldn't everyone buy everything he/she wanted and play the game too?

Economic Generalization 2

Because household income is limited, households must choose how much of their income they will use to purchase goods and services privately and how much they will use to purchase collectively through government.

Overview

This generalization focuses on the idea that some wants are satisfied by goods and services supplied by government rather than by businesses. The kind of government discussed in this overview is representative government, an institutional arrangement whereby tax, expenditure, and other policy decisions are made by elected representatives. In the United States the most important governmental bodies are at the federal, state, city, county, and school district levels.

The question of the role of government in economic activity is very complex and has many dimensions. In this overview, we shall be concerned with the following major ideas: (1) government supplies goods and services; (2) to supply goods and services government purchases resources from households and goods and services from businesses; (3) government finances its purchases with income mainly from taxes; (4) government's income is limited and choices must be made about how to use that income; and (5) there are benefits and costs in supplying government goods and services.

These ideas may be classified under a general heading called the resource-using activities of government. The resource-using function is different from government's economic role in redistributing income, primarily by making transfer payments—social security, unemployment compensation, public assistance, etc. In making transfer expenditures, government redistributes income from taxpayers to certain groups in the population. Government also plays a major role in regulating economic activity. In this generalization and overview, we are not concerned with government expenditures that transfer income. We are concerned only with government expenditures that supply goods and services.

The resource-using activities of government are in some respects similar to the activities of businesses. They both supply goods and services that are capable of satisfying human wants. In the United States, businesses produce such things as automobiles, shoes, T.V. sets, candy bars, and basketballs. Governments supply such items as national defense, police protection, fire protection, educational services, and highways. To produce these outputs, both businesses and government purchase intermediate products and resources in the marketplace. For example, to produce an automobile, firms purchase steel, glass, tires, labor, land, and capital goods. To supply its output, government hires private business to build post offices, schools, city halls, dams, highways, and other public facilities; and it hires postal employees, teachers, clerks, engineers, police officers and firefighters. When government purchases goods and services from businesses, money flows from the government to businesses in the form of price payments. When the government employs labor and other factors of production, money still flows to the private sector, but in a different form. In this case, money income flows directly to workers and

owners of capital and land employed in production.

Although government is similar to private businesses in its economic function of using resources to supply outputs wanted by households and firms, there are important differences in the way decisions are made about what and how much businesses and government should produce. When households purchase consumer goods and services from businesses, they pay a price, and these price payments finance the production of consumer goods. Failure to pay a price simply means going without the good or service households may want. With government, the supply of goods and services is financed by taxation, although taxes also have other functions and other financing methods are available (borrowing, for example). Failure to pay a tax does not necessarily mean going without the good or service produced by government (persons can still, say, use sidewalks), but it usually means paying a fine. In other words, businesses say, "pay the price or do without the good or service," and government says, "pay the tax or go to court."

A second difference between having goods provided by government and businesses is the way in which decisions are made about what to produce and how much of each output to produce. In the market, the decision about what goods get produced is determined by the expenditures of consumers, and business produces those goods if consumer expenditures are sufficient to cover the cost and allow a profit. In other words, consumers vote for what goods they want by the dollars they spend on various goods. With representative government, people decide what to supply through government by voting for representatives who, they think, will make certain tax and expenditure decisions. These representatives or government officials voice the ideas and wants of the people who elect them, and in this way the members of society are represented in government. Some examples of elected representatives are mayors at the local level, governors at the state level, and legislators and the President at the federal level. Because government income provided through taxes is limited, governments must make choices about what and how many goods and services they will supply. Taxes can be increased or decreased, but at any time there is only so much government revenue.

In deciding what goods and services to supply, government and citizens must consider the opportunity cost and the benefits of different goods and services. Individuals benefit from police protection, fire protection, education, and highways. But these outputs also have a real cost. The taxes a family pays reduce the amount of family income available for the direct purchase of goods and services and/or saving by the amount of the taxes paid. This tax money collected by the government is then used to satisfy wants for public goods and services. The economic cost or opportunity cost of taxes is the alternative goods and services which could have been purchased with that money had it not been paid to the government in the form of taxes. In addition, with a limited budget or a certain amount of tax collection, government must choose among many different goods and services. And in deciding to spend funds on one item, the opportunity cost is the other outputs that government could have supplied.

Economic Subtopics

1. Government supplies goods and services to households

and to business firms.

2. To supply goods and services, government purchases resources and/or goods and services.
3. Government finances most of its purchases with income from taxes.
4. Because of limited income, choices must be made about what and how much of each good or service the government will supply.
5. The opportunity cost of government goods and services is the amount of other goods and services (government and private) that are given up.

Subtopic 1

Government supplies goods and services to households and to business firms.

1. Overview

In Economic Generalization 1, students were introduced to three basic economic concepts: scarcity, choice-making, and opportunity cost. They were also introduced to the business firm as a producer and seller of goods and services to households. In Generalization 2, the same economic concepts will continue to be emphasized, but government will be substituted for business as a producer and/or provider of goods and services to individuals or households.

Many people seem unaware of the fact that a major function of governmental units is that of supplying goods and services to households and businesses. Some things can be supplied to households either by government (the public sector) or by businesses (the private sector). There are public schools and private schools, there is public police protection and private guards, there are public streets and private streets, and there is government-produced electricity and privately produced electricity. The question of whether certain goods can be more efficiently produced by government or by private firms is an important question, and one about which people will disagree. The activities for this subtopic are not concerned with this question. They simply focus on the fact that government acts as a supplier of goods and services.

2. List of Activities

| Item | Title | Recommended Designated Level | | |
|------|------------------------|------------------------------|---|---|
| | | 1 | 2 | 3 |
| 1 | Mystery Erase | X | | |
| 2 | Remain Standing Please | | X | |
| 3 | Match/Mismatch | | | X |

Title: Mystery Erase (Governmental Services)

Recommended Level: 1

Generalization 2: Because household income is limited, households must choose how much of their income they will use to purchase goods and services privately and how much they will use to purchase collectively through government.

Subtopic 1: Government supplies goods and services to households and to business firms.

Rationale for Activity: This activity focuses on the goods and services that governmental agencies usually provide. It is a drill activity designed to help students to identify and remember key services provided by government.

Objectives:

1. The student will be able to name the good or service that has been removed from a list of five displayed items.
2. The student will be able to identify whether the good or service removed is normally provided by the community (government) or purchased by individuals (consumer units) from private businesses.

Materials:

1. A set of pictures depicting goods and services supplied by the government (see sample attached). Notice several pictures are added depicting items sold to families by businesses. The activity is designed to provide students with an opportunity to discriminate between services supplied by the government and those usually sold by businesses to households. Some services, such as garbage collection, are supplied by private business in one town and by the city in another.

Procedure:

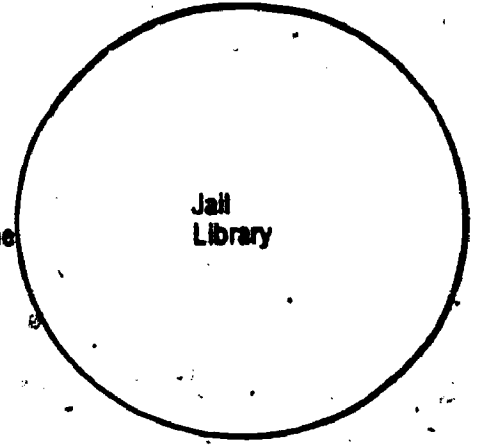
1. This activity is designed to be used with a group of 10-15 students.
2. Display five of the pictures.
3. Discuss each picture with the students. Name the good or service being provided and stress the fact that the community (government) usually provides it. Have the students respond to such questions as:
 - "Have you ever seen this type of work being done? Where? When?"
 - "What other kinds of work do these people do?"
 - "What special tools do they use?"
 - "What do we call this service?"
 - "Who usually provides the service?"
4. Ask the students to put their heads down and close their eyes. Remove one of the pictures.
5. Call "heads up" and ask the students to raise a hand if they know which item was removed.
6. If the student correctly identifies the missing item, have the student describe the service and tell who usually pays for it.
7. After the missing item is identified call "heads down" again. Remove another item and ask the students to identify the two items that have been removed in the order

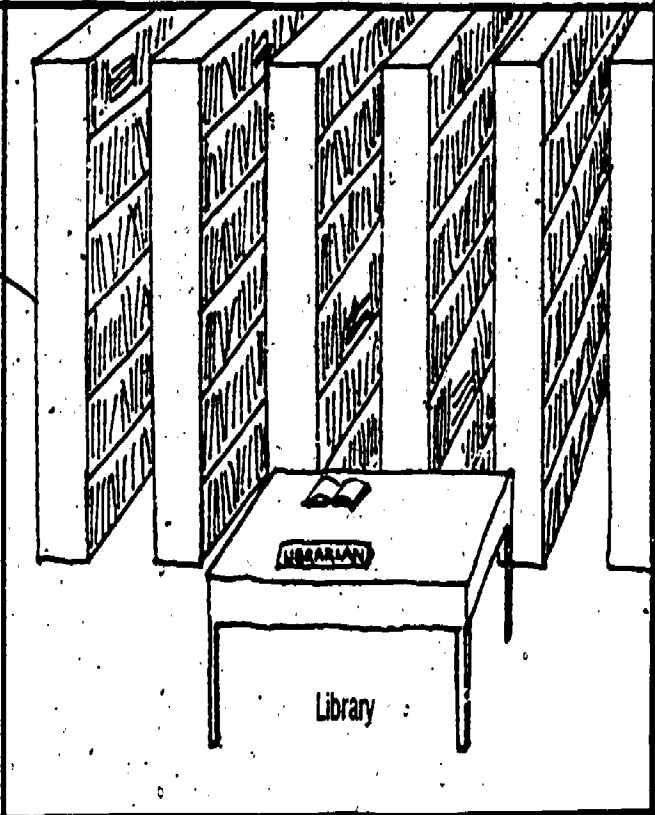
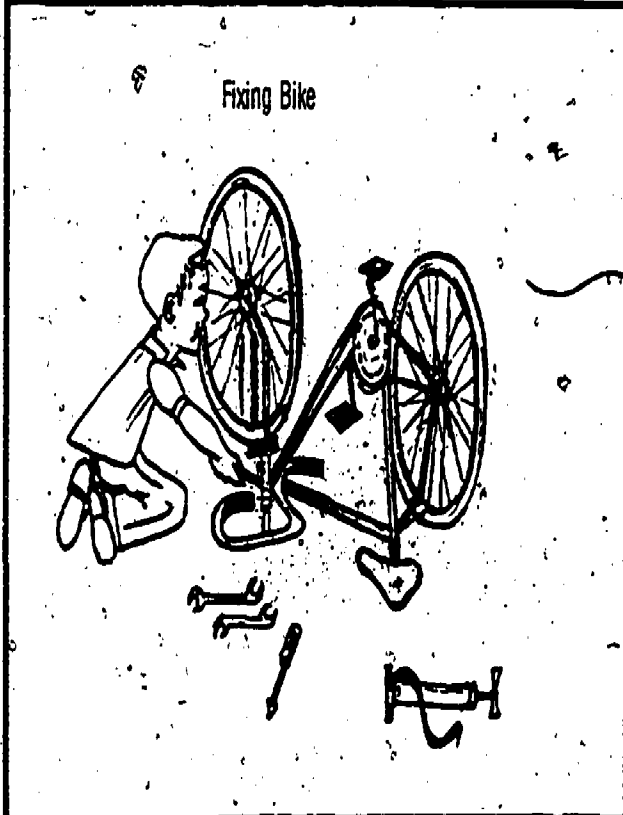
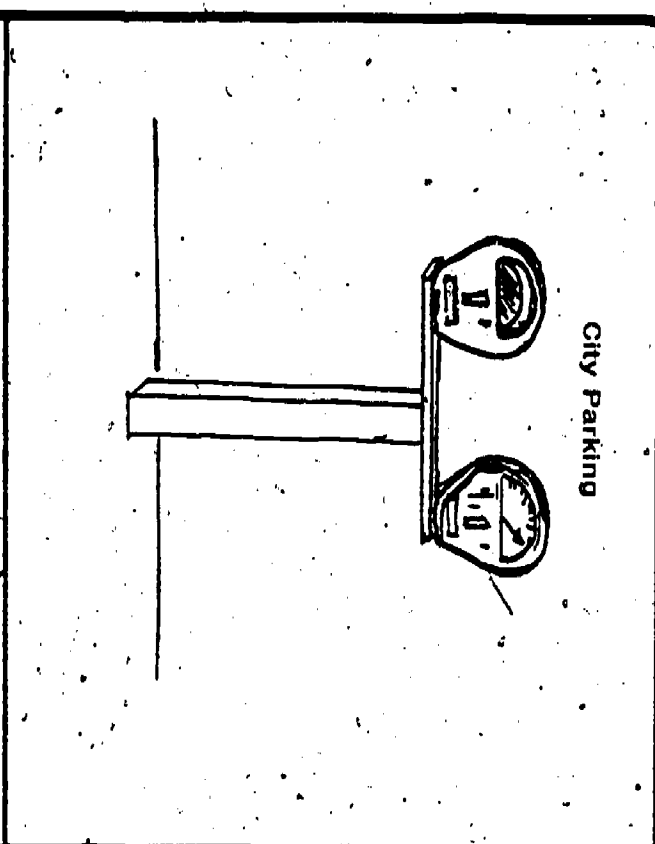
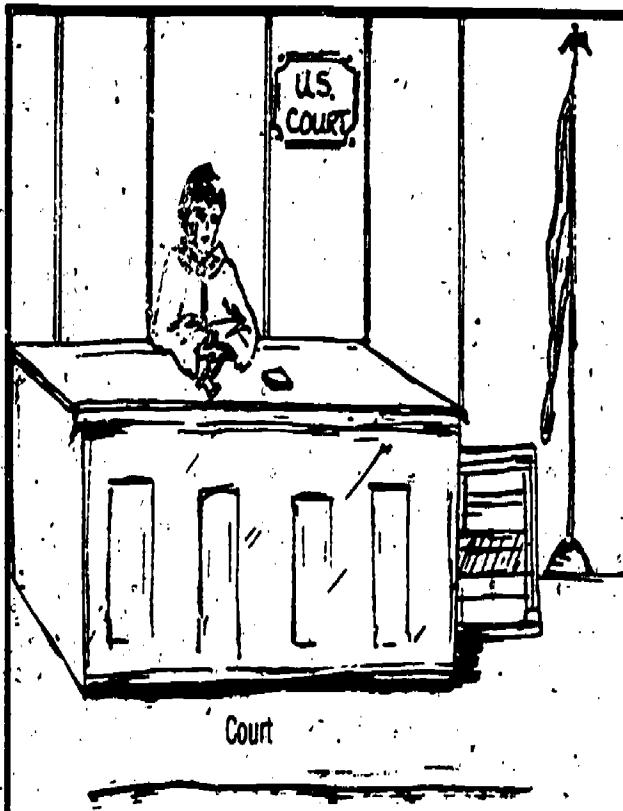
they were removed. In each case the student must describe the service and name who (business or community) usually supplies it.

8. Continue removing other items until the task becomes too difficult.
9. After completing the above-mentioned activity, use the One-String Rule Activity to see if students can identify the rule for the items in the circle (for description of the One-String Rule, see "The One-String Rule Activity," Economic Generalization 1, Subtopic 1). If students can name the rule, Governmental Services, have them add other services which might go into the circle. Do the things outside the circle have their own rule?

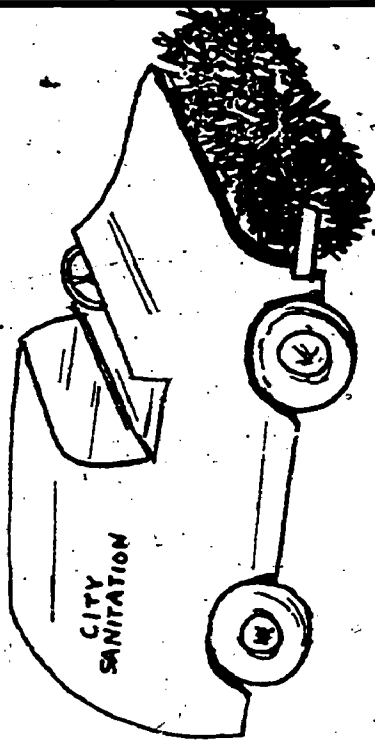
Yo-Yo
Ice Cream Cone

Jail
Library

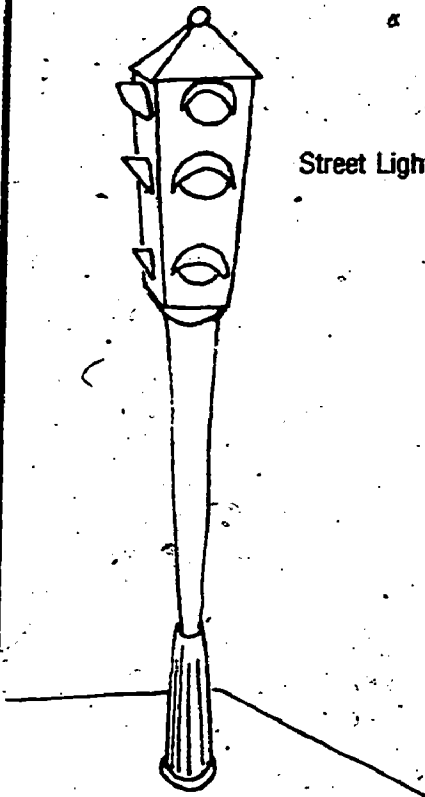




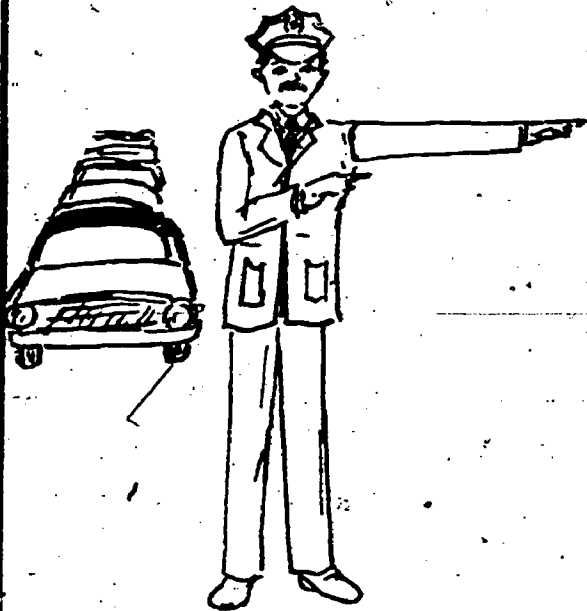
Street Cleaner



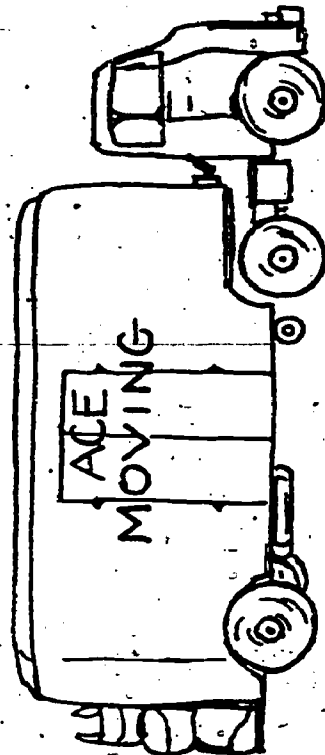
Street Lights

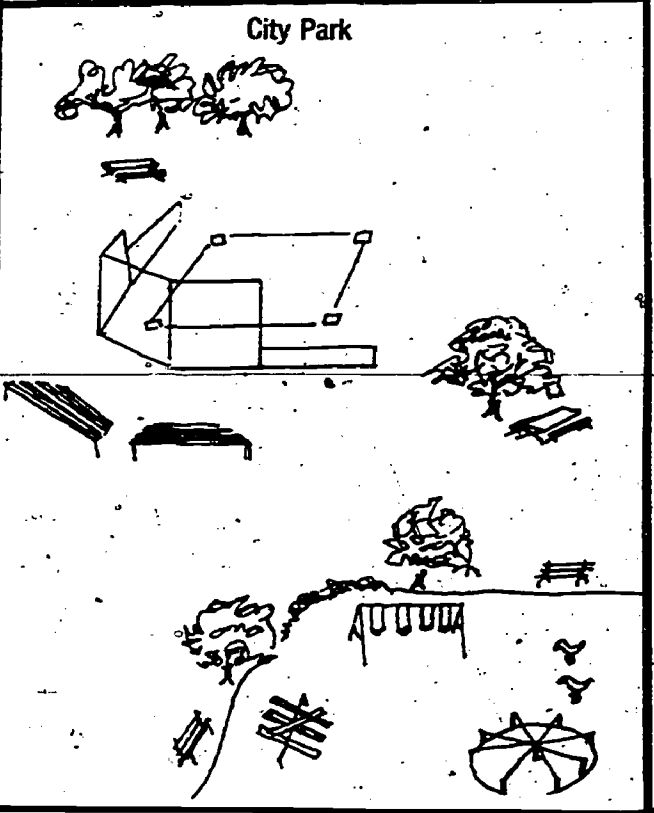
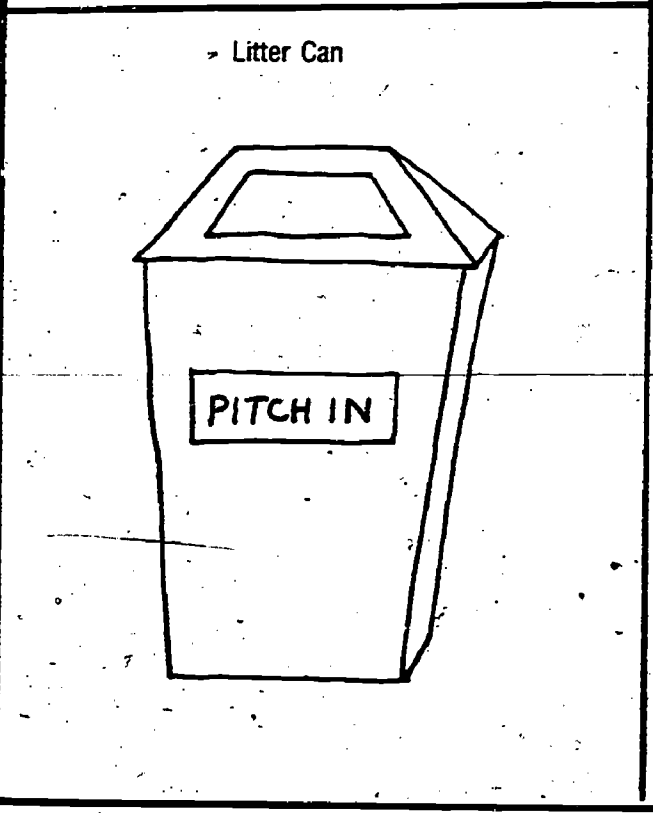
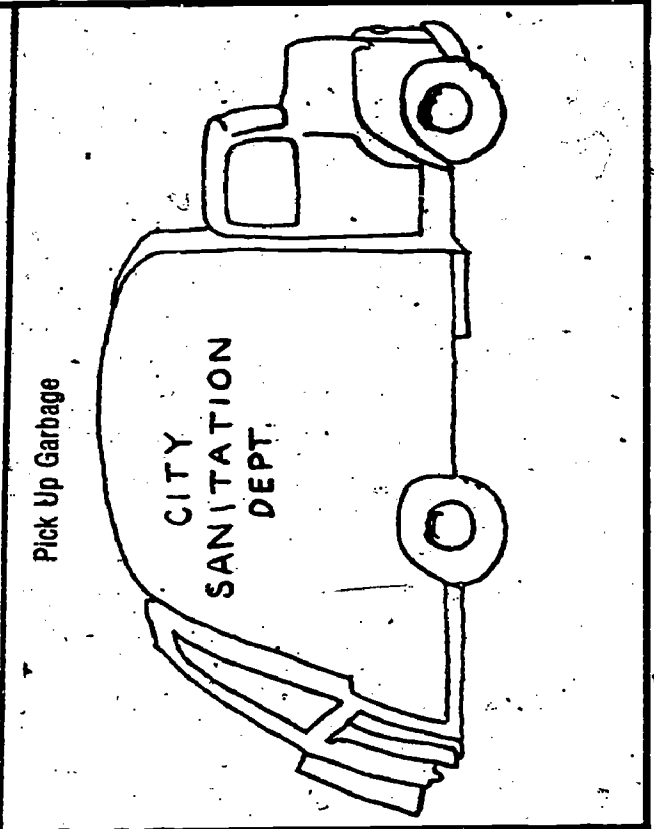
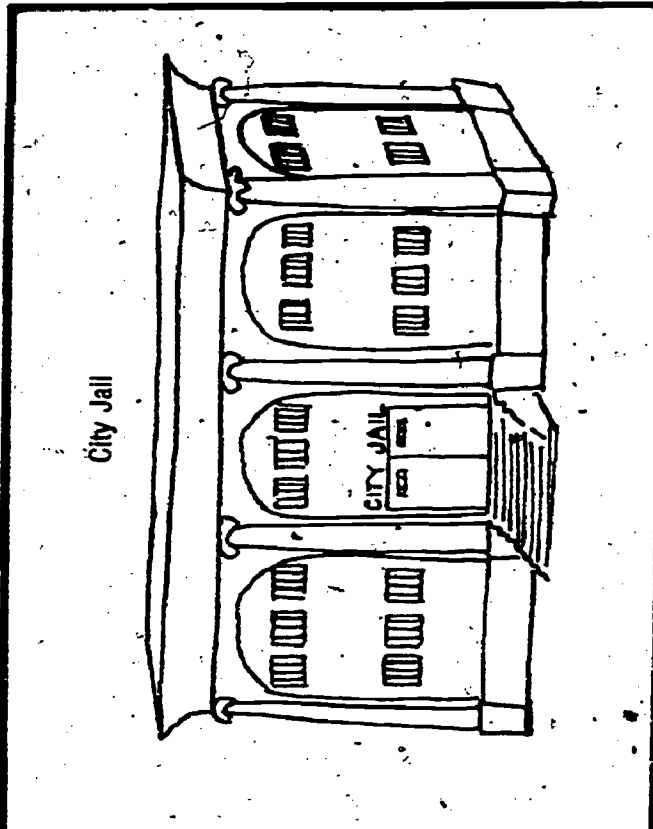


Traffic Police Officer

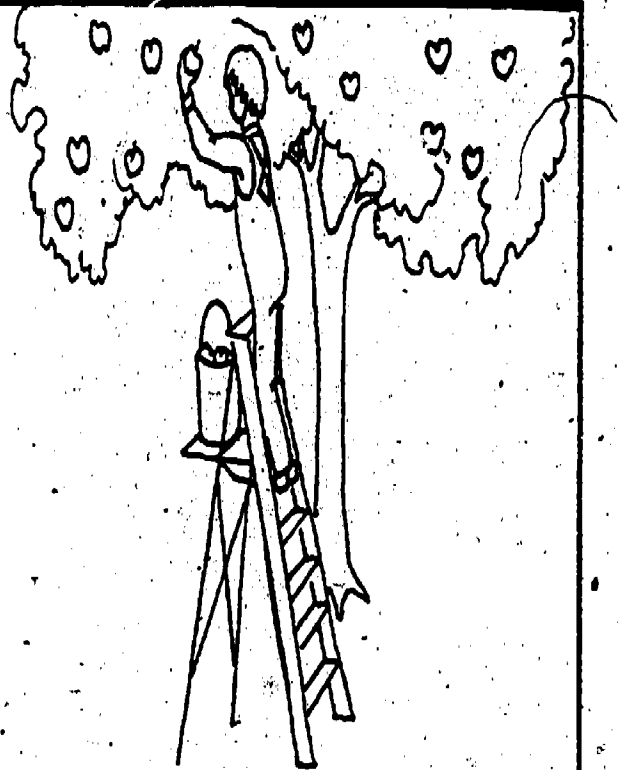
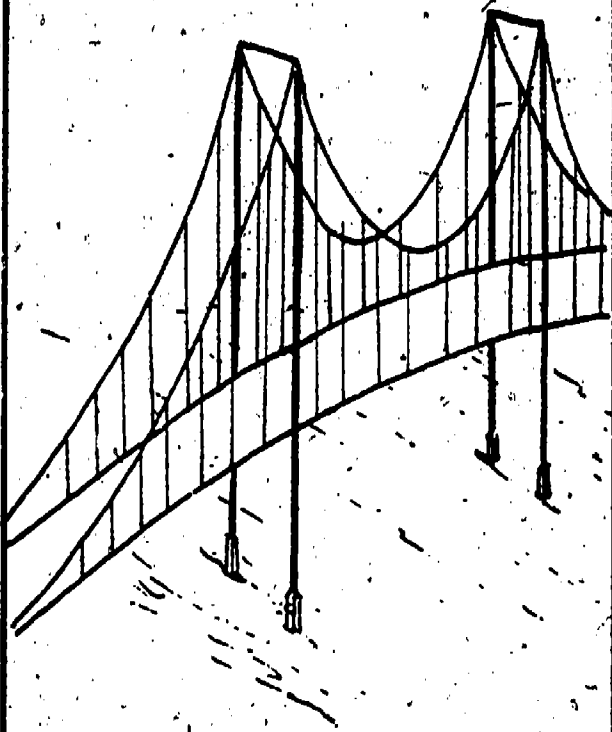


Moving





Bridge

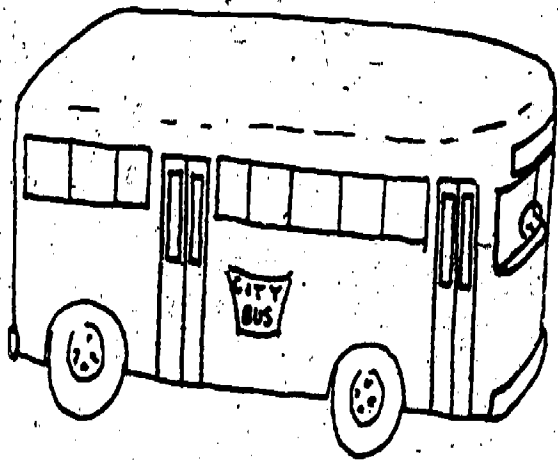


Picking Apples

School



Bus



Title: Remain Standing Please (Governmental Services)

Recommended Level: 2

Generalization 2: Because household income is limited, households must choose how much of their income they will use to purchase goods and services privately and how much they will use to purchase collectively through government.

Subtopic 1: Government supplies goods and services to households and to business firms.

Rationale for Activity: This activity serves two purposes: (1) it provides an opportunity for developing listening skills and (2) the students practice discriminating between goods and services normally provided by government and those normally purchased from businesses by families.

Objectives:

1. Students will be able to discriminate between goods and services normally supplied by government and those normally purchased by families.
2. Students will be able to listen to a clue and determine if it describes the item they are holding.

Materials:

1. The set of pictures on pages 32-36.
2. The clue sheets described under Procedure—Step 5.

Procedure:

1. Have the students stand. Give each student one of the picture cards. As you do this, show the card to the class and identify what is pictured and whether it is usually provided by the government or purchased from a business by individuals. Have the students give a reason why it is normally provided by the government or why families purchase it from a business.
2. Explain to the students that you're going to give them a clue. If the clue fits their card, they should remain standing. If it does not fit, they should sit down.
3. Continue to give clues until only one student remains standing.

4. When you have isolated one student, repeat the clues and have the class decide if the student's card fits the clues.
5. The following set of pictures is only suggestive; your class could develop more cards of their own.
6. Hold up two pictures you used in the activity illustrating government-supplied goods and services. Tell the students that these are clues to the rule you are thinking about (or draw a circle on the board and put the pictures in it). Ask whether each of the rest of the pictures would fit the rule you are thinking about (or would go inside the circle). Ask the students to identify the rule you had in mind.

CLUES

Item 1. City Bus

1. This is provided by the city government.
2. It carries people.
3. People pay to ride on it.
4. It travels the same route time after time.

Item 2. Waste Can

1. Things are put in it.
2. This is not usually provided by the government.
3. There are usually several of these inside the house.
4. These are usually about the size of a bucket.
5. You often empty them into a garbage can.

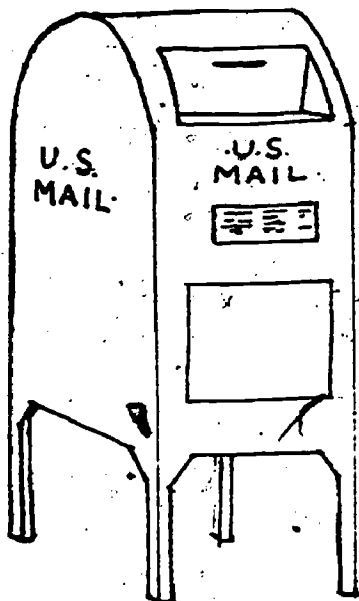
Item 3. Jail

1. This holds people.
2. This stays in one place.
3. This has a roof.
4. It usually has a door.
5. It is provided by the government.
6. The door is usually locked.
7. It holds criminals.

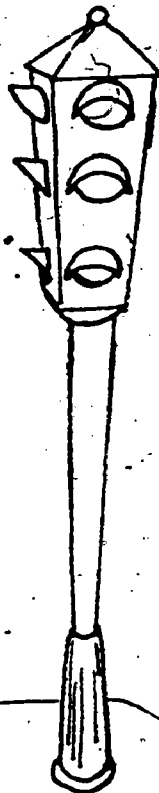
Item 4. Wagon

1. This often has four wheels.
2. It is usually not supplied by the government.
3. It is used for riding.
4. You can carry things in it.
5. It is usually used by children.

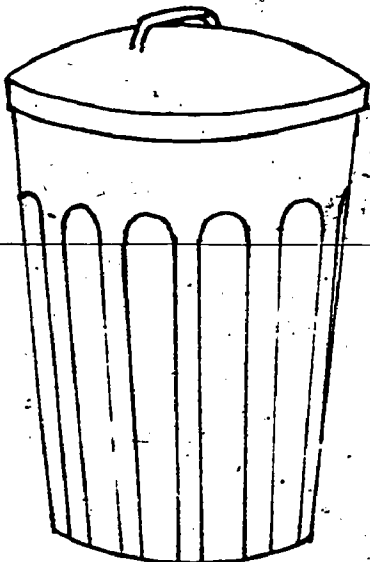
Mail Box



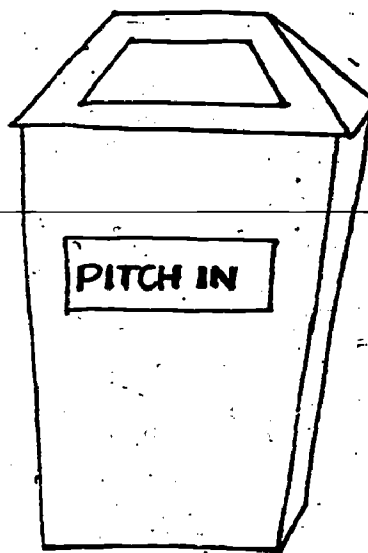
Street Lights



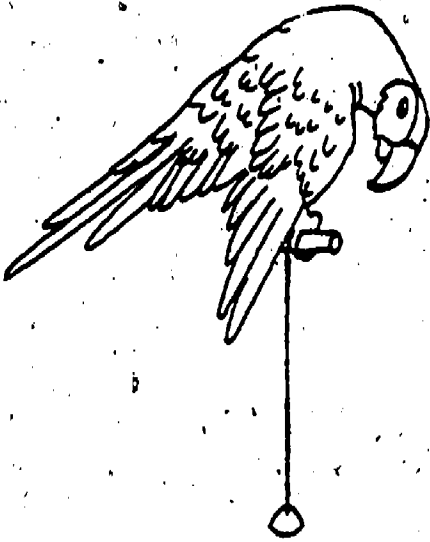
Garbage Can



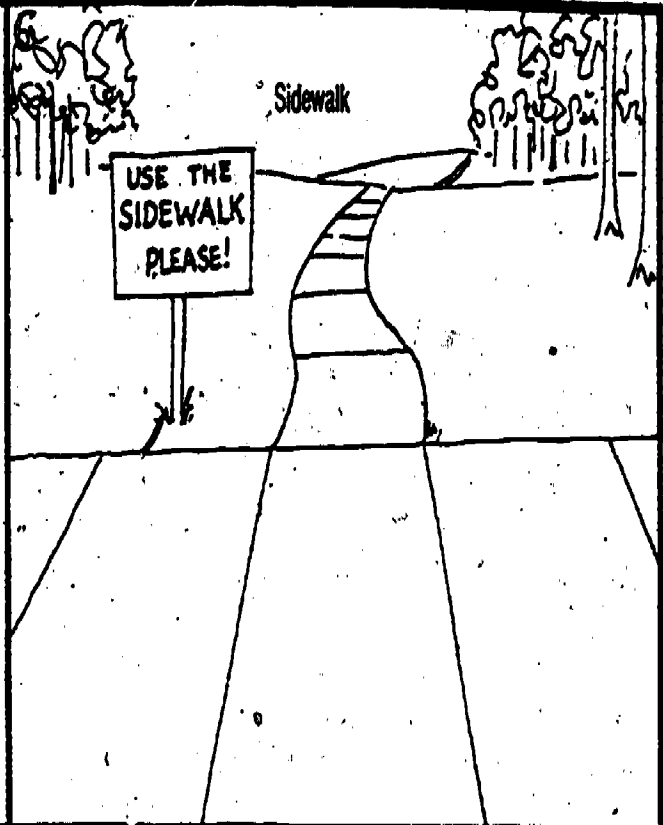
Litter Can



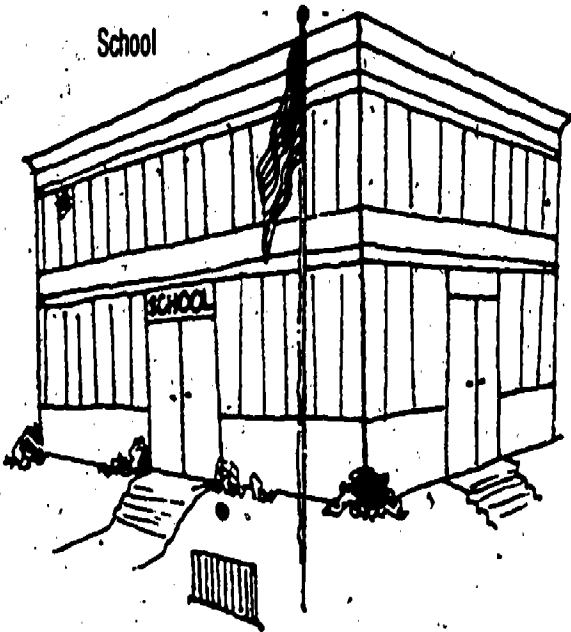
Pet Bird



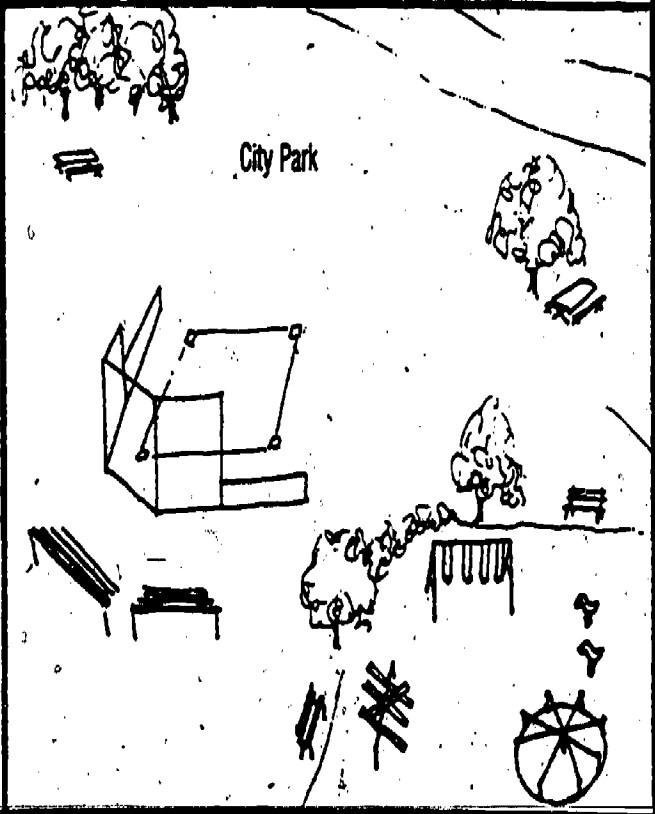
Sidewalk

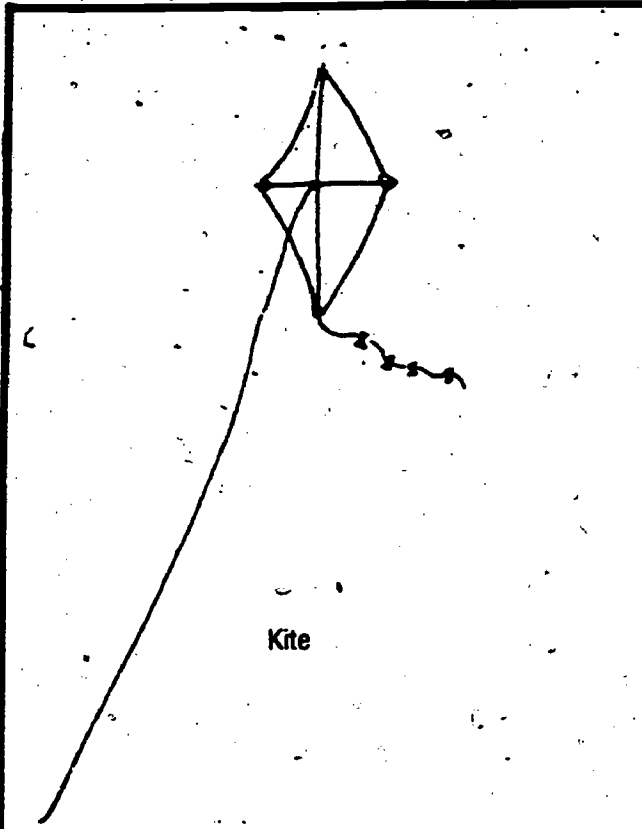


School

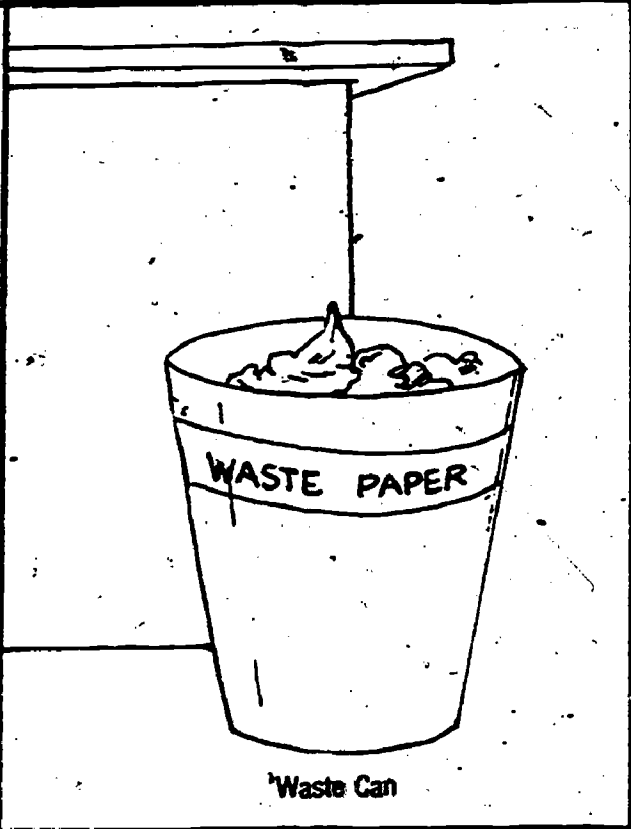


City Park

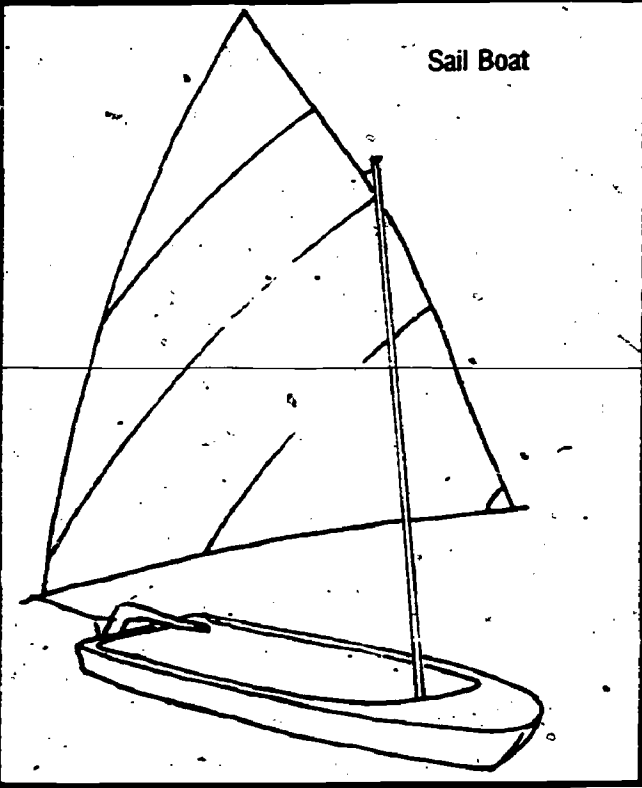




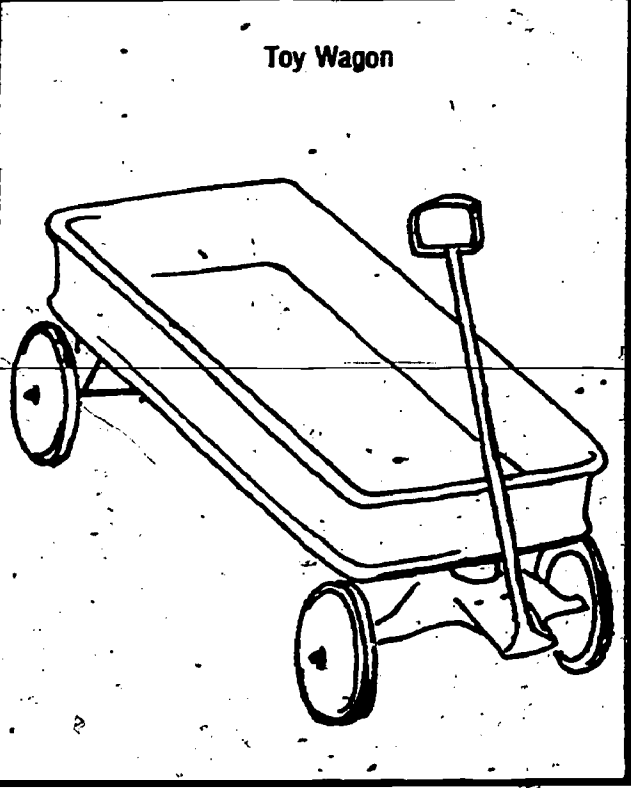
Kite



Waste Can

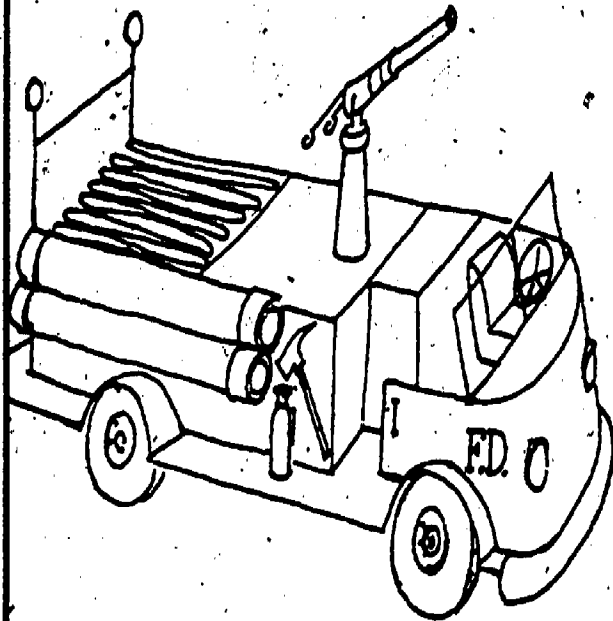


Sail Boat

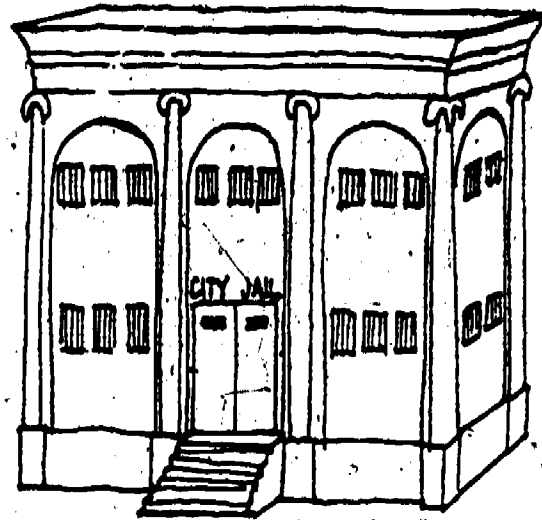


Toy Wagon

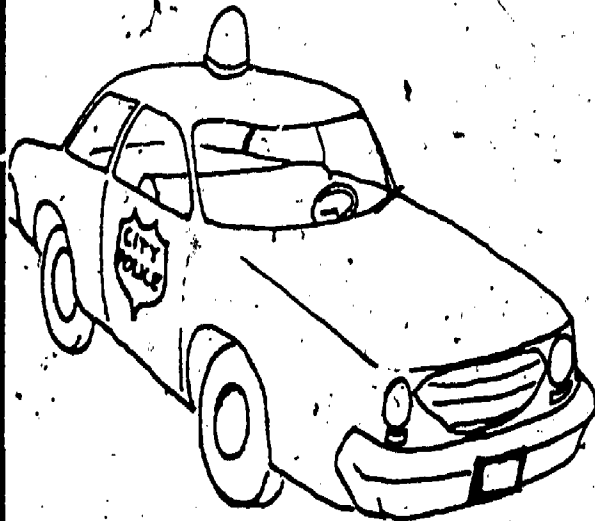
Fire Truck



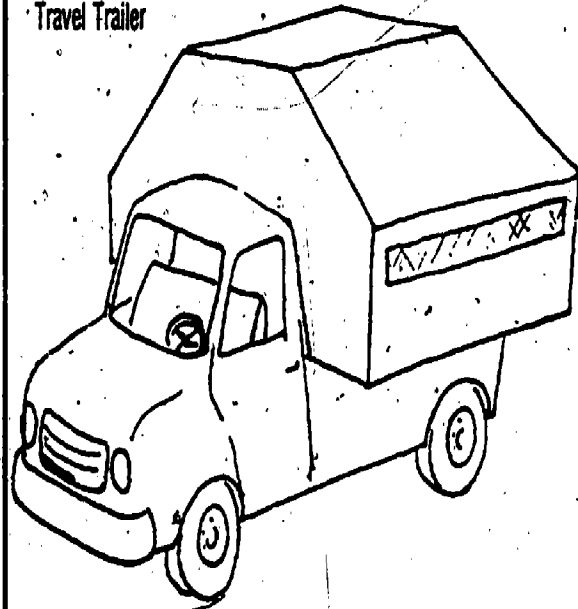
City Jail



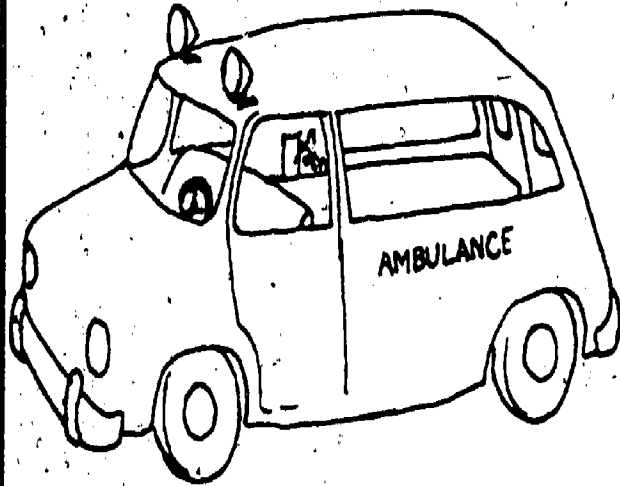
Police Car



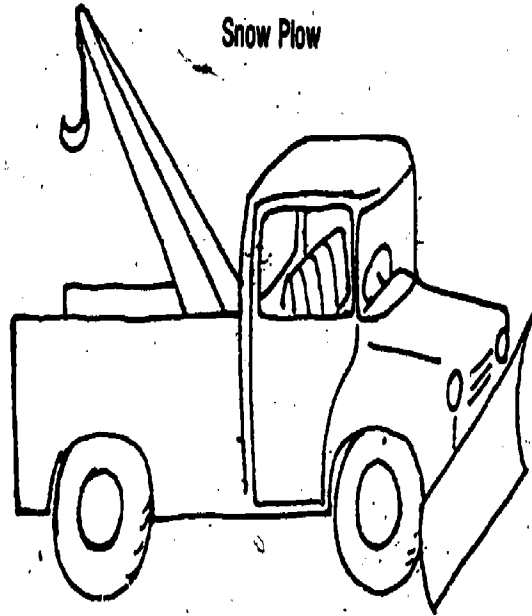
Travel Trailer



Ambulance



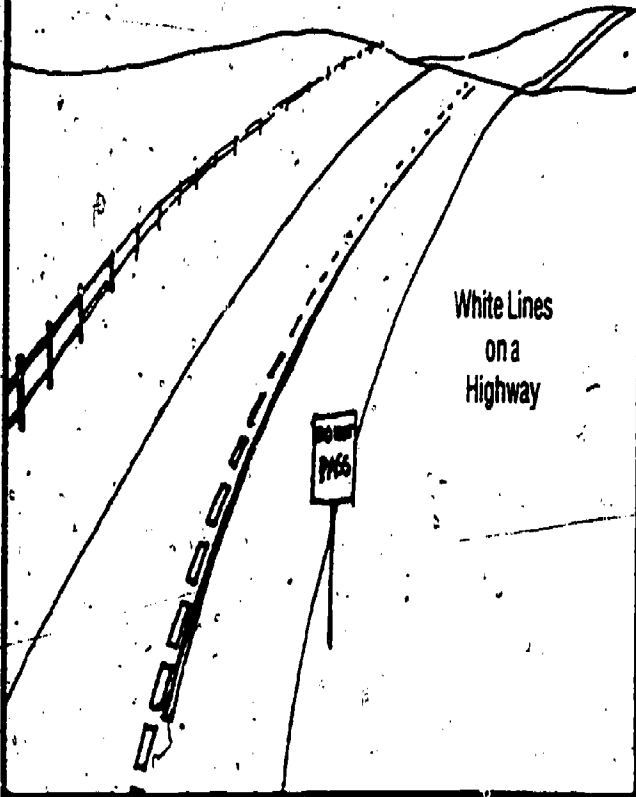
Snow Plow



Garbage Truck



White Lines
on a
Highway



Title: Match/Mismatch (Governmental Services)

Recommended Level: 3

Generalization 2: Because household income is limited, households must choose how much of their income they will use to purchase goods and services privately and how much they will use to purchase collectively through government.

Subtopic 1: Government supplies goods and services to households and to business firms.

Rationale for Activity: This activity serves two purposes: (1) it develops skill in using probability and (2) it reinforces the concept that some goods and services are supplied by the government and others are purchased from businesses.

Objectives:

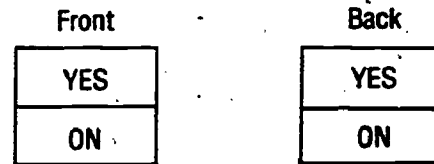
1. Students will be able to discriminate between goods and services normally supplied by the government and those normally purchased from businesses by individual families.
2. Students will be able to make "intelligent guesses" in terms of probability.

Materials:

1. A set of "yes/no" multiple response cards (described in Step 3 of Procedure).
2. A set of word cards—each item below should be listed on a 3 x 5" card.
 1. haircut
 2. picking up garbage
 3. cleaning streets
 4. city park
 5. collecting mail
 6. hamburger
 7. deciding court cases
 8. arresting bank robber
 9. fixing highways
 10. a squirt gun
 11. fire engine
 12. a school bus
 13. an ambulance
 14. a firehose
 15. a fire alarm box
3. The items listed above should also be listed on the chalkboard.
4. A list of attributes (these can be written on cards, listed on a transparency, or the teacher can list them on the board).
 1. supplied by the government
 2. families purchase good from a business
 3. used by only one or two people
 4. used by many different people (or used to protect many people).
 5. used only by children
 6. used for children and adults
 7. supplied by governments for your protection
 8. supplied by city government for fire protection
 9. something you buy at a restaurant
 10. something a city government usually buys
 11. a toy
 12. something a police officer does
 13. a service supplied by the government
 14. a service that individuals usually buy from a business
 15. something used to take children to school.

Procedure:

1. Divide the class into small groups (3 to 5 students).
2. Appoint a captain for each group.
3. Give each captain a multiple response card ("yes" and "no" is written on both sides so that as a student holds up the card, his/her response is visible to the students as well as to the teacher).



4. **Drill.** Go through each item on the list (see Item 3 under Materials). After you point to the item, give the groups a few seconds to decide whether that item is supplied by the government (i.e., "yes"—it is supplied by the government, or "no"—it is not supplied by the government). Count down "3 . . . 2 . . . 1 . . . SHOW." When you say "SHOW," each captain holds up the multiple response card to show the group's answer.
 5. Call the class's attention to the deck of word cards (item 2 under Materials). Shuffle this deck of cards. As you do this, tell the class that the deck of cards is the same as the list of items written on the chalkboard (item 3 under Materials). Show the class Attribute 1 (item 4 under Materials)—"supplied by the government." Tell them you're going to turn over one of the cards. Ask them if they think the card will match ("yes") the attribute or not ("no").
- Note: Chances are it will because only three items on the list (1, 6 and 10) are usually purchased by individuals.
6. The game can be played several times by reshuffling the deck and starting over.

Discuss several other examples and then go through the list one item at a time. Be sure to give several seconds to the students so they can discuss the answer for each item. Ask the captains to show (hold up their card to indicate "yes" or "no"). If they have the right answer their team gets a point.

Subtopic 2

To supply goods and services, government purchases resources and/or goods and services.

1. Overview

In the activities for Subtopic 1, students were exposed to some of the goods and services provided by government to households. The set of activities for Subtopic 2 provides

students with insights on how government is able to do this. Basically, if government is to provide households with goods and services, it must either purchase these goods and services from some business or it must purchase resources (land, labor, capital) from households or businesses and transform them into the goods or services to be provided.

Government generally provides households with various kinds of services and to provide these services government purchases both resources and goods. For example, to supply fire protection services, government hires labor resources (firefighters) and purchases from businesses a variety of goods (fire trucks, buildings, hoses, fire hydrants, typewriters, paper, uniforms, etc.). As teachers are aware, much the same situation exists when government provides members of households or families with public education services.

2. List of Activities

| Item | Title | Recommended Designated Level | | |
|------|-----------------|------------------------------|---|---|
| | | 1 | 2 | 3 |
| 1 | Name One More | X | | |
| 2 | Broad to Narrow | | X | |
| 3 | Unique/Common | | | X |

Title: Name One More (Governmental Services)

Recommended Level: 1

Generalization 2: Because household income is limited, households must choose how much of their income they will use to purchase goods and services privately and how much they will use to purchase collectively through government.

Subtopic 2: To supply goods and services, government purchases resources and/or goods and services.

Rationale for Activity: This is an open-ended classification activity designed to call attention to the fact that governments provide many services (fire protection, police protection, parks, etc.). In each case the government needs to buy many

goods and services. For example, in providing mail service, the government builds post offices, buys mail boxes, mail trucks, letter carrying bags, etc.

Objectives:

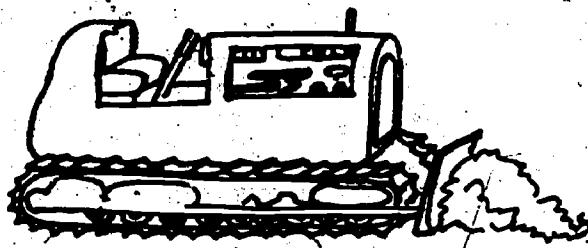
1. Students will be able to classify pictures of goods and services supplied by government under appropriate headings (i.e., fire, police, roads, water, parks, mail, and library).
2. Students will be able to name goods and services which could be added to each list generated in Step 1 above.

Materials:

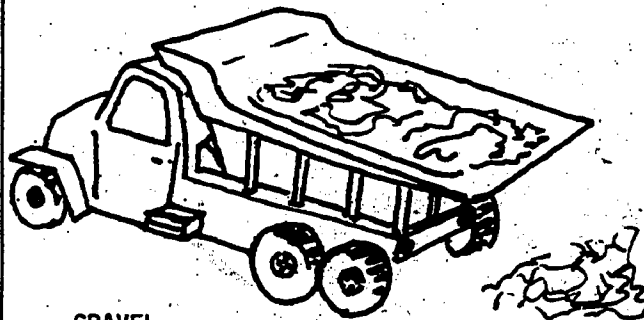
1. A set of classification cards
 - Fire Protection
 - Police Protection
 - Roads
 - Water
 - Parks
 - Mail
 - Library
2. A set of item cards showing goods and services needed by government to provide the services listed above (see pages 39-41).
3. Some blank cards for students to draw their own items to add to each of the main categories.

Procedure:

1. Have the item cards on display (bulletin board, taped to chalk board, taped to large piece of butcher paper, etc.);
2. Gather the students around the display area.
3. Put up a label card (fire protection) and tell the students that government uses tax money to pay for fire protection.
4. Model the next step by showing the students that one thing the government has to buy to provide fire protection is hats for the firemen (place picture of hat under fire protection label). Challenge them to see how many item cards they can place under this heading.
5. Follow Steps 3 and 4 with the other classification cards.
6. After all the item cards have been placed under a classification card, have the students name other things that could be added to each category.
7. Have the students draw pictures of these items and add them to an appropriate category.



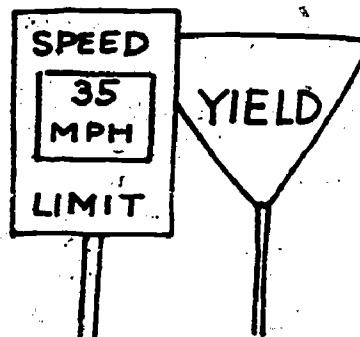
GRADER



GRAVEL



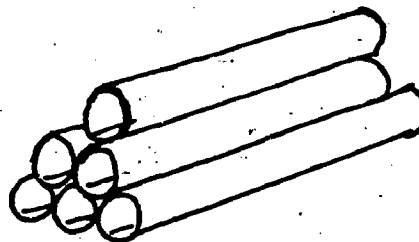
PAINT



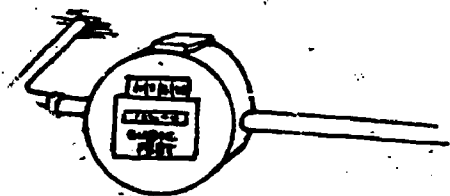
ROAD SIGNS



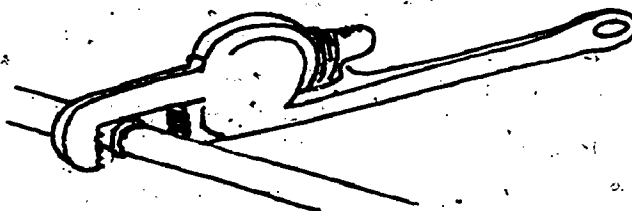
STOP SIGN



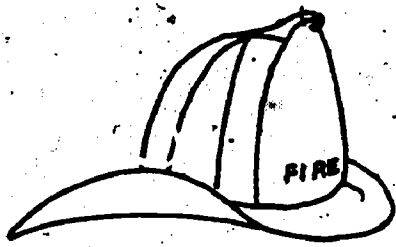
PIPE



WATER METER



PIPE WRENCH



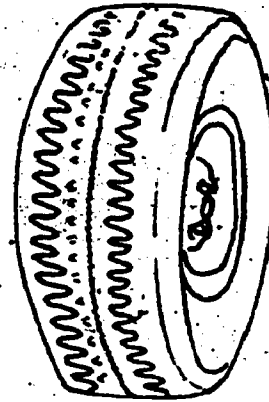
HAT



BOOTS



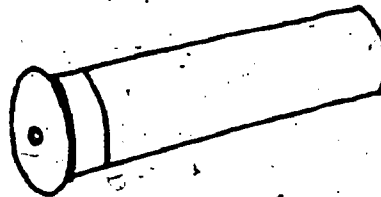
AXE



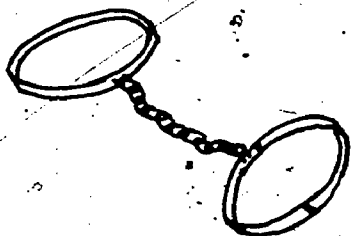
TIRES



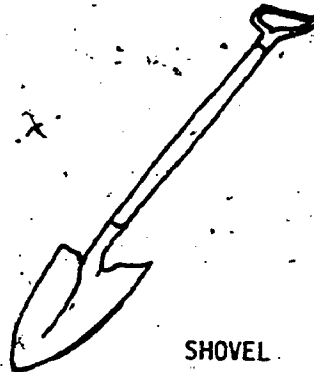
BADGE



SHELL



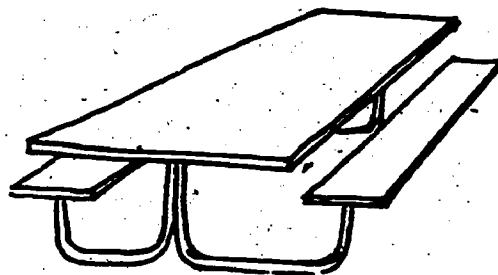
HANDCUFFS



SHOVEL



TRASH CANS



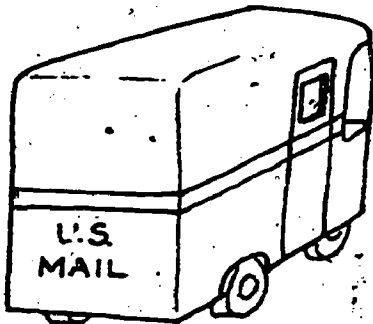
PICNIC BENCH



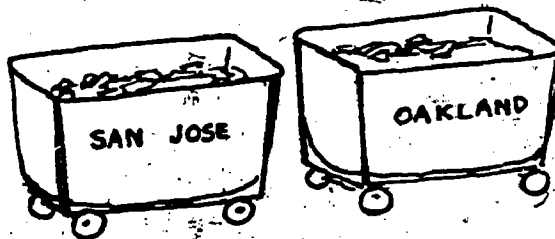
MAIL SACK



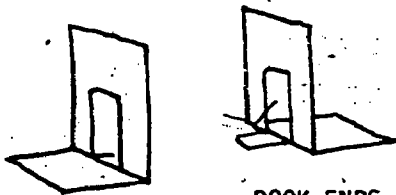
MAIL BOX



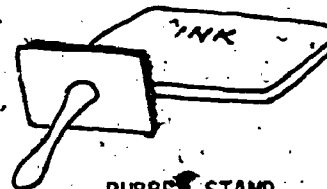
MAIL TRUCKS



SORTING CARTS



BOOK ENDS



RUBBER STAMP

Title: Broad to Narrow (Governmental Services)

Recommended Level: 2

Generalization 2: Because household income is limited, households must choose how much of their income they will use to purchase goods and services privately and how much they will use to purchase collectively through government.

Subtopic 2: To supply goods and services, government purchases resources and/or goods and services.

Rationale for Activity: This activity serves two purposes: (1) It develops question asking skills (the ability to ask questions and the ability to use an effective questioning strategy—general to specific), and (2) it reinforces the understanding that many specific goods and services are needed in providing fire protection, police protection, park services, etc.

Objectives:

1. Students will be able to identify an item selected by the teacher by asking questions which can be answered with a "yes/no" response.
2. Students will use a general to specific questioning strategy.
3. Students will not repeat questions or ask unnecessary questions.

Materials:

1. The set of classification cards and item cards used in the activity "Name One More (Governmental Services)."

Procedure:

1. Display the cards in an organized fashion with the item cards listed under the appropriate classification card (i.e., under fire protection you could list fire truck, fireman's hat, hose, boots, etc.).
2. Tell the students that you have picked one of the items and they are to guess which one by asking you questions you can answer with a "yes/no" response. Model several questions. You could ask: "Does it deal with fire protection?" "Do you wear it?"

Important: Only allow one "is it" question ("Is it the hose?"). The students should ask enough questions regarding size, shape, function, etc. to know *for sure* what the item is before they ask the "Is it . . .?" question.

3. After they guess the item, hold a recap. The recap is an analysis of their questioning. Consider such things as:
 - How many questions did it take?
 - Did they repeat questions?
 - Were there any unnecessary questions asked?
 - Did they start off with broad, general questions or with narrow, specific questions?
4. After they have played this several times, rearrange the item cards so that they are not organized systematically. Having them mixed up creates the need for the students to do their own classifying when they ask their general questions.

Title: Unique/Common (Governmental Services)

Recommended Level: 3

Generalization 2: Because household income is limited, households must choose how much of their income they will use to purchase goods and services privately and how much they will use to purchase collectively through government.

Subtopic 2: To supply goods and services, government purchases resources and/or goods and services.

Rationale for Activity: This activity serves two purposes: (1) It develops the concept of probability (a concept which is basic to decision-making), and (2) it reinforces the understanding that many specific goods or services are needed in providing fire protection, police protection, park services, etc.

Objectives:

1. Students will be able to identify common and unique items that are used by different governmental services (i.e., a common item associated with fire protection is a fire truck, an item that is associated but not so obvious is a fire alarm box).
2. Students will analyze behavior of other students (What will they pick?) when selecting items: the most likely (common) or the one no one else will pick (unique).
3. Students will make generalizations about their behavior in selecting items.

Materials:

1. The set of classification cards and item cards used in the activity "Name One More (Governmental Services)"—word cards can be substituted at this level.
2. Paper and pencil for each group of 4 or 5 students.
3. The chart (step 2 under Procedure) displayed.

Procedure:

1. Display the cards in an organized fashion with the item cards listed under the appropriate classification card (i.e., under fire protection you could list fire truck, firefighter's hat, hose, boots, etc.).
2. Have the following skeleton chart ready to use (on blackboard, transparency, etc.).

| Category | Common | Unique |
|-------------------|--------|--------|
| Fire protection | | |
| Police protection | | |
| Park service | | |
| Roads | | |
| Library | | |
| Schools | | |

3. Divide the class into teams (each team having 3 or 4 members).
4. Call the students' attention to the list of items under fire protection. Ask them to suggest other items that could be associated with this category.
5. Ask each team to write down the name of an item dealing with fire protection that they think the other teams will write down.
6. Have each team declare what they have written down. The teams that selected the common item each get a point.
7. Write the name of the item in the appropriate blank of the chart.
8. Have each team write down the name of an item dealing with fire protection that they think no one else will write down (they do not have to select items on display, but can list others they think of).
9. Have each team declare what they have written down and explain how it is associated with the category (reinforce that the government must purchase each of the goods and services even if we are talking about such little things as the red paint used to paint the fire plugs). If a team picks an item that none of the other teams picked, it gets a point.
10. Score the points and add the items in the appropriate blank on the chart.
11. Continue (using steps 5-10) with some of the other general categories.
12. After a team gets 7 points (or some other predetermined stopping point) declare the winner.
13. Recap by having the students make some generalizations about their behavior (add these to the bottom of the chart). For example,
 - We picked big things for the common ones.
 - We picked popular things for the common ones.
 - The city has to buy a lot of things.

Subtopic 3

Government finances most of its purchases with income from taxes.

1. Overview

In earlier activities, students were introduced to the idea that government provides households with many goods and services and that government is able to provide these goods and services either because it purchases the goods from business firms or because it purchases the resources and uses them to produce the goods or services provided.

Since most goods and services government provides to households are not sold for a price, government obtains much of the income it requires by taxing individuals or families (sometimes indirectly by putting the tax on a business firm which must then try to include the tax in the price to the

consumer). Generally, the amount of taxes people pay is based on the income they earn, the value of the property they own or rent, or on the amount or value of goods and services they purchase.

The present set of activities introduces students to the major sources of income for government (taxation) which government must have if it is to purchase goods and/or resources in the marketplace.

2. List of Activities

| Item | Title | Recommended Designated Level | | |
|------|-------------------------------------|------------------------------|---|---|
| | | 1 | 2 | 3 |
| 1 | Our Taxes Pay for . . . | X | | |
| 2 | They Pay Some Tax/But They Pay More | | X | |
| 3 | Boom or Bust | | | X |

Title: Our Taxes Pay for . . .

Recommended Level: 1

Generalization 2: Because household income is limited, households must choose how much of their income they will use to purchase goods and services privately and how much they will use to purchase collectively through government.

Subtopic 3: Government finances most of its purchases with income from taxes.

Rationale for Activity: This activity generates a list of items the government usually purchases with income from taxes. It is open-ended and will allow students to contribute according to their ability. It provides a display of items that can be used in other related activities.

Objectives:

1. Students will be able to distinguish things the government usually buys from things individual families usually buy directly from private businesses.
2. Each student will contribute at least one picture to the collection.

Materials:

1. A bulletin board or other display area.

Procedure:

1. Hold a general discussion on taxes. Discuss such items as:
 - Different ways taxes are collected (i.e., gasoline tax, sales tax, income tax).
 - How government uses taxes to pay for selected goods and services.
2. Put up the title "Our taxes pay for . . ." on a bulletin board.
3. Ask the students to name some things taxes pay for. Name

some things taxes pay for and encourage the students to name others.

4. Ask each student to draw or find a picture of at least one item that the government usually buys with income from our taxes. Challenge the students to find at least fifty different items.
5. Each morning (for a week or whatever time period is appropriate for your students), ask for any contributions and ask the class to determine if the item should go up or not (the determining factor is whether the item is usually purchased by the government).

Title: They Pay Some Tax/But They Pay More

Recommended Level: 2

Generalization 2: Because household income is limited, households must choose how much of their income they will use to purchase goods and services privately and how much they will use to purchase collectively through government.

Subtopic 3: Government finances most of its purchases with income from taxes.

Rationale for Activity: This activity focuses on the fact that tax payment is usually based on quantity. The more income you earn the more tax you pay, the more property you own the more tax you pay, the more gas you buy the more tax you pay, etc. The activity has the students draw a comparison between someone who only pays a little tax and someone who pays more. The idea is to let the students depict this generalization in an exaggerated manner. Although it is true that there are loopholes in tax laws which allow legal tax avoidance by some individuals, this fact should probably not be introduced to primary students.

Objectives:

1. Each student will draw a picture which makes an exaggerated comparison between a rich person and a poor person.
2. Students will be able to look at the drawings and tell which person would pay more taxes and why.

Materials:

1. It would probably be best to let students use large pieces of paper for their drawings (12 x 18" or larger).

Procedure:

1. Discuss with the class the idea that tax is usually based on quantity. You pay according to how much you buy, how much you earn, and how much land you own.
2. Have the students make some exaggerated comparisons:
 - The man who owns a small inexpensive car may pay some taxes, but the man who owns a super-fantastic atomic-powered car pays more.
 - The person who owns a little house on a small lot may

pay some property tax, but the person who owns a mansion pays a lot more.

3. Present a format and ask the students to create their own comparisons.

| Gasoline Tax Pays for Highways | |
|--------------------------------|----------------|
| They pay some tax | They pay more! |

4. After the drawings have been displayed, ask students to identify the person in several drawings who would pay more taxes. Have them explain their choice.

A series of drawings could be made for:

- Sales tax paid on purchases
- Gasoline tax paid on a tank of gas
- Income tax paid on the money earned by a wrestler
- Property tax on a ranch

Title: Boom or Bust (Taxes)

Recommended Level: 3

Generalization 2: Because household income is limited, households must choose how much of their income they will use to purchase goods and services privately and how much they will use to purchase collectively through government.

Subtopic 3: Government finances most of its purchases with income from taxes.

Rationale for Activity: This activity demonstrates that a city government needs money coming in (taxes) to pay for the goods and the services it buys. A game strategy is used to capture the student's attention. The game is rigged so that the city will eventually not be able to pay for its purchases. The object of the game is to see how long the city can continue purchasing goods and services.

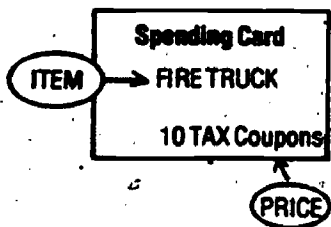
Objectives:

1. Students will be able to compute tax (with the rate being 1 tax coupon per \$100 of sales).
2. Students will be able to determine when the city cannot purchase additional goods and services and will be able to say why (i.e., not enough taxes were collected to cover the expenditures).

Materials:

1. A set of Spending Cards

| Item | Price (in tax coupons) |
|------------------|------------------------------|
| fire truck | 10 |
| pay city workers | 10 |
| police car | 5 |



| | |
|--------------------------|---|
| fix bridge | 5 |
| paint city hall | 3 |
| buy typewriters | 2 |
| buy library books | 2 |
| buy fire plugs | 2 |
| buy stop sign | 1 |
| buy handcuffs | 1 |
| buy pencil sharpeners | 1 |
| buy chalk board | 1 |
| buy brooms | 1 |
| buy paper | 1 |
| paint white lines | 1 |
| pay for food in the jail | 1 |
| buy fire hose | 1 |
| buy salt for the roads | 1 |

this case would be an addition of one Tax Coupon (making six) in the bank. The number 1 should be posted somewhere to represent that the city has made it through one day.

- Continue making "daily transactions" until the city runs out of Tax Coupons. The game is rigged so that this will happen (the fire truck and payroll cards do not have equivalent income cards). You could reverse the outcome by increasing the amount of some of the income cards. The idea would then be to see how much of a surplus the city could accumulate in 10 days, etc.
- Recap by having the students make some generalizations about the game. What things surprised you about running a city? What kinds of services do cities provide? What other services do you want your city to provide? Why don't cities provide all the services people want?

2. A set of Income Cards

| | Sales | Number of Income Cards |
|--|-------|------------------------|
| <div style="border: 1px solid black; padding: 5px; display: inline-block;"> <p style="text-align: center;">Income Card</p> <p>\$100 \$100 \$100</p> <p style="text-align: right;">SALES</p> </div> | \$100 | } 2 |
| | \$100 | |
| | \$100 | |
| | \$100 | |
| | \$100 | |
| <div style="border: 1px solid black; padding: 5px; display: inline-block;"> <p style="text-align: center;">Income Card</p> <p>\$100 \$100 \$100</p> <p style="text-align: right;">SALES</p> </div> | \$100 | } 1 |
| | \$100 | |
| | \$100 | |
| <div style="border: 1px solid black; padding: 5px; display: inline-block;"> <p style="text-align: center;">Income Card</p> <p>\$100 \$100 \$100</p> <p style="text-align: right;">SALES</p> </div> | \$100 | } 3 |
| | \$100 | |
| <div style="border: 1px solid black; padding: 5px; display: inline-block;"> <p style="text-align: center;">Income Card</p> <p>\$100 \$100 \$100</p> <p style="text-align: right;">SALES</p> </div> | \$100 | } 10 |

Subtopic 4

Because of limited income, choices must be made about what and how much of each good or service the government will supply.

1. Overview

As described in previous subtopics, government, in order to provide goods and services to households, must have a source of income. This income is used to purchase goods or resources, and taxation is the main source of income from government.

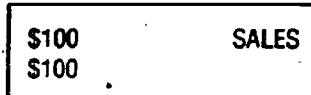
The taxes collected by government come from individuals or families (businesses also pay taxes). A problem arises when government imposes taxes on individuals, because taxes reduce the amount of income available to individuals for spending in the marketplace. The previous discussion of the wants-income gap illustrated the fact that income of individuals is *insufficient* to purchase from businesses all the goods and services they or their families want. Whenever government collects taxes from individuals, this reduces the amount of income available for purchasing goods and services from businesses (private sector). However, it should be recognized that when government collects more taxes, it is able to provide individuals with additional goods and services from the public sector.

Over time, the amount of income which households are willing to give up in the form of taxes to government tends to increase, but this amount is never sufficient for government to provide all the goods and services people want (e.g., almost all of us would like more and better educational, fire, and police services if they were free). Thus, like households, governments have a "wants-income gap," i.e., governmental income is insufficient to provide all the goods and services wanted by members of society. Therefore, given its income, government must make choices. What kinds of goods and services will it provide? How much of each? Which of its

3. Tax Coupons (approximately 15)

Procedure:

- The city has 5 Tax Coupons in the bank (use a pocket chart or other device to represent the bank).
- Shuffle each deck of cards (Spending Cards and Income Cards).
- A student comes up and turns over the first day's spending card (the top card in the spending deck). The number of coupons needed to pay the spending card should be removed from the bank (for example, if the handcuff spending card were turned over, one coupon would be removed from the bank).
- Another student should draw an income card. The student then tells how many coupons should be put in the bank. In the case below, it would be two (one tax coupon collected for each \$100 of sales by businesses).



- A complete day's transaction has been made (one Spending Card and one Income Card). The net result in

many streets will it pave? How many policemen will it hire? How many teachers will it employ? How many parks will be supplied and maintained?

The activities for this subtopic provide students with the opportunity to become involved in a number of situations requiring governmental decisions. These activities will reinforce students' understanding of the concepts of scarcity and choice-making. The activities illustrate that government, like households, operates under income and price constraints.

2. List of Activities

| Item | Title | Recommended Designated Level | | |
|------|---------------------------|------------------------------|---|---|
| | | 1 | 2 | 3 |
| 1 | What's Your Choice? | X | | |
| 2 | A Purchase for Our School | | X | |
| 3 | The City Game | | | X |

Title: What's Your Choice? (Taxes)

Recommended Level: 1

Generalization 2: Because household income is limited, households must choose how much of their income they will use to purchase goods and services privately and how much they will use to purchase collectively through government.

Subtopic 4: Because of limited income, choices must be made about what and how much of each good or service the government will supply.

Rationale for Activity: This activity uses an "If then . . ." strategy. The students examine the consequences of taking a certain action or making a certain choice. This gives them experience in trying to see another's point of view. Many students will still be too egocentric to do this successfully; however, the activity should increase the likelihood of this happening in the future. Also, it provides a good opportunity to list cause/effect relationships.

Objectives:

1. The students will give reasons for their choices.
2. The students will refer to other people's feelings.
3. The students will make general statements about their behavior.

Materials:

1. A display area (bulletin board, large piece of butcher paper, etc.)
2. Drawing paper

Procedure:

1. Ask the students what they would buy if they were the principal: a large rubber ball or a long jump rope?
 - explain that it would be for your class to use at recess and P.E.
 - explain that there is only enough money income to buy one of the items
 - strive for fluency; see how many different reasons the students can generate
2. Have the students draw a picture showing why they would select one of the two items. (They should illustrate their most important reason.)
3. Display the pictures under a picture of a jump rope and a playground ball.
4. Gather the students around the display and have students tell about their drawings.
5. Conclude the discussion by having students make some general statements about the activity:
 - Most of us want the ball.
 - The rope can be used for different games.
 - Some of us would never play jump rope.
6. Other possible choice situations might include: (1) a book for the library or a record for the library, (2) a set of colored pencils or a plant for the classroom.

Title: A Purchase for Our School (Taxes)

Recommended Level:

Generalization 2: Because household income is limited, households must choose how much of their income they will use to purchase goods and services privately and how much they will use to purchase collectively through government.

Subtopic 4: Because of limited income, choices must be made about what and how much of each good or service the government will supply.

Rationale for Activity: This activity uses role-playing to demonstrate that different people have different reasons for wanting to spend tax dollars to purchase different items. The activity provides an opportunity to put yourself in another's shoes, to identify with another's point of view.

Objectives:

1. Students will give reasons for wanting to spend tax money to buy a certain item.
2. Students will identify how other people feel.
3. Students will make general statements about their behavior.

Materials:

1. A chart or blackboard to list student responses.
2. Hats or other devices for role-playing (i.e., cut-out faces, name tags to hang around the neck, etc.)

cardboard
mask



wear around the
neck



Procedure:

1. Ask the students to name items they think the city should purchase.
2. Have them list several different items.
3. Ask the students to pick the one they think an older man would want the city to buy. Describe the man as a grandfather with 10 grandchildren living in the city. The old man likes to read books but can't afford to buy them. The old man does not like motorcycles and loud cars. He wants a way to get to downtown to shop. He also doesn't like kids playing in the street in front of his house. Ask a student to pretend he's the old man and he's trying to convince you (the mayor) to buy the item he thinks is best for the city in the list: The student may want to put on an old hat or wear the "Old Man Name Tag."
4. Have several students play the part of the old man.
5. Have the class analyze the role-playing and give some general comments about the old man's behavior. *Note:* It is important not to evaluate the student's acting but to analyze the character portrayed. This is not a performance but an inquiry into behavior.

Some general comments might include:

- The Old Man didn't think the kids should play in the street.
 - The Old Man wanted to have the mayor listen to his feelings.
 - The Old Man thought he had rights, too.
 - What services might the city provide for the Old Man? List services on the board.
6. Role-play and analyze other characters:
Have students compare and contrast the kinds of services different people want from the city. For each character list services wanted on the blackboard. Have the class decide what two services are most important for the city to provide. Have them explain why the city does not provide all the services different people want.
 - A young woman is a "rookie" police officer in the city. She is very concerned about safety and wants the kids to have a safe place to play. She also doesn't want kids riding bikes on the sidewalks on their way downtown or to school.
 - A father of three children works hard but doesn't earn much money. His family lives in a run-down apartment. They are very poor. He wants his kids to get a good education. He wants them all to go to college. He is also concerned about the dangerous conditions in his part of town.

Title: The City Game (Taxes)

Recommended Level: 3

Generalization 2: Because household income is limited, households must choose how much of their income they will use to purchase goods and services privately and how much they will use to purchase collectively through government.

Subtopic 4: Because of limited income, choices must be made about what and how much of each good or service the government will supply.

Rationale for Activity: This game simulates a city's need for collecting taxes to pay for goods and services. Cities want fire protection, crime protection, flood protection, etc. To provide for these wants, cities need money income (taxes) to pay for the necessary goods and services.

In this game, students have to make decisions as to how the city should spend its limited income. To make wise decisions the students will need to consider probability (how soon before they get to an area where road work is needed, what's the likelihood of needing the police, etc.). Students should find the game interesting, and it should spark debates as to how the city should spend its income.

Objectives.

1. The students will verbalize the need of cities to collect taxes to provide goods and services people want.
2. The students will provide specific reasons explaining how they spend their limited income.

Materials:

1. The game board (see page 49). A transparency should be used so the board can easily be seen by all.
2. A "kitty" containing tax markers (beans, sugar cubes, etc.) to show sums of potential tax revenue that could be spent or invested by the city.
3. A deck of situation cards (3 x 5" cards could be used). See examples for a listing of the situation cards.
4. A die or spinner (1 to 6).
5. A special marker, identified as "city," placed at the starting point on the path.

Procedure:

1. The idea is for the class to build a safe city (cover all the ■'s on the board). Divide the class into small groups. Each group represents one city and has one board and one city marker with which to play the game. Decisions will be made as a group.
2. Review the type and number of situation cards.
3. To start, your city is given a chance to collect taxes (C.T. means that one member of your group can roll once to see how much to collect). The number on the spinner or die is used to determine the number of tax markers to be collected from the "kitty," representing taxpayers. If you roll a six, you get six markers to spend or save. If you roll a two—you get two markers, etc. You can save the money or spend it on some goods or service.
4. To spend the money, you place a marker on one of the

- 's. Decisions to spend tax dollars must be made before the group moves its "city" marker.
5. After the initial roll, you roll the die to see how many spaces you should move. If you land in a square marked C.T., roll the die to see the amount of taxes the city collects—tax markers obtained from the "kitty."

Rules:

1. If you land on a PAY NOW ● (representing outstanding debt), you must pay (cover the ● with a tax marker). If you can't, you go bankrupt and the game is over.
2. Once a tax marker has been placed on a ■, it cannot be moved.
3. If you land on a C.T., you roll the die to see how much tax to collect. You can spend what you receive or you can save it. To spend one of the markers, you just put it on a ■. To be protected in any given area you must cover each ■ in that area.
4. Once you roll the die to move, you can't spend any of the city's income until you finish the move (i.e., if you draw a situation card that requires fire protection, it is too late to spend on fire protection. You have to suffer the consequences.).
5. To win, you must cover each ■ on the board. You lose if you:
 - can't pay ● when you have to.
 - draw a flood card and haven't built the needed dam.
 - draw the crime card (shot by a badman) and don't have the needed police protection.
 - draw the fire card (the whole city is on fire) and don't have the needed fire protection.

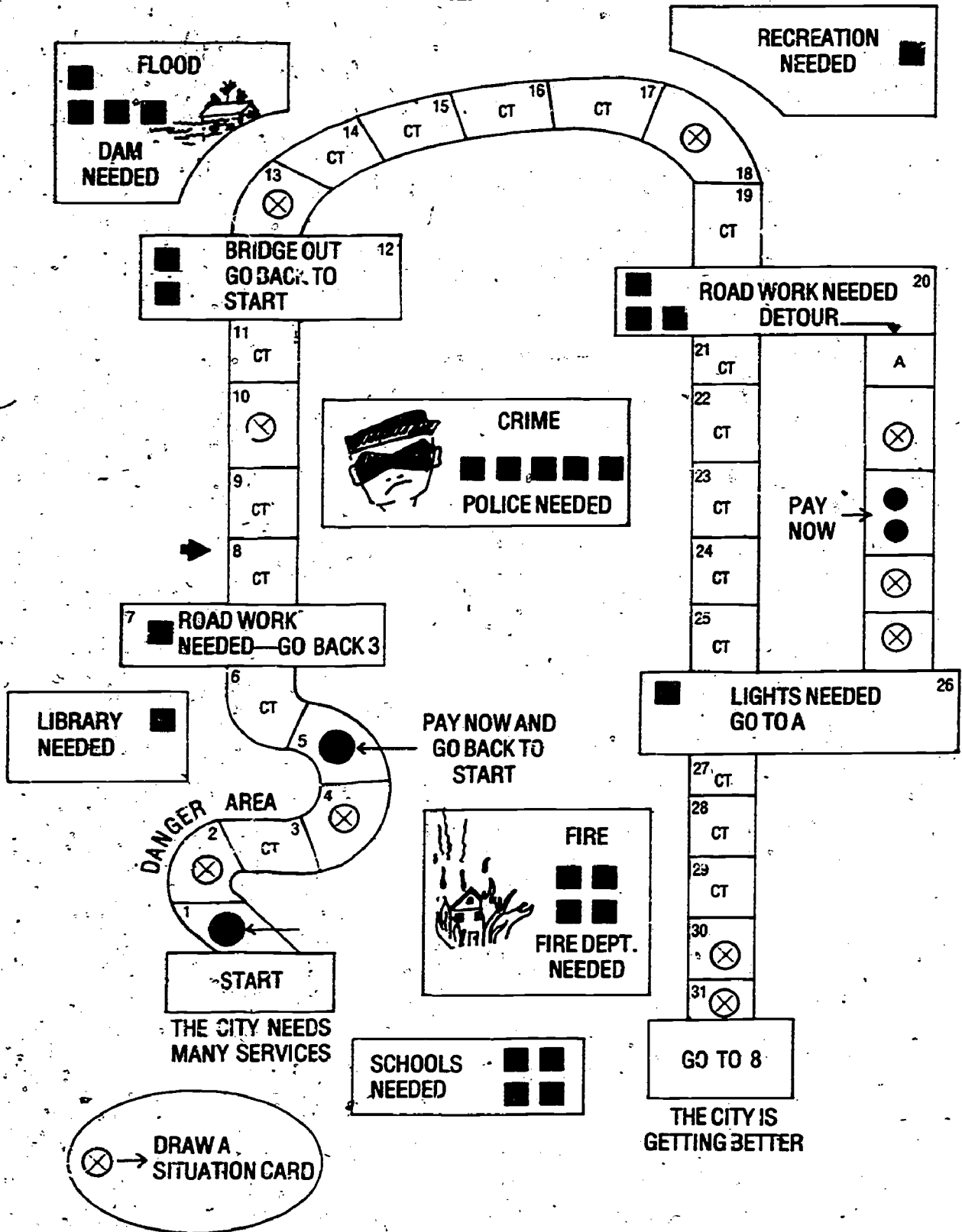
SITUATION CARD

Number of cards in deck

1. **Fire Card**—The whole city is on fire. You have been destroyed. The game is over unless you have the

- | | |
|--|---|
| needed fire protection | 1 |
| 2. Fire Card —An important building is on fire. If you do not have fire protection, you must pay five tax markers to the kitty before you can cover any squares | 3 |
| 3. Fire Card —A house is on fire. Unless you have fire protection, you must pay one tax marker to the kitty before you can spend any more taxes | 3 |
| 4. School Card —Your schools are overcrowded. Unless you have school protection, go back 6 spaces | 1 |
| 5. Library Card —Unless you have library protection, your library is going to have to be closed. It is unsafe. Go back to 1 | 1 |
| 6. Crime Card —Your town is unsafe. Unless you have police protection, go back to the start | 1 |
| 7. Crime Card —Bad men have taken all your road equipment. Unless you have police protection, take away all investments on 7 and 12 | 3 |
| 8. Flood Card —Unless you are protected by the dam, the worst flood in the last 100 years has just wiped out all your resources and investments | 1 |
| 9. Recreation Card —Unless you have covered the recreation square, your city has nothing to do. You need twice as much police protection now | 1 |
| 10. Crime Card —You have been shot by a badman. Unless you have police protection, the game is over | 1 |
| 11. You have to pay 1 tax marker to the "kitty" or the game is over | 1 |
| 12. Go to 5 | 2 |
| 13. Go to 1 | 1 |
| 14. Your city was willed some money. You can roll the die once to see how much was willed to you | 1 |
| 15. Oil was discovered in your city. Roll twice to see what you collect | 1 |

THE CITY GAME



From Master Curriculum Guide, Part II, Primary Level, JCEE, 1977.

Subtopic 5

The opportunity cost of government goods and services is the amount of other goods and services (government and private) that are given up.

1. Overview

The set of activities for the preceding subtopic focused on the wants-income gap of government and choice-making. The set of activities for this subtopic deals with the opportunity cost principle as it applies to government.

Because government income is limited, it cannot provide all the goods and services people want. Thus, government must decide what goods it will and will not provide. When government decides to use its income to supply one thing, it obviously cannot use this same income to provide some other thing people want. For example, if local government has only enough income (\$2,000,000) to build either a new recreation center or a new court house and decides to build the center, then the income cannot be used to construct the court house. The teacher should be careful that students do not confuse the money cost of the court house (\$2,000,000) with the "real" or opportunity cost of the court house. The opportunity cost of building the court house is the other thing that could have been obtained with the income, the recreation center. In making such decisions, government and citizens look at the benefits to be derived from alternative uses of governmental income (benefits of the court house vs. benefits of the recreation center) and focus on the "real" rather than on the money costs of such decisions.

The operation of the opportunity cost principle cannot be avoided by arguing for taxes to be increased and for government to provide both buildings. If taxes are increased and government also builds the recreation center, then the real or opportunity cost of this building would be the various goods that taxpayers would otherwise have purchased in the private sector (TV sets, automobiles, lawnmowers, etc.).

The activities that follow provide examples for the further development of students' understanding of the concept of opportunity cost, reinforcing the idea that benefits and costs are associated with every decision or choice which results from the basic fact of scarcity.

2. List of Activities

| Item | Title | Recommended Designated Level | | |
|------|--------------------------|------------------------------|---|---|
| | | 1 | 2 | 3 |
| 1 | Yes/No Constraint | X | | |
| 2 | Pantomime | X | X | |
| 3 | Vegetable Garden or Lawn | | | X |

Title: Yes/No Constraint (Opportunity Cost)

Recommended Level: 1

Generalization 2: Because household income is limited,

households must choose how much of their income they will use to purchase goods and services privately and how much they will use to purchase collectively through government.

Subtopic 5: The opportunity cost of government goods and services is the amount of other goods and services (government and/or private) that are given up.

Rationale for Activity: This activity provides examples which can be used to develop the concept "opportunity cost." The activity also provides an opportunity for students to develop their question-asking and listening skills.

Objectives:

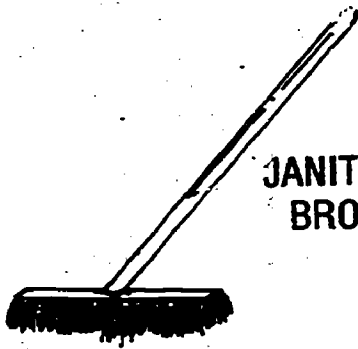
1. Students will ask questions which can be answered with a "Yes/No" response.
2. Students will not repeat questions or ask unnecessary questions (a teacher to shoot for at least).
3. Students will be able to name things (benefits) that were given up (opportunity cost) when a certain item was selected.

Materials:

1. A set of items to be displayed (see sample).

Procedure:

1. Select an item pictured and inform the students that the school has tentatively decided to purchase this item. Have children identify the various uses or benefits associated with this good. List them on the blackboard.
2. In preparation for the "Yes/No" activity, model several additional questions. You can ask:
 - "Could everyone use it?"
 - "Could it be used in the classroom?"
 - "Could the teacher use it?"
 - "Could you write on it?"
3. Present to the class pictures of several additional items that the school might purchase. Tell the children that the school is trying to decide whether to buy the first item or another item pictured. The school does not have enough income to purchase both items. Students are to figure out what is the second item the teacher is thinking of. The students are to determine what this item is by asking "Yes/No" questions which relate to the uses or benefits associated with this good.
4. The students can only ask one "Is it . . . ?" question. They should have gathered sufficient data before they ask the "Is it . . . ?" question, to know for sure. If the students are right, they win. If they are wrong, the game is over. Select a new item and start over.
5. When they correctly guess the item, conclude the activity by asking:
 - "Which of the two items should the school choose to buy?"
 - "How does the school benefit if it buys the first item?"
 - "What does the school give up if it buys the first item?"
 - "How does the school benefit if it buys the second item?"
 - "What does it give up?"



JANITOR'S
BROOM



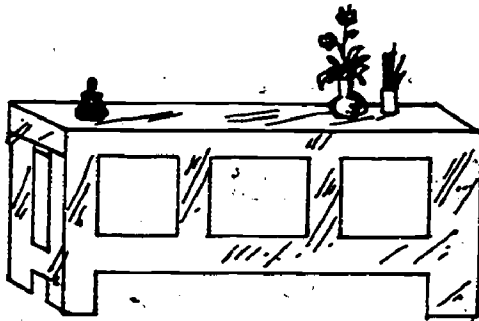
WASTE
CAN



WALL
CLOCK



RUBBER
BALL



TEACHER'S
DESK



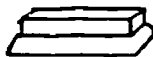
FLAGPOLE



BOOKS



CHALK



CHALK
ERASER



PENCIL
SHARPENER



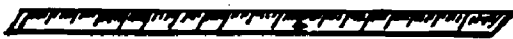
GLOBE



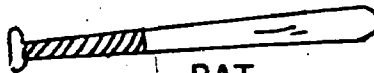
TEACHER'S
BELL



PENCIL



RULER



BAT

Title: Pantomime (Opportunity Cost)

Recommended Level: 1-2

Generalization 2: Because household income is limited, households must choose how much of their income they will use to purchase goods and services privately and how much they will use to purchase collectively through government.

Subtopic 5: The opportunity cost of government goods and services is the amount of other goods and services (government and/or private) that are given up.

Rationale for Activity: This activity provides an opportunity to develop the concept "opportunity cost." The acting out or pantomiming provides activity and should help to capture student interest.

Objectives:

1. Students will be able to describe the opportunity cost of making a decision to buy a given item and not another.
2. Students will be able to translate Objective 1 into actions (pantomime).

Materials:

1. Display the following sets of items that the school might purchase:
 - book — puzzle
 - bat — jump rope
 - hammer — saw
 - crayons — rulers
 - desks — tables
 - ball — jump rope
 - frisbee — football
 - bike rack — climbing bars
 - slide — benches

Procedure:

1. Have the students discuss possible responses to this statement:
If the school buys a _____ instead of a _____, we can _____ but we can't _____.
For example: If the school buys a *hammer* instead of a *saw*, we can *hammer nails* but we can't *saw wood*.
Or, you could *pull nails* but you couldn't *prune a tree*.
Or, you could *pound a stake* but you couldn't *cut fire wood*.
2. Ask a student to select a pair of items from the list and act out what could and couldn't be done.
The teacher says: "You can (*the student pantomimes an action—e.g., swinging a bat*) but you can't (*jump rope*)."
3. The other students try to guess which pair of words the student is acting out.
4. To make the game more appealing to the students and more difficult, have them list other pairs of items and add them to the list.
5. To conclude the activity ask the students to respond to this question:
"What do you get and what do you give up when you buy *this* instead of *that*?" (opportunity cost)

Title: Vegetable Garden or Lawn (Opportunity Cost)

Recommended Level: 3

Generalization 2: Because household income is limited, households must choose how much of their income they will use to purchase goods and services privately and how much they will use to purchase collectively through government.

Subtopic 5: The opportunity cost of government goods and services is the amount of other goods and services (government and private) that are given up.

Rationale for Activity: This activity develops the following decision-making skills: (1) using reasons to support a decision, (2) recognizing value conflicts, (3) analyzing assumptions behind a stated reason, and (4) identifying the "opportunity cost" of selecting a given alternative.

Objectives:

1. Students will give reasons for their decisions.
2. Students will ask other students for reasons for their choice.
3. Students will ask for clarification when general or unclear terms are used.
4. Students will be able to list the "opportunity cost" of making a certain decision.
5. Students will identify their "most important reason" for making a selection.

Materials:

1. Butcher paper, transparencies, or some other device for recording and saving student responses. This lesson will probably span several days, and the chalkboard may not be a practical device for recording student responses.

Procedure:

1. Read the following to establish the setting:
A family lives in a neighborhood where the city owns a vacant lot. Some children run and play in the vacant lot. Some people want the city to make the lot into a park and playground for children. Other people want to use the lot to plant vegetable gardens. Your mother and father are going to vote on the use of the lot. They have asked you for your opinion. Should the lot be dug for vegetable gardens or should the lot be made into a park?
2. Ask the students to identify the problem (should they dig up the lot or not?).
3. Ask the students to list possible consequences to both sides of the issue.

If you do use the lot for a vegetable garden, then

1. The kids can't play in it.
2. The kids could play in the dirt when it's not planted.
- 3.
- 4.
- 5.

If you do use the lot for a park, then

1. The kids will have a safe place to play.
2. Adults can sit and visit in the park.
- 3.
- 4.
- 5.

If you don't, then

1. You will have to buy your vegetables.
2. You can't help to grow the plants.
- 3.
- 4.
- 5.

If you don't, then

1. You will have to find another place to play.
2. You will have to play in your own yard.
- 3.
- 4.
- 5.

Encourage student debate if the chance comes up. Probe for clarification when a student makes a general statement (encourage other students to do the same).

Example: S "You won't be able to play."

T "What do you mean you can't play?"

4. Have the students choose what use they would have government make of the lot.
5. Ask the students to list their main reason for their selection and ask them to state what is the cost that is involved in the selection (e.g., safe place to play means buying more vegetables in the store).
6. Recap the activity by asking the students the following:
 - What was the main problem?
 - What did most of you decide?
 - Did any of you show your feelings or values?
 - Were there any value conflicts?
 - What is "opportunity cost?" (Whenever you choose one thing, you give up something else.)

Economic Generalization 3

Because wants are unlimited and resources are limited and versatile, choices must be made as to what goods and services are to be produced.

Overview

In Economic Generalization 1, the concept of scarcity was developed through an examination of the kinds of decisions made by consuming units operating under income and price constraints. The concept of scarcity will continue to be developed in this unit but the focus will be on resources rather than on income as the constraining force.

Most goods and services people consume must first be produced. The production process involves the transformation of resources into outputs. That is, the process changes the form of a resource, which consumers do not want in its natural state, into an output which is capable of satisfying some human want. The production of most goods involves the use of a combination of resources, with these resources generally classified as human, natural and capital.

The wants-resource gap refers to the relationship between the wants of people for goods and services and the resources required for the production of these goods and services. Available resources are simply insufficient to produce all the goods and services desired. Because all wants for goods and services cannot be satisfied, decisions or choices must be made as to what goods and services will be and will not be produced.

Although the concept is not emphasized, the teacher should be aware that resources are versatile as well as scarce. Most resources can be used in the production of a variety of goods and services and most goods and services can be produced with different combinations of resources. For instance, the human resource, labor, may be employed as a teacher, fireman, policeman, factory worker, etc. Or with respect to the production of a given crop such as corn, a given amount of corn may be produced with a lot of labor, little capital and land and/or with a small amount of labor and much capital and land.

Since there are not enough productive resources available to produce all the goods and services wanted by everyone (scarcity), choices must be made concerning what goods and services will be produced. The importance of these decisions follows from the fact that whenever we commit resources to the production of particular goods or services there is an opportunity cost; we must give up some goods or services which otherwise could have been produced with these resources.

Economic Subtopics

1. Goods and services that we consume must be produced with resources.
2. There are not enough resources to produce all the goods and services individuals want.
3. Decisions must be made as to what goods and services will be produced with available resources.
4. Whenever the decision is made by individuals to use resources in the production of a particular good, this means foregoing the opportunity to use these resources in the production of some other good.

Subtopic 1

Goods and services that we consume must be produced with resources.

1. Overview

In Economic Generalizations 1 and 2, the concept of scarcity was developed through an examination of the kinds of decisions made by individuals (families) and governmental units operating under income and price constraints. The concept of scarcity will continue to be developed in this unit, but the focus will be on resources rather than on income as the constraining force.

The activities in the first subtopic are designed to introduce students to two main ideas: (1) that most goods we consume must first be produced and (2) that the production of goods involves the use of resources such as labor, buildings, natural resources, tools, and machinery. For example, even for the "little red schoolhouse," the production of educational services requires the use of labor (administrator, teacher(s), and perhaps a custodian); natural resources (land on which the building is located); and capital goods (building, blackboard, desks, paper, pencils, crayons, chalk, etc.).

Because of the difficulties involved, primary grade teachers should not require their students to be able to categorize resources by the classifications (land or natural resources, labor, or capital). Instead, in the activities below, the teacher should focus on the notion of the productive process and the idea that almost every good or service we consume embodies some combination of transformed resources.

2. List of Activities

| Item | Title | Recommended Designated Level | | |
|------|--------------------|------------------------------|---|---|
| | | 1 | 2 | 3 |
| 1 | Occupation Match | X | | |
| 2 | Resource Match | | X | |
| 3 | Kool-Aid Collage | | X | |
| 4 | Resource Challenge | | | X |

Title: Occupation Match

Recommended Level: 1

Generalization 3: Because wants and resources are limited and versatile, choices must be made as to what goods and services are to be produced.

Subtopic 1: Goods and services that we consume must be produced with resources.

Rationale for Activity: This activity focuses upon the resources of human labor. It reinforces the understanding that human resources may be utilized in various occupations.

Objective:

1. Students will be able to identify pictures of various workers in the school or community and identify the goods or services that these workers produce.

Materials:

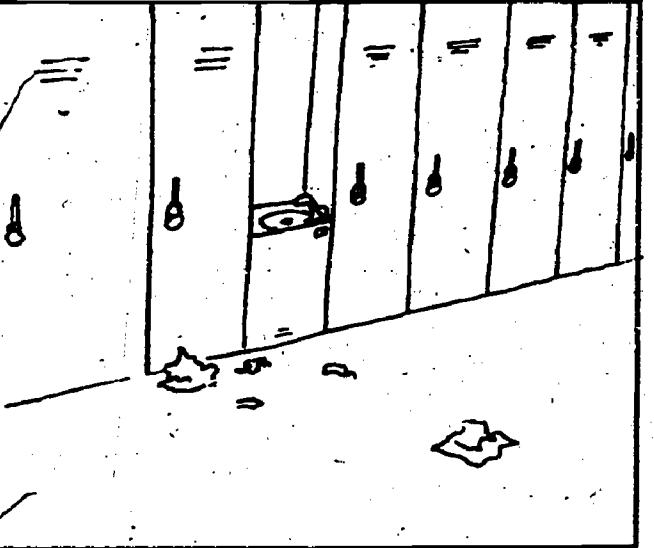
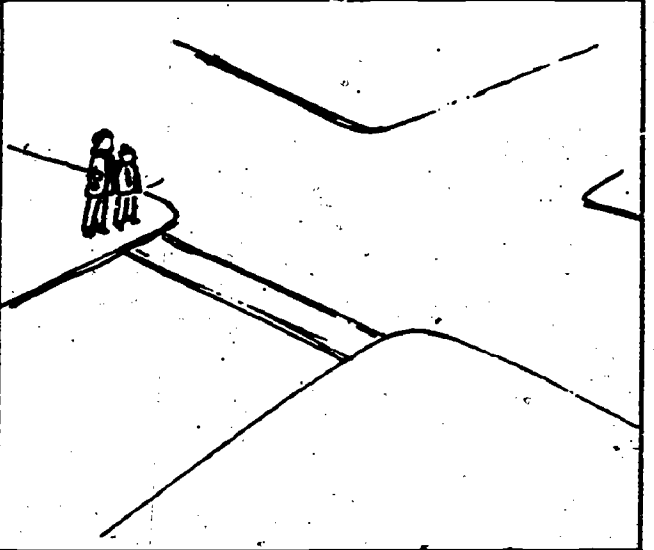
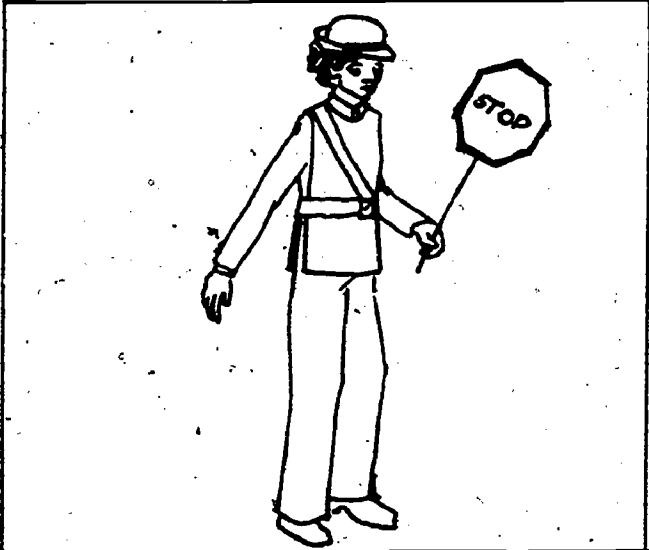
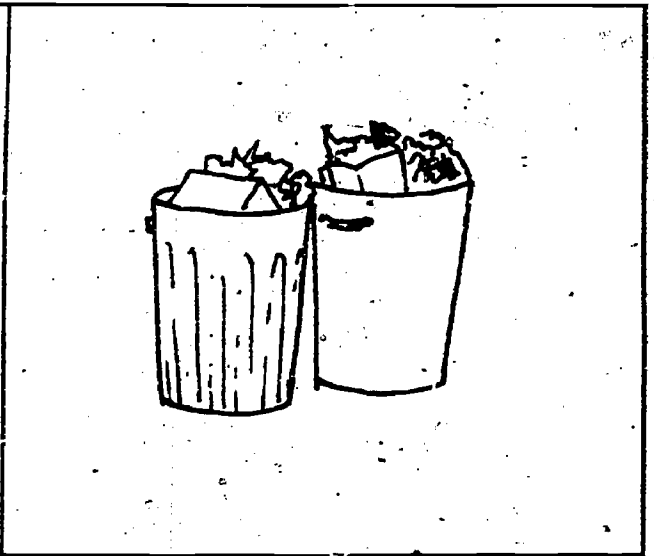
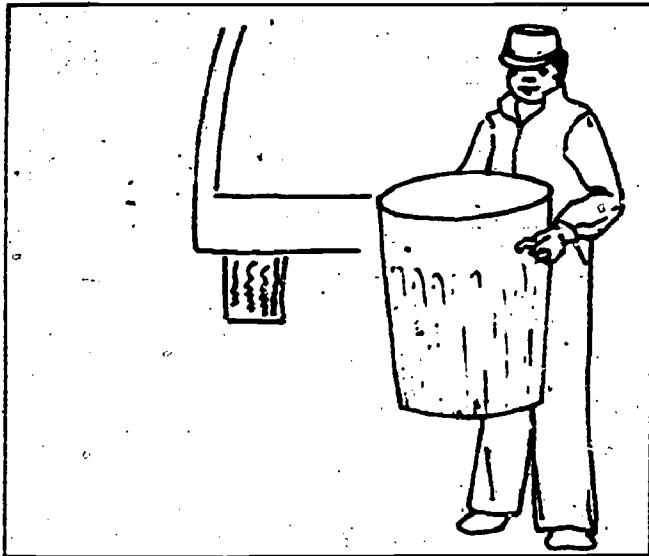
1. Pictures (10-15) of various workers found in the school or community. (These may be mounted on cardboard for durability.)
2. Pictures of goods or services produced by these workers. (These may be mounted on cardboard for durability.)
Examples might include: cook/preparation of food; crossing guard/children waiting at crossing point; police officer/traffic accident; garbage collector/refuse piled in trash cans; librarian/distribution of books; firefighter/house smoking; custodian/floor with debris; baker/bread.

Procedure:

1. Mount pictures of workers upon a bulletin board, blackboard or wall.
2. Teacher or student will then select at random a picture from the goods or service pictures.
3. Students should then be directed to place the picture of the goods or service beneath the worker who would provide same goods or services.
4. Questions such as the following might be employed to facilitate proper identification: What is this good or service? What do you know about this good or service? What skills or tools might be required of the worker producing this good or service?
5. Optional: Students might be encouraged to role-play the actions of the various workers displayed by the teacher.

WORKERS

GOODS AND SERVICES



From *Master Curriculum Guide. Part II, Primary Level, ICEE, 1977.*

Title: Resource Match

Recommended Level: 2

Generalization 3: Because wants are unlimited and resources are limited and versatile, choices must be made as to what goods and services are to be produced.

Subtopic 1: Goods and services that we consume must be produced with resources.

Rationale for Activity: This activity focuses upon the fact that resources are needed to produce goods and services. It reinforces the understanding that a resource may be utilized in the making of different products.

Objective:

1. Students will be able to identify pictures of various resources and be able to match them with pictures of products which are produced from these resources.

Materials:

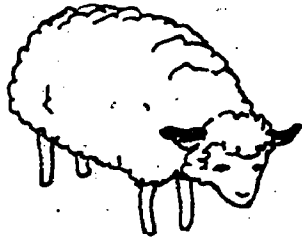
1. Pictures of resources and various products made from these resources.
Examples might include: cotton/shirts, pants, hats; soil/

various crops; tree/paper, wood products; cow/dairy products. Pictures may be obtained from magazines, advertisements, etc., and mounted on cardboard for durability.

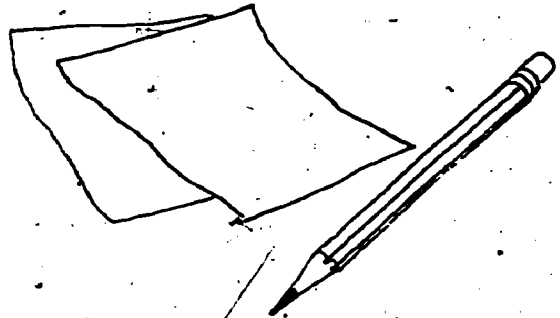
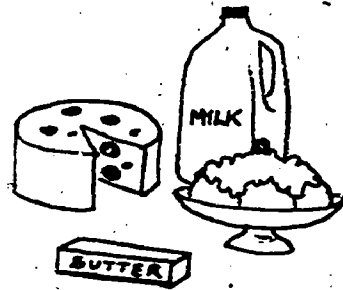
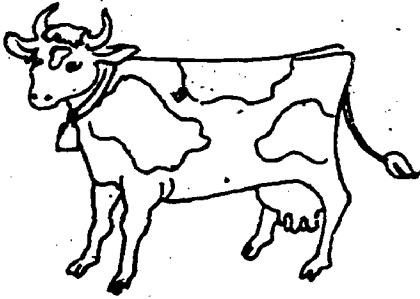
Procedure:

1. Mount pictures of resources (5-10) upon a bulletin board or upon a blackboard or wall with tape. Teacher should discuss each of the resources. Leave space to place pictures of products beneath.
2. Teacher or student will then select at random the picture of a finished product from the finished product pictures. (Optional: Each student could be provided with a sealed envelope containing a picture of a product.) Where possible, use actual products instead of their pictures.
3. Students should then be directed to place the picture of the product beneath the picture of the resource from which it was produced.
4. Questions such as the following might be employed to facilitate identification: What is this product? How is this product used? What resources are used to produce it?
5. Students should then be encouraged to generate lists of other products which they can identify as being made from the pictured resource.

RESOURCES



PRODUCTS



Title: Kool-Aid Collage

Recommended Level: 2

Generalization 3: Because wants are unlimited and resources are limited and versatile, choices must be made as to what goods and services are to be produced.

Subtopic 1: Goods and services that we consume must be produced with resources.

Rationale for Activity: This activity focuses on the idea that many resources are used in the production of even the simplest good or service.

Objective:

1. Students will be able to depict on a collage the resources used in the production of Kool-Aid.

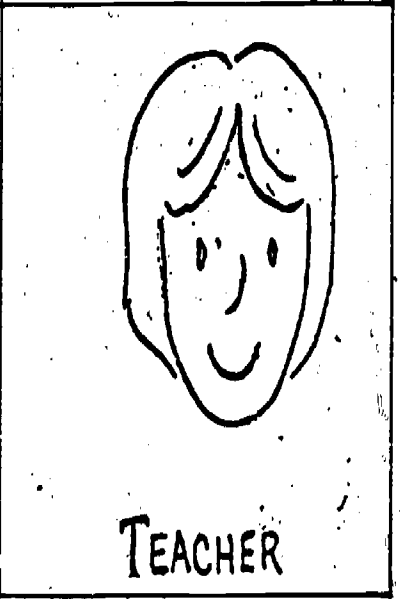
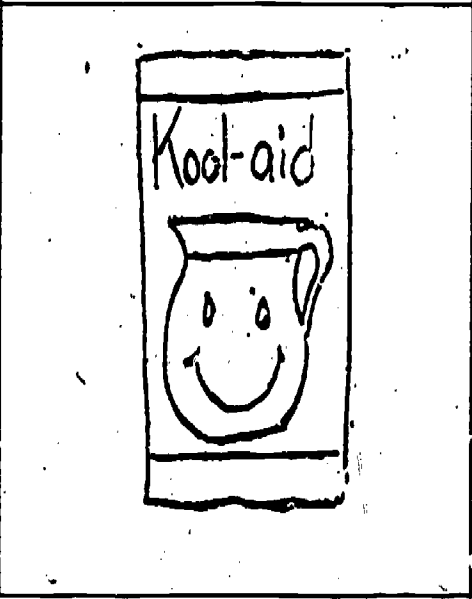
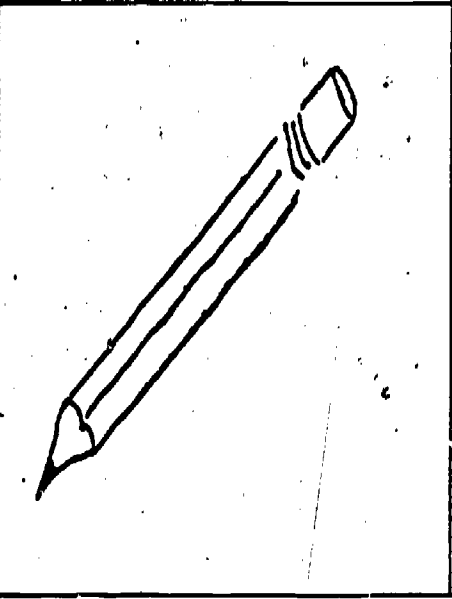
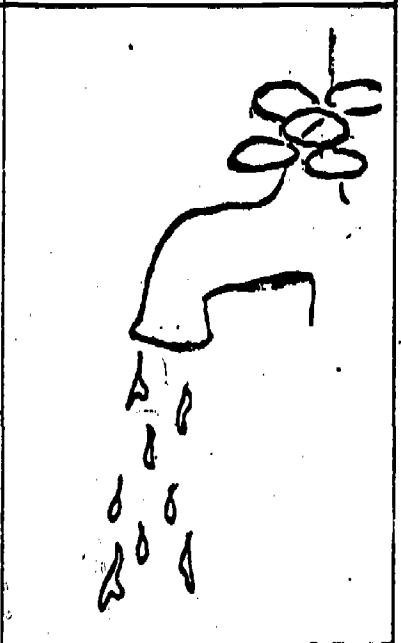
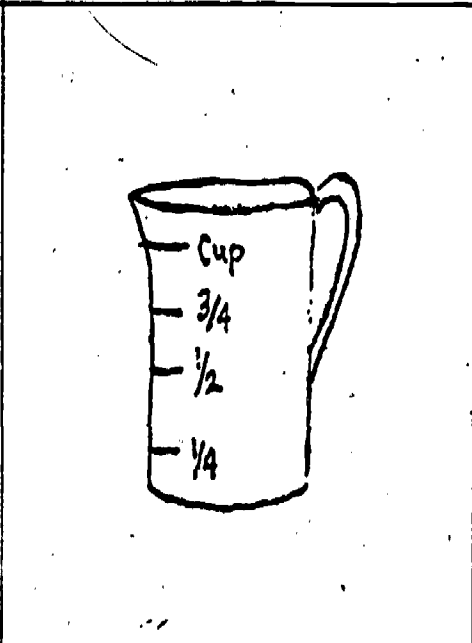
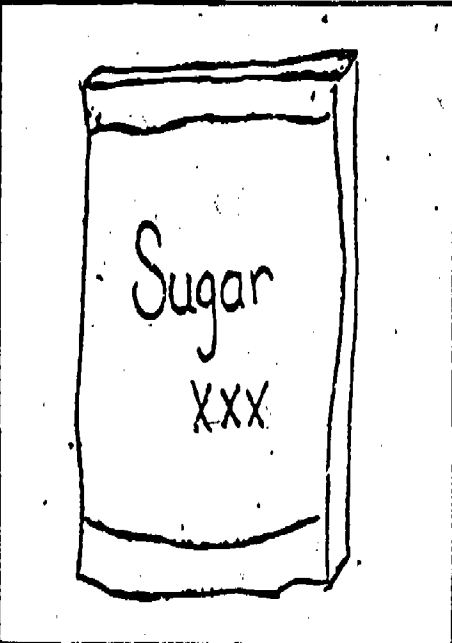
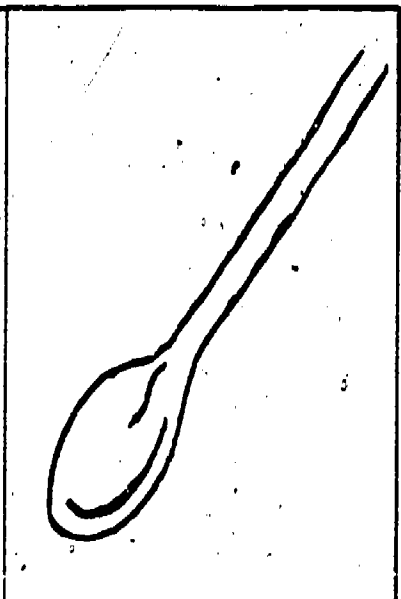
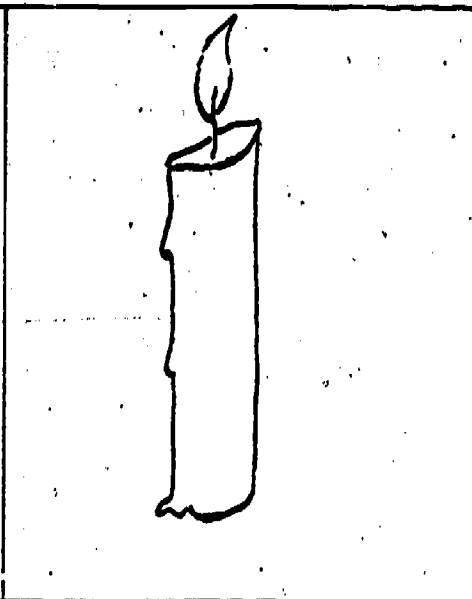
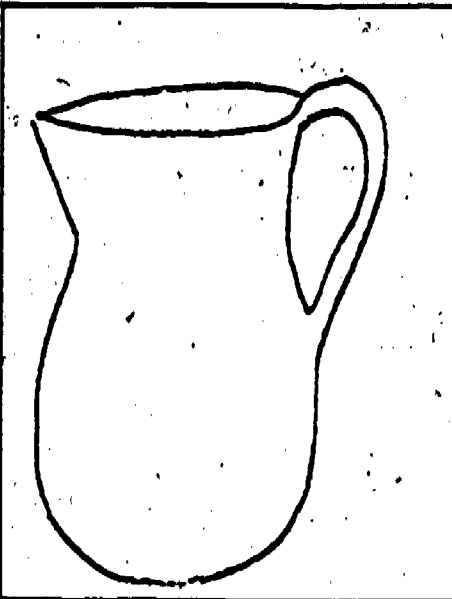
Materials:

1. A package of Kool-Aid, sugar, water, a long-handled spoon, a two-quart pitcher, and paper cups for the class.

2. Provide for each student: crayons, a work sheet, a piece of poster paper or oak-tag, paste and scissors.

Procedure:

1. Seat the students so that each has a view of the teacher's work-space. The teacher should explain that Kool-Aid will be made for the class and that they should watch very closely to see what resources are used in making Kool-Aid.
2. The teacher should define the word resources and name each resource used as the Kool-Aid is being produced. After the Kool-Aid has been mixed, have the students review the ingredients (resources) used. Be sure that they include the container, tools, and the teacher's labor.
3. Provide each student with a student worksheet, a piece of poster paper, paste and scissors. Have students choose all the illustrations which show things used in the making of Kool-Aid, color them and paste them, with the picture of the Kool-Aid on their poster paper. When each student has finished the collage and cleaned up the work area, provide the student with a cup of Kool-Aid.



Title: Resource Challenge

Recommended Level: 3

Generalization 3: Because wants are unlimited and resources are limited and versatile, choices must be made as to what goods and services are to be produced.

Subtopic 1: Goods and services that we consume must be produced with resources.

Rationale for Activity: This activity focuses upon the fact that resources are needed to produce goods and services. It reinforces the understanding that a resource may be utilized in making many different products.

Objective:

1. Students will be able to identify pictures of resources and be able also to identify pictures of products made from these resources.

Materials:

1. Scissors for students.
2. Discarded magazines, newspapers, etc.
3. Paste.
4. Construction paper.

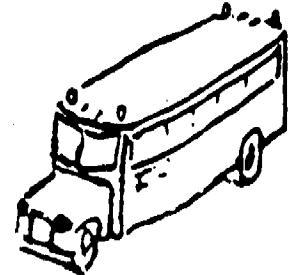
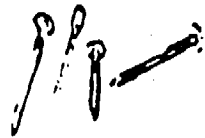
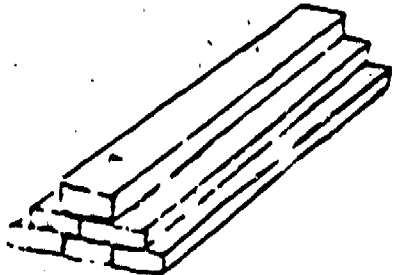
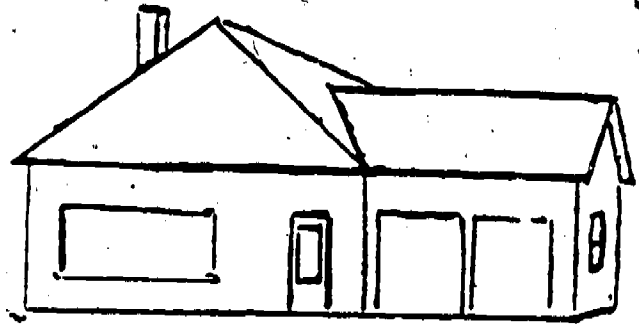
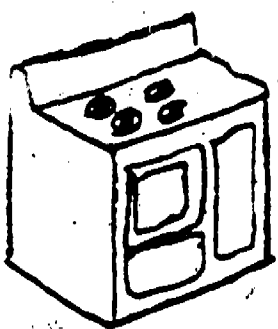
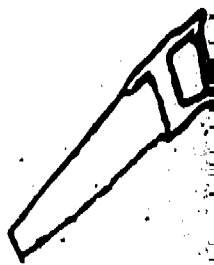
Procedure:

1. Using the set of pictures, have the children identify the resources that can be used in the production of a house. Encourage children to explain how the resources are used in producing a house.
2. Distribute scissors, magazines, paste and paper to students.
3. Instruct students to paste these resources at the top of their construction paper after cutting them out.
5. Students will then be instructed to locate various finished products made from the resources they have pasted at the top of their paper. These will then be pasted under the resource.
6. The teacher should display the work of the students and discuss how the various resources are used in the production of products found by the students.

Optional:

1. Start with a product and identify resources used in its production. Examine several products whose production involves the use of a common resource. (Example: Sugar is used in the production of pies, cakes and candy. Lumber is used in the production of chairs, pencils and desks.)

USE OF RESOURCES IN PRODUCTION



Subtopic 2

There are not enough resources to produce all the goods and services individuals want.

1. Overview

The activities associated with this subtopic are designed to introduce students to the concept of scarcity (the wants-resource gap). Children should understand that available resources are insufficient to produce all the goods and services people want. For example, teachers generally stress the idea to the pupils that school supplies (paper, crayons, scissors, glue) are limited and that there are many uses for them. This is the basic idea of scarcity: there are not enough productive resources to produce all the goods and services everyone wants. In addition, children should recognize that most resources have alternative uses: a piece of lumber might be used in the production of a birdhouse, tree house, a skateboard, etc.

2. List of Activities

| Item | Title | Recommended Designated Level | | |
|------|------------------------|------------------------------|---|---|
| | | 1 | 2 | 3 |
| 1 | Only One | X | | |
| 2 | Wheels, Wheels, Wheels | | X | |
| 3 | What Should We Do? | | | X |

Title: Only One

Recommended Level: 1

Generalization 3: Because wants are unlimited and resources are limited and versatile, choices must be made as to what goods and services are to be produced.

Subtopic 2: There are not enough resources to produce all the goods and services individuals want.

Rationale for Activity: This activity is designed to help students to realize that because resources are scarce, decisions must be made concerning their use.

Objectives:

1. Given a limited resource, the students will be able to make a decision concerning the art project of their choice.
2. Students will then be expected to complete their project.

Materials:

1. Scissors, enough to supply the class.
2. Paste, enough to supply the class.
3. Crayons or paints for each student.
4. One 6 oz. frozen juice can for each student.
5. Different colored construction paper, enough to supply the class.

Procedure:

1. Present the students with a number of possible art projects which involve the use of the above materials. Examples might include: pencil holder, figure of an animal or vase.

2. Discuss each of the projects presented to the students.
3. Have students select their projects and begin working.
4. Questions might be utilized to stress why a choice had to be made (each student had only one frozen juice can).
5. Students will then complete their projects.
6. Have students make generalizations about their work, i.e., What projects were selected? Why? Why didn't they select more than one project? If another can had been available, what additional product would they have produced?

Title: Wheels, Wheels, Wheels

Recommended Level: 2

Generalization 3: Because wants are unlimited and resources are limited and versatile, choices must be made as to what goods and services are to be produced.

Subtopic 2: There are not enough resources to produce all the goods and services individuals want.

Rationale for Activity: This activity is designed to reinforce the understanding that a limited amount of resources may limit one's choice.

Objective:

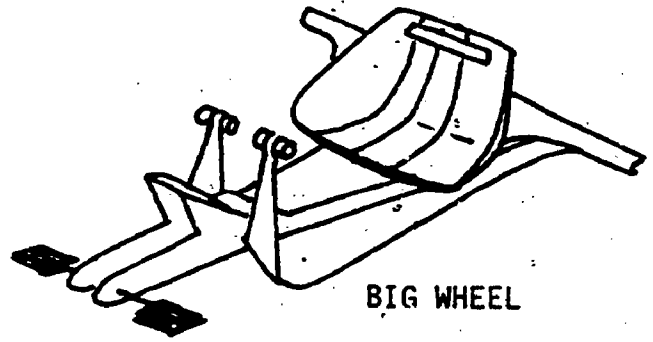
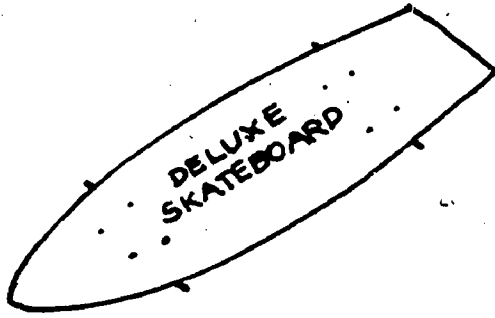
1. Given four wheels the student(s) will be able to make a toy(s) which represent(s) their favorite choice.

Materials:

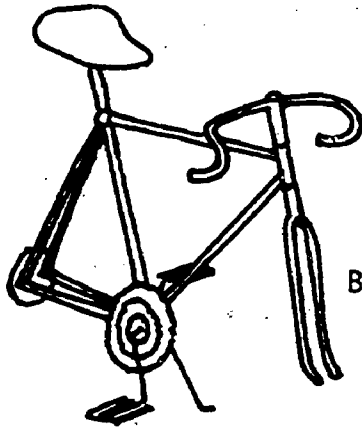
1. Pictures of the following toys: unicycle, skateboard, bicycle, wagon, big wheel. These might be cut from a toy catalogue.
2. Wheels cut from cardboard, or construction paper.
3. Paste.
4. A ditto with drawings of the unicycle, skateboard, bicycle, wagon, and big wheel.

Procedure:

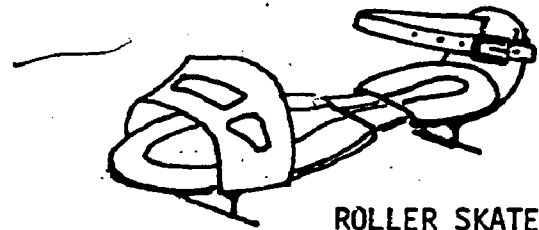
1. Display and discuss the pictures of the toys cut from the catalogue.
2. Hand out a ditto drawing of the toys to each student or group of students.
3. Distribute four wheels to each student or group of students. Emphasize that there are only four wheels and that children must make choices.
4. Distribute paste.
5. Instruct the students to think about the previous discussion, and on the ditto paste their wheels on the toy(s) which they would like most.
6. The teacher should then lead a discussion concerning their choices. Emphasis should be placed upon the idea that not all toys could be selected because of the limited supply of wheels.
 - How many pupils selected what toys? Why?
 - Why did choices have to be limited?
 - What additional toys would you select if you had four more wheels?



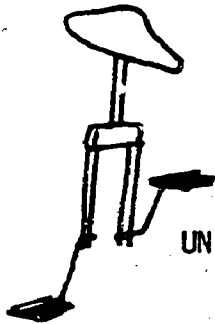
BIG WHEEL



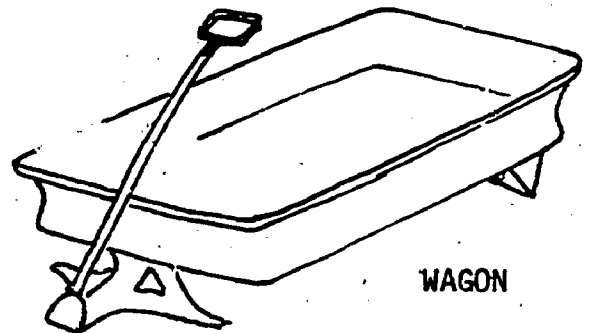
BICYCLE



ROLLER SKATE



UNICYCLE



WAGON

Title: What Should We Do?

Recommended Level: 3

Generalization 3: Because wants are unlimited and resources are limited and versatile, choices must be made as to what goods and services are to be produced.

Subtopic 2: There are not enough resources to produce all the goods and services individuals want.

Rationale for Activity: This activity is designed to help students to realize that at times decisions must be made concerning available resources.

Objective:

1. Given a limited amount of soil, students will be able to decide in small groups how to use the soil available.

Materials:

1. Four or five large aluminum foil baking pans.
2. Soil placed in these pans, suitable for growing.

Procedure:

1. Divide the class into groups.
2. Give each group a pan of soil.
3. Direct the groups to come up with suggestions as to how to use the soil available to them. Have group leader list suggestions.
4. Students should be encouraged to discuss all possible alternatives suggested by members of the group and rank them in order of preference.
5. Groups may then assemble together and the teacher should lead a discussion. Each group should explain how they decided to use their soil (choice number one).
6. Children should be permitted to follow up by carrying out their decisions (within reason, of course).

Subtopic 3

Decisions must be made on what goods and services will be produced with available resources.

1. Overview

The activities associated with this subtopic are designed to introduce children to the important concept of choice-making. Because available resources are insufficient to satisfy everyone's wants for goods and services and because most resources can be used in the production of many different goods, choices must be made. What goods will be produced with the available but limited resources? Should we use the available paper to draw a picture, write a poem or a story, or make an airplane? Or, suppose we have the ingredients required for making a cake, cookies or candy, but not enough for the production of each. What will be our choice?

2. List of Activities

| Item | Title | Recommended Designated Level | | |
|------|------------------|------------------------------|---|---|
| | | 1 | 2 | 3 |
| 1 | The Forester I | X | | |
| 2 | Clay Play | X | | |
| 3 | The Forester II | | X | |
| 4 | The Forester III | | | X |
| 5 | Tree Watchers | | | X |

Title: The Forester I

Recommended Level: 1

Generalization 3: Because wants are unlimited and resources are limited and versatile, choices must be made as to what goods and services are to be produced.

Subtopic 3: Decisions must be made on what goods and services will be produced with available resources.

Rationale for Activity: This activity develops listening skills and reinforces the importance of making wise choices. It is designed to make students realize that decisions must be made as a result of limited resources.

Objectives:

1. The students will be able to identify various things that can be made out of trees.
2. Students will realize that decisions must be made on what use will be made of trees.
3. Students will be able to create a drawing showing something that can be made from a tree.

Materials:

1. Poem, "The Forester"

I can't decide what to do with these trees.
 So many things are made from these.
 They help make houses, furniture, toys.
 We hit drums hard with sticks for noise.
 Trees help us in school, pencils, paper and books.
 Things made of trees are found wherever one looks.
 It takes time to grow trees, sometimes many years.
 We must make wise use of our trees, I fear.
 You might want to think of their many uses.
 I must admit, I make no excuses.
 That I'm confused as to what I'd choose
 As to how to decide how my trees should be used.

2. Paper for each student.
3. Crayons or paints for each student.

Procedure:

1. Read the poem to the class.
2. Have the children identify the problem in the poem.

- List the various uses of the tree suggested in the poem, or children could cut pictures from magazines showing different products.
- Have each student create a picture illustrating his/her own choice of how the tree should be used.
- Using the list generated in item three, have the children determine what they think are the two most important uses of the tree. (Vote.) Have them explain why.
- Have the class vote to determine the single most important of the two uses of the tree.
- Display and discuss the students' creations.

Title: Clay Play

Recommended Level: 1

Generalization 3: Because wants are unlimited and resources are limited and versatile, choices must be made as to what goods and services are to be produced.

Subtopic 3: Decisions must be made on what goods and services will be produced with available resources.

Rationale for Activity: Students are provided with familiar resources (flour, water, salt) which the teacher mixes to make baker's clay. Students then decide what they will make with their portions of baker's clay. Thus, they are confronted with the need for choice-making.

Objective:

- Given a limited resource which can be used in the production of a number of goods, students will decide what good they will produce with the resource.

Materials:

- Four cups of flour, one cup of salt, one cup of water for the baker's clay.
- Newspapers for students to cover work space.
- A large container for mixing clay.

Procedure:

- Position each student so that he/she has a work space on a desk or table top.
- Show each of the clay ingredients to the students. Have them identify things that can be made with flour.
- Teacher combines ingredients and explains that baker's clay is being made and that this clay can be used to make small statues, vases, bowls, etc. (if possible, display objects made from baker's clay). (Note: In some classes, teachers may want to have a premixed batch of clay.)
- Provide each child with a portion of clay and allow the child to shape it into whatever object he/she chooses.
- Place the finished sculptures on shelves to dry and have the children clear off their work areas.
- Follow up the activity with a discussion of the resources used in the project. What were the original resources?

What was made with these resources? Have students make generalizations about their project. What did they decide to produce? Why? Why didn't they produce other things? If they had had more clay what would they have produced?

Title: The Forester II

Recommended Level: 2

Generalization 3: Because wants are unlimited and resources are limited and versatile, choices must be made as to what goods and services are to be produced.

Subtopic 3: Decisions must be made on what goods and services will be produced with available resources.

Rationale for Activity: This activity develops listening skills and reinforces the importance of making wise choices. It is designed to make students realize that decisions must be made because of limited resources.

Objectives:

- Students will understand that sometimes many products can be made from one resource.
- They will recognize the problem facing the forester and realize that sometimes choices are necessary in deciding how resources are to be used.

Materials:

- Poem, "The Forester"

I can't decide what to do with these trees.
 So many things are made from these.
 They help make houses, furniture, toys.
 We hit drums hard with sticks for noise.
 Trees help us in school, pencils, paper and books.
 Things made of trees are found wherever one looks.
 It takes time to grow trees, sometimes many years.
 We must make wise use of our trees, I fear.
 You might want to think of their many uses.
 I must admit; I make no excuses.
 That I'm confused as to what I'd choose
 As to how to decide how my trees should be used.

Procedure:

- The teacher will read the poem.
- After reading the poem, the teacher should discuss the poem and employ the following questions concerning resources (trees) and choices (products): What problem is discussed in the poem? What uses did the poem suggest for the trees? Do you have any suggestions as to how the trees might be used? (List on the board.) Have you ever had a problem in choice-making? When? Why do you think we should make wise use of our trees?

Optional:

- Creative writing concerning the poem, or the problems posed in the poem.

- "I am a tree" . . . Tell how the tree grew and what happened to it (cut into wood for a house, furniture, etc.; provided shade).
 - "The Day the Trees Talked"
2. Small groups might be used for writing activity with each group having a recorder.

Title: The Forester III

Recommended Level: 3

Generalization 3: Because wants are unlimited and resources are limited and versatile, choices must be made as to what goods and services are to be produced.

Subtopic 3: Decisions must be made on what goods and services will be produced with available resources.

Rationale for Activity: This activity develops listening skills and reinforces the idea that choices must be made.

Objective:

1. Students will be able to write, individually or in small groups, a story or poem about a resource and the uses for same, after hearing and discussing the poem, "The Forester."

Materials:

1. Poem, "The Forester"
I can't decide what to do with these trees.
So many things are made from these.

They help make houses, furniture, toys.
We hit drums hard with sticks for noise.
Trees help us in school, pencils, paper and books.
Things made of trees are found wherever one looks.
It takes time to grow trees, sometimes many years.
We must make wise use of our trees, I fear.
You might want to think of their many uses.
I must admit, I make no excuses.
That I'm confused as to what I'd choose.
As to how to decide how my trees should be used.

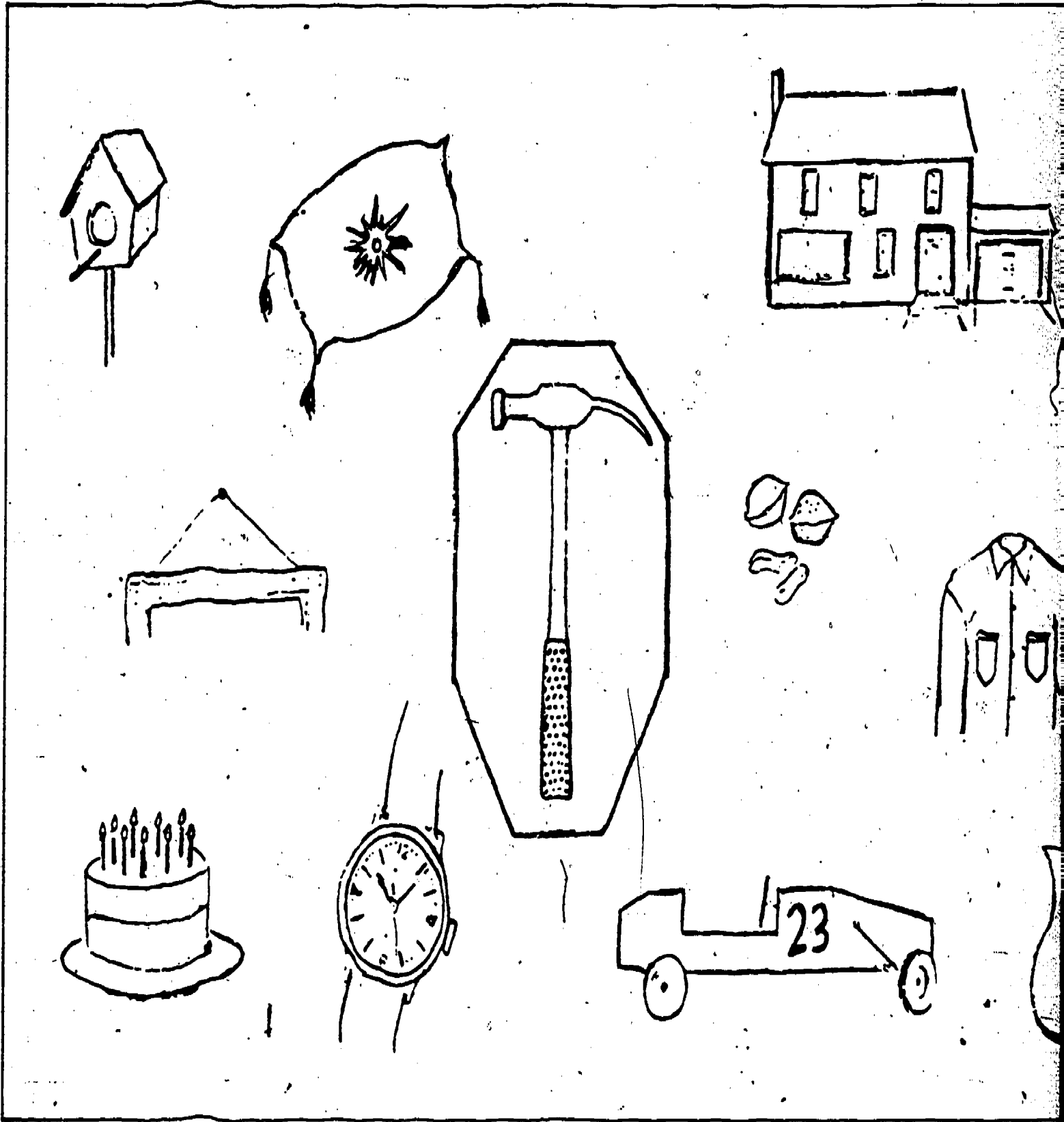
Procedure:

1. Read the poem to the class.
2. Discuss the poem, stressing the problem treated in the poem, uses of the trees suggested by the poem, the importance of making wise choices in the use of resources, and personal experiences dealing with choice-making.
3. Ask the students to write a story or poem concerning a resource and various uses of this resource. Teacher may use the accompanying set of pictures to illustrate the many uses of a resource (hammer). Children should discuss how the hammer is used in the production of most of the items and indicate the items which are not produced with the hammer.
4. Select students to read their creative poem or story. Ask the class to identify the resource chosen and the products produced with this resource. What other products could be produced with the resource? What product would they choose to produce?

Optional:

1. Small groups might be used for writing activity with a recorder selected for each group.

A HAMMER HAS MANY USES



From Master Curriculum Guide, Part II, Primary Level, JCEE, 1977.

Title: Tree Watchers

Recommended Level: 3

Generalization 3: Because wants are unlimited and resources are limited and versatile, choices must be made as to what goods and services are to be produced.

Subtopic 3: Decisions must be made on what goods and services will be produced with available resources.

Rationale for Activity: The activity is designed to provide students with the opportunity to investigate alternative uses to which a scarce resource may be put, thereby enabling them to understand the need for choice-making.

Objectives:

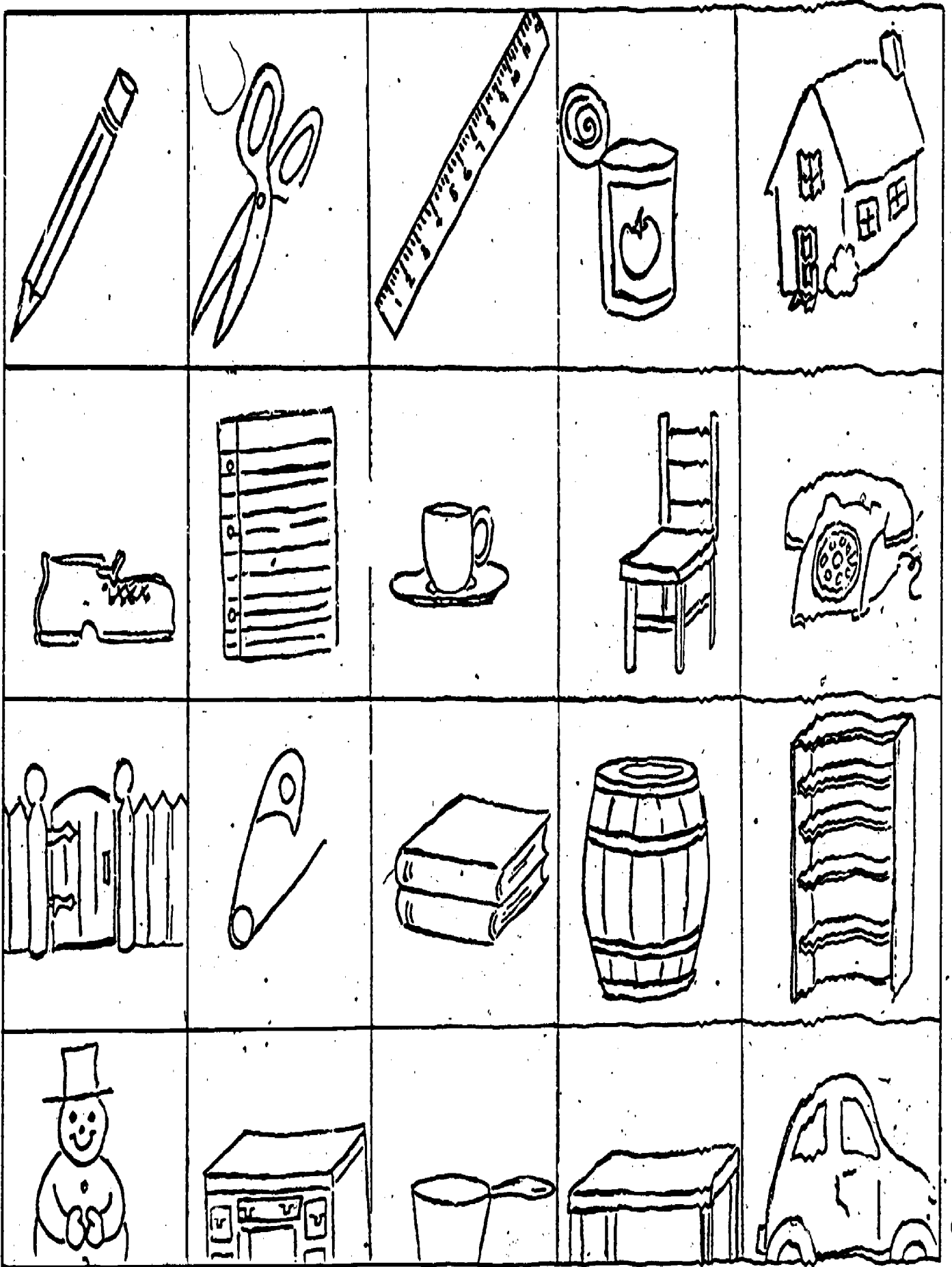
1. Students will discuss and list what can be made from trees.
2. Students will identify from a list things made from trees.
3. Students will discuss the consequences of using trees in different ways.

Materials:

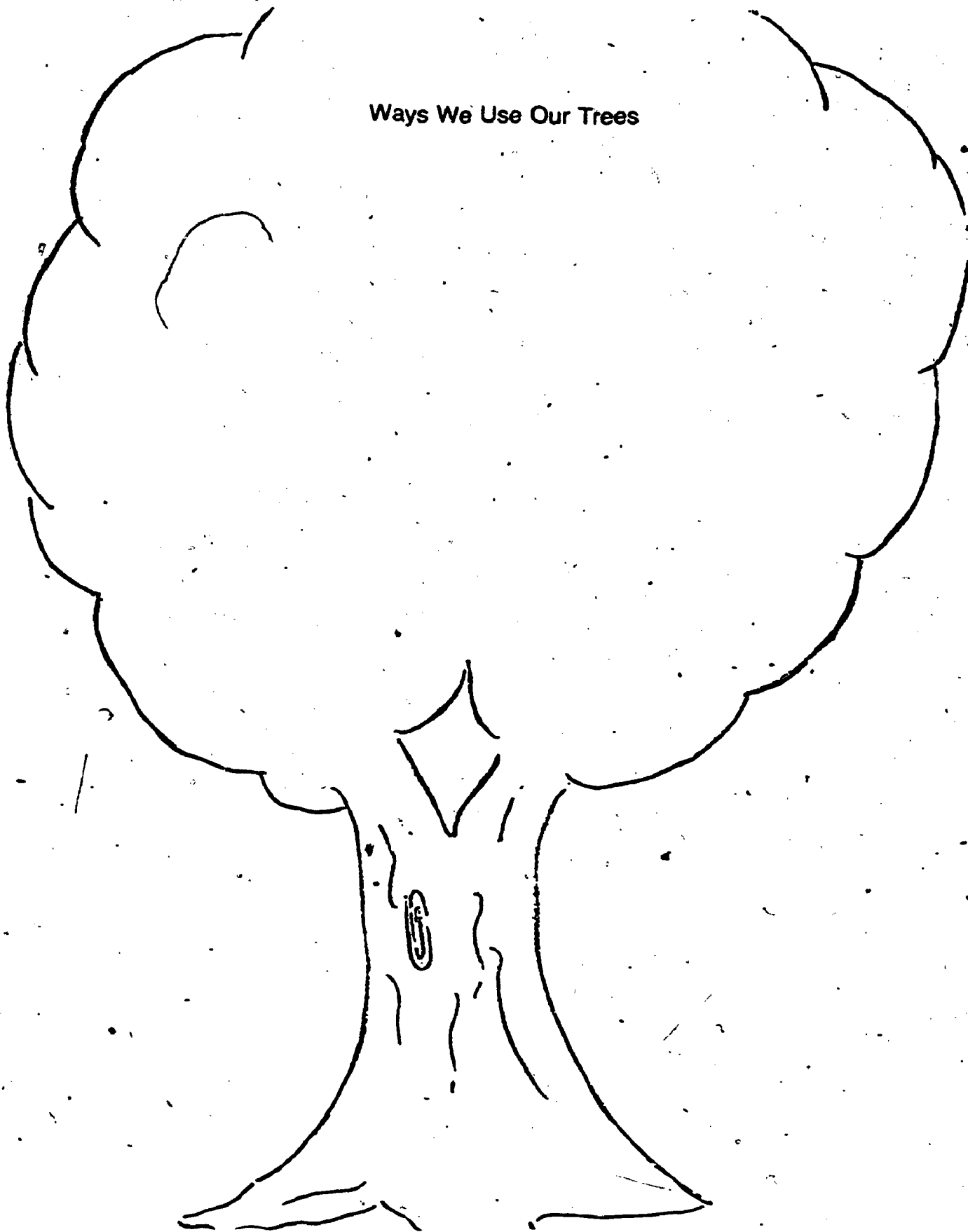
1. Scissors, paste, crayons or colored pencils.
2. A student worksheet and a piece of construction paper or oak-tag for each student.

Procedure:

1. The teacher should prepare a bulletin board or flannel-board with a picture of a tree in the center, captioned "Ways We Use Our Trees."
2. Inform the children they are going to investigate what different goods are produced with the resource, trees. Have children identify things in the classroom which are made from trees. List them on the blackboard. Have children identify things outside the room which can be made from trees (houses, swings, fences). List these on the blackboard.
3. Provide the students with their worksheets, scissors, paste and colors. Have students color and cut out each item on the worksheet which illustrates some things which can be made from trees. Old magazines can be substituted for the worksheet on page 70.
4. Have students cut out the tree and paste it in the center of their poster, pasting all of the other illustrations around the tree.
5. Follow-up questions:
 - What resource have we investigated?
 - What are some of the goods that can be produced with this resource?
 - Of all the goods named, which one would you want most?
 - Which one would your parents probably want?
 - Your sisters and brothers?
 - What must we do if there are not enough trees to produce all the things people want?



Ways We Use Our Trees



Subtopic 4

Whenever the decision is made to use resources in the production of a particular good, this means foregoing the opportunity to use these resources in the production of some other good.

1. Overview

The activities associated with this subtopic are designed to reinforce student's understanding of the basic concept of opportunity cost. Pupils should recognize that each time a resource or a combination of resources are used in the production of a good, this precludes the use of these same resources in the production of some alternative good. Whenever resources are committed to the production of a particular good, students should realize that other goods which might have been produced with these resources must be foregone. For example, we might have resources (ingredients) which could be used in the production of either brownies or chocolate cookies. If we choose to use our resources to produce brownies, then the other good, chocolate cookies, represents the opportunity cost of this decision.

2. List of Activities

| Item | Title | Recommended Designated Level | | |
|------|----------------------|------------------------------|---|---|
| | | 1 | 2 | 3 |
| 1 | Top Two | X | | |
| 2 | Farmer Jones | | X | |
| 3 | Decisions, Decisions | | | X |

Title: Top Two

Recommended Level: 1

Generalization 3: Because wants are unlimited and resources are limited and versatile, choices must be made as to what goods and services are to be produced.

Subtopic 4: Whenever the decision is made to use resources in the production of a particular good, this means foregoing the opportunity to use these resources in the production of some other good.

Rationale for Activity: This activity is designed to develop the awareness of the scarcity of resources and the related need for making choices in the use of these resources. The activity also deals with the concept of opportunity cost.

Objectives:

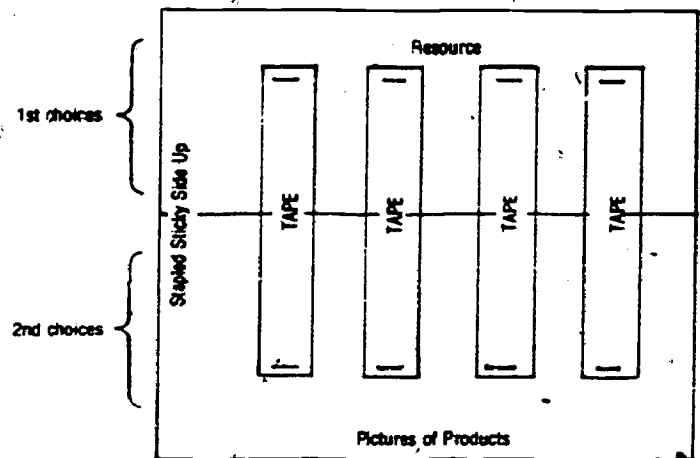
1. Students will be able to indicate their first and second choices from a pictured list of products produced from a resource.
2. Students should be able to make general statements concerning the preferences of the class.

3. Students will be able to explain that their choice of a product involves both a benefit and a cost.

Materials:

1. One large piece of cardboard or butcher paper.
2. Masking tape.
3. Pictures of a resource and products made from this resource. Examples might be a cow, with products being milk, cheese, butter, ice cream; a tree, with products being a book, pencil, wooden toy, piece of paper; or soil with various crops could also be used.
4. Colored squares of construction paper for each student. The teacher should indicate what colors will represent first or second choice, i.e., red for first choice, blue for second. These squares should be cut approximately 1 inch square.
5. The chart should be displayed by attaching a picture of a resource at the top of the cardboard. Four long strips of masking tape should be stapled vertically on the cardboard, sticky side out. Pictures of products should be attached under each strip of masking tape.

CHART



Procedure:

1. Demonstrate how the chart works by sticking on a marker.
2. Have each member of the class come to the chart and place markers indicating first and second choices from among the products made from the resource.
3. The teacher should lead a discussion concerning the choices the class made on the chart. Questions might include: What products are pictured? What products were chosen first or second by most members? What products were not chosen? Why do you think they were not chosen? If we could make only one product, which would it be? Why?
4. Select the two products with the most votes. Have pupils vote for one or the other of the two products. Have pupils explain why they voted for the particular product. Why did they vote against the other product?
5. Suppose the class has enough ingredients to produce only a batch of fudge or a batch of chocolate chips. Which would the class choose? What did they choose to give up?

Title: Farmer Jones

Recommended Level: 2

Generalization 3: Because wants are unlimited and resources are limited and versatile, choices must be made as to what goods and services are to be produced.

Subtopic 4: Whenever the decision is made to use resources in the production of a particular good, this means foregoing the opportunity to use these resources in the production of some other good.

Rationale for Activity: This activity is designed to develop critical thinking, and stress the importance of choice-making. It also reinforces the concept of opportunity cost.

Objective:

1. Students will be able to discuss the opportunity cost of certain situations concerning Farmer Jones, and complete statements relating these situations.

Materials:

1. Pictures large enough for the class to see the following situations:
 - a. Farmer Jones looking out at his pasture, wondering whether to graze horses or dairy cows.

- b. Farmer Jones looking at a can of gasoline and wondering whether to use it for his car or tractor.
- c. Farmer Jones looking at a small garden plot and wondering whether to plant vegetables or flowers.

2. The following two sets of terms to be used with these pictures:

Set I

Horses — Cows

Car — Tractor

Flowers — Vegetables

Set II

Cows — Horses

Tractor — Car

Vegetables — Flowers

Procedure:

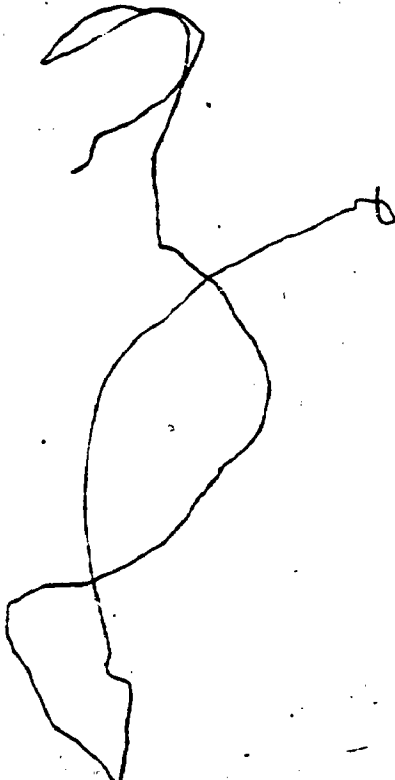
1. Discuss each "Farmer Jones" situation with the class.
2. Emphasize that Farmer Jones may only have *one* choice for resource use.
3. After the discussion have the students give possible responses to the following statement, using Set I and Set II terms in the boxes.

If Farmer Jones chooses instead of
he can _____ but he can't _____

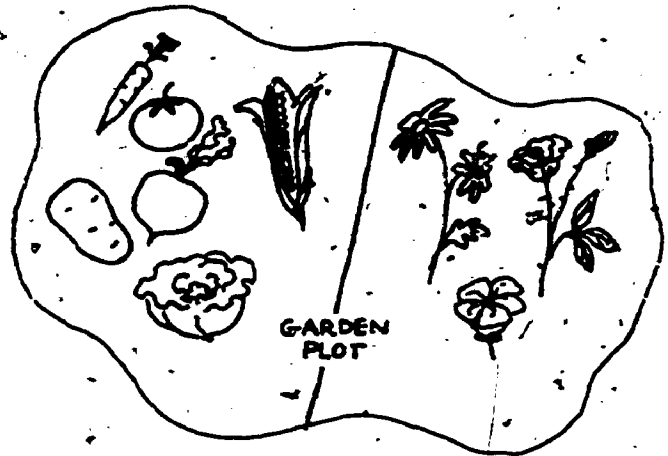
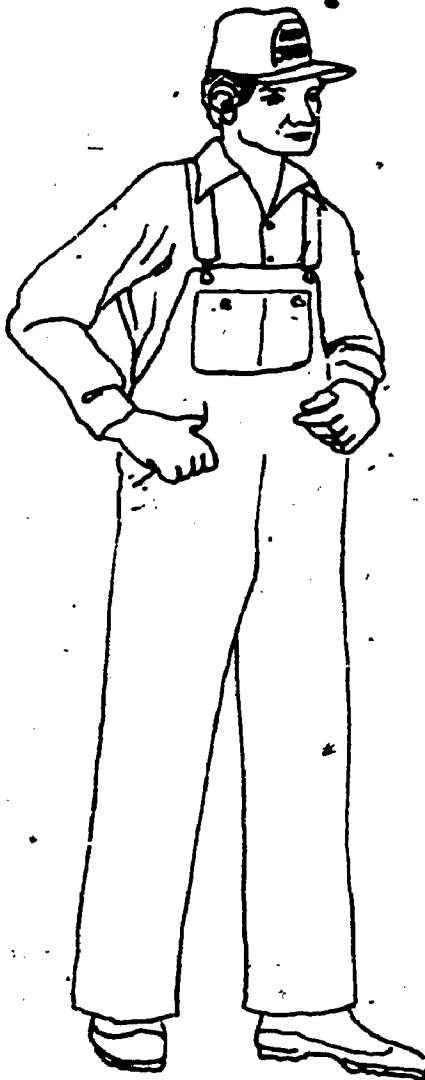
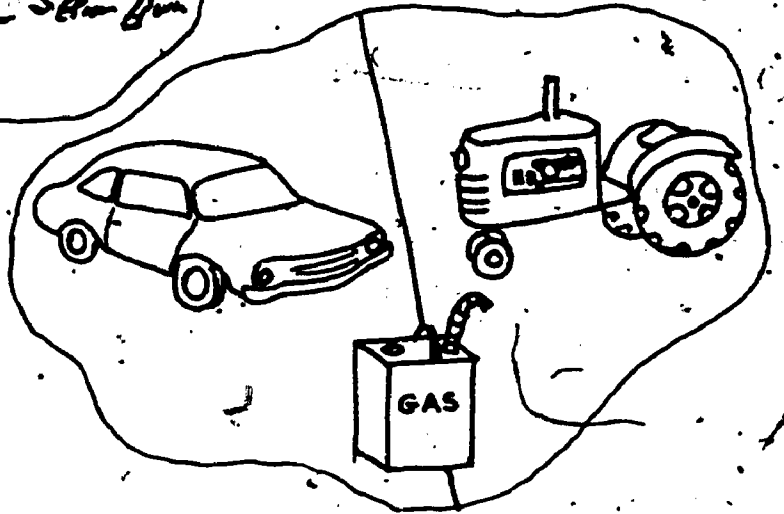
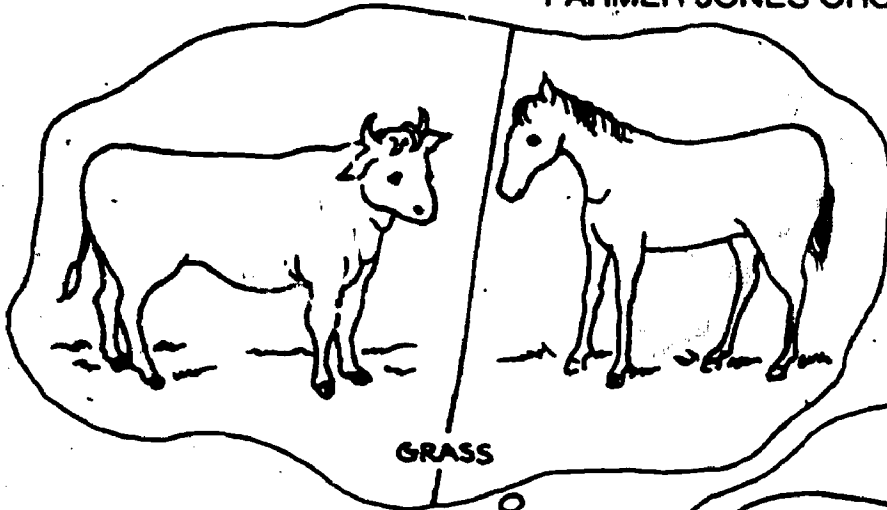
Examples

Set I If Farmer Jones chooses instead of
he can ride in the fields but he can't make butter

Set II If Farmer Jones chooses instead of
he can get milk but he can't pull his stagh



FARMER JONES CHOOSING



Title: Decisions, Decisions

Recommended Level: 3

Generalization 3: Because wants are unlimited and resources are limited and versatile, choices must be made as to what goods and services are to be produced.

Subtopic 4: Whenever the decision is made to use resources in the production of a particular good, this means foregoing the opportunity to use these resources in the production of some other good.

Rationale for Activity: This activity is designed to develop critical thinking and stresses the importance of choice-making. It also reinforces the concept of opportunity cost.

Objective:

1. Students will be able to identify the farmer's problem and discuss some of his alternatives.

Materials:

1. Picture of a farmer standing in front of his house by a walnut tree looking puzzled.

Procedure:

1. The teacher poses the following situation to the class: A man has just offered to buy this tree from the farmer. The farmer is trying to decide whether he should keep the tree, or sell the tree and let the man cut it down.
2. The teacher should then solicit reasons for and against selling the tree and list these on the board.
3. Have the children identify what reason they feel is most important to them for keeping the tree; for cutting down the tree.
4. Have the class vote for or against cutting down the tree.
5. Have them identify both the cost and the benefit involved in their final decision.

Economic Generalization 4

Labor income is the main source of income for most households.

Overview

This generalization focuses on (1) the relationship between factor ownership and household income, with special emphasis on income derived from the factor of production, labor; (2) variations in household income; and (3) transfer payments as a source of income.

In the U.S. economy productive resources (natural, capital, labor) are generally possessed or owned by members of households. Such resources are needed by business in their production of goods and services. The owners of these resources are free either to sell or not to sell the services of these resources to business firms with, of course, the same buying rights available to business firms. Market transactions, involving the exchange of resources take place when both sellers and buyers view the results of these transactions as desirable.

Owners of productive resources are willing to engage in exchange transactions in resource markets because such exchanges provide households with their main, if not sole, source of income. The kinds, amounts, and quality of resources owned by a household determine the amount of income it receives. The income of a household is also determined by the number of household workers selling their services in the marketplace, the amount of land it has available for rent and the amount of money it can save to earn interest or dividends.

There is considerable variation in income among households because of the variation in the ownership of natural and capital resources. The income received in the form of dividends, interest and rental payments accounts for the very large incomes of a relatively small number of households. The income of the typical household is mainly determined by wage and salary payments. But significant differences in incomes exist even among those households whose sole source of income is derived from the sale of their labor services to businesses.

The differences in labor income among households is partly due to differences in the number of workers per household. When the wife and children work as well as the husband, household income will be correspondingly higher. But a major difference in household income derived from the sale of labor services is due to differences in the price offered for various types of labor services. One person at work as a president of a large corporation, or as a major league football or baseball player will earn for that household more income than several persons at work as unskilled laborers.

The wages or salaries paid to workers by business firms vary according to the firm's demand for the worker's skill and the number of workers possessing this skill. Thus, if a worker has a skill that is very much wanted and there are only a small number of workers with this skill, the worker will command a high price (wage rate). If the worker does not possess a skill that is in high demand and if there are large numbers of such workers available, then this type of worker will receive a correspondingly low price (wage rate). Over the life cycle, wages of all workers tend to increase, but those of skilled

workers increase at a faster rate than those of unskilled workers.

Just as the supply of available labor services, natural resources and capital places a limit on the amount of goods and services which can be produced within a society, the payments received by households from the sale of their services to business firms place a limit on the real income households have available to purchase goods and services. Productive resources may be viewed as a source of income for households, with the income of each household determined by the amount and quality of resources it furnishes to the productive process. Labor resources include factors such as educational attainment, health, training and experience, all of which affect the wage rate one can command.

Since resources are insufficient to satisfy all of society's wants for goods and services and since resources are the source of household income, this income also is insufficient to satisfy all the wants of households for goods and services. Thus, either resources or household income derived from the sale of labor resources may be viewed as constraints on the satisfaction of household wants for goods and services.

We have seen that an individual's income received from the sale of the services of productive resources (earned income) in the market economy depends on the amount and kind of resources a person owns and the price he/she can obtain for each of these resources. Because incomes in a market economy are a function of resource ownership, the productivity of these resources, and fortuitous events, the distribution of income that results from the market system may not be generally acceptable to society, and policies may be adopted to change that distribution.

Many individuals feel that government should supplement the income of individuals or families, particularly when the cause of low income is low productivity due to old age, young age, physical or mental disability, lack of marketable skills, low intelligence, luck, and other circumstances largely beyond the control of individuals. Government supplements the income of such individuals through income transfers that are financed by taxation, and they may be in kind or in cash. In-kind transfers include food, medical care, and housing. Cash transfers of income include unemployment compensation, welfare payments, and social security benefits.

The transfer payments provided by government to low-income individuals or families reflect the views of many persons that the operation of market forces should not be the major factor determining the share of income and goods and services for some persons in our society.

Economic Subtopics

1. Labor income, in the form of wages and salaries, is the major source of income for most households.
2. Labor income differs among households because of differences in the market value of the household's labor services and in the number of workers per household.
3. Transfer payments from government supplement the income of households whose resources yield insufficient income in the marketplace.

Subtopic 1

Labor income, in the form of wages and salaries, is the major source of income for most households.

1. Overview

In earlier generalizations we referred to incomes of individuals or families, but did not examine sources of income and factors accounting for differences in incomes of individuals and families. The activities that follow are designed to introduce students to some basic factors affecting household or family income.

Most household income (there are some important exceptions which are handled in activities for Subtopic 3) is earned in the sense that it is received from the sale of the services of the productive factors (resources). In a market economy, individuals are paid money for the use of their resources. These productive factors are labor, capital and natural resources. Their payments are in the form of wages and salaries, interest and dividends, and rent.

While teachers should be aware that some very young students are familiar with alternative sources of household income, the activities developed below focus on earned income of households which is received in the form of wages and salaries. For most households, labor services make up the principal resource sold in the marketplace. Most young children generally find it very difficult to distinguish between capital and natural resources, and they are not expected to identify income derived from these sources. The treatment of such concepts is best handled at the higher grade levels.

2. List of Activities

| Item | Title | Recommended Designated Level | | |
|------|---------------------|------------------------------|---|---|
| | | 1 | 2 | 3 |
| 1 | Labor Concentration | X | X | |
| 2 | Income Earners | X | X | |
| 3 | Classroom Jobs | X | X | X |
| 4 | What's My Wage? | | | X |

Title: Labor Concentration

Recommended Level: 1-2

Generalization 4: Labor income is the main source of income for most households.

Subtopic 1: Labor income, in the form of wages and salaries, is the major source of income for most households.

Rationale for Activity: This activity is designed to call to the student's attention that income is received for services provided by labor. It also encourages the child to make a statement in the form of a complete sentence.

Objectives:

1. The student will be able to match cards showing pictures of services provided by labor and the income received for providing those services.
2. When making a match, the student will state what service was provided and the income that was received for the service.

Materials:

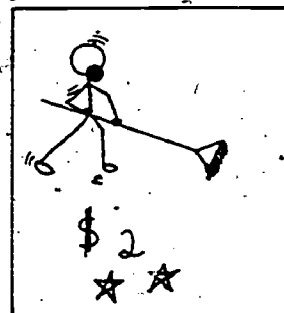
1. A set of 20 cards having 10 matching pairs. On each card is a picture of a person performing a task of labor. Under the picture is the amount of money earned for that task and a number of stars indicating the value of the dollar figure.

Procedure:

1. Prior to the game, the teacher should provide several examples which involve the use of the terms: labor services, wages, and money income.
2. Cards are shuffled and laid face down in 4 rows, 5 cards in each row.
3. The first player picks 2 cards. If they match, he makes a statement such as: "The woman pumped gas for \$5." (Job and amount earned to be placed on blackboard.) He then places his matched pair in a pile next to him. If the cards do not match, he returns them, face down, to their original locations.
4. The second player follows the same procedure. The game continues with players taking turns until all cards have been matched.
5. Players then check their cards and add the dollar figures (or number of stars) on their cards to see how much money was "earned."
6. Using the information on the blackboard, have the children make some general statements (e.g., many different jobs to do, different pay for different jobs, etc.).

Suggested pictures for cards: (See sample picture below.)

1. A child raking leaves, \$2 **
2. A child shoveling snow, \$3 ***
3. A child emptying trash, \$1 *
4. A man digging a ditch, \$5 *****
5. A woman pumping gas, \$5 *****
6. A child walking a dog, \$2 **
7. A child mowing a lawn, \$2 **
8. A man sawing wood, \$5 *****
9. A woman painting a house, \$5 *****
10. A child washing a car, \$3 ***



Title: Income Earners

Recommended Level: 1-2

Generalization 4: Labor income is the main source of income for most households.

Subtopic 1: Labor income, in the form of wages and salaries, is the major source of income for most households.

Rationale for Activity: This activity is designed to teach students that most households obtain income through some household member(s) working outside the home. Students should see that labor services are exchanged for money income, with the money income being used to buy goods and services for the household.

Objectives:

1. The student will name jobs a member of a household could do to earn income when working outside the household.
2. Statements on use of household income by students will confirm that they understand what households do with their money.

Materials:

1. Chart.
2. Paper and crayons.

Procedure:

1. The class will be divided into small groups (4-5), and each group will be provided with a picture of Tim's family (mother, father, Tim and Kathy). Suppose that Tim is too young to work, but that his older sister is old enough to

work after school and on the weekends. Have each group identify five different jobs that the mother, father and daughter might do outside the home. Have students list five jobs under each of the persons in Tim's family, except for Tim: (See sample.)

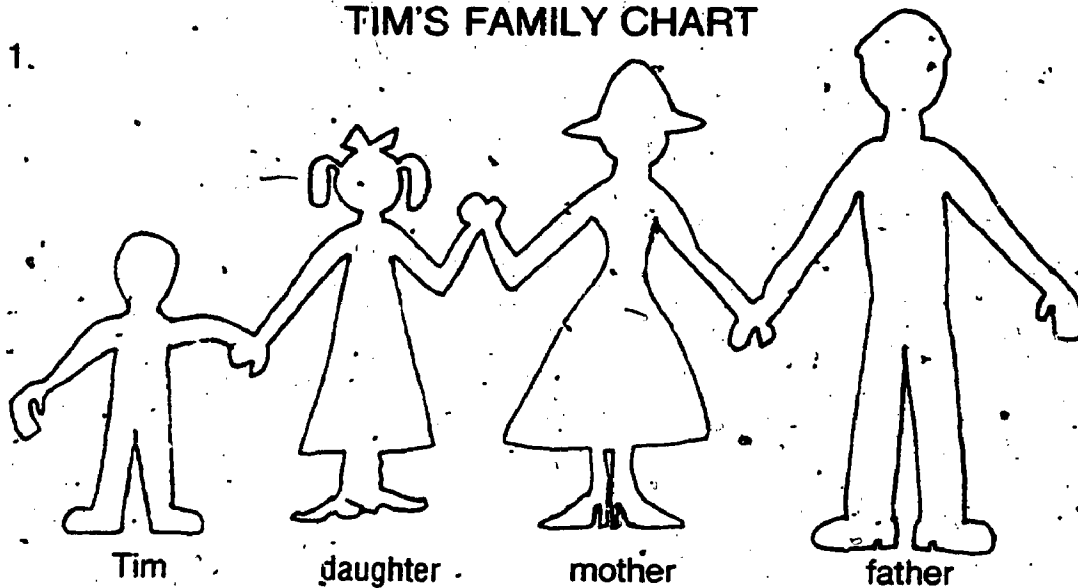
2. Have each group select one job for each person to do. Have the students fill in the appropriate blanks for each worker. Next they should estimate the amount of income (day, week or monthly) each worker would receive for his labor services and fill in the appropriate space. The teacher may want to provide assistance at this point. Then they should list three goods and services they believe each person would purchase with some or all of his money income.
3. Have a person from each group present their chart to the class. Afterwards, have the class discuss the following:
 - a. How many were in Tim's family?
 - b. What members earned income?
 - c. What did they do to earn income?
 - d. What did they do with their income?
 - e. What might happen to the amount of household income when Tim becomes older?
 - f. What type of job might he get?
 - g. Why might members of the household earn different incomes?
 - h. What might happen if everyone in Tim's family stopped working?

Optional:

1. Have the children draw pictures of the different jobs of each member of the family and what goods or services they purchased.

TIM'S FAMILY CHART

1.



| | | | |
|--|-------|-------|-------|
| | _____ | _____ | _____ |
| | _____ | _____ | _____ |
| | _____ | _____ | _____ |
| | _____ | _____ | _____ |
| | _____ | _____ | _____ |

2.

Job

Worker's
Income

Goods
Purchased

| | | | |
|--|-------|-------|-------|
| | _____ | _____ | _____ |
| | _____ | _____ | _____ |
| | _____ | _____ | _____ |
| | _____ | _____ | _____ |
| | _____ | _____ | _____ |

Title: Classroom Jobs

Recommended Level: 1-3

Generalization 4: Labor income is the main source of income for most households.

Subtopic 1: Labor income, in the form of wages and salaries, is the major source of income for most households.

Rationale for Activity: This activity is designed to encourage children to work toward a predetermined goal (set by each child) by doing selected classroom jobs. It also reinforces the idea that income is received for services provided by labor.

Objectives:

1. Students will be able to make choices given a number of alternatives.
2. Students will learn that their choices are affected by their interests and the number of alternatives available.
3. Students will learn that income is earned by performing tasks.
4. Students will learn that the amount of income earned varies with the number of tasks performed.

Materials:

1. A large pegboard, pegboard hooks, name tag for each child, labels for jobs determined by teacher and children, a large chart containing names of each child, task performed, and number of tallies earned.

Procedure:

1. The teacher will list examples of jobs for which people are paid and have children generate others.
2. The teacher will lead a discussion with the class to call attention to the fact that people receive incomes in exchange for their labor services.
3. A list of room jobs (which children suggest) is written on the board. There should be enough jobs for all children. (In some cases, certain jobs will be performed by more than one child—i.e., 4 children could handle daily cleanup of a particular interest center.)
4. Labels are made for each job and placed on the pegboard. Hooks are positioned under each label to hold the children's name tags. The number of hooks for each job is determined by the number of children necessary to do that job.
5. The children take turns placing their name tags on the hooks under the jobs they want. Their choices will be determined by their interest and by the number of alternatives available when a child has his turn.
6. The teacher will tell the children that they will be able to "earn" a tally mark each time they do their jobs during the week. She will then ask each child what his goal for the week is (how many tally marks he thinks he can "earn").
7. Each child will put a tally mark next to his name on the chart for every time he does his job. Tally marks are totaled at the end of the week to see if each child reached his goal. Teacher will hold individual conferences with children to discuss whether or not goals were reached.

8. Using the information on the chart, have the children develop some general statements (e.g., many tasks to do in the classroom; not everyone wanted to do the same job; some of us had fewer choices than others; not everyone earned the same amount of tallies; should get more tallies for some jobs than others; would rather have money income than tallies.)

Optional:

1. To make the activity more realistic, tally markers might be exchanged for such things as "M & M's," "free time" in the learning center, books, notepads, etc.

Title: What's My Wage?

Recommended Level: 3

Generalization 4: Labor income is the main source of income for most households.

Subtopic 1: Labor income, in the form of wages and salaries, is the major source of income for most households.

Rationale for Activity: This activity is designed to call the student's attention to the fact that income is received for services provided by labor and that often a person's wages are determined by an hourly rate and the number of hours the service is provided.

Objectives:

1. The student will be able to match cards showing pictures of services provided by labor.
2. The student will be able to determine a person's income given the hourly wage rate of the service and the number of hours the service was provided.

Materials:

1. A set of 24 cards having 12 matching pairs is needed for four players. On each card is a person performing a task. (Pictures from the activity "Salary Lotto," Subtopic 2 may be used.)
2. A spinner indicating 3 hourly rates (\$1, \$5, \$10). See next page. (If the teacher desires, the hourly wage could be placed on the picture cards.)
3. A spinner indicating number of hours worked (1, 2, 3, 4, 5).

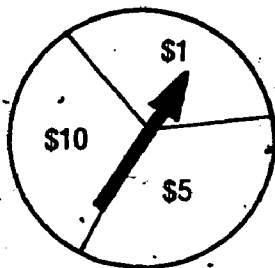
Procedure: (4 players)

1. Review the meaning of the words: goods, services, labor and wages. Model the activity for all children by having four children start the game.
2. Cards are shuffled and dealt, one at a time, to each player until all are dealt.
3. The first player (assume it is a boy) picks a card from the hand of the player to his right. If he has a matched pair, he lays it down. (Only 1 matched pair per turn is laid down.) He then spins the "hourly rate" spinner and the "number

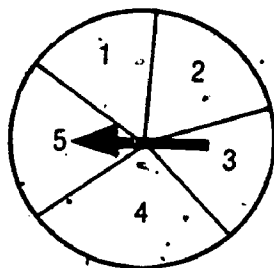
of hours worked" spinner to determine the wages of the person providing the service on his matched pair of cards. He then makes a statement such as, "The teacher worked at \$10 an hour for 5 hours and earned \$50." If a match is not made, the next player to the right takes a turn.

4. Play continues with each player, in turn, picking a card from the hand of the player to his/her right, trying to make a match, and if so, spinning both spinners to determine the wages earned.
5. The game ends when one player gets rid of his/her cards.
6. Following the completion of the activity, have a "collective sharing" of ideas by the class. Through students exchanging ideas, they should come up with a number of general statements (e.g., people receive income from the sale of their labor services; there are differences in people's income; people in different occupations are paid different amounts; some workers' earnings differ from the amount indicated by the spinner).

Suggested pictures for cards: teacher; doctor, dentist, firefighter, police officer, secretary, store clerk, engineer, bank teller, plumber, or any with which the children are most familiar.



hourly rate spinner



number of hours spinner

Subtopic 2

Labor income differs among households because of the differences in the market value of the household's labor services and in the number of workers per household.

1. Overview

The activities for Subtopic 2 are designed to help students to understand why some households receive more money income from the sale of their labor services than other households. This variation may exist because in some families more people have jobs. In other families, there may be only one worker employed outside the home, but this worker may command a high wage or salary, because he (she) has special skills which command a high price. In other households, labor income may be low because workers lack special skills; or cannot find work; or if they do work, they may not be very productive because of age or disability.

2. List of Activities

| Item | Title | Recommended Designated Level | | |
|------|------------------------|------------------------------|---|---|
| | | 1 | 2 | 3 |
| 1 | Build a House | X | | |
| 2 | Salary Lotto | | X | |
| 3 | Learning Through Rhyme | | X | |
| 4 | Maze | | | X |

Title: Build a House

Recommended Level: 1

Generalization 4: Labor income is the main source of income for most households.

Subtopic 2: Labor income differs among households because of the differences in the market value of the household's labor services and in the number of workers per household.

Rationale for Activity: This activity is designed to reinforce the idea that family income is determined by the "quality" (or type) of service provided by its members and by the number of members working in the family. It also shows that the income earned by the family determines its buying power.

Objectives:

1. The student will recognize* that certain occupations provide higher salaries than others.
2. The student will realize* that family income increases when more than one family member is employed.
3. The student will realize* that the more income earned by the family, the more goods and services it can purchase.

Materials:

1. A large outline of a house made with yarn, stapled to a bulletin board, or a color chalk outline or a cutout of a house.
2. A set of "building bricks" made from construction paper.
3. A spinner divided into segments (number of segments is determined by categories used). Categories used should represent a broad spectrum of occupations of high, average, and low income. The segments should be color-coded as follows:
 - yellow—very high-income occupation
 - white—high-income occupation
 - red—average-income occupation
 - blue—low-income occupation
 Each color would be assigned a value (i.e., yellow—4, white—3, red—2, blue—1). (See sample.)

Procedure:

1. Before introducing the game to students, examine a small

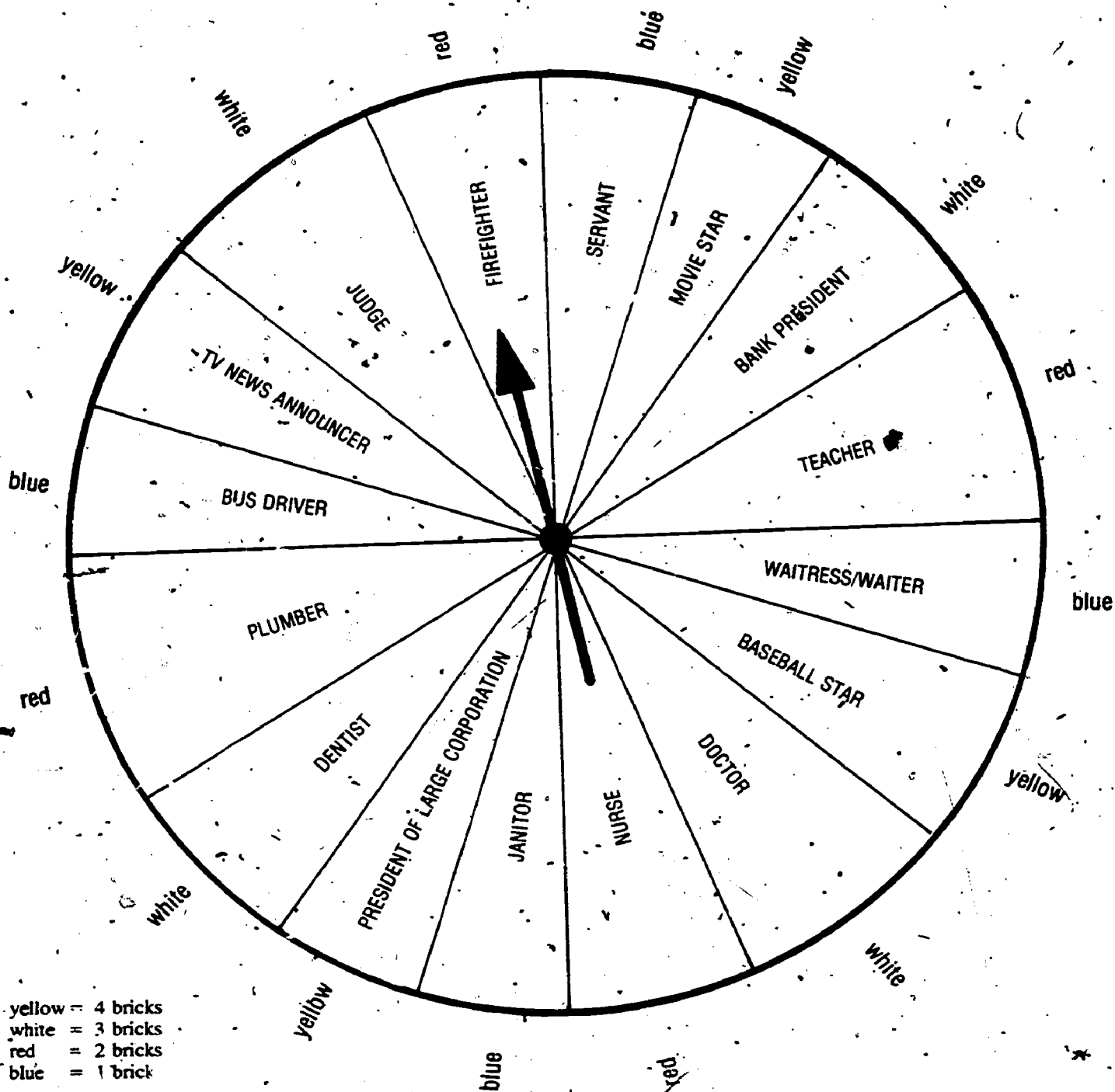
*Look for evidence in student's comments while playing the game.

number of occupations which vary in the amount of income paid for labor services and identify some of the major reasons accounting for differences in income payments.

- Each student, in turn, spins the spinner to see how many bricks he can acquire. He then makes a statement such as, "I am a doctor and can get 3 bricks." If spinner lands on line between two segments, this means that two persons in the household work, and the student collects bricks for both workers.

- The students, in turn, pin their bricks on the bulletin board, beginning at the bottom, within the frame of the house until the house is completed.
- Have the children explain what the "bricks" represent. Why do some individuals or families earn more income than others? Why do people work? Why is income important to individuals or families?

SPINNER CARD



From Master Curriculum Guide, Part II, Primary Level, JCEE, 1977.

Title: Salary Lotto

Recommended Level: 2

Generalization 4: Labor income is the main source of income for most households.

Subtopic 2: Labor income differs among households because of the differences in the market value of the household's labor services and in the number of workers per household.

Rationale for Activity: This activity is designed to illustrate to the student that some occupations command higher salaries than others because of special skills required. It also shows that family income increases when there are more workers in the family.

Objectives:

1. The student will be able to recognize whether or not a picture card (indicating a single occupation and salary or indicating number of workers and total salary) held by the teacher matches a picture on his game board.
2. The student will be able to make a statement in the form of a complete sentence.
3. The student will be able to read 2-digit and 3-digit numerals.
4. The student will recognize that people in different occupations may earn different wages or salaries.

Materials:

1. A set of 24 different picture cards, each showing a person in a particular occupation and his/her weekly salary or a number of stick figures (from 1-5) indicating the number of workers in a family and their total weekly income. (See sample.)

2. Four game boards, each having 6 pictures (2 rows of 3) matching any of the 24 cards. No game board should have identical pictures. (See sample.)

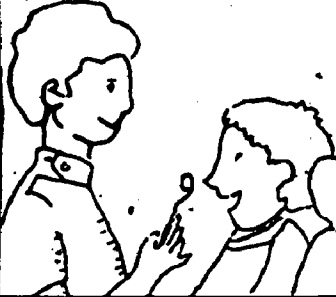
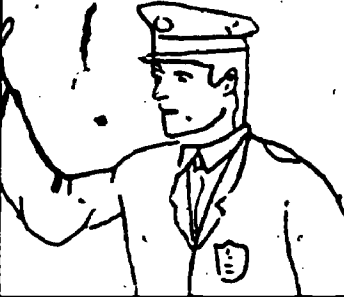
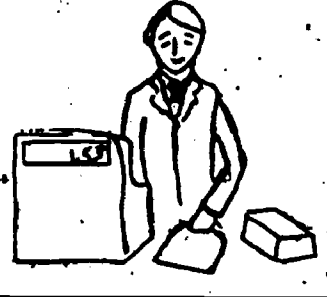
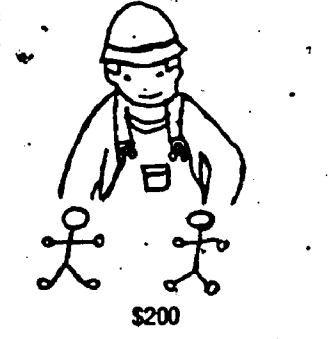


Procedure:



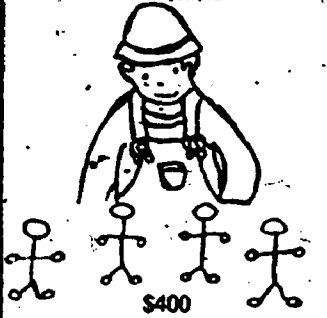

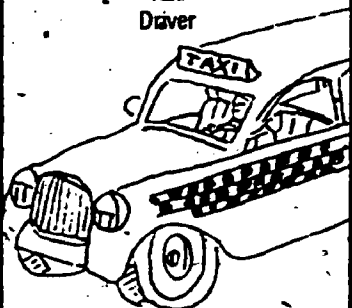

1. A discussion of the pictures represented on the cards should precede playing the game.
2. The teacher (or student), holding the shuffled cards, sits in front of the players who have the game boards (one board for each player or group).
- *3. The teacher (or student) shows the players one card. The player who has the matching picture on his game board raises his hand and makes a statement such as, "The waitress can earn \$80 a week," or (in the case of the stick figures), "Two people in the family together can earn \$200 a week." He/she then takes the card and places it on top of the matching picture on his or her game board.
4. The teacher (or student) continues to hold up one card at a time for the players to match their pictures until one player (or group) has the board covered.
5. Following completion of the game, students should examine the data on their game board and develop some general statements (e.g., not everybody has the same kind of job; not everybody earns the same income; that family income increases with the increases in the number of workers). Children may question the idea that high income is necessarily associated with the number of workers (i.e., a single worker in a family, a dentist, might earn more than two workers in a family—a secretary and a store clerk).

*Since salaries vary within any particular occupation, the student should say, "The . . . can earn . . ." Occupations pictured should be those with which students are familiar and salaries should indicate how much a person in a particular occupation can actually earn.

GAME BOARDS

Actual salaries (median incomes) should be obtained from an income chart for your area. The salaries provided with the pictures represent estimates of median weekly incomes for the United States and will not necessarily provide too meaningful a measure of salaries in any given area. Each picture on the game boards has a corresponding picture card (24 picture cards in all). Teacher should discuss occupations and salaries with students before playing the game. Are all paid the same? Why not? What skills are required for occupations? What education is required for occupations?

| | | |
|---|---|--|
| <p>\$350 + Dentist</p>  | <p>\$200 Police Officer</p>  | <p>\$150 Store Clerk</p>  |
| <p>2 Workers</p>  <p>\$200</p> | <p>\$125 Janitor</p>  | <p>\$300 + Veterinarian</p>  |

| | | |
|--|--|---|
| <p>\$325 + Commercial Pilot</p>  | <p>\$175 Mechanic</p>  | <p>4 Workers</p>  <p>\$400</p> |
| <p>\$180 Nurse</p>  | <p>\$150 Taxi Driver</p>  | <p>\$160 Secretary</p>  |

GAME BOARDS

Actual salaries (median incomes) should be obtained from an income chart for your area. The salaries provided with the pictures represent estimates of median weekly incomes for the United States and will not necessarily provide too meaningful a measure of salaries in any given area. Each picture on the game boards has a corresponding picture card (24 picture cards in all). Teacher should discuss occupations and salaries with students before playing the game. Are all paid the same? Why not? What skills are required for occupations? What education is required for occupations?

| | | |
|----------------------------|-------------------------------|------------------------------|
| <p>3 Workers \$300</p> | <p>\$400+ Doctor</p> | <p>\$90 Waitress</p> |
| <p>\$250 Plumber</p> | <p>\$190 Mail Carrier</p> | <p>\$200 Firefighter</p> |

| | | |
|-----------------------------|---------------------------------|----------------------------|
| <p>\$150 Bus Driver</p> | <p>1 Worker \$100</p> | <p>\$120 Waiter</p> |
| <p>\$175 Teacher</p> | <p>\$300 Superintendent</p> | <p>5 Workers \$500</p> |

Title: Learning Through Rhyme

Recommended Level: 2

Generalization 4: Labor income is the main source of income for most households.

Subtopic 2: Labor income differs among households because of differences in the market value of the household's labor services and in the number of workers per household.

Rationale for Activity: This activity helps children to understand why people work outside the home and why households have different incomes.

Objectives:

1. For selected occupations, students will be able to make general statements about skill requirements.
2. Students will be able to generalize that incomes of households are different.

Materials:

1. Poem, "The Income Earners"

Workers, workers all are we;
Producing services in our family.
Goods to be produced are never ending,
They're finished one day, and the next just beginning.

Father and Mother what else do they do?
They help produce goods and services, too.
They sell their labor services to earn income.
To buy goods and services, pay taxes, save a little, and have some fun.

How much money can Mother and Father earn?
It partly depends on the skills that they have learned.
If there's another worker like Big Brother Bill,
The household can earn more income still.

2. Paper for each student.
3. Crayons or paints for each student.

Procedure:

1. The teacher will discuss with the class the terms labor services and income to make sure all students understand the terms.
2. Read the poem to the class.
3. Reread verse one and ask children to identify some of the tasks that have to be performed everyday within the home.
4. Reread verse two and have children identify types of work people do outside of the home.
 - a. Have the children identify why people work outside the house.
 - b. Have children identify the tasks they might do to earn income. Have them identify two goods that they would purchase with the income. What else might they do with their income?
5. Reread verse three and have children discuss why mother and father work outside the home.
 - a. Suppose mother is a dentist and father is a construc-

tion worker. Would they both earn the same income? Why?

- b. Do you suppose Big Brother Bill earns as much income as either of his parents? Why?
 - c. Suppose Big Brother Bill goes to college, what would happen to household income?
6. Have each child create a picture illustrating the kind of worker he or she would like to become.
 7. Display and have the students discuss their creations.

Title: Maze

Recommended Level: 3

Generalization 4: Labor income is the main source of income for most households.

Subtopic 2: Labor income differs among households because of the differences in the market value of the household's labor services and in the number of workers per household.

Rationale for Activity: This activity is designed to reinforce the idea that family income is determined by the quality (or type) of labor services provided by its working member(s) and/or the number of working members in the family.

Objectives:

1. The student will recognize that certain occupations provide higher salaries than others.
2. The student will realize that family income increases when more than one family member is employed.

Materials:

1. A set of 12 white-circle cards with the name of a well-paying occupation written on each card (i.e., doctor, lawyer, dentist, engineer, bank president, judge, store owner, governor, professor, home builder, sales manager, movie director, pharmacist)—See income chart.
2. A set of 12 blue-circle cards with a lower-paying occupation written on each card (i.e., waiter, store clerk, waitress, mechanic, cashier, janitor, servant, cook, secretary, dishwasher, bus driver, trash collector, milkman, mail carrier).
3. A set of 4 yellow-circle cards with "more than one worker in the family" printed on each card.
4. A game board with a spiral maze divided into segments. (See sample.)
5. Three spinners. (See sample.) Be sure that proportion of the numbered segments is not changed.
6. Markers for 4 players.

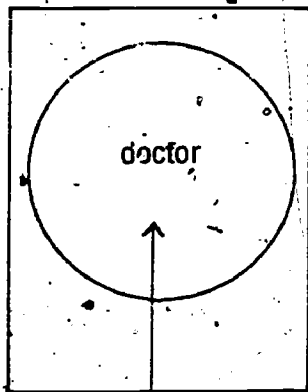
Procedure:

1. Discussion to precede playing of game:
 - a. What skills are required of occupation?
 - b. How much education is needed?

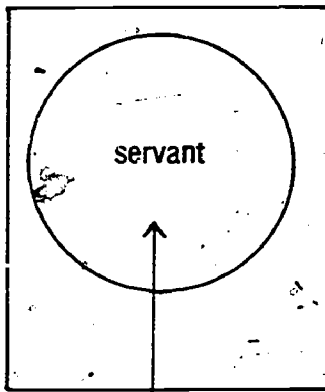
- c. Which occupations might command higher salaries? Why?
 - d. Why are all the occupations necessary? (The child should understand that although some jobs do not pay as well as others, they are still needed and respected.)
2. Players put their markers on "Start."
 3. Cards are shuffled and placed, face down, in a pile next to the game board.
 4. Each player, in turn, picks a card and names the occupation on the card or the number of family members working. After picking a card, player spins correspond-

ing colored spinner and moves number of spaces indicated.

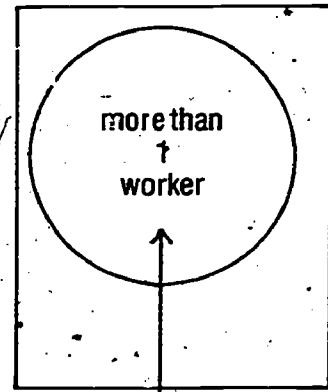
5. As the game continues, cards are returned, face up, to the bottom of the pile. Cards are reshuffled when all have been drawn.
6. Game ends when one player reaches \$FINISH\$.
7. Teachers should encourage students to discuss why the chances were greater of having the arrow on the white spinner card hit a larger number than was the case with the blue or yellow spinner card.



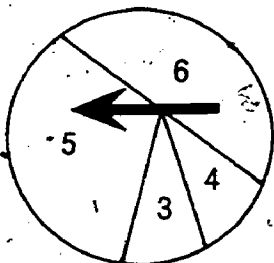
white
circle
(12)



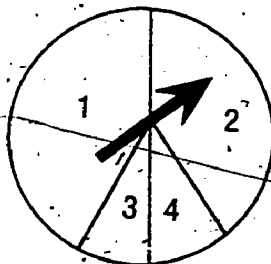
blue
circle
(12)



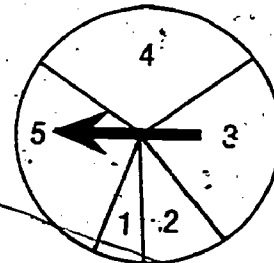
yellow
circle
(4)



white spinner
card

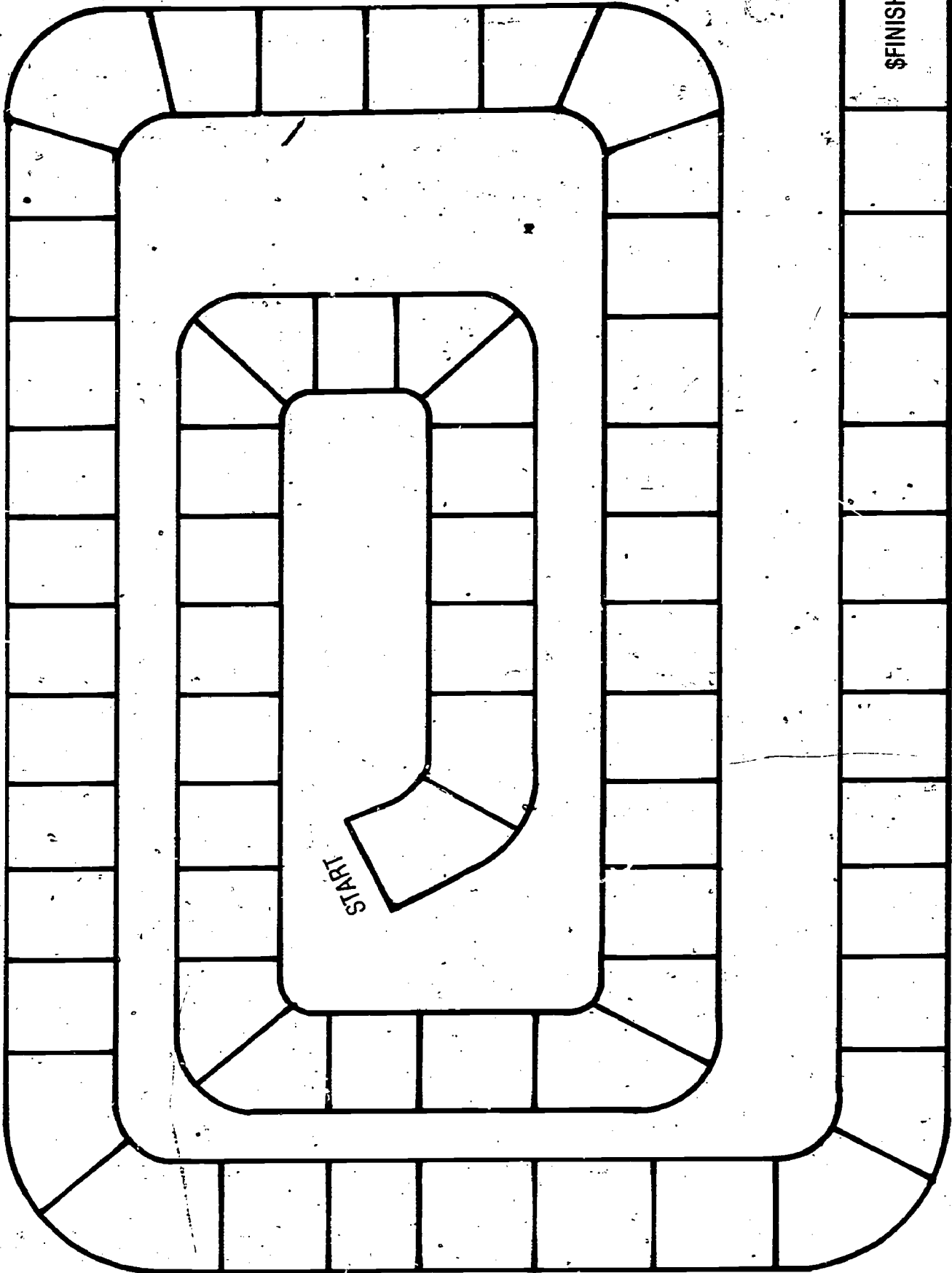


blue spinner
card



yellow spinner
card

MAZE



From *Master Curriculum Guide*, Part II, Primary Level, JCEE, 1977.

Subtopic 3

Transfer payments from government supplement the income of households whose resources yield insufficient income in the marketplace.

1. Overview

The activities for Subtopic 3 are designed to provide students with an understanding of the meaning of transfer payments, some of the kinds of transfer payments, and some of the reasons why these payments are provided by government to individuals.

Since the 1930's and especially in the last decade, there have been substantial increases in public transfer payments to households. Today these payments supplement the income of several million persons and in a number of households, transfer payments may be the sole source of income. Transfer payments are money income to individuals from government (or from some private, charitable organization). Some transfer payments may be regarded as gifts or unearned income in that no productive services are required in exchange. Transfer payments may be in kind (housing, food, medical services) or in cash. Some cash payments are made to people who are retired (social security), unemployed (unemployment compensation), or who are disabled or poor (public assistance). Some transfers are actually "earned" by people who have made social security payments when they were employed. Transfer payments are a means used by government to supplement private incomes when such incomes are considered to be inadequate.

2. List of Activities

| Item | Title | Recommended Designated Level | | |
|------|---------------|------------------------------|---|---|
| | | 1 | 2 | 3 |
| -1 | Helping Hands | X | | |
| 2 | Trail Game | | X | |
| 3 | Reach \$1,000 | | | X |

Title: Helping Hands

Recommended Level: 1

Generalization 4: Labor income is the main source of income for most households.

Subtopic 3: Transfer payments from government supplement the income of households whose resources yield insufficient income in the marketplace.*

Rationale for Activity: This activity is designed to illustrate the fact that transfer payments are a means used by the government to supplement private incomes considered to be inadequate.

Objectives:

1. The student will be able to identify types of transfer payments.
2. The student will be able to describe situations in which individuals are eligible to receive transfer payments.
3. The student will be able to match situations of need to types of transfer payments.

Materials:

1. Pictures (either drawn or cut from magazines and newspapers) depicting situations in which individuals are in need of transfer payments (i.e., an old couple, a person in a wheelchair, unemployed worker, person with bare cupboard and only slice of bread on table, couple sleeping in leaking tent, picture of person with no food with thermometer in mouth reading 104° Temperature).
2. Four hands (cut from construction paper) holding pictures representing the kinds of transfer payments available (house for "housing"; grocery cart with groceries for "food"; doctor's equipment for "medical care"; money for "retired people"; money for "unemployed workers"; and money for the "handicapped").

Procedure:

1. The teacher should lead a discussion of the kinds of transfer payments available for people in need. (See item 2 under Materials.)
2. Pictures representing the kinds of transfer payments are taped with the hands on the board.
3. The students take turns selecting a picture which depicts a particular need and describing what is shown in the picture.
4. The teacher asks questions which would help the child match a picture to the hand(s) on the board that meet the need(s) of the individuals in the picture. Questioning could be directed toward any or all of the pictures on the board.

*Some primary children may not be able to deal with this subtopic.

Title: Trail Game (transfer payments)

Recommended Level: 2

Generalization 4: Labor income is the main source of income for most households.

Subtopic 3: Transfer payments from government supplement the income of households whose resources yield insufficient income in the marketplace.

Rationale for Activity: This activity is designed to illustrate the fact that transfer payments are a means used by the government to supplement private incomes considered to be inadequate.

Objectives:

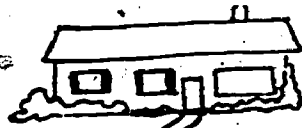
1. The student will describe situations in which individuals or families are in need of transfer payments.
2. The student will explain how transfer payments help individuals to supplement their incomes if such incomes are considered to be inadequate.

Materials:

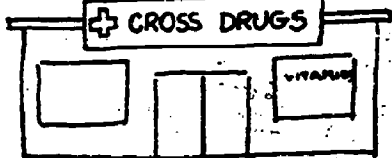
1. Play money in denominations of \$1, \$5 and \$10 (at least \$40 of each).
2. Trail game board divided into segments illustrating a dollar figure (\$1, \$5, \$10) or situations in which an individual or family must pay a designated amount of money for a needed service or item (i.e., food, rent, medical expense, clothing). Situation spaces are color coded to cards. (See sample.)
3. Four sets of transfer payment cards:
 - yellow—cards labeled "medical aid"
 - blue—cards labeled "food coupons"
 - white—cards labeled "housing aid"
 - pink—cards labeled "cash payments"The number of cards in each set (or category) should equal the number of situations requiring aid from that category (3 medical aid situations, 4 food coupon situations, 3 housing aid situations, 4 cash payment situations) times 4 (the maximum number of players).
4. Markers for 4 players and 1 die.

Procedure:

1. Discuss game board. Sample question: Name type of transfer payments available. Which needs will they help to provide for? Initially, the activity might be demonstrated with four players as other students watch.
2. Each player receives \$5 and puts his/her marker on "Start."
3. Each player, in turn, rolls the die and advances his/her marker the number of spaces indicated. If a player lands on a "money" space, she/he receives the amount shown. If he/she lands on a "situation" space, the amount shown must be paid.
4. When a player doesn't have enough money to pay for a particular service or item, he/she loses one turn. On the next turn she/he picks a card from the appropriate set of transfer payment cards. The card is used to supplement what money must be paid for the service or good indicated on the space where the marker is. The player must pay what money he/she has, and then roll the die and move the number of spaces indicated.
5. Play continues until all players reach "Finish."
6. The teacher should encourage students to discuss why players don't end the game with equal amounts of money. What was money spent on? How did transfer payments help?



| | | | | | | | |
|--------|-----|-----|------------------------------|-----|-----|------|---------------|
| FINISH | \$1 | \$5 | BUY FRUIT AND VEGETABLES \$5 | \$5 | \$1 | \$10 | PAY RENT \$60 |
|--------|-----|-----|------------------------------|-----|-----|------|---------------|

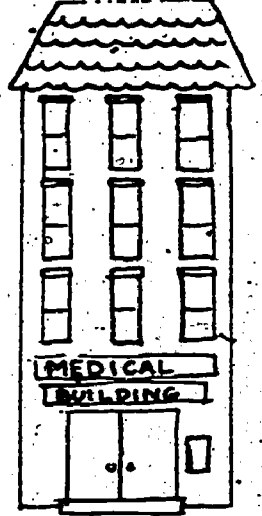


| |
|-----|
| \$5 |
| \$1 |

| | | | | | | | | | |
|------|-----------------|-----|-----|------------------|------|-----|-----|---------------|----------------|
| \$10 | REPAIR CAR \$20 | \$1 | \$5 | BUY MEDICINE \$5 | \$10 | \$5 | \$1 | BUY COAT \$25 | BUY BOOTS \$10 |
|------|-----------------|-----|-----|------------------|------|-----|-----|---------------|----------------|



| |
|---------------|
| PAY RENT \$75 |
| \$5 |
| \$1 |



| | | | | | | |
|---------------------------|-----|------|--------------|---------------|-----|---------------|
| DENTIST CHECKS TEETH \$10 | \$5 | \$10 | BUY MILK \$1 | PAY RENT \$50 | \$1 | BUY BREAD \$1 |
|---------------------------|-----|------|--------------|---------------|-----|---------------|

| | | | | | | |
|--------------|------|-----|-----------------|-----|----------------|-----|
| BUY MEAT \$5 | \$10 | \$1 | PAY DOCTOR \$20 | \$5 | BUY SHOES \$10 | \$5 |
|--------------|------|-----|-----------------|-----|----------------|-----|



| |
|-------|
| \$10 |
| \$5 |
| START |

10

5

1

10

5

1

10

5

1

5

1

Teacher:
Make 10 copies of this sheet.

COUPONS

| | | | |
|-----------------|-----------------|-----------------|-----------------|
| FOOD COUPONS | FOOD COUPONS | FOOD COUPONS | FOOD COUPONS |
|-----------------|-----------------|-----------------|-----------------|

| | | | |
|------------------|------------------|------------------|------------------|
| CASH PAYMENTS | CASH PAYMENTS | CASH PAYMENTS | CASH PAYMENTS |
|------------------|------------------|------------------|------------------|

| | | |
|----------------|----------------|----------------|
| MEDICAL AID | MEDICAL AID | MEDICAL AID |
|----------------|----------------|----------------|

| | | |
|----------------|----------------|----------------|
| HOUSING AID | HOUSING AID | HOUSING AID |
|----------------|----------------|----------------|

Teacher: Make 4 copies of this sheet.

Title: Reach \$1,000

Recommended Level: 3

Generalization 4: Labor income is the main source of income for most households.

Subtopic 3: Transfer payments from government supplement the income of households whose resources yield insufficient income in the marketplace.

Rationale for Activity: This activity is designed to reinforce the idea that transfer payments are a means used by the government to supplement private incomes considered to be inadequate:

Objectives:

1. The student will identify situations in which individuals or families are in need of transfer payments:
2. The student will identify the kinds of transfer payments which help individuals to supplement their incomes.

Materials:

1. A deck of 80 cards consisting of the following:
 - a. A deck of money cards:
 - 10 \$100 cards
 - 10 \$75 cards
 - 10 \$50 cards
 - 10 \$25 cards
 - b. Hazard cards and corresponding remedy cards:
 - 3 "need food" cards—6 "food coupon" cards
 - 3 "unemployed" cards—6 "unemployment compensation" cards
 - 3 "rent due" cards—6 "rent payment" cards
 - 3 "in hospital" cards—6 "medical payment" cards
 - c. Four safety cards marked: FREE FOOD, FREE MEDICAL CARE, JOB SECURITY and FREE HOUSING
2. Pencil and paper to keep score

Procedure:

1. The game is designed for two or two pairs of players, and the object of the game is to accumulate \$1,000.
2. Prior to the game, the class should discuss the meaning of the terms on each of the "hazard" and "remedy" cards.
3. Cards are shuffled and dealt, one at a time, to each player until each player has six cards. The remaining cards are placed, face down, in a pile.
4. The first player (assume it is a girl) after drawing a card must make one of the following plays:
 - a. If she has a money card, she may start a money pile.
 - b. If she has a hazard card, she may place this face up in front of her opponents.
 - c. If she has a safety card, she may place this face up on her side of the table.
 - d. If she does not have any of the above cards (has only remedy cards), she must place one of her cards on the discard pile.
5. The second player draws a card from the "draw" pile

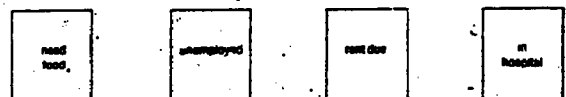
and has the same options as the first player, unless the first player played a hazard card. In this case, the appropriate remedy or safety card must be used to cover the hazard card before any money card can be placed on the money pile. Only one card at a time may be played by each player after he or she draws from the "draw" pile.

6. The third player (partner of first player) and the fourth player (partner of second player) have the same options as the second player.
7. If a hazard card is placed on the opposing team, the members of that team must play the corresponding "remedy" or "safety" card before they can play a "money" card on their "money" pile. Only one card at a time may be placed by each player after a card is drawn from the "draw" pile.
8. If a player, in turn, places a "safety card" in front of him or herself, the opponents can never again place the corresponding "hazard" card on that team. "Safety" cards may be played at any time during a player's turn. They are used to prevent an opponent from playing corresponding "hazard" cards on the team, unlike the "remedy" cards which can be played only after a corresponding "hazard" card has been placed on the opposing team.
9. The first team to accumulate exactly \$1,000 is the winner.
10. After the game has been completed, have the children identify and discuss hazards their team faced in the game. Have them identify the remedies or preventives that were available for dealing with these hazards. Why did the losing team find it more difficult to accumulate the \$1,000? The children might discuss various "hazards" and related remedies that exist for different families at different times. They also might discuss alternative ways that families might deal with these hazards as well as the difficulty of accumulating substantial sums, such as \$1,000, when confronted with such hazards.

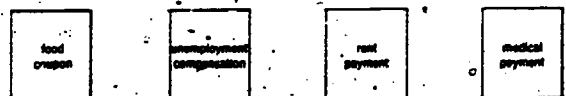
MONEY CARDS (10 of each)



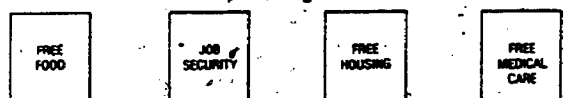
**HAZARD CARDS (3 of each)
printed in red**



**REMEDY CARDS (6 of each)
printed in blue**



**SAFETY CARDS (1 of each)
printed in green**



Economic Generalization 5-

Because households want more goods and services than can be produced with available resources, there is a need to find new and more efficient ways of using existing resources (specialization and division of labor).

Overview

Economic Generalization 3 dealt with the wants-resource gap, and developed the idea that resources are necessary for producing goods and services, that they are limited, and that they may be used in various ways. Since available resources fall far short of the amount needed to produce the many goods and services people want, scarce resources should be used in the most efficient manner. It is important to discover new resources and to find new, more efficient ways of using existing resources. One important resource is human labor, and we shall see how the application of the principle of specialization and division of labor to human labor results in the production of a greater quantity of goods and services.

Each person has different interests, abilities and knowledge. The division of labor takes advantage of the special qualifications of an individual. That is, a person works in an area or does a job which best suits his or her interests and abilities. One of the easiest ways to see how the division of labor works is to examine the average family household. Each member of a family usually has certain tasks which are performed for the benefit of the whole household. Father's job may be to paint the walls; mother's, to cook the meals; and sister's, to make the beds. If there were no division of labor, each member would—among other things—have to cook meals, make his or her own bed, and wash the dishes. It is easy to see, then, how dividing these jobs among the various members of the family affords a more efficient way of performing tasks within the home.

Businesses that produce goods and services also specialize and make even more use of division of labor. They usually produce a specific good or a limited number of goods and leave the production of other goods and services to other businesses. This in itself is specialization. In addition, they divide the different tasks performed in the production of these few goods among various workers. That is, instead of each person producing a complete product, each person works on one specific part of a product. For instance, in a shoe factory one person may be responsible for putting heels on shoes; one for cutting the leather, and another for sewing the parts together. Rather than each person in the factory making a whole pair of shoes, each person performs a part of the job. As a result, more shoes are produced.

Why? One person may be efficient and fast at one part of the job and another at a different part. By having each person perform the task at which s(he) is fastest and best, more and higher quality shoes may be produced than if each person had to perform every task involved. In addition, when the tasks involved in the production of a good are divided among several workers, these workers become faster and more efficient by continually performing that specific task. An automobile factory is a more obvious example. Here there are engines to be made and assembled, seats to be upholstered, and cars to be painted, as well as many other jobs. It is not likely that one person would be extremely efficient at all of

these tasks, but by dividing the tasks among many people, cars can be produced more efficiently.

What do we gain, as a society, from the division of labor and specialization? First of all, through specialization and the division of labor we are able to produce more goods of higher quality. This results from the most efficient use of human labor. Each person performs a task he or she is trained for and is able to do both quickly and efficiently. Instead of a good produced entirely by one person, we have a good which is produced by several persons—each doing a specific part of the production, with each person more proficient than the others at the specific task he or she performs. These various people working together can produce more goods, better goods, and produce them faster than if each person produced the entire good.

What do we gain, as individual workers, from the division of labor and specialization? When work tasks are subdivided and workers specialize, an increase in output of goods and services results and workers generally benefit through higher wages and salaries. In turn, higher wages and salaries mean that households have higher incomes which permit them to purchase more goods and services in the marketplace, thereby enabling them to satisfy more of their wants.

While specialized workers and members of their households are able to enjoy higher standards of living, there are also disadvantages associated with specialization and division of labor. Individuals functioning in a highly specialized society are extremely dependent on the activities of other persons. Each specialized worker and his or her family depend on workers in other businesses to produce those goods and services which they do not produce, but which they must have to maintain their own households. They also depend on other households to buy the specific goods and services they produce and whose production provides them with employment and income.

Workers in a highly specialized society also may experience a good deal of insecurity since new products and new methods of producing goods and services are constantly being developed. These new methods of production may require that workers acquire new skills and abilities, and generally require higher levels of education and training on the part of many workers entering the labor market.

Economic Subtopics

1. Productive tasks can be subdivided, enabling workers to specialize.
2. When workers specialize, their productivity and income generally increase.
3. Specialization leads to greater interdependence among members of society.

Subtopic 1

Productive tasks can be subdivided, enabling workers to specialize.

1. Overview

The activities associated with this subtopic introduce students to the ideas that (1) the production of most goods can be broken down into a number of specific tasks, and (2) each of these tasks can be assigned to specific persons, who then become specialists.

The list of tasks performed by various members of a family indicate how the job of running a household might be subdivided. The list of jobs also indicates the amount of specialization that may occur within a household. For example, father might mow the lawn, paint the fence, trim the hedge, and tend the vegetable garden. Mother might vacuum the floor, buy the groceries, and make the meals. The children might set and clear the table, wash the dishes, clean their bedrooms, and carry out the garbage.

2. List of Activities

| Item | Title | Recommended Designated Level | | |
|------|---|------------------------------|---|---|
| | | 1 | 2 | 3 |
| 1 | Dividing the Labor | X | | |
| 2 | Making Shoes with Division of Labor | | X | |
| 3 | Making Jack-O-Lanterns with Division of Labor | | | X |

Title: Dividing the Labor

Recommended Level: 1

Generalization 5: Because households want more goods and services than can be produced with available resources, there is a need to find new and more efficient ways of using existing resources.

Subtopic 1: Productive tasks can be subdivided, enabling workers to specialize.

Rationale for Activity: The purpose of this activity is to demonstrate that the production of most goods can be broken down into a number of specific tasks (division of labor), with each of these tasks assigned to specific workers (specialization):

Objective:

- The children will demonstrate their understanding of division of labor by naming two or more specialized tasks performed by workers at Table B.

Materials:

- Two medium-sized work tables.
- Ten medium-sized boxes of crayons (completely filled).

Procedure:

- Select 20 (or less) volunteers to participate in a simulation, half at one table and half at another. Make sure that the number of children and crayons per box match (e.g., have eight different crayons in a box if there are eight children, or if there are 24 crayons in a box, assign each student three colors). If possible, each should have one medium-sized box of crayons.
- Have the student dump their crayons on the table. Provide instructions to students at Tables A and B. Once they are clear, have each group commence the task at the same time. Ask each student at Table A to pick up one of each color and replace it in the box. At Table B set up an assembly line where each student is assigned one or more colors to replace in the box. All boxes start with the first person in the line. After she/he places the crayon(s) in the box, that box is passed to the next person in the line. Each box is then passed from student to student until it is completely filled.
- Ask the following questions:
 - How many workers were at Table A?
 - How many workers were at Table B?
 - What was their task or goal at each table? Which group finished the task first? Why?
 - What did each worker do at Table A?
 - How did workers at Table B divide the labor? What other ways might labor have been divided? (Have children provide names for specialists doing different tasks.)
 - Is division of labor used in your house? How?
 - Which special tasks do you (or other members of your family) do in the house?
 - Which special tasks are undertaken in the classroom or in the school building? Which specialized worker performs these tasks?

Optional:

- Have the students draw a picture of a product they think is produced with division of labor. Color it.

Title: Making Shoes with Division of Labor

Recommended Level: 2

Generalization 5: Because households want more goods and services than can be produced with available resources, there is a need to find new and more efficient ways of using existing resources.

Subtopic 1: Productive tasks can be subdivided, enabling workers to specialize.

Rationale for Activity: The purpose of this activity is to demonstrate that the production of most goods can be broken down into a number of specific tasks, with each of these tasks assigned to specific workers.

Objective:

1. The children will be able to describe the various tasks that can be assigned in the production of a shoe.

Materials:

1. Plain sheets of paper, scissors, crayons and glue.

Procedure:

1. Ask the students to take off one of their shoes. Pick out one shoe. Have the students pretend that they are shoemakers and are going to make as many exact copies of this shoe as possible. Draw on the board a colored picture of the shoe. Show how the shoe can be constructed by cutting separate pieces of colored paper and gluing them together (for example: heel—black, sole—brown, main portion—white).
2. Divide the class into two or more groups. Give ample colored paper to each group of students (about 5-10 in each group). Have them discuss and list the different parts of a shoe. Have them decide the task that each pupil will do in producing the shoe (e.g., heel cutter, sole cutter, guer, etc.). Have a contest to determine which group can produce the most shoes in a given time period—perhaps 20 minutes.
3. Follow-up questions:
 - What were the various parts of the shoe?
 - What were the various tasks assigned to workers in your group?
 - How many shoes did each group produce?
 - Can you think of other examples where labor is divided in the production of goods and services (home and/or school)?

Optional:

1. If desired, divide the class into two equal groups. Let one-half do the above activity. In the other half of the group, have each child produce the entire shoe.

Title: Making Jack-O-Lanterns with Division of Labor

Recommended Level: 3

Generalization 5: Because households want more goods and services than can be produced with available resources, there is a need to find new and more efficient ways of using existing resources.

Subtopic 1: Productive tasks can be subdivided, enabling workers to specialize.

Rationale for Activity: Students should understand that the production of most goods can be divided into a number of

tasks, with each of these tasks assigned to specific workers.

Objective:

1. The students will demonstrate their understanding of division of labor by observing, participating and identifying the various tasks performed in the assembly line operation for making paper jack-o-lanterns. (If teachers desire, they might substitute flowers, snowmen or clowns for jack-o-lanterns.)

Materials:

1. Orange paper, scissors and crayons.

Procedure:

1. Ask the students if they would like to construct a paper jack-o-lantern to represent their class for Halloween and make a copy for everyone to take home. Explain that they will have to decide as a class exactly how they want the paper jack-o-lantern to look. Have groups of students (5-10) get together to brainstorm about what this paper jack-o-lantern should look like.
2. Once the class model has been agreed on, draw a large picture of the jack-o-lantern on the board and have the students decide what the various parts are of the jack-o-lantern. Have each group decide on the part which will be done by each member of their group. Their goal is to make enough copies of the same exact jack-o-lantern for all members of the class. Each group is to set up one or more assembly line operations whereby each student has a specific task in making the jack-o-lantern. (The jack-o-lantern should have a name—have the students decide on the name and who should print the names on each jack-o-lantern. He or she should be at the end of the assembly line.)
3. A person from each group should describe the different parts of their jack-o-lantern. What task did each worker perform?
4. After each group has reported, have the class discuss which productive tasks are divided in their home. They might also discuss how productive tasks are divided in the classroom; in your school building.

Optional:

1. Have the students make up a story about their jack-o-lantern.

Subtopic 2

When workers specialize, their productivity and income generally increase.

1. Overview

The activities associated with this subtopic illustrate to students how division of labor and specialization generally

result in increased output of goods and services and in increases in workers' incomes.

There are two important reasons why division of labor and specialization results in increased output of workers: (1) Workers differ in their interests, abilities and knowledge. Division of labor enables us to assign workers to tasks which are most compatible with their particular attributes. (2) The subdividing of complex production processes into a number of tasks results in tasks which are easier to learn and simpler to perform. Division of labor also saves time lost in going from job to job and enables workers who specialize in one or in a very few tasks to develop and refine their work skills.

Generally, there is a direct relationship between workers' productivity and their incomes. Division of labor and specialization enable workers to become more proficient, resulting in increases in their output of goods and services. This increase in workers' output generally results in increases in their wage and salary payments.

2. List of Activities

| Item | Title | Recommended Designated Level | | |
|------|--|------------------------------|---|---|
| | | 1 | 2 | 3 |
| 1 | The Rewards of Higher Productivity | X | | |
| 2 | More Time for Play | | X | |
| 3 | Distributing Treats at a Halloween Party | | | X |

Title: The Rewards of Higher Productivity

Recommended Level: 1

Generalization 5: Because households want more goods and services than can be produced with available resources, there is a need to find new and more efficient ways of using existing resources.

Subtopic 2: When workers specialize, their productivity and income generally increase.

Rationale for Activity: This activity is designed to strengthen students' conceptual understanding of the relationship between specialization and productivity (increased production of goods and services).

Objectives:

1. Children will be able to name three ways in which a group of students can divide the labor in repackaging crayons.
2. Children will be able to name two ways which helped them to package crayons more rapidly.

Procedure:

1. Divide the class into 4 or 5 teams and repeat the activity

"Using Crayons to Show Division of Labor" (see Activity 1, Subtopic 1, Economic Generalization 5) as a contest. Have several rounds of play with prizes awarded to the teams finishing first and second in each round. Allow time between rounds for each team to discuss how it might better organize or cooperate to have a better chance of winning in the next round.

2. After several rounds have been completed, ask the winning teams and the losing teams to describe how they packaged the crayons. Have the class try to determine why some groups won and other groups lost. Try to bring out the better organization, closer cooperation, and harder work of the winning teams.
3. After the game is finished, have each child identify and describe one or more of the jobs he or she has to do at home to help the family. Select certain jobs and have the child list ways in which each job might be done better through more careful planning, harder work, etc. Ask the children to try out some of the ideas listed and discussed, and then report back to the class the ways in which increased productivity at home was rewarded (perhaps better family relations, more time for play, higher allowances, etc.).

Title: More Time for Play

Recommended Level: 2

Generalization 5: Because households want more goods and services than can be produced with available resources, there is a need to find new and more efficient ways of using existing resources.

Subtopic 2: When workers specialize, their productivity and income generally increase.

Rationale for Activity: This is a simulation activity designed to strengthen students' conceptual understanding of the relationship between specialization and production.

Objectives:

1. Children will be able to list three specific tasks which are part of "cleaning up and putting away art supplies."
2. Children will be able to provide two reasons why "clean-up time" on the last day involved less time than on the first day.
3. They will be able to state two reasons why some groups finished "cleaning up" more rapidly than other groups.

Materials:

1. Clearly visible clock.
2. Wall charts labelled as follows:

| Day | Time We Took to Clean up | Time We Had for Play |
|-----------------|--------------------------|----------------------|
| Monday - date - | | |
| Tuesday | | |
| Wednesday | | |
| Thursday | | |
| Friday | | |

Procedure:

1. Arrange to have an art period just prior to a set time play-period for an entire week (art projects should be planned so that there is a goodly amount of clean up involved each day). Divide the class into two or three groups. Explain that following the art period each group will be responsible for cleaning up and putting away its own art supplies. Members of the group may not begin their play period until their clean-up responsibilities have been completed. Point out that the quicker they finish cleaning up, the more time they will have for play.
2. When the art period is over each day, have one student from each group keep track of the actual time in minutes it takes his/her group to complete the clean-up task and then record the time in the appropriate column of the group's wall chart. Another student in each group should then note and record the number of minutes his/her group has for play following clean-up. The teacher should approve the clean-up work done and check the wall chart notations for accuracy.
3. On the second day, meet with each group separately prior to the clean-up period and discuss with it how it might reduce the time it takes for clean-up. Bring out the advantages of specialization and division of labor and the fact that the group is dependent on each member to accomplish special tasks quickly and correctly.
4. On the last day of the week, discuss with the whole class the results on the wall charts. Ask why the time taken to clean up was less each succeeding day of the week and why the time available for play was greater. Some groups will probably prove to be more efficient than others, having spent less time cleaning up. See if the class can identify some of the possible reasons why (better division of tasks, harder work, better organization, "practice makes perfect," etc.). Emphasize the benefits of increased productivity (getting the task accomplished in a shorter time period) in terms of having more time for play. It is possible that some groups will not become more efficient during the week as measured by the time taken to clean up. Have children discuss why this was so. Perhaps one or more members of the group were absent, lack of leadership and cooperation in the group, etc.
5. Have the children discuss how they might be more productive at home. Have the children explain how being more productive might benefit them.

Title: Distributing Treats at a Halloween Party

Recommended Level: 3

Generalization 5: Because households want more goods and services than can be produced with available resources, there is a need to find new and more efficient ways of using existing resources.

Subtopic 2: When workers specialize, their productivity and income generally increase.

Rationale for Activity: This activity is designed to strengthen students' conceptual understanding of the relationship between specialization and productivity (increased production of goods and services).

Objectives:

1. Children will be able to name two or more separate tasks involved in the production of a jack-o-lantern.
2. Children will identify the group which divides the labor and uses specialized workers as the group which produced the greatest number of jack-o-lanterns.
3. Children will identify the group which "divided the labor" as the group which received the biggest "bag of treats."

Materials:

1. Construction paper, paint, crayons, scissors, and poker chips.
2. Halloween treats divided into small paper bags.

Procedure:

1. Explain to the children that they will be working to make decorations for a class Halloween Party (see optional activity) and that treats will be distributed on the basis of how many jack-o-lanterns are produced. Prepare an example of a jack-o-lantern for children to copy. Assign four points for each completed jack-o-lantern. If only part of a jack-o-lantern is completed, distribute points accordingly, e.g., 2 points for half completed jack-o-lantern.
2. Tell the class that the points they earn producing the decorations can be traded for bags of treats, with each bag worth 12 points.
3. Divide the class into groups A and B. Each member in Group A will work as an individual in producing jack-o-lanterns. Group B will divide up the tasks and assign workers to specific tasks. The teacher will discuss with members of each group how they will proceed. After the procedure is clear, the teacher will note the time (___ minutes) to be allotted for the production of jack-o-lanterns. Production by each group will begin and end at the designated time.
4. When the production period is ended, have children present the finished products for inspection. When the decorations are approved and hung up, award the appropriate

points using poker chips as money (or make special money for the exercise). Chips can be traded when the party starts.

5. After the party discuss with the class:
 - a. The number of jack-o-lanterns produced by Group A and Group B.
 - b. Have members from each group explain how their jack-o-lantern was produced.
 - c. What difference was there in the total number of jack-o-lanterns produced by Group A and Group B? How can the difference be accounted for?
 - d. What group received more treats? Why?

Optional:

1. Produce "shoes" instead of "jack-o-lanterns."

Subtopic 3

Specialization leads to greater interdependence among members of society.

1. Overview

Subdividing tasks and related specialization does result in increased output of goods and services. But specialization and division of labor also result in increased interdependence among people. If each of us produced all of the goods and services we consumed, we would not be dependent on other persons in society; but unfortunately our output would be small and our standard of living low.

In a highly specialized society such as ours, each of us must rely on other persons to provide those goods and services we ourselves do not produce. We depend on farmers, grain elevators, truck drivers, supermarkets, etc., for food; utility companies for light and heat; petroleum refineries and filling stations for gasoline to operate our automobiles; police officers and fire fighters for protection; and so on. Within a firm or a plant, we depend on the coordinated efforts of many different kinds of specialized workers, each of whom must carry out assignments in a responsible manner if we are to be ensured of a steady flow of high-quality goods for our consumption.

Because of the high degree of interdependence in our society, each of us must be aware of how our personal decisions and behavior can affect other people and how their decisions can in turn affect our well-being.

2. List of Activities

| Item | Title | Recommended Designated Level | | |
|------|---|------------------------------|---|---|
| | | 1 | 2 | 3 |
| 1 | Crumble or Stand Strong: How We Depend on Each Other | X | | |
| 2 | Division of Labor and Interdependence in a Supermarket—Field Trip | | X | |
| 3 | Division of Labor and Interdependence at School | | | X |

Title: Crumble or Stand Strong: How We Depend on Each Other

Recommended Level: 1

Generalization 5: Because households want more goods and services than can be produced with available resources, there is a need to find new and more efficient ways of using existing resources.

Subtopic 3: Specialization leads to greater interdependence among members of society.

Rationale for Activity: This simulation game is designed to illustrate to students that when a person specializes in the production of only one good or service, that person is highly dependent on other people to provide him/her with the many other goods and services needed.

Objectives:

1. Each student will identify two different specialists and the good or service they produce.
2. The class will identify two specialists and several goods or services they do not produce but must provide for their family.
3. The class will make general statements about the problems that would arise if such specialists as teachers, firefighters, letter carriers, etc., stopped providing their services.

Materials:

1. Quantity of building blocks—one for each child (these should have one side roughly the size of an 8½ × 11 sheet of paper; they might be constructed from cardboard stock and tape).
2. Pencils, crayons and paper.
3. Worksheet for each child as attached.

Procedure:

1. Ask the children to explain what might happen if the

school janitor was unable to come to work for a week and there was no one to replace him (school building would become very dirty and unsanitary).

2. Have the children draw pictures of their fathers or mothers at work. Each child might also be instructed to write a sentence or two about father or mother's job.
3. As the children finish, tape the pictures to individual building blocks and stack the blocks to form a wall. When everyone is finished, discuss the various occupations represented, with emphasis on others who depend on the people in each job. Ask what the consequences might be if we could not depend on these people to do a good job. Illustrate by removing key blocks so the wall will tumble down.
4. Conclude the exercise with the attached worksheet.

WORKSHEET

We Depend on Many People

Name: _____

1. People we depend on for food are

2. Some people we depend on to help to keep us healthy are

3. Some people who help us to learn things are

4. Some people who help to protect us are

| | | | |
|-----------|-------------|----------------|---------|
| Farmer | Doctor | Teacher | Grocer |
| Principal | Firefighter | Police officer | Dentist |

Title: Division of Labor and Interdependence in a Supermarket—Field Trip

Recommended Level: 2

- *Generalization 5:* Because households want more goods and services than can be produced with available resources, there is a need to find new and more efficient ways of using existing resources.

Subtopic 3: Specialization leads to greater interdependence among members of society.

Rationale for Activity: The field trip will demonstrate the variety and number of tasks that are performed in a supermarket, as well as the persons who specialize in certain

tasks. The visit should enable students to draw conclusions that each worker performs special tasks and that all of these tasks must be performed if customers are to be provided with goods and services.

Objectives:

1. Each student will be able to name at least three separate tasks that are performed in a supermarket.
2. Each student will be able to provide a name for a specialist performing a function.
3. The class will be able to make several general statements on what might happen if the following persons did not do their work properly (stock boy, meat cutter, cashier, carryout person).

Materials:

1. Assistance of a local supermarket manager who has agreed to guide a tour of the store.
2. Large sheets of paper and art supplies for making a mural.

Procedure:

1. Prepare for the field trip in advance by discussing your instructional objectives with the store manager. Ask him (or her) to emphasize the different specialized jobs and how each is important in providing the best possible customer service. Instruct groups of the children to keep a record of the different jobs and the people who do these jobs at the supermarket.
2. After the trip, discuss the various jobs and the specialists who do them and keep the supermarket operating smoothly. What are the reactions of customers likely to be when supermarket employees make serious mistakes at the checkout counter, don't weigh foods carefully, don't keep shelves stocked, or don't show up for work? The discussion might be expanded to include questions about where certain kinds of the food at the supermarket come from, and how many people we depend on to get our food from the farm to the supermarket shelves. If possible, have class view a film on food production.

Optional:

1. Divide the children into working groups and have them make a mural of the many job activities at the supermarket. Have some draw, some paint, and others write short descriptions of each of the job activities and the names of the specialists performing the tasks. Point out to the children that each one must do a good job in order to produce a good mural—each is a specialist and they all depend on one another!

Title: Division of Labor and Interdependence at School

Recommended Level: 3

Generalization 5: Because households want more goods and services than can be produced with available resources, there

is a need to find new and more efficient ways of using existing resources.

Subtopic 3: Specialization leads to greater interdependence among members of society.

Rationale for Activity: This activity is designed to generate a list of jobs or tasks that are performed in a school building, including titles of specialists who perform these tasks. This list will help to dramatize the ideas of specialization and division of labor. The activity will help children to appreciate that the many people performing the various tasks must each do their job if the school is to operate smoothly.

Objectives:

1. Each student will be able to name three specialists in the school building and provide a general description of the type of work that person does.
2. Students will be able to make general statements about the results which could be expected if certain of the specialists did not come to work; or if they come, did a poor job (janitor, librarian, school-crossing person, teacher, principal).

Materials:

1. Heavy construction paper for a booklet cover.
2. Writing and drawing paper that can be bound into the booklet.
3. Various art supplies for drawing and lettering.

Procedure:

1. Divide the children into groups and have them make up a list of the various specialists who work at the school. Following the discussion, take the class on a tour of the school to visit the specialists that have been identified. Each specialist should provide a brief description of the tasks he/she performs. The tour should be designed to make clear that a variety of specialized people must work together to make the school a success. The teacher should compare division of labor in the modern school with the

one-room school of the past.

2. Prepare in advance for the tour by contacting persons to be visited (the principal, school secretary, janitor, a school bus driver, the school nurse, food service director, a fourth grade teacher, and one or two specialized teachers, e.g. music, librarian, etc.) and explain your instructional objectives. Ask each person whom the class will be visiting to prepare a brief explanation of his or her job, with special emphasis on how he/she depends on other workers at the school for help in doing the job and how others depend on that person.
3. After the visits, have the children review the highlights of the tour. Have them discuss the advantages of specialization and division of labor in operating the school. Stress the idea that everyone the class visited with is a specialist. The children should be asked to discuss what problems may arise when one of the specialists is unable to fulfill his/her role.
4. Have the class put together a "scrapbook" describing specialization, division of labor, and interdependence at the school. Divide the children into a number of groups, each with a *special* task in putting together the scrapbook. Some of the groups might be doing:
 - art work (painting, drawing, or paste-ups of the specialists in the school at work)
 - lettering
 - writing (short descriptions of the jobs of the various specialists)
 - editing
 - assembly
5. Help the children to determine which task force they would be best suited for through self-identification of their interests and special abilities. Point out that by dividing up the tasks with everyone adopting a specialty, the scrapbook will be done better and more quickly than if everyone did a separate scrapbook. Help them to come to the realization that everyone is important and must be dependable (get his or her job done quickly and well) if the scrapbook is to be completed.

Economic Generalization 6

Because specialization and division of labor result in increased output and in increases in the amount of goods and services exchanged, there is a need for a money system.

Overview

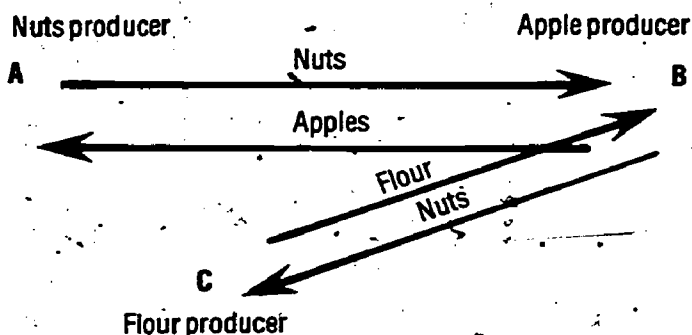
Specialization and the division of labor in the production of goods and services lead to an exchange of goods and services. Exchange is necessary because one person may not want to consume all or anything of what he/she produces. With specialization and division of labor a worker is employed where he or she is most productive. For example, a farmer does not consume all the farm's products, but exchanges them for goods and services produced by other specialists.

Goods and services can be exchanged directly by barter. In a barter system one person exchanges his/her product for another person's product on mutually acceptable terms. Hence, a pound of nuts may be exchanged for a dozen apples, a haircut for a one-hour lecture in economics, four pounds of flour for a shovel, etc.

The use of money is a more efficient way of exchanging goods and services than barter. Money is anything that is generally acceptable in exchange for goods, services and resources. One person will accept an item in exchange for what s(he) sells if s(he) knows that others will accept that item in exchange for goods and services.

The use of money is more efficient than barter because it performs the following functions: money serves as a (1) medium of exchange, (2) unit of account, and (3) store of value. As a medium of exchange, money eliminates the problem of finding a mutual coincidence of wants among consumers. The person producing the good Jones wants may not want what Jones has to exchange. For example, the person who produces nuts may want apples, but the person who produces apples may not want nuts. The person selling apples may want flour, and if the person who has flour does not want apples but wants nuts, exchange can take place. Nuts can be exchanged for apples, and nuts can be exchanged for flour. These exchanges can be illustrated in the following chart.

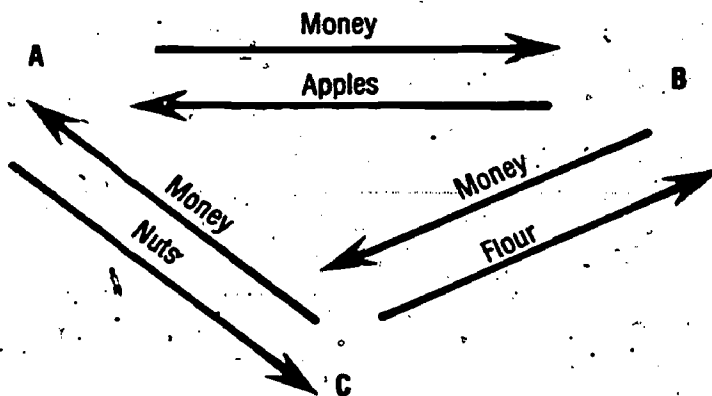
Diagram 1



In an economy of many goods and services, for several reasons exchange by barter would be very complex and more inefficient than a system that uses money. Finding people

who want what one has to exchange can be very time consuming, using time (labor resources) that could be used doing something else. With money, Diagram 1 could be modified as follows:

Diagram 2



With money, multiple exchanges do not have to occur. Instead, all exchanges are direct, money for goods and services. And, one person (A) does not have to search out someone (B) who has what he wants to buy, and who wants what A has to sell. If B does not want what A has to sell, B can exchange his goods for money from A, and then B can purchase in the market the things he wants. Hence, the use of money is more efficient than barter—it conserves resources and makes potential total output greater—by serving as a *medium of exchange*.

Money also serves as a unit of account: That is, the rate at which goods and services can be exchanged can be expressed in money prices, or how much money is paid for each item. In a barter system there may be thousands of exchange ratios among commodities. In the example above the exchange ratios may be as follows:

| | |
|----------------|------------------|
| 1 lb. of nuts | = 10 apples |
| 2 lb. of flour | = 10 apples |
| 1 lb. of nuts | = 2 lb. of flour |

Instead of memorizing these ratios, the value of goods and services can be stated simply in money terms. If money were expressed in dollars, and the price of 1 lb. of nuts equals \$1.00, then at the exchange ratios above the price of apples would be 10¢ each and the price of flour 50¢ per pound. Using money one knows the value of items without comparing ratios of exchange; with a dollar one can buy 1 lb. of nuts, 2 lbs. of flour or 10 apples.

Money has one more advantage over barter, namely that it can be stored or saved for future use. In a barter system, goods would have to be stored for future consumption, but this alternative is much more cumbersome (inefficient) than storing money. It is difficult to imagine, for example, saving many items for consumption in retirement, such as food, clothing, entertainment, and transportation, to mention a few. However, one can store money and easily purchase these goods and services in the future. The disadvantage of

money for this purpose is that its purchasing power may decline if prices generally rise (you can buy less over time with a dollar).

In the past many items such as gold, silver, salt, tobacco and shells have been used as money. In the United States today legal currency in circulation (coins and paper money) and checking accounts function as money. Each serves as money because each is generally acceptable in exchange for goods and services.

Economic Subtopics

1. When individuals engage in highly specialized production, they must be able to exchange goods and services.
2. In economies characterized by a high degree of specialization, individuals use money as a medium of exchange.
3. The use of money by individuals is a more efficient way of exchanging goods and services than exchange by barter.

Subtopic 1

When individuals engage in highly specialized production, they must be able to exchange goods and services.

1. Overview

The activities associated with this subtopic are designed to introduce children to the ideas that (1) most workers in the United States are highly specialized (engaged in the production of one or only a very limited number of goods and services); (2) specialists produce goods that other people want and that a given specialist depends on other specialists to produce the goods he or she wants; (3) some arrangement must be devised for enabling specialists to exchange the goods and services they produce for the goods and services they want.

2. List of Activities

| Item | Title | Recommended Designated Level | | |
|------|--------------------------|------------------------------|---|---|
| | | 1 | 2 | 3 |
| 1 | Matching | X | | |
| 2 | Silly Trades | X | | |
| 3 | Occupation Concentration | | X | |
| 4 | Rummy | | | X |

Title: Matching (Specialization)

Recommended Level: 1

Generalization 6: Because specialization and division of labor result in increased output and in increases in the amount of goods and services exchanged, there is a need for a money system.

Subtopic 1: When individuals are engaged in highly specialized production, they must be able to exchange goods and services.

Rationale for Activity: This activity is designed to introduce children to the idea that most workers in the United States are highly specialized in the goods and services they provide.

Objectives:

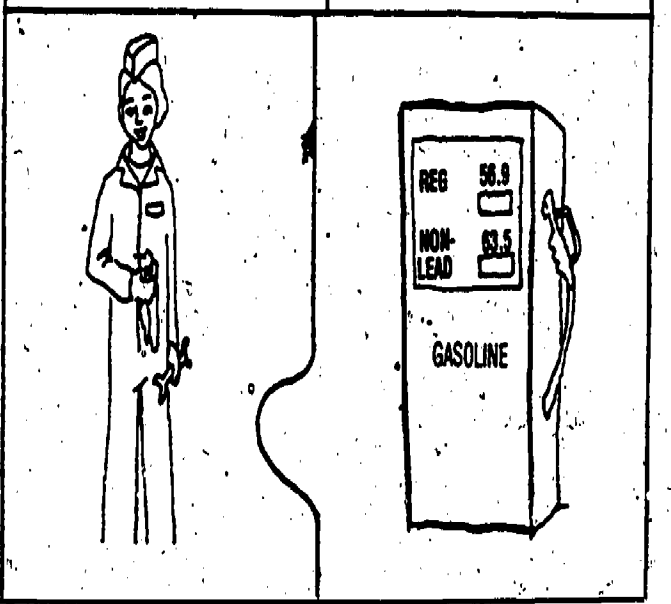
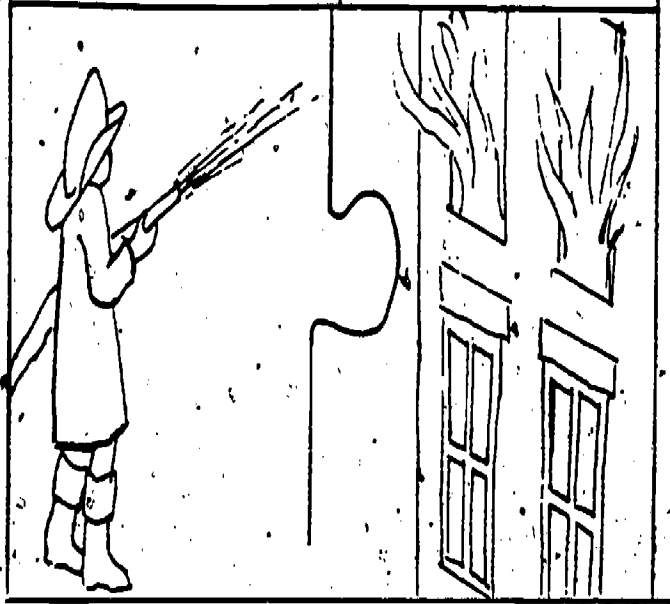
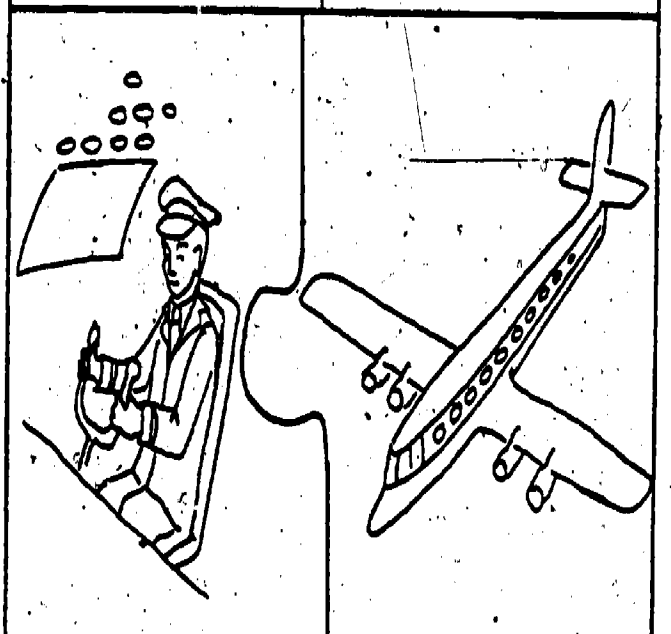
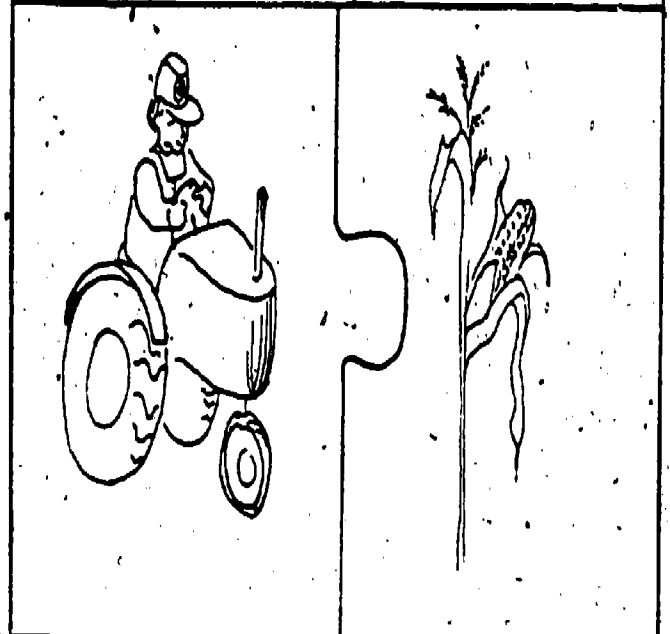
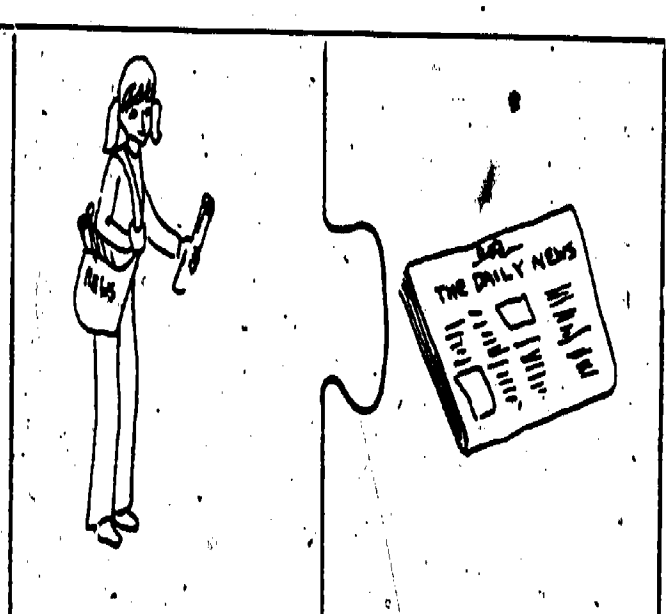
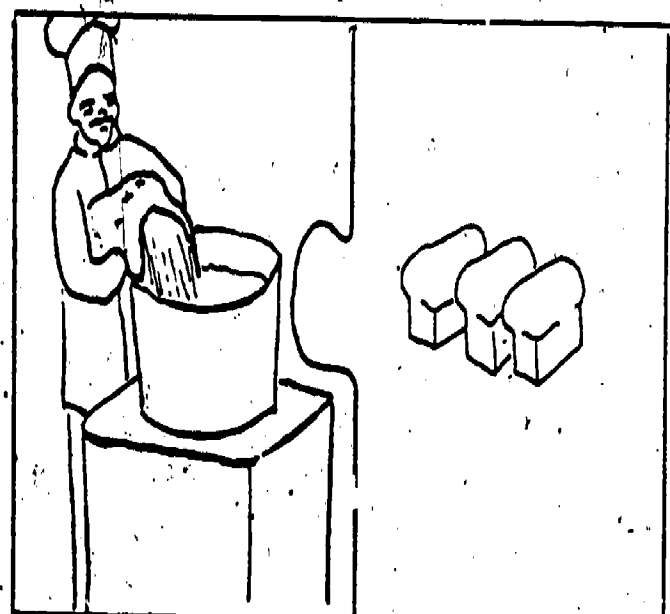
1. The student will be able to identify a good or service.
2. The student will match the occupation to the good or service it provides by completing a puzzle.
3. The class will identify two ways that specialists may obtain goods and services which they want but which they do not produce.

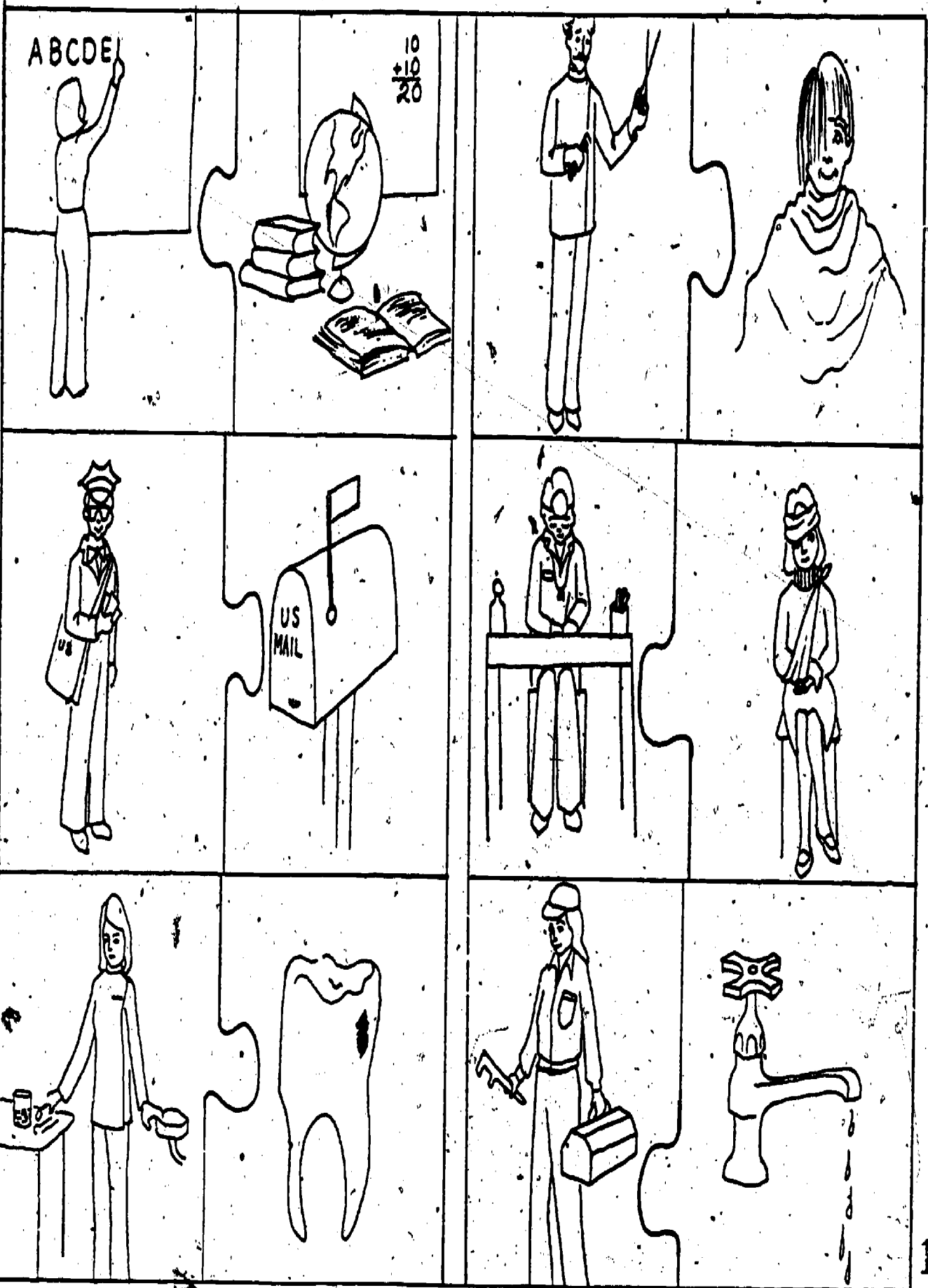
Materials:

1. Set of colored (yellow) pictured puzzle occupation cards. (See pages 105-106.)
2. Set of colored (orange) pictured puzzle goods or service cards that match occupation cards.

Procedure:

1. Conduct a discussion about different occupations and list a good or service each provides. (Example: Baker—Makes bread.)
2. The student is given the sets of puzzle cards and mixes them up.
3. The child must fit a yellow occupation puzzle piece with an orange goods or service puzzle piece.
4. If the match is correct, the pieces will fit. Make sure pieces are very similar. (Another adaptation would be to give each child a worksheet with occupation headings and the child could draw a picture of the good or service each provides.)
5. Have children discuss the different goods that each of the selected specialists produces (teacher, firefighter, etc.). Have them identify other goods and services these specialists also want. Have children explain how these specialists generally obtain these goods.





Title: Silly Trades (Specialization)

Recommended Level: 1

Generalization 6: Because specialization and division of labor result in increased output and in increases in the amount of goods and services exchanged, there is a need for a money

Subtopic 1: When individuals are engaged in highly specialized production, they must be able to exchange goods and services.

Rationale for Activity: This activity is designed to review the idea that most workers specialize, producing only one or a few types of goods and services. The activity also dramatizes the difficulty that would be involved if we didn't have money as a medium of exchange.

Objectives:

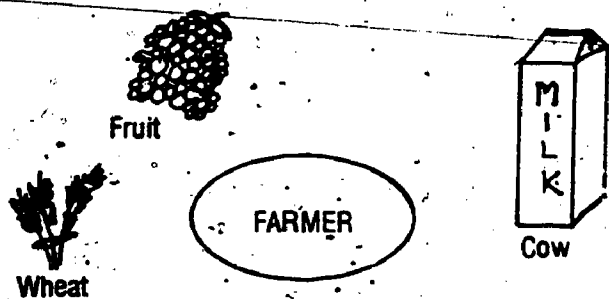
1. The students will be able to name specific goods and services provided by different specialists (i.e., baker, barber, dress maker, etc.).
2. The students will draw pictures to illustrate the problems we would have if we had to trade directly with the person who produces the goods or services we want.

Materials:

1. Chalk board, overhead, or some other device to list student responses.
2. Drawing paper (large butcher paper, newsprint, etc.).

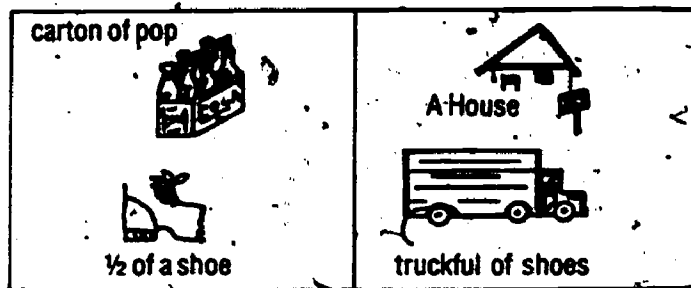
Procedure:

1. Ask the students to name different items produced by a specialist (i.e., carpenter, farmer, baker, artist, etc.). List or quickly sketch the items as they are listed.



2. Do this (step 1) for several specialists. Then have the students list goods these specialists might want (a house, a car, a pack of gum, etc.).
3. Ask the students to draw two pictures: For example, one to show the problem a shoemaker specialist would have trading for an inexpensive item (carton of pop) and one showing the problem the shoemaker specialist would have trading for an expensive item (a house). Show and discuss pictures provided below.
4. After the students have drawn their pictures, share some of the pictures. Try to have the students generalize that using money as a medium of exchange for goods and services is easier than barter.

THE SHOEMAKER WANTS



Title: Occupation Concentration

Recommended Level: 2

Generalization 6: Because specialization and division of labor result in increased output and in increases in the amount of goods and services exchanged, there is a need for a money system.

Subtopic 1: When individuals are engaged in highly specialized production, they must be able to exchange goods and services.

Rationale for Activity: This activity is designed to make the child aware of the goods or services that different occupations provide, and gives the opportunity to develop visual retention skills.

Objectives:

1. The student will be able to match a particular occupation card with the good or service that the occupation provides.
2. The student will be able to identify two ways in which specialists are able to obtain goods and services.

Materials: (construction paper)

1. One set of occupation cards and accompanying pictures. (See sample.)
2. One set of situation cards that describe a good or service.

Procedure:

1. Discuss occupation and situation cards with children so they can make proper matches when playing the game.
2. Shuffle each set of cards and lay all cards face down in separate piles for each deck. Place cards from each deck in five rows, three deep. Select three to five players to play the game.
3. One student turns over one card and tries to match the card (Example: "Barber" and "I need a haircut.").
4. If the child successfully makes a match, s/he keeps the matched cards. The successful player should indicate two ways that people can obtain the good or services (e.g., baker—buy bakery goods or barter for them; police services paid for with taxes). After the explanation, the player continues his or her turn until an unsuccessful match is made. When an unsuccessful match is made, the

cards are returned to their original positions and it is then another player's turn.

5. The player with the most matches at the end of the game wins.
6. Conduct a discussion about the different goods that

selected specialists produce and the other goods that they also would want. Have children explain how specialists might obtain the goods they want but which they do not produce.

OCCUPATION CARDS (Producers)

| | | | | |
|-----------------------|--------------|---------|-----------------|-------------------|
| BARBER | DENTIST | TEACHER | DOCTOR | FIREFIGHTER |
| GAS-STATION ATTENDANT | PILOT | BAKER | T.V. REPAIR MAN | PAPER GIRL OR BOY |
| POLICE OFFICER | MAIL CARRIER | PLUMBER | MILK SUPPLIER | FARMER |

GOODS-SERVICES CARDS (Consumers)

| | | | | |
|----------------------------|-----------------------------------|--------------------------|-------------------------------|----------------------------|
| I NEED A HAIRCUT. | MY TOOTH HURTS. | I WANT TO LEARN TO READ. | I HAVE A STOMACH ACHE. | MY HOUSE IS ON FIRE. |
| MY CAR IS OUT OF GAS. | I NEED TO TAKE A TRIP. | I MUST BUY SOME BREAD. | I NEED TO HAVE MY T.V. FIXED. | I HAVE TO BUY A NEWSPAPER. |
| I NEED A PUMP FOR MY BIKE. | I HAVE TO SEND A CARD TO GRANDMA. | THE FAUCET IS DRIPPING. | I WANT A GLASS OF MILK. | I NEED OATS FOR MY HORSE. |

FARMER



BARBER



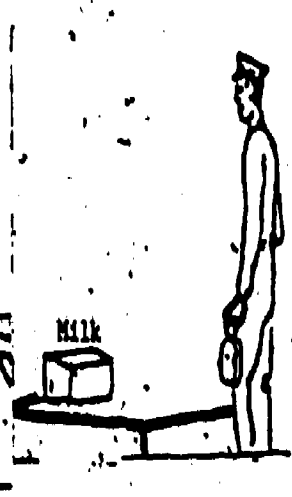
PAPER GIRL



DENTIST



MILK SUPPLIER



GAS-STATION ATTENDANT



BAKER



MAIL CARRIER



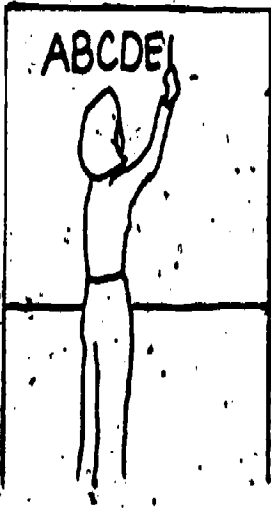
DOCTOR



POLICE OFFICER



TEACHER



FIREFIGHTER



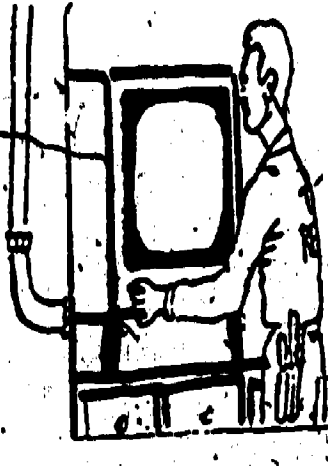
PILOT



PLUMBER



T.V. REPAIR MAN



109

From Master Curriculum Guide, Part II, Primary Level, JCBE, 1971.

Title: Rummy

Recommended Level: 3

Generalization 6: Because specialization and division of labor result in increased output and in increases in the amount of goods and services exchanged, there is a need for a money system.

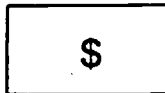
Rationale for Activity: This activity is designed to discriminate between specific occupations and the particular goods and services each provides. This activity also gets across the idea that money makes trading easier. If I have the money, I can usually go directly to the source and buy. If I had to trade, I would have to find the person who wants to trade (a person who has what I want and wants what I have). In this game, if you draw a money card, you can pair it immediately with a situation card. If you don't have a money card, you have to wait until the right person comes along to trade (the matching occupation card).

Objectives:

1. The student will be able to match an occupation with the good or service it provides.
2. The student will be able to identify two ways in which specialists may obtain goods and services.

Materials: (Construction paper)

1. Double set of occupation cards. (See sample.)
2. Double set of situation cards that describe a good or service.
3. Four money cards (used like a joker).



Procedure:

1. Discuss occupation and situation cards with children so that they can make proper matches when playing the game.
2. Mix up the cards.
3. Deal out six cards to each player.
4. Turn remaining cards face down in the middle—turning one card face up.
5. The player to the left of the dealer has the option of taking the face-up card or drawing from the pile. The player tries to match the good or service with the occupation. If the player draws a money card, he or she can match it with any situation card for a pair.
6. If the player makes a pair, s(he) lays the cards down and discards.
7. The next player either takes the discard or draws off the pile and also tries to make an occupation-goods or service-match.
8. Any player can also add to the other players' matches before discarding.
9. The player who first gets rid of his/her cards wins.
10. Conduct a discussion about the different goods selected specialists produce and the other goods that they also want. Have the children explain how specialists might obtain the goods and services they want, but which they do not produce. Do they usually barter for these desired goods, or is money paid for them? Why?

OCCUPATION CARDS
(Producers)

| | | | | |
|-----------------------|--------------|---------|-----------------|-------------------|
| BARBER | DENTIST | TEACHER | DOCTOR | FIREFIGHTER |
| GAS-STATION ATTENDANT | PILOT | BAKER | T.V. REPAIR MAN | PAPER GIRL OR BOY |
| POLICE OFFICER | MAIL CARRIER | PLUMBER | MILK SUPPLIER | FARMER |

GOODS-SERVICES CARDS

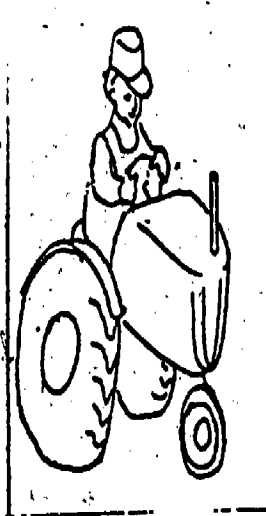
(Consumers)

| | | | | |
|-------------------|-----------------|--------------------------|------------------------|----------------------|
| I NEED A HAIRCUT. | MY TOOTH HURTS. | I WANT TO LEARN TO READ. | I HAVE A STOMACH ACHE. | MY HOUSE IS ON FIRE. |
|-------------------|-----------------|--------------------------|------------------------|----------------------|

| | | | | |
|-----------------------|------------------------|------------------------|-------------------------------|----------------------------|
| MY CAR IS OUT OF GAS. | I NEED TO TAKE A TRIP. | I MUST BUY SOME BREAD. | I NEED TO HAVE MY T.V. FIXED. | I HAVE TO BUY A NEWSPAPER. |
|-----------------------|------------------------|------------------------|-------------------------------|----------------------------|

| | | | | |
|-------------------------------|-----------------------------------|-------------------------|-------------------------|---------------------------|
| I NEED A LICENSE FOR MY BIKE. | I HAVE TO SEND A CARD TO GRANDMA. | THE FAUCET IS DRIPPING. | I WANT A GLASS OF MILK. | I NEED OATS FOR MY HORSE. |
|-------------------------------|-----------------------------------|-------------------------|-------------------------|---------------------------|

FARMER



BARBER



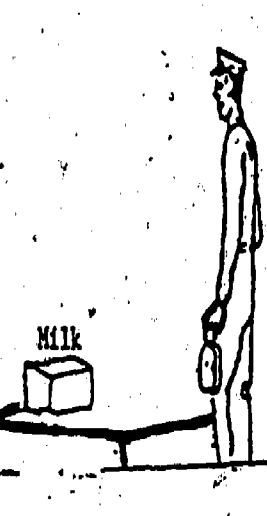
PAPER GIRL



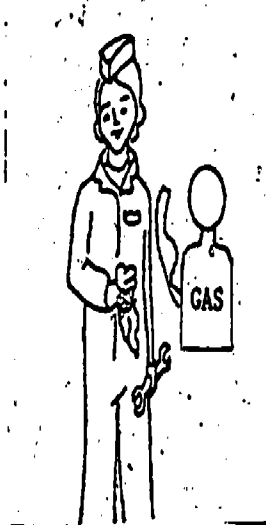
DENTIST



MILK SUPPLIER



GAS-STATION ATTENDANT



BAKER



MAIL CARRIER



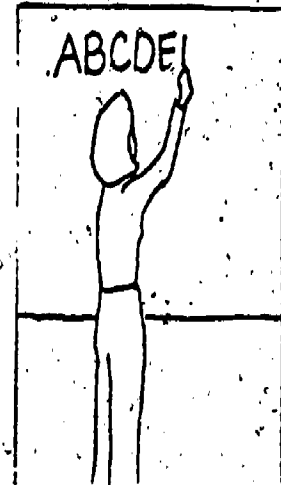
DOCTOR



POLICE OFFICER



TEACHER



FIREFIGHTER



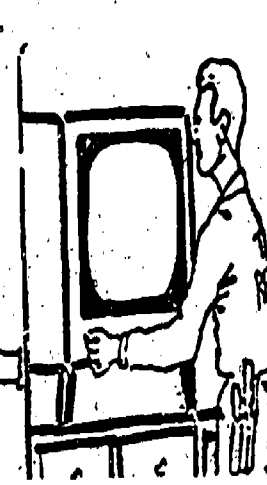
PILOT



PLUMBER



T.V. REPAIR MAN



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From Master Curriculum Guide, Part II, Primary Level, JCEB, 1977

Subtopic 2

In economies characterized by a high degree of specialization, individuals use money as a medium of exchange.

1. Overview

The activities associated with this subtopic are designed to introduce children to the definition and major functions of money as well as the major types of United States money.

Money is defined as anything that is generally acceptable in exchange for goods and services. An item functions as money when everyone (or nearly everyone) is confident that it can be spent. To spend money means that someone else accepts it in exchange for goods and services. A worker will accept an item in exchange for labor services if he or she knows that the item can be used to purchase groceries, pay the rent, buy clothes, etc.

In functioning as a *medium* of exchange, money is not wanted for its own sake. Money is wanted for what it will buy. In fact, people are busily getting rid of money, and they do this not foolishly, but by using the money to purchase goods and services. (Of course, some money is saved for future purchases.)

In the United States, coins and paper bills printed by the United States government serve as money. Checks are also generally accepted in exchange for goods and services, and checks are the largest part of the United States money supply.

| Item | Title | Recommended Designated Level | | |
|------|--------------------------|------------------------------|---|---|
| | | 1 | 2 | 3 |
| 1 | Good Buy/Bad Buy | X | X | |
| 2 | The 3 C's | | X | |
| 3 | Barter or Money Exchange | | X | X |
| 4 | Sensible Sentences | | | X |

Title: Good Buy/Bad Buy (money is a measure of value and a medium of exchange)

Recommended Level: 1-2

Generalization 6: Because specialization and division of labor result in increased output and in increases in the amount of goods and services exchanged, there is a need for a money system.

Subtopic 2: In economies characterized by a high degree of specialization, individuals use money as a medium of exchange.

Rationale for Activity: In this activity, students have to judge and then explain why something is a good or bad buy. The activity also provides the opportunity to have students indicate the type of money (coins, currency, checks) normally used for such a transaction. Students may also mention the use of credit cards to obtain goods and services, which

means that some form of money payment will be needed in the future.

Objectives:

1. Students will be able to discriminate between "Good" and "Bad" buys.
2. Students will be able to explain their reasoning for designating something as a "Good" or "Bad" buy.
3. Students will be able to provide reasons for using different types of money and/or credit cards in the purchase of goods and services.

Materials:

1. One "Yes/No" Multiple Response Card for each student in the group (see example below).
2. The list of transactions.

Procedure:

1. Discuss and show examples of coins, paper money, checks and credit cards.
2. Read the sample transaction to the students and ask them if it is a good buy or not.

"Pay \$4.00 for a plastic squirt gun."

If a student says it is a good buy, probe to find out why he thinks so. Most students would say it is a poor buy, but some may have a super-duper squirt gun in mind and it might be a good buy.

Ask the students to name the normal way that either they or their parents would pay for the squirt gun.

3. Pass out the multiple response cards. Tell the students to hold up the card to show if the next item is a "Good" buy. Demonstrate how to do this.

| |
|-----|
| YES |
| ON |

Both sides should be marked this way so both the student and teacher can see the answer as the student holds up the card.



4. Go through the list of transactions, asking the students to show whether something is a good buy or not. Be sure to probe to find out why students disagree. In each case, have a student name the type of money normally used for such a transaction.

LIST OF TRANSACTIONS

Sample: "Pay \$4.00 for a plastic squirt gun."

1. Pay \$2.50 for a comic book.
2. Pay \$15.00 to park in a lot for two hours.
3. Pay 10¢ to get into a circus.

4. Pay \$100 for a new family car.
5. Pay 75¢ for a piece of gum.
6. Pay \$60 for a new 12-speed bicycle.
7. Pay 10¢ for a chocolate sundae.
8. Pay \$300 for a puppy.
9. Pay 5¢ for a goldfish.
10. Pay 5¢ for a grape.
11. Pay 5¢ for a bunch of grapes.
12. Pay \$500 for a piece of bubble gum.
13. Pay \$1 for a typewriter.
14. Pay 5¢ for a box of caps.
15. Pay 10¢ for a tissue.
16. Pay \$19.95 for a pad of notepaper.
17. Pay 16¢ for a kite.
18. Pay 16¢ for an ice cream cone.
19. Pay 16¢ for a flashlight and two batteries.
20. Pay \$200 for a new house.

Title: The 3 C's

Recommended Level: 2

Generalization 6: Because specialization and division of labor result in increased output and in increases in the amount of goods and services exchanged, there is a need for a money system.

Subtopic 2: In economies characterized by a high degree of specialization, individuals use money as a medium of exchange.

Rationale for Activity: This activity focuses on the idea that checks, currency and coins all serve as a medium of exchange.

Objectives:

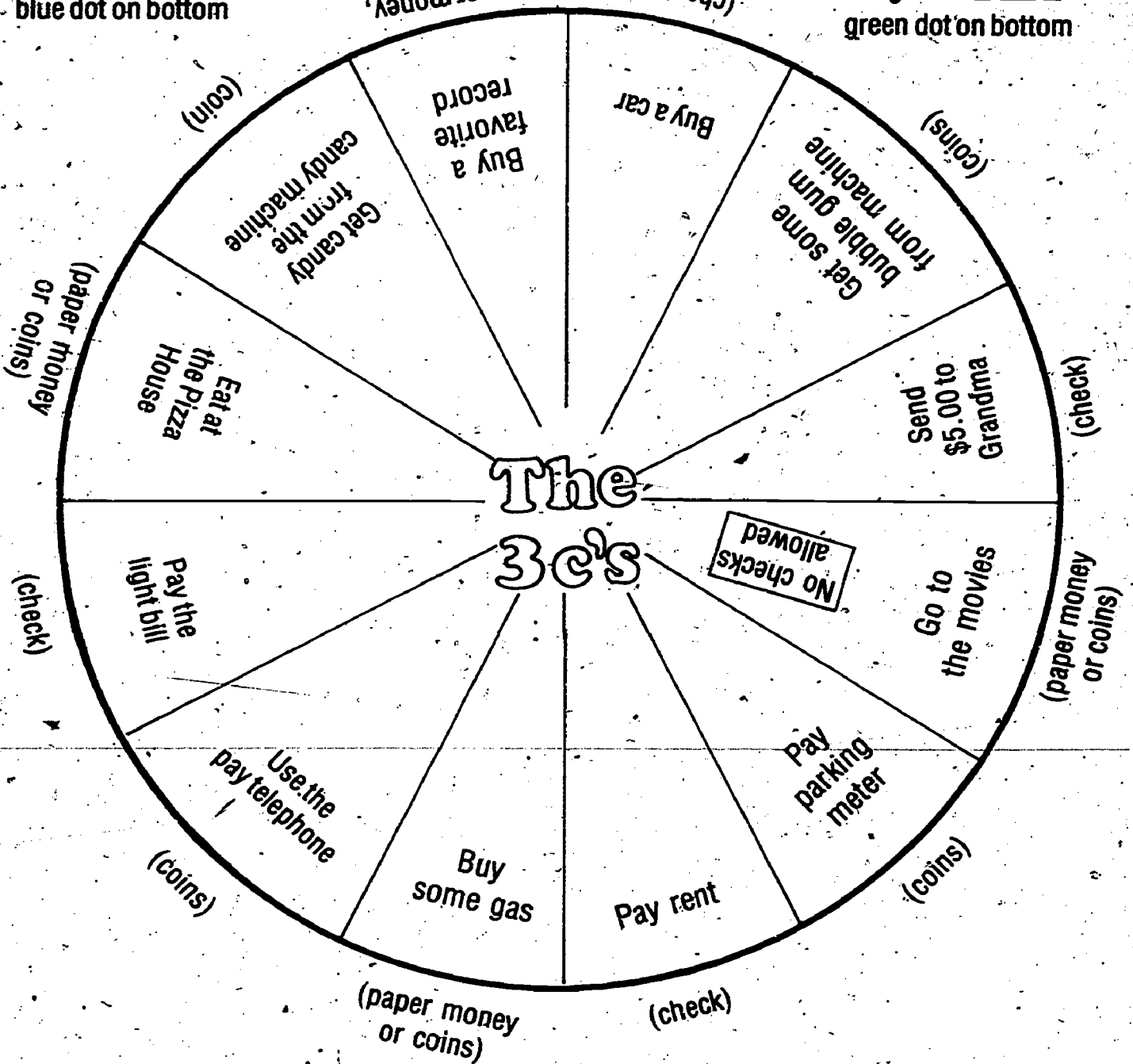
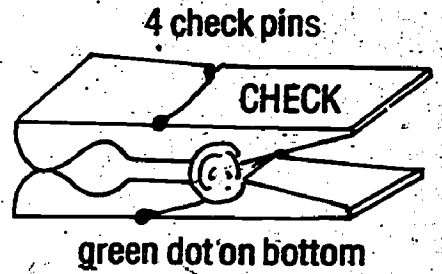
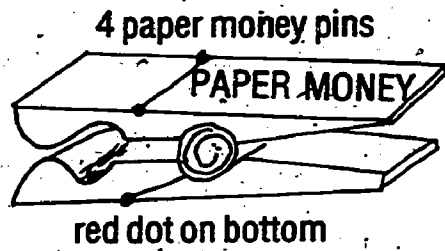
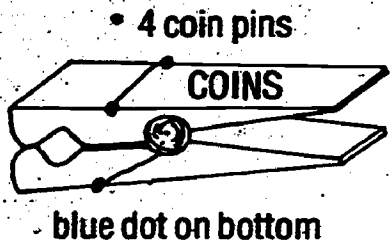
1. The child will identify what form of money should be used in specific purchases or spending of money.
2. The child will identify when money serves as a medium of exchange and as a measure of value.

Materials:

1. Pizza wheel with identified spending examples (see example).
2. Twelve clothespins—4 marked COINS, 4 marked PAPER MONEY, 4 marked CHECKS.

Procedure:

1. Have a group discussion about coins, paper money and checks. Important points to consider would be:
 - a. *Checks*: are best when: sent through mail, handling of large amounts of money, record-keeping
 - b. *Paper money*: smaller amounts of money; when cash is the only medium accepted
 - c. *Coins*: small amounts, usually under \$1.00—machine purchases, odd amounts of money
2. The student looks at the wheel and decides what form of money would best be used for the specific example.
3. The child attaches the corresponding clothespin to the wheel.
4. The player turns over the wheel to check answer. If the color on the back of the clothespin matches the color on the back of the wheel, the answer is correct.
5. Player continues until all clothespins are correctly in place.
6. Discussion questions:
 - a. What were checks exchanged for?
 - b. What were coins exchanged for?
 - c. What was paper money exchanged for?
 - d. How does each serve as a medium of exchange?
 - e. How do we know the value of a good in a store?



Correct answers in parentheses should be color coded on back.

Title: Barter or Money Exchange

Recommended Level: 2-3

Generalization 6: Because specialization and division of labor result in increased output and in increases in the amount of goods and services exchanged, there is a need for a money system.

Subtopic 2: In economies characterized by a high degree of specialization, individuals use money as a medium of exchange.

Rationale for Activity: This activity is designed to demonstrate to children that the use of "money" enables us to determine easily the value of different goods and services and for persons to exchange these goods and services.

Objectives:

1. The student will determine the exchange rate of one good for another under barter conditions.
2. Given the exchange rate of two goods under barter conditions, and the money price of one of these goods, the student will be able to determine the money price of the remaining good.

Materials:

1. Paper, pencil or crayons.
2. Student worksheet.

Procedure:

1. Select two items and draw a picture of each on the blackboard.
2. Place below the picture of each item the following:
____ item 1 = ____ item 2
Have the students discuss and determine how many of the first item should be traded for item 2. Place this information in the blank spaces.
3. Next, divide the class into a number of small groups. Put the following on the blackboard and have each group fill in the blank spaces on a separate sheet of paper:
1 candy bar = ____ stick(s) of gum = ____ bottle(s) of cola
1 bottle of cola = ____ candy bar(s) = ____ stick(s) of gum
4. After the groups have filled in the blanks, transfer this information to the blackboard one group at a time, and discuss the following:
 - a. Have each group explain how they decided on the amount of each good which should be exchanged for another good.
 - b. Which items, if any, had the same value? Why? Which items had greater or less value? Why?
6. Again, have students meet in small groups and give them a worksheet with the following information: If they want, have children refer to their drawings as they fill in the blanks.
Price of bubble gum is 2¢. What is the price of a candy bar ____? 1 candy bar = ____ piece(s) of bubble gum.

The price of a candy bar is 10¢. What is the price of cola ____? 1 candy bar = ____ bottle(s) of cola.

The price of a bottle of cola is 10¢. What is the price of a yo-yo ____? 1 yo-yo = ____ bottle(s) of cola.

7. After the groups have completed the worksheets, put this information on the blackboard.
 - a. Have students explain the prices they selected for the items.
 - b. If any differences exist among groups, what accounts for differences in prices?
 - c. Have students explain how they determined how many bottles of cola should be exchanged for a yo-yo.
 - d. Refer to the first worksheet. What was being exchanged here? What was being exchanged in the second worksheet?
 - e. How do we know the value of goods in the store? What do we give the store for goods?
 - f. Suppose there was no money. How would we obtain goods? How would we express the value of goods?

Title: Sensible Sentences (money as a measure of value and a medium of exchange)

Recommended Level: 3

Generalization 6: Because specialization and division of labor result in increased output and in increases in the amount of goods and services exchanged, there is a need for a money system.

Subtopic 2: In economies characterized by a high degree of specialization, individuals use money as a medium of exchange.

Rationale for Activity: This activity uses the motivational aspects of the game of "Concentration" to reinforce the following concepts: (1) producer, (2) goods and services, (3) money serves as a medium of exchange, and (4) money serves as a measure of value.

Objectives:

1. Students will be able to identify each item as either:
 - a producer
 - a good or service
 - a medium of exchange
 - a measure of value
2. Students will be able to discriminate between sensible and silly sentences:
Silly Sentence: I went to the barber/and bought some bread/with a check/for 15¢.
Sensible Sentence: I went to the baker/and bought some bread/with coins/for 50¢.

Materials:

1. A deck of 3 x 5" cards containing Producer Cards, Goods or Services Cards, Money as a Medium of Exchange

Cards, and Money as a Measure of Value Cards (for ease of sorting, cards should be color coded).

- Four Title Cards (one for each type of card as listed in 1 above).

Procedure:

This activity is designed for a small group of students (2-6).

- Review vocabulary: producer, goods, services, medium of exchange, measure of value.
- Lay out the Title Cards on a table or on the floor:

| | | | |
|----------------|-------------------------|-------------------------------------|-----------------------------------|
| Producer Cards | Goods or Services Cards | Money as a Medium of Exchange Cards | Money as a Measure of Value Cards |
|----------------|-------------------------|-------------------------------------|-----------------------------------|

- Shuffle the deck of cards.

- Turn one card over at a time. The first student should tell which heading the card should be placed under.

For example, if a student turns over a card which reads: "with a check," this should be placed under the heading "Money as a Medium of Exchange."

Another card is turned over and the same student tells where it should be placed. This continues until the student makes an error or goes through the deck (i.e., correctly classifies the remaining cards). The purpose of this classification drill is to reinforce the concepts (1) producer, (2) goods and services, (3) money as a medium of exchange, and (4) money as a measure of value. The student who correctly classifies the last card starts the next phase of the activity (see Step 4).

As each card is placed under the correct heading, it should be laid face down. The end result of Step 3 would look something like this:

| | | | |
|--|--|--|--|
| Producer Cards | Goods or Services Cards | Money as a Medium of Exchange Cards | Money as a Measure of Value Cards |
| <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> | <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> | <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> | <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> |
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(3 x 5 cards laid face down)

- With the cards turned face down and the starter designated, a concentration type of game is played. The object is to turn over a card in each category so that the end result is a sensible sentence. If the group agrees that a sensible sentence has been made, the student places that sentence on the table and takes another turn. Each sensible sentence counts as one point. At the end of the game the student with the most points wins.

If the cards turned over make a silly sentence, the cards are turned face down again and the next student takes a turn.

Cards to Include in the Deck:

Title Cards (use 3 x 5" cards for easy storage)

- Producer Cards
- Goods or Services Cards
- Money as a Medium of Exchange Cards
- Money as a Measure of Value Cards

Playing Cards (12 per category)

- I went to the doctor
- I went to the dentist
- I went to the barber
- I went to the grocer
- I went to the baker
- I went to the farmer
- I called the plumber
- I went to the ice cream vendor
- I went to the shoe salesperson
- I went to the milk supplier
- I went to the mail carrier
- I went to an artist

and paid to have a cast put on my arm
and paid for having my tooth pulled
and paid for a haircut
and bought a pack of gum
and bought a loaf of bread
and bought a bale of hay

and paid to have my faucet repaired
 and bought some ice cream
 and bought some shoes
 and bought some milk
 and bought ten 5¢ stamps
 and bought a picture

with a check
 with a check
 with paper money
 with some coins
 with some coins
 with some paper money
 with a check
 with some coins
 with a check
 with some coins
 with some coins
 with a check

for \$50.00
 for \$25.00
 for \$4.00
 for 10¢
 for 50¢
 for \$2.00
 for \$35.00
 for 15¢
 for \$12.00
 for 60¢
 for 50¢
 for \$200.00

Subtopic 3

The use of money by individuals is a more efficient way of exchanging goods and services than exchange by barter.

1. Overview

The activities associated with this subtopic are designed to introduce children to the advantages of money exchange over barter exchange.

One way of exchanging goods and services is by barter. In a barter system, goods and services are exchanged directly for other goods and services. An industrious young man may be willing to cut lawns all summer in exchange for a bicycle. The young man may seek out the owner of a bicycle shop and negotiate a trade. But with barter it is not always easy to find a person who has what one wants. In our example, the bicycle owner may prefer to cut his own lawn. How is this problem resolved? The boy may have to make "multiple trades." He knows other homeowners who want their lawns cut, but they may not have bicycles to trade. However, they have things to trade that the owner of the bicycle shop wants. The boy can accept these items in exchange for his services to cut lawns,

and these items can be traded for a bicycle.

The use of money is a more efficient way of exchanging goods and services than barter. It eliminates the problem of multiple trades or of finding a person who has what one wants. In the example, the boy can cut lawns in exchange for money, and the money can be used to purchase a bicycle. The seller of bicycles can then use the money to purchase whatever he or she wants.

In addition to serving as a medium of exchange, money has at least two other advantages over barter. With barter each good or service has many "prices," i.e., the price of shoes is expressed in terms of bushels of corn, dozens of apples, pounds of nuts, quarts of milk, tickets to a football game, rides on the bus, etc. With money, shoes have only one price, the price in terms of money. Only one price has to be known with money; many prices have to be known with barter. Money, therefore, functions more efficiently as a common standard of value (or unit of account).

Finally, money functions more efficiently than goods as a store of value. Money can easily be saved to purchase goods and services in the future. With barter, goods and services must be saved for future consumption, and the reader can imagine the difficulty of saving certain items for future consumption.

2. List of Activities

| Item | Title | Recommended Designated Level | | |
|------|------------------|------------------------------|---|---|
| | | 1 | 2 | 3 |
| 1 | The Animal Trade | X | | |
| 2 | Let's Trade | X | | |
| 3 | Will You Trade? | | X | |
| 4 | The Trading Fair | | | X |

Title: The Animal Trade (money as a medium of exchange)

Recommended Level: 1

Generalization 6: Because specialization and division of labor result in increased output and in increases in the amount of goods and services exchanged, there is a need for a money system.

Subtopic 3: The use of money is a more efficient way of exchanging goods and services than exchange by barter.

Rationale for Activity: This game is designed to demonstrate that trading is a difficult way to get what you want. Money cards are used as jokers to demonstrate how much easier the use of money is (as a medium of exchange) as compared to trying to find someone who has what you want and wants to trade with you.

Objectives:

1. The students will state how hard it is to find someone who

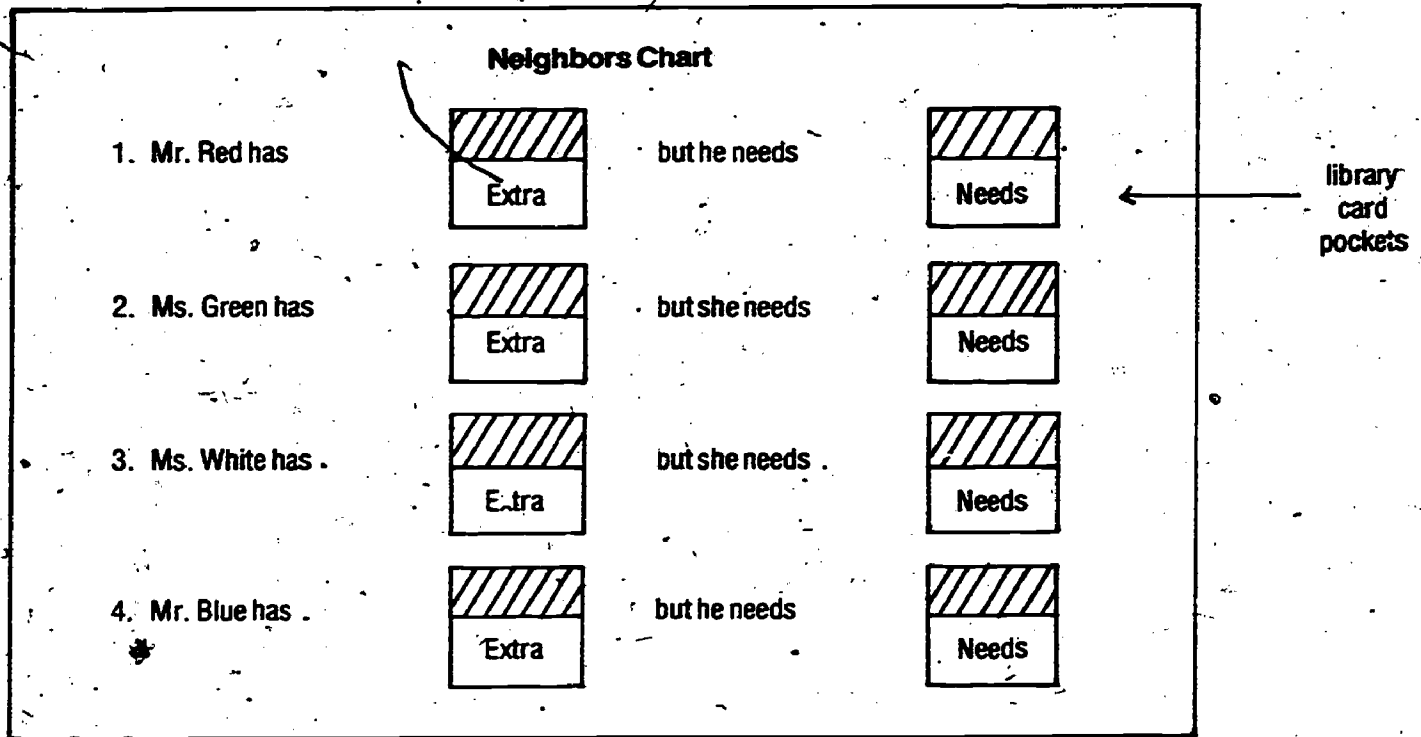
has extra items they want and also wants what they have to trade (the double coincidence of wants).

2. The students will generalize that using money is much easier than trying to trade because money can be used to

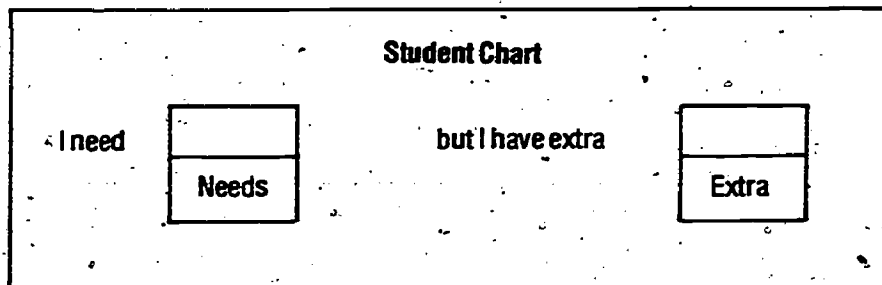
buy anything which is for sale.

Materials:

1. One pocket chart, the Neighbors Chart, as diagrammed below:



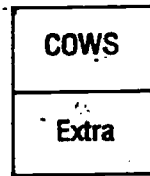
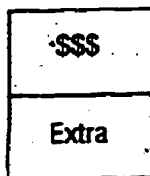
2. One student chart as diagrammed below:



3. A deck of 30 Extra Cards containing:

Item : Number in Deck

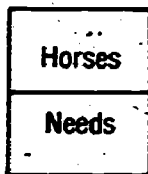
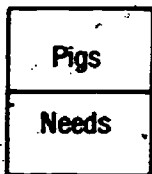
- Cows 5
- Sheep 5
- Pigs 5
- Horses 5
- Ducks 5
- SSSSS 5



sample
3 x 5"
cards

4. A deck of 30 Needs Cards containing:

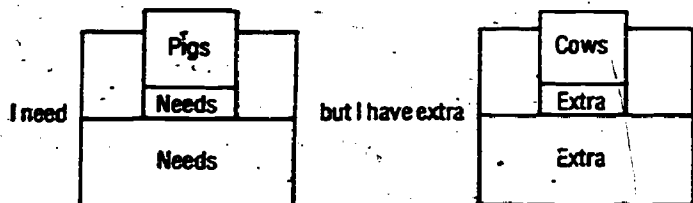
| Item | Number in Deck |
|--------|----------------|
| Cows | 6 |
| Sheep | 6 |
| Pigs | 6 |
| Horses | 6 |
| Ducks | 6 |



sample
3 x 5"
cards

Procedure:

1. Shuffle each deck separately.
2. Place an Extra Card in each of the Extra pockets of the Neighbors Chart.
3. Then place a Needs Card in each of the Needs pockets of the chart (make sure that no individual neighbor has a matching set—if one does, return the Needs Card and pick another one).
4. Have a student come up and take the top card off the Needs deck and place it in the Student Chart. The student also takes the top card off the Extra deck and places it in the Student Chart.

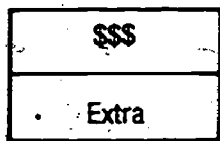
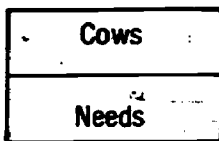
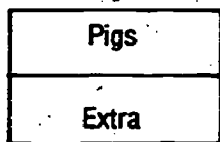
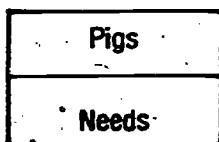


5. If the student gets a match, s(he) puts the two cards on the desk and draws two more cards and continues to play. If s(he) does not get a match, s(he) looks at the Neighbors Chart to see if one of the Neighbors would want to trade (e.g., Mr. Red might have extra Pigs and needs Cows). If a Neighbor does want to trade, the student makes the trade and puts the matching pair on the desk.

The teacher should then break up the matching pair in the Neighbor's pocket.

6. If no match can be made, the cards in the Student Chart

SAMPLE MATCHES



(Note how \$\$\$ can be used to make a match.)

are returned to the bottom of their respective piles; another student is then called up and two new cards are selected for the Student Chart.

7. The game continues until someone has three matches or until all the cards have been used up. The student with most of the matches is the winner.
8. At the end of the game, discuss the following:
 - What kind of problems did you have trading?
 - How do the money cards help?
 - Why would the game be harder without the money cards?
 - How would our lives be harder if we didn't have money for trading?

Title: Let's Trade

Recommended Level: 1

Generalization 6: Because specialization and division of labor result in increased output and in increases in the amount of goods and services exchanged, there is a need for a money system.

Subtopic 3: The use of money is a more efficient way of exchanging goods and services than exchange by barter.

Rationale for Activity: This activity will make the child aware that trading may be a difficult way to obtain wanted goods and services.

Objectives:

1. The student will get 5 trading cards of a different good or service.
2. The students will generalize that it is easier to obtain what you want with money than by exchanging goods for goods (barter).

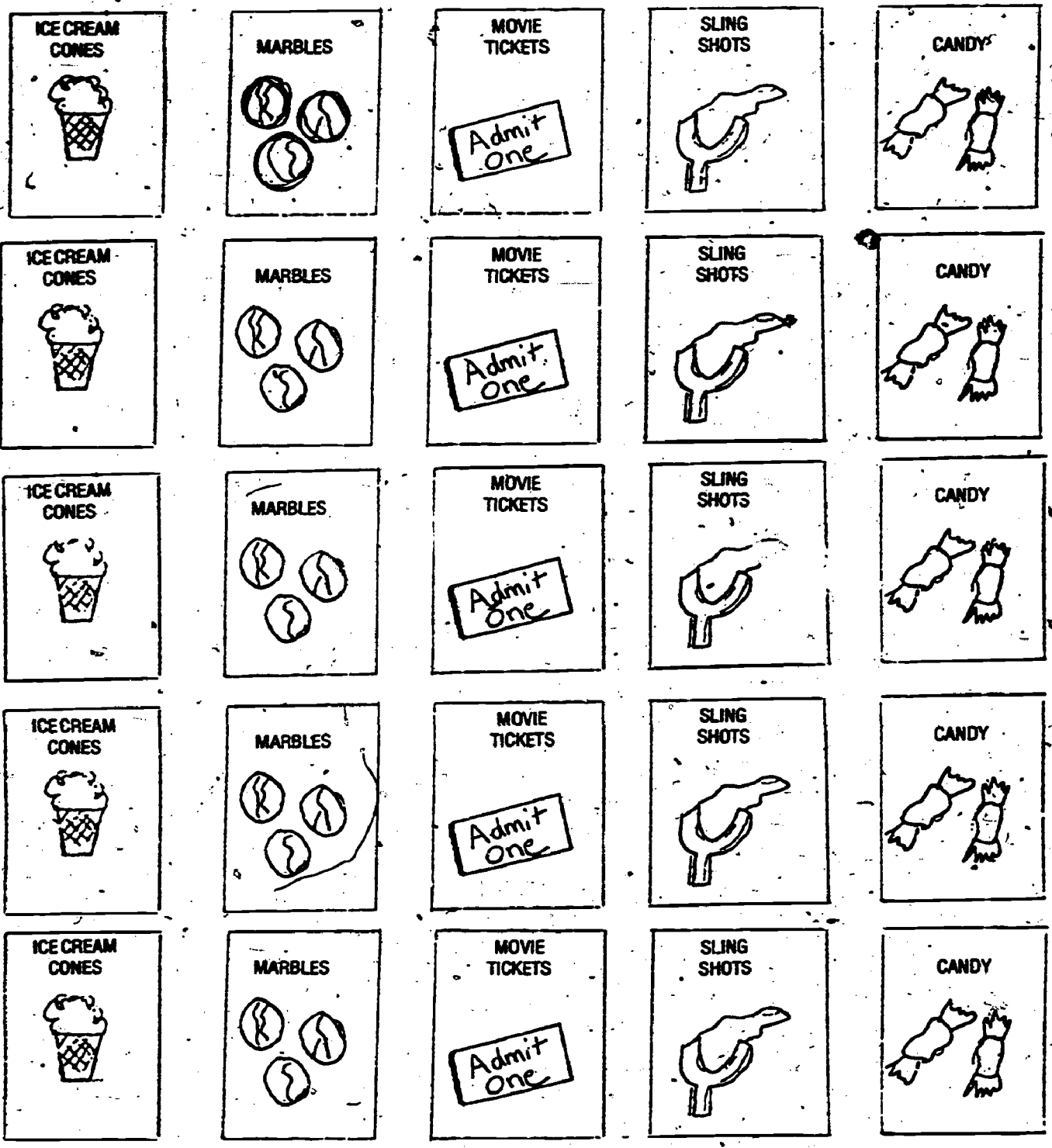
Materials:

1. The fifty trading cards (10 each of 5 cards). The teacher may want to modify the game by decreasing the number of some cards and increasing the number of other cards.
2. Add 2 to 5 cards labeled "Money." This card acts as a joker and can be used in any combination (to represent any card).

Procedure:

1. Use groups of five to eight children. Each child is dealt 5 cards and the remaining cards are mixed up in the middle, face down.
2. The first player may trade any number of cards in his/her hand for the same number of cards that are spread out, or may ask another player to trade any number of cards.
3. The child who gets 5 different trading cards wins the game.
4. At the end of the game, discuss problems children had with trading and point out that the money card is much more flexible.

TRADE-IT CARDS—10 EACH—



Title: Will You Trade? (money as a medium of exchange)

Recommended Level: 2

Generalization 6: Because specialization and division of labor result in increased output and in increases in the amount of goods and services exchanged, there is a need for a money system.

Subtopic 3: The use of money is a more efficient way of exchanging goods and services than exchange by barter.

Rationale for Activity: This game is designed to demonstrate that trading is a difficult way to get what you want. Money cards are used as jokers to demonstrate how much easier the use of money is (as a medium of exchange) than trying to trade all the time.

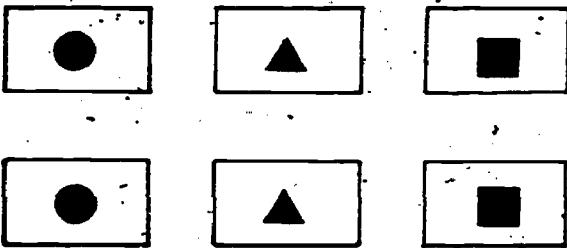
Objective:

1. The student will be able to tell why a money card was a good card to draw (i.e., you could use it for anything and you don't have to find someone who wants what you have to trade).

Materials:


1. Six Rule Cards (to prevent students from seeing through the paper, construction paper should be used).

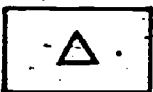
(3 x 5" cards)




2. A deck of 50 cards containing:

type of card number in deck

 15

 15

 15

 5

(3 x 5" cards)

Total $\frac{5}{50}$

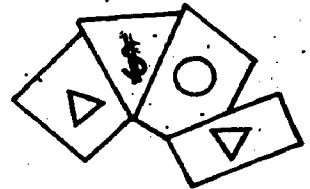
Procedure: (3 to 6 can play)

1. The Rule Cards are mixed up and laid face down. Each student selects one of the cards and places it face up on the table. This card designates the type of cards s(he) has to collect.
2. The deck of 50 cards is shuffled and each player is given 4 cards (these cards should not be shown to the other players). The rest of the cards are stacked face down in the middle of the table.
3. The object of the game is to get 4 cards that match the student's Rule Card (money cards work as jokers and can be used either as a circle, square or triangle).
4. The first player (assume it is a boy) selects a card that he doesn't want, for example:

Rule Card

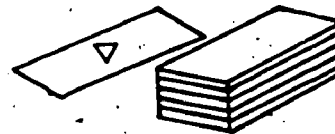


Cards in the player's hand



Since this player is saving circles, he would want to get rid of one of his triangles. He picks another player and asks that person if he or she will trade a triangle for a circle. If the student who is asked has a circle card, he or she can trade but doesn't have to. If the student asked couldn't or wouldn't trade, the player discards his triangle card and draws the top card from the pile (no one can take a card from the discard pile).

Discard Pile



Remaining cards stacked face-down

- After the first player makes a trade or draws a card from the center pile, the next player takes a turn. The first student to get a set of four cards that match his or her Rule Card wins.
5. After the students play the game several times, ask the following:
 - What kinds of problems did you have trading?
 - Why is the Money Card a good one to draw?
 - Why would the game be harder without the Money Card?
 - How would our lives be harder if we didn't have money for trading?

Title: The Trading Fair (money as a medium of exchange)

Recommended Level: 3

Generalization 6: Because specialization and division of

labor result in increased output and in increases in the amount of goods and services exchanged, there is a need for a money system.

Subtopic 3: The use of money is a more efficient way of exchanging goods and services than exchange by barter.

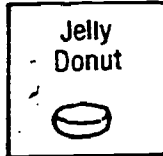
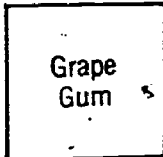
Rationale for Activity: The activity is designed to simulate the problems of trying to find a person who wants to trade versus using money and going to a store to buy a wanted item.

Objectives:

1. The students will generalize that it is difficult to find someone who wants to trade (wants what you have to trade and has what you want).
2. The students will generalize that using money is a much easier way of getting what you want.

Materials:

1. Five packets of trading cards
 - a. 15 gum cards (5 grape, 5 orange and 5 unsweetened spearmint)
 - b. 3 candy bar cards (1 chocolate and 2 licorice)
 - c. 2 soft drink cards (1 cola and 1 orange)
 - d. 3 fruit cards (2 apples and 1 orange)
 - e. 3 donut cards (1 chocolate covered, 1 glazed, and 1 jelly filled)
2. Five money packets each containing
 - eight 5¢ cards
 - ten 1¢ cards



3 x 5" sample cards

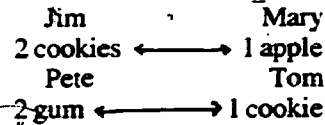
3. A price list for the store (large chart or post the items on the blackboard).

| | |
|-------------|----------|
| gum | 3¢ each |
| candy bars | 15¢ each |
| soft drinks | 25¢ each |
| fruit | 15¢ each |
| donuts | 15¢ each |

Procedure:

1. Select 5 students to be traders. The rest of the class should observe. **Optional:** Divide the class into several small groups and have students within each group act as a unit.
2. Give each of the 5 students a packet of trading cards. Have the students look at their cards and point out that the other students have different items on their cards.
3. Designate a trading area (the 5 students can walk around in this area and trade). The rest of the class should watch and observe what happens (who trades, who doesn't trade, what kind of problems develop).

After sufficient time, stop the trading and record some of the trades that were made.



4. Ask some of the following questions:
 - What did you have at the beginning?
 - Do you think you made good trades? Why?
 - What kind of problems did you have?
 Have the class as well as the participants analyze what the traders did and what kind of problems they encountered.
5. Designate a store area. Give each of the original traders a packet of money cards. The students can go to the store and buy what they want (the prices for the items should be posted). Students run the store and should exchange the item cards for money cards.

Allow the same amount of time as in the trading session and then have a discussion comparing the two sessions.

 - How were the sessions different?
 - Is trading or buying an easier way to do business? Why? What is another reason?
 - Did the store run out of some items? Which ones? Did we run out of items when we were trading? How do you know?
 - If we didn't have money but had to trade for everything, how would your family get its milk? bread? etc.?
 - What can we say about the importance of money?

Appendix A

Evaluation Items

1. *Classification (Goods and Services)*. A paper and pencil test could be used to evaluate this objective. The students could be given a score sheet with 10 numbered blanks. They place a "G" or a "S" in each blank to show whether the item named by the teacher is a "good" or a "service."

- | | |
|---------------------|--------------------------|
| _____ 1. Haircut | _____ 6. Eye examination |
| _____ 2. T.V. set | _____ 7. Yo-yo |
| _____ 3. Carwash | _____ 8. Shoes shined |
| _____ 4. Squirt gun | _____ 9. Lawn mowed |
| _____ 5. Apple | _____ 10. Lumber |

Another method which is faster but more difficult in terms of recording individual scores utilizes multiple-response cards. Each student is given a 3 x 5" card. On one side of the card is a "G" and on the other side is a "S." After you name an item, you ask the students "to show." At this signal, the students hold up their cards to indicate whether the item named is a good or a service.

2. *Personal Conference*. An aide or older student could be used to conduct an interview with each of your students. For example, one of the expected outcomes states: "When asked what 'unlimited wants' means, the student will verbally respond with an appropriate definition (a definition by example would be acceptable)."

The aide could be given a class list and you could model what you want done with the first one or two students (i.e., call back the first student and ask him several simple questions to put him at ease: "What is a 'piggy' bank?" "How many nickels in a quarter?" After several preliminary questions, ask the student to define "unlimited wants"). The following system is effective for recording the student responses:

If the student gives a correct definition, the aide would record a on the class list; if the definition is questionable, a diagonal line would be recorded; and if the student does not know, a zero would be recorded.

| Sample: | Goods and Services | Unlimited Wants | Listing Specific Wants | Listing Market Places | Selecting right store | Selecting appropriate prices | etc. |
|---------------|--------------------|-----------------|------------------------|-----------------------|-----------------------|------------------------------|------|
| Anderson, Jim | + | + | / | | | | |
| Barnes, Betty | + | + | - | | | | |
| Burrows, Bob | / | + | 0 | | | | |
| Fish, Irene | 0 | + | 0 | | | | |
| Horn, Tim | + | + | + | | | | |

After the student gives the definition, the aide instructs the student to go tell the next student to come back. This is an effective way of testing your student. An older student will enjoy the responsibility of administering and recording the tests. The zeros on the class list provide a quick method of identifying a group of students needing remediation.

3. *Anecdotal Remarks.* This procedure can be used to record data for most of the objectives: One method for recording and filing remarks requires an area in your desk to deposit the notes. Using a pad, just jot down items as they occur and drop them in your desk. Don't bother to file them until you have accumulated quite a few. This seems like an obvious procedure, but few teachers make use of it.

4. *Selecting the appropriate marketplace.* Prepare a list of stores which are in the neighborhood or stores which the students normally visit.

- ABC Hardware
- Sears
- Wards
- Busy Bee Market
- Tom's Barber Shop
- Hal's Garage

Name an item and have the students identify an appropriate marketplace to purchase that item. Possible items include:

- | | |
|----------------------|---------------|
| haircut | fishing pole |
| battery for your car | pair of shoes |
| flashlight battery | new bicycle |
| loaf of bread | a football |

This could be done orally in a small group or it could be done as a paper/pencil exercise.

5. *Selecting appropriate price.* Multiple-response cards (see Item 1) could be used to handle this activity. Name the item below and have the students indicate the typical price paid for the item. (25¢, \$1.00 or \$5.00).

- | | | |
|---------------|---------------|----------------|
| pencil | ice cream bar | bag of popcorn |
| pack of gum | milk shake | newspaper |
| loaf of bread | comic book | balloon |

6. *Opportunity Cost.* Present the following list of items to your students. Ask them to identify the money cost of the item and to identify the opportunity cost of buying that item.

- | | |
|------------------------|--------|
| six cans of soda water | 98¢ |
| toy truck | 89¢ |
| box of nails | 95¢ |
| pad of paper | 79¢ |
| rubber ball | 89¢ |
| kite | 99¢ |
| book | \$1.00 |
| box of candy | 98¢ |

7. *Different people want different items.* Using a format similar to the one below, have students indicate whether each person would want the item or not. Evaluate whether the students can give specific reasons for the selection. (When asked, students should be able to give specific reasons for indicating whether the person would want the item or not.)

| | Baby | Me | Parent | Grandparent |
|----------|------|-----|--------|-------------|
| Tricycle | Yes | No | No | No |
| Cola | Yes | Yes | Yes | Yes |
| Cane | No | No | No | Yes |
| Shovel | No | Yes | Yes | No |

8. Have the class list goods and services they think their school should provide (more balls, colored pencils, more library books, unicycles to ride at recess, etc.). Ask each student to select the item he/she would buy first and list two reasons for his/her choice.

9. Present the following list of items to the class:

Services City A Could Supply

1. New park (including swimming pool and baseball field).
2. New children's room for library (additional books, records, art prints, etc.).
3. A mini-bus to provide transportation for the elderly (free to people over 65).
4. A new sign on both sides of the city welcoming people to City A.
5. A stop light for a dangerous intersection.
6. Bus shelters to each of the school bus stops.

Ask the student to select which of the six items each of the following people would select and to give a specific reason for his/her choice.

1. A man (69 years old) who lives downtown near the library.
2. A parent with four boys (ages 2-10) who has just moved to the city.
3. A policewoman (single, 30 years old) who works with cases involving young children.

10. You can get a rough estimate of a student's willingness and ability to express feelings/opinions in a discussion by using a simple tally system. Use the following chart to record the type of responses made by a small group of students during a discussion (an aide or student can record the data). Have the students discuss how they would use a small, vacant plot of land that is located in the middle of a large city. First, have the students suggest other ideas to add to the list below and then have them decide the "best" use of the land.

1. a parking lot
2. a playground
3. a fountain and benches
4. a garden and lawn area
5. _____

| Student | Opinion | Feeling | How someone else feels | Other |
|----------|---------|---------|------------------------|-------|
| Jim C. | | | | |
| Ralph D. | | | | |
| Susan K. | | | | |
| Alice R. | | | | |
| Joel M. | | | | |

11. *Earn More Money.*

The Wilson family is a family of five:

- | | | |
|-------------|--------------|--|
| Mr. Wilson | age 45 | He works as a butcher at the supermarket. |
| Mrs. Wilson | age 43 | She is a homemaker. |
| Mark | age 18 | Mark is blind. He spends most of his time at home, operating a ham radio. |
| Susie | age 16 | She is in high school and spends her extra time with friends (mainly at the community pool and recreation center). |
| Peter | age 10 | He is in the fifth grade. He plays with the neighborhood kids during his free time. |

The Wilson family needs more income to pay their rent, food, etc. How many different ways could they increase their income? Name as many as you can.

12. Have the students use multiple-response cards (see Item 1) marked "GOVERNMENT HELP" (unearned income) and "EARNED INCOME" to classify each of the following:
- I was paid \$10.00 for helping to paint a sign.

- Received \$10.00 worth of food stamps.
- I receive a \$100.00 unemployment check.
- I was paid \$100.00 from the city government for fixing a street.
- I receive \$50.00 each month from the government to help to pay the rent.
- I receive \$10.00 each month from the landlord for mowing the lawns.

13. Class Meetings

Have the students sit in a circle facing each other. As the teacher, you should also join the circle. You should use an accepting strategy (avoid being judgmental) and probe student responses to clarify and extend thinking. Structure the discussion so students can easily participate, but do not force the students to participate. Encourage student-to-student debate.

A. Present pairs of occupations. Ask the students to discuss which of the jobs is more appealing and why.

- cook—waitress/waiter
- truck driver—taxi-cab driver
- park ranger—police officer
- garbage collector—street sweeper
- mail carrier—gas station attendant
- teacher—principal
- sales clerk—telephone operator

B. Present a set of three occupations and ask the students to indicate which job they wouldn't like and why they wouldn't like it. Also, read a description of three different people and have the students tell which jobs these individuals wouldn't like and why.

- airline pilot—veterinarian—highway patrol
- doctor—professional "big league" umpire—truck driver
- barber—T. V. news broadcaster—projectionist at the local theater

1. A woman 42 years old, who loves the out-of-doors, and dislikes big cities.
2. A man 21 years old, who is overweight and clumsy, but has a good sense of humor and likes to be around people.
3. A man 62 years old, who likes to learn new things and is always trying out new ideas.

C. Have the class describe three high school students. Display these descriptions so the whole class can see them. Then, ask the students to indicate which of the two jobs in each set their newly created high school students would prefer.

1. sell soft drinks at a stadium/sell tickets at a stadium
2. truck driver/ambulance driver
3. telephone installer/watch maker
4. nurse/doctor
5. librarian/cook

D. Have the class list many possible results for each of the following situations:

1. *If the government didn't give food stamps to poor people then*
2. *If the government gave food stamps to everyone then*
3. *If the government didn't give unemployment checks to people out of work then*
4. *If the government provided free baby sitting then*

E. Have the class discuss alternative ways to solve a problem, have them select the best way or a combination of ways and decide how to evaluate their plan. Possible problems to consider include:

- Dismissing the class at recess.
- Passing out papers.
- Deciding on a game to play during recess.
- Deciding how to select three students from the class to go on a special field trip.

14. Have the students discuss (1) what problems would result, (2) how each of the following specialists would feel, and (3) how the resulting problems could be solved if all the truckers in the country decided not to go to work.

a. A cattle rancher who has just brought in his cattle and has them ready to be shipped to market (the rancher lives in an isolated area and was going to ship the cattle by truck).

- b. The president of a bread company that produces 10,000 loaves of bread every day and distributes them by truck to supermarkets.
- c. A family that is having a moving van take their belongings across the country to a new job and a new home.

After discussing several cases, have the class make several generalizations about the complexity of specialization and some of the problems that this brings about.

15. *Auction.* Give each student \$100.00 worth of class money ("Moola," "Wampum," etc.). Place some items in an auction box each morning of the week. Items might include posters, paperback books, collectibles such as rocks, a mystery item placed in a paper sack, discarded textbooks, etc. Hold an auction some time in the afternoon each day. Keep a record of who purchased each item and the price paid (this should be recorded in chart form so the students can easily see it—use a transparency, butcher paper, ditto, etc.). Review the happenings of the week and ask the student to respond to the following questions:

1. Why weren't you willing to pay more for an item?
2. Who would be willing to pay more?
3. Under what conditions would you be willing to pay more for an item?
4. If someone would be willing to pay _____ for _____, what does this tell us about that person's values?
5. What function did our class money play in this activity?

Appendix B

Sample Review Exercise 1*

Economics Generalization 1

Name _____
Date _____

1. *Goods and Services*. Place a "G" or an "S" in each blank to show whether the item is a "good" or a "service."

- | | |
|---------------------|--------------------------|
| _____ a. Haircut | _____ f. Eye examination |
| _____ b. T. V. set | _____ g. Yo-yo |
| _____ c. Carwash | _____ h. Shoes shined |
| _____ d. Squirt gun | _____ i. Lawn mowed |
| _____ e. Apple | _____ j. Lumber |

2. What price would you expect to pay for each of the following (circle one):

- | | | | |
|----------------------|-----|--------|--------|
| a pencil? | 25¢ | \$1.00 | \$5.00 |
| a pack of gum? | 25¢ | \$1.00 | \$5.00 |
| a kite? | 25¢ | \$1.00 | \$5.00 |
| a yo-yo? | 25¢ | \$1.00 | \$5.00 |

3. Unlimited wants means (check one)

- _____ A. I want something I can't have.
_____ B. I have many, many wants.
_____ C. I want a big car.

4. How much do you think you would have to pay for
a bottle of soda? _____
an ice cream bar? _____
an apple? _____

5. Answer the two questions in each box.

Set A book 99¢ candy \$1.00 ball 98¢
If you buy the underlined item what is the money cost?

If you buy the underlined item, what is the opportunity cost?

Set B gum 15¢ popcorn 15¢ soda 25¢
If you buy the underlined item what is the money cost?

If you buy the underlined item, what is the opportunity cost?

*If the reading level is too difficult, the questions should be read orally to the class or the exercise could be administered to individual students.

Sample Review Exercise 2*

Economics Generalization 2

Name _____
Date _____

1. List five goods or services the government supplies to your family.
(sample: fire protection)

(1) _____
(2) _____

(3) _____
(4) _____
(5) _____

2. List five resources the government must purchase to provide fire protection.
(sample: fire hose)

(1) _____
(2) _____

(3) _____
(4) _____
(5) _____

3. Name one way the government gets income.

-
4. Why can't the city provide all the goods and services that everybody wants?

-
5. A city needs another firefighter and another teacher. The city has only enough money to hire one of them. Which of the following would be an opportunity cost if the city hires the firefighter? (Check the correct one.)

___ (1) The city would have to pay the firefighter.
___ (2) Classes at the school would be larger.
___ (3) The city would not be able to hire the teacher.

*If the reading level is too difficult, the questions should be read orally to the class.

Sample Review Exercise 3*

Economics Generalization 3

Name _____
Date _____

1. Circle the items below which are resources used in building a house.
wood flowers metal
bedroom time saw
toy kite shovel
2. What are three resources that can be used to build a stop sign?

3. Circle the definition below which means "limited resources."
a. We are very rich.
b. We have forests, farm land, water and workers.
c. We don't have enough wood and other resources to build everything we want.
d. We don't have any mountains in our state.
4. If we use the wood we have to build a fort, there will be some opportunity costs. Circle the opportunity costs below.
a. We won't have as much wood to make carts.
b. Our fort may not be big enough.
c. Our friends could play in the fort.
d. We couldn't make a jumping ramp for our bikes.



*If the reading level is too difficult, the questions should be read orally to the class.

Sample Review Exercise 4*

**Economics
Generalization 4**

Name _____
Date _____

1. List five different ways you could earn money.

2. List the following in order according to how much money you think each one usually earns.

| | | |
|--|---------|------------------------------|
| | (most) | |
| | | President of a large company |
| | | Newspaper delivery person |
| | | Dentist |
| | | Teacher |
| | (least) | Clerk in a department store |

3. In each set of three, circle the job that takes the longest to learn.

| | | |
|-----------------|--------------|------------|
| A. Doctor | Nurse | Secretary |
| B. Barber | Pilot | Bus Driver |
| C. Cook | Waiter | Dishwasher |

4. Circle each item below which is a type of government transfer payment.

- I received \$50.00 worth of food stamps.
- I was paid \$100.00 for painting the city park benches.
- I received \$100.00 each month from the government to help in paying my rent.
- I received \$10.00 each month for selling newspapers at City Hall.

*If the reading level is too difficult, the questions should be read orally to the class.

Sample Review Exercise 5*

Economics Generalization 5

Name _____
Date _____

1. Name three specialists who work in our school.

2. Name two specialists who work at a hamburger stand.

3. Give two reasons for having different people perform different jobs at a hamburger stand.

4. A doctor is a specialist. Name two other specialists he/she depends on in a hospital.

5. True or False

- ___ a. Truck drivers are specialists.
___ a. The school cafeteria cooks depend on truck drivers.
___ c. Nurses are specialists.
___ d. If you specialize you depend on others.

*If the reading level is too difficult, the questions should be read orally to the class.

Sample Review Exercise 6*

Economics Generalization 6

Name _____
Date _____

1. List two ways you might obtain an item you want.

2. *Matching.* Put the letter in the blank to show the main type of money usually used in each transaction below:

- _____ 1. Buy a candy bar
- _____ 2. Buy a house
- _____ 3. Buy a new car
- _____ 4. Buy an ice cream cone
- _____ 5. Pay a parking fine of \$5.00
- _____ 6. Buy groceries at a store
- _____ 7. Use the pay telephone
- _____ 8. Pay rent
- _____ 9. Pay the light bill
- _____ 10. Send \$5.00 to a relative

| Types of Money | |
|----------------|-------------|
| A. | coins |
| B. | paper money |
| C. | checks |

3. *Matching.* Put the correct letter in the blank to show whether the underlined item in each sentence below is: (a) a producer, (b) a good or service, or (c) a medium of exchange or a measure of value.

- _____ 1. I went to the doctor and paid with a check to have a cast put on my arm.
- _____ 2. I used a check to pay an artist for a painting.
- _____ 3. I put a dime in the parking meter.
- _____ 4. I bought the coat that was on sale for \$10.00.
- _____ 5. The farmer sold all his hay for \$1,000.
- _____ 6. The dentist charged \$15.00 to fill the cavity.
- _____ 7. I paid 10¢ for the candy bar.
- _____ 8. She bought the doll for 75¢.
- _____ 9. The most expensive car was \$25,000.
- _____ 10. Jim paid a 25¢ fare to ride the bus.

*If the reading level is too difficult, the questions should be read orally to the class.

Appendix C

Glossary

- Barter**—The direct exchange of goods and services.
- Business (Firm)**—A privately owned, profit-oriented organization engaged in the buying and hiring of resources and in the production and sale of goods and services.
- Choice-Making (Wants-Income Gap)**—A result of scarcity. Because we have unlimited wants for goods and services and have only limited income, we must choose what goods and services to purchase.
- Choice-Making (Wants-Resource Gap)**—Because resources are insufficient to produce all the goods and services people want, we must choose what goods and services will be produced.
- Consumer**—Person who uses goods and services to satisfy wants directly.
- Consumer Goods**—Tangible objects that are scarce and satisfy consumer wants.
- Consumer Services**—Productive acts that satisfy consumer wants, but do not result in tangible objects.
- Division of Labor**—The separation of production into various tasks performed by different workers, allowing specialization and the development and use of higher and more productive human skills.
- Economic Goods**—Objects that are scarce and satisfy consumer wants.
- Efficiency**—Producing a maximum amount of goods and services with a given amount of resources or producing a given amount of goods and services with a minimum amount of resources.
- Government Income**—The total of money payments received by government, generally in the form of taxes.
- Marketplace**—Occurs whenever individuals are engaged in the process of buying and selling goods and services.
- Medium of Exchange**—One of the functions of money whereby people exchange goods and services for money and in turn use money to obtain other goods and services.
- Money**—Anything that is generally acceptable in exchange (payment) for goods and services (e.g., coins, paper bills and checks). Credit cards take the place of money but they are not direct payments for goods or services. Eventually the buyer must complete the transaction through a payment involving money.
- Money Income (Earned)**—Money payments during a given time period received for performance of a productive act.
- Money Income (Unearned)**—Money payment received during a given time period which is not directly related to any productive act at that time.
- Opportunity Cost (Wants-Income Gap)**—The result of choice-making. The other good or service which could have been purchased instead of the one that was purchased.
- Opportunity Cost (Wants-Resource Gap)**—Refers to the other goods and services which must be foregone when resources are used in the production of a particular good or service.
- Price**—Value of a good or service stated in money terms.
- Private Goods and Services**—Goods and services purchased by households directly from private businesses.
- Produce**—To combine productive resources to make goods and services.
- Public Goods and Services**—Goods and services provided by the government.
- Resources (Factors of Production)**—Natural resources, human resources and capital resources are the three major categories. In the primary grades we simply want to bring to students' attention that the production of most goods and services involves the use of a number of different kinds of resources.
- Scarcity (Wants-Resource Gap)**—Refers to the fact that resources are insufficient to produce all the goods and services people want.
- Services**—Productive acts that satisfy consumer wants, but do not result in tangible objects.
- Specialization**—The concentration of effort on a particular aspect of production (job or product) permitting persons and regions to use to best advantage any peculiar differences in skills and resources.
- Standard or Measure of Value**—One of the functions of money whereby the value of goods and services is expressed in money terms (money prices).
- Tastes (Preferences)**—A person's likes/dislikes for different goods and services.
- Taxes**—Required payments of money made by households and businesses to government.
- Transfer Payments**—Income received by individuals for which no productive effort is required during the period in which the payment is received.
- Versatility (Consumer Goods)**—A given want of a consumer may be satisfied with different goods (either hamburgers or hot dogs may satisfy the hunger want).
- Versatility (Resources)**—Most resources have alternative uses, i.e., a given resource may be used in the production of a number of different goods and services.

Wage-Salary—Forms of payment for persons rendering labor services. Wage is usually based on the hour, day or week, while salary, as used here, refers to a fixed annual or monthly rate of pay.

Want—A psychological or physical desire that may be

fulfilled through the consumption of a good or service.

Wants-Income Gap (Scarcity)—The condition resulting from the fact that people's wants for goods and services exceed people's ability (income) to purchase these goods and services.

Suggested Supplementary Materials

Economic Generalization 1

Because income of a household is limited and its wants for goods and services are unlimited, it must choose which of its many wants for consumer goods and services it will satisfy.

"Daniel's Birthday: Choosing Goods and Services." Filmstrip 1 from "Primary Economics," from BFA Educational Media. In this filmstrip Daniel learns about goods and services while he and his friends go shopping around town. The filmstrip especially emphasizes that different people want different goods and services. The difference between goods and services also is explained. The boys realize that because of limited income, "important goods and services" must be chosen first.

"The Toy Store." Filmstrip 1 of "Economics for Primaries;" SVE/Singer. Two boys visit a toy store to buy yo-yos. They discover that the yo-yos cost more money than either one of them has. Since they cannot buy the exact yo-yos they want, they must decide on the various alternatives open to them. They realize that most wants can be satisfied by a variety of goods and services, and that a difference exists between durable and nondurable goods. Their problem forces them to think about opportunity cost and the importance of making wise decisions. Suggested discussion questions and classroom projects are included.

"Choices." Program Three from "Common Cents," a KETC production, St. Louis, Missouri. The "hows and whys" of different economic choices is the subject of this program. It presents the many decisions that must be made concerning spending, the use of resources, and saving. The idea that one's wants and needs must always be weighed against a cost factor is stressed.

Kötzwinkle, William, *The Day the Gang Got Rich*. New York: Viking Press, 1970. This is a story about a boy who receives five dollars and treats "the gang" to ice cream soda, pretzels, candy, gum, comic books, and a ride on the trolley until his money finally runs out. It illustrates the generalizations of limited income and unlimited wants, and that prices, income and personal preferences determine which goods and services will be bought in the marketplace. The story lends itself to a discussion of wise decision-making and opportunity cost.

"Wants and Needs." Program Six from "Common Cents," a KETC production, St. Louis, Missouri. This program concentrates on needs and wants. Because families are unique, they have different wants and economic limitations. The program also discusses money, advertising and good consumerism.

"We Are All Consumers." Filmstrip 2 from "Economics In Our World," by Teaching Resources Films. The necessity of making economic choices is discussed in this filmstrip.

Price, advertising, convenience, quality, and preferences are presented as reasons for choosing certain goods and services over others. Income is introduced as the means by which we can purchase goods and services in order to satisfy wants. Income also has an influence on how many goods and services can be consumed. The filmstrip ends with reasons why incomes vary.

"Families Are Consumers." from "Economics for Primaries," Filmstrip 2 from Eye Gate Media. This filmstrip program discusses the necessity for making choices and gives pointers on how to make good choices. It presents examples of the many consumer goods and services available, including durable goods, energy, food, recreation and time. The filmstrip emphasizes the fact that when someone consumes something a decision is made not to consume something else.

Galdone, Paul, *The Three Wishes*. New York: McGraw-Hill, 1961. In this book a fairy grants a woodman three wishes in return for saving a tree. The woodman proceeds to waste his wishes without having given them serious thought. The reader realizes the importance of making wise choices about needs and wants.

Zemach, Margot, *The Fisherman and His Wife*. New York: W. W. Norton and Company, 1966. This is an old tale by the brothers Grimm which illustrates the unlimited nature of human wants. Although the old woman receives many of her wants from the fish, at the end she discovers there are limitations. Limited resources and the importance of making wise decisions can become topics for classroom discussion.

Maher, John E., and S. Stowell Symmes, *Ideas About Choosing*. New York: Franklin Watts, Inc., 1969. This illustrated book concentrates on economic choices made by individuals, businesses and governments. It discusses what economic choices are, why they are necessary, and how they are made.

Economic Generalization 2

Because household income is limited, households must choose how much of their income they will use to purchase goods and services privately and how much they will use to purchase collectively through government.

"Why We Have Taxes: The Town That Had No Policeman," from Learning Corporation of America. This is an animated film about a community's need for a policeman. The problem of how the policeman will earn an income is presented. The people of the community solve this problem with the idea of taxation. The film concludes with examples of modern services provided by taxes, and reinforces the ideas of government supplying services to citizens, purchasing labor resources from households, and financing these purchases through taxes. This program also is available in a filmstrip format.

"Financing a Community," Filmstrip G in the series "Introduction to Economics," from Eye Gate Media. This program discusses the need for public goods and services within a community and how decisions regarding these goods and services are made through representative government. Also presented are the different kinds of taxes, ways in which taxes are collected, and for what purposes specific taxes are used.

"Government Goods and Services," Filmstrip 8 from "Economics in Our World," by Teaching Resources Films. The levels of government are introduced and examples are given of the goods and services provided by each level. The similarities between government and families are emphasized through a discussion of decision-making and opportunity cost. Taxation is identified as the main source of income for governments in their attempt to satisfy public needs and wants.

Maier, John E., *Ideas About Taxes*. New York: Franklin Watts, Inc., 1972. This book begins with an explanation of public and private goods and services. It explains the need for public goods and services and how taxes provide the money needed by governments to buy the goods and services people want. Government decision-making is also discussed. The types of taxes used by the various levels of government are presented, as well as the problems caused by taxation.

Economic Generalization 3

Because wants are unlimited and resources are limited and versatile, choices must be made as to what goods and services are to be produced.

"Michael's Moon Store: Producing Goods and Services," Filmstrip 3 from "Primary Economics" by BFA Educational Media. In this filmstrip Michael decides to go into business producing and selling moon goods. Adam decides upon moon services. The boys talk about the meaning of producing and consuming. They discover the resources they need for producing are tools, materials and workers.

"The Dog House," Filmstrip 2 from "Economics for Primaries," SVE/Singer. In this filmstrip Steven and Paul decide to build a dog house. They learn about the productive resources needed for this job: lumber, tools, and their own labor. The productive process combines productive resources, such as land, labor and capital, into goods and services wanted by society. Society makes choices about how these resources will be used. Suggested discussion questions and classroom activities are included.

"The Garden," Filmstrip 4 from "Economics for Primaries," SVE/Singer. In this filmstrip Marina feels the frustrations of limited resources when she tries to produce goods and services. Each choice she must make involves giving up something else. In families, as well as in societies, productive resources are limited by the availability of land, labor and capital. Choices must be made concerning what goods and services will be produced, keeping in mind the

opportunity cost of these decisions. Suggested discussion questions and classroom activities are included.

"Building a New Clubhouse," from the World of Work Adventures of Lollipop Dragon, SVE/Singer. Hubert, Gwendolyn, the Lollipop Dragon and friends build a new clubhouse, but find they must plan and use resources wisely. The filmstrip shows that land, labor and capital are necessary in building the clubhouse. Specialization of labor also is emphasized.

"Clothing: A Pair of Blue Jeans," Learning Corporation of America. This color film follows the process of making a pair of blue jeans from the cotton field to the boy who buys them. At each stage we learn about the resources needed and their cost.

"Economics and Our Natural Resources," Filmstrip 3 from "Economics for Primaries," Eye Gate Media. In this filmstrip, unlimited wants and limited resources are presented as a problem which all families and all societies face. Among the most important of these productive resources are a country's natural resources. Examples of the many types of natural resources are presented with a view of the outputs which result from the use of these resources.

Beskow, Elsa, *Pelle's New Suit*. New York: Harper & Row Publishers, 1962. In this illustrated book Pelle decides to have a new suit made for himself. He begins by shearing his lamb. Each step involves trading his services for the services of others who card, spin, dye, weave and sew the wool into a new suit. Topics for classroom discussion should include factors of production, specialization, interdependence and barter. The story illustrates that the lamb's wool is only one of the many inputs necessary in making a coat.

Chilton, Robert, Roy and Shirley, *Where Things We Use Come From*. Chicago: Children's Press, 1970. The emphasis of this book is upon production of goods and services. Examples are given of resources used in the production of goods such as pianos, sugar, chocolate and tires. Supply, demand, surplus and scarcity are explained. The book ends with a brief discussion of specialization, technology, transportation and barter.

Economic Generalization 4

Labor income is the main source of income for most households.

"A Collar for Patrick: Buying Goods and Services," Filmstrip 2 from "Primary Economics," BFA Educational Media. Daniel decides to buy a collar for his pet duck, then discovers he has no money to pay for it. He and Adam discuss ways in which people earn money. The filmstrip ends when the boys decide upon a way in which they can earn an income.

"Working and Earning," Filmstrip 3 from "Economics in Our World," by Teaching Resources Films. The central idea of this filmstrip is the relationship between working, income and satisfaction of needs and wants. Examples of public and

private goods and services are presented. Education, training, supply and demand, and talent are mentioned as some variables which help to determine income.

"Producers and Consumers," Program 2 from "Common Cents," a KETC Production, St. Louis, Missouri. The program begins with a definition of these two terms. It then moves to an introduction of jobs and income. We come to see that work can mean different things to many people. The program concludes with a statement about the value of work.

"Jobs," Program 9 from "Common Cents," a KETC production, St. Louis, Missouri. This program deals with jobs, what they are and what they mean to a family. The problem of unemployment and the crises it can cause in a household are briefly discussed. The program also mentions reasons workers lose jobs, job satisfaction, training, unions, and strikes.

"Fathers—What They Do," produced by Films/West, Inc., and distributed by Film Fair Communications. This film concentrates on the work activities of three fathers, a service station attendant, a hardware store owner, and a carpenter. Students are introduced to the importance of work. Work provides others with goods and services and is the main source of income for most families. Some fathers work for others and receive a salary or wages. Those who own their own business use part of their profit as pay for themselves.

"Mothers—What They Do," produced by Films/West, Inc. and distributed by Film Fair Communications. This film concentrates on the work activities of three mothers, a full-time housewife, a full-time working mother, and a housewife who works part time. Students learn about the importance of work in order to provide families with a money income or with services they need.

"We Are All Consumers," Filmstrip 2 from "Economics In Our World," by Teaching Resources Films. The necessity of making economic choices is discussed in this filmstrip. Price, advertising, convenience, quality, and preferences are presented as reasons for choosing certain goods and services over others. Income is introduced as the means by which we can purchase goods and services in order to satisfy wants. Income also has an influence on how many goods and services can be consumed. The filmstrip ends with reasons why incomes vary.

"Work People Do," Filmstrip 6 from "Economics for Primaries," Eye Gate Media. This filmstrip and cassette explore the kinds of work people do at home and on the job. The importance of work is discussed from the point of view of both producer and consumer.

Economic Generalization 5

Because households want more goods and services than can be produced with available resources, there is a need to find new and more efficient ways of using existing resources (specialization and division of labor).

"Why People Have Special Jobs: The Man Who Made Spinning Tops," Learning Corporation of America. This is an animated film about a villager who makes a spinning top for his son. Soon all the children in the village want tops. A problem develops because the villager has other responsibilities. The problem is solved when another father provides the villager with food in return for a top, illustrating the beginning of specialization and interdependence. The film ends with examples of specialized jobs today. This program is also available in filmstrip format.

"The Breakfast," Filmstrip 3 from "Economics for Primaries," SVE/Singer. In this filmstrip Beth and her sister Julie quarrel about their morning chores. Their mother suggests that each girl do everything for herself, rather than share the responsibilities. Chaos results, thus emphasizing the importance of division of labor and specialization within a household and within society. Suggested discussion questions and classroom activities are included.

"World of Work Adventures of the Lollipop Dragon," from SVE/Singer. This set of six filmstrips and cassettes of the Lollipop Dragon's adventures in Tumtum teach students about the world of work. Especially emphasized is division of labor, specialization, technology, interdependence and cooperation. Titles include "The Workers of Tumtum," "Making Dragon Cookies," "Trading Jobs in Tumtum," "Changing World of Work in Tumtum," "Building a Clubhouse," and "The Lollipop Factory."

"Specializing and Exchanging," Filmstrip 1 from "Economics in Our World," by Teaching Resources Films. This filmstrip begins by illustrating how bees divide labor among themselves. This is then compared to division of labor in the production of goods and services. Examples of specialization of individuals and countries are presented, and interdependence is discussed in relation to this. A result of specialization and interdependence leads to the need for an exchange or barter system. The filmstrip ends with a discussion of money as a medium of exchange.

"Production," Program 10 of "Common Cents," a KETC Production, St. Louis, Missouri. This program presents the functions of the production process. It discusses profits, tools, machinery, assembly lines, division of labor, specialization, and the producer's responsibilities. It concludes by reinforcing the idea of interdependence.

"You and Mass Production," SVE/Singer, is a set of four filmstrips and cassettes entitled "From One by One to Lots and Lots," "The Paper Bag," "Clarence the Car," and "Buttons! Buttons!" All filmstrips are designed to show how mass production (including division of labor and specialization) has improved the quality and quantity of goods produced while lowering cost. Advantages and disadvantages are shown. The filmstrips include a history of mass production, a tour through a bicycle and car factory, and a discussion of automation and its part in mass production.

"Targo Explores the World of Work," SVE/Singer, is a set of six filmstrips and cassettes. "Targo, the Job Explorer

(Jobs at Home and School)" introduces Targo and what he does as a job explorer. "Who's Cooking, Targo? (Similar Jobs Throughout the Community)" explains the jobs Targo has explored and how these jobs are similar to ones at home and at school. "Tale of a Nail (A Cluster of Dependent Jobs)" shows Targo as a street cleaner who discovers the importance of doing his job well. "Where's the Ice Cream? (A Series of Dependent Jobs)" has Targo and a grocer tracing ice cream from the delivery truck to the dairy farm, showing the dependence of one job upon another. "Pride of the Slippery Fish (One Job Affects Many Communities)" has Targo showing an old sea captain how jobs in his community affect jobs in other communities. "Who's Got the Roller Coaster? (Many Communities Affect One Job)" shows Targo and an amusement park operator tracing a missing roller coaster which has been recalled for repairs. Different communities and workers are needed to make parts for the roller coaster. Interdependence and specialization are dominant themes.

Chilton, Robert, Roy, and Shirley, *Everyone Has Important Jobs to Do*. Chicago: Children's Press, 1970. This book begins by discussing the important jobs which members of a family have at home and at school. This is contrasted with jobs members of families may have had in another time or another place. Income, profit and taxes are briefly mentioned. The book ends with questions about what would happen if each person did not do his or her job. Through discussion the concepts of specialization and interdependence can be developed.

Wilkinson, Jean and Ned, *Come to Work With Us in a Toy Factory*. Milwaukee: Sextant Systems, Inc. 1970. This book is illustrated with photographs taken at a toy factory. Each photograph is accompanied by a riddle which explains the many kinds of jobs necessary for the production and marketing of toys, from the designer to the company president. Emphasis is therefore on division of labor, specialization and interdependence.

Economic Generalization 6

Because specialization and division of labor result in increased output, and in increases in the amount of goods and services exchanged, there is a need for a money system.

"Why We Use Money: The Fisherman Who Needs A Knife," Learning Corporation of America. This is an animated film about a fisherman who tires of the barter system and introduces the basic concept of money. The film illustrates how much more convenient the use of a money system is as compared to a barter system, especially in a specialized society. It concludes with a look at the uses of money today.

"Money-Paying for Things," Filmstrip 4 from "Economics for Primaries," Eye Gate Media. This filmstrip presents money as a way of trading for things we want and need. The different forms of money, such as bills, coins,

checks and credit cards are introduced. This is then compared with examples of people using the barter system.

"Trading," Program 1 from "Common Cents," KETC Production, St. Louis, Missouri. This program focuses on the concept of trading or barter by presenting definitions of what it is we trade (goods and services). It discusses the concept of interdependence among people. It illustrates the advantages and disadvantages of the barter system and leads into an understanding of money as a medium of exchange.

"Exchange and Money," Filmstrip 5 from "Economics in Our World," by Teaching Resources Films. This filmstrip begins with a discussion of the most common forms of money: coins, paper money and checking accounts. The conveniences of money as a medium of exchange and a measure of value are compared to the inconveniences of a barter system. The program ends with a brief discussion about specialization and interdependence and emphasis upon the importance of money as a facilitator in the exchange of goods and services.

Maher, John E., *Ideas About Money*. New York: Franklin Watts, Inc., 1970. This book begins with an explanation of generalized producers and specialized producers, thus laying the groundwork for the need for a money system. The first half of the book concentrates on how money serves us. We use money to buy things, as savings, and to tell us the price of goods and services. The second part of the book deals with two kinds of money: currency and checks.

"What Is Money?" Filmstrip 2 from "Introduction to Economics," Eye Gate Media. This filmstrip begins with a look at two primitive men trading with each other for things they need. The disadvantages of the barter system are then presented with the solution being the introduction to a money system. The history of our money system from shells to paper currency is examined. A closer look is then taken at checks and credit cards.

"Economics: Money," BFA distributor. This film uses the thoughts and feelings of children about money and what they would do with it. It answers some basic questions. What is money? Why is it needed? How do we get it? Where does money go? Emphasis is on values and choices involved in the use of money.

"How Money Works," Program 5 from "Common Cents," a KETC Production, St. Louis, Missouri. This program deals with the flow of money. It then moves to credit cards and the use of checks. Taxes are briefly discussed and the program ends with a statement about money as our medium of exchange.

Elkin, Benjamin, *The True Book of Money*. Chicago: Children's Press, 1960. Beginning with a trade between two modern boys, examples of barter in ancient times are presented. Amusing examples of barter show why money was introduced to facilitate trade. Money as a store of value, a medium of exchange, and a unit of account is briefly explained with emphasis on the history of money. It concludes with a brief discussion of saving money and checks.

Gross, Ruth Belov, *Money, Money, Money*. Scholastic Book Services, 1971. This book traces our money system from its beginning in the barter system. The problems which barter present are examined. Early types of money: cows, sheep, salt and shells, are discussed. Inconveniences presented by this kind of money lead to the introduction of metal money. Different coins are illustrated and the book ends with a discussion of credit cards and checks.

Other Materials

These materials would also be useful in the study of economics at the primary level. They were not listed under a specific generalization because they either included many generalizations without emphasis on a particular one, or they were indirectly related to the generalizations.

"World of Our Own," SVE/Singer. This set of 5 filmstrips and cassettes includes:

1. "Food, Clothing, Shelter, and Space." Basic needs are identified and ways are discussed in which people can manage natural resources to meet basic needs.
2. "People Need Each Other." A recognition of people as social beings having needs which can only be met by other people.
3. "Community Services: Many People Serve Our Community." Identifies the different services needed and provided by a community.
4. "Community Resources: People Work to Make Our Community Better." Discusses ways in which a community meets needs for self-expression, beauty, and privacy through its resources.
5. "Planning for the Future." Discusses changes and reasons for these changes in the attempt to meet all the needs of a community.

"Something Special . . . Work," SVE/Singer. This set of 6 filmstrips and cassettes includes:

1. "Pennies, Nickels, and Dimes." Emphasis is on the value of saving money.
2. "We Wrote Their Readers." Explains how students are consumers and producers of educational materials.
3. "What's Your Specialty?" Explains specialization of work and why people choose to specialize. (possibly could be included under Generalization 5)

4. "Money: One of Work's Rewards." The importance of earning money for work is emphasized.
5. "Math—Who Needs It?" Shows the relationship between schoolwork and the world of work.
6. "The Joy of Giving." Explains that self-satisfaction is another reason for working.

Ideas About Others and You, by John E. Maher and S. Stowell Symmes. New York: Franklin Watts, Inc., 1969.

This book explains our economic system which produces the things we want. Production and consumption of goods and services, money flow, taxes, resources, and many other things are presented.

"Career Awareness," SVE/Singer. This is a set of 5 filmstrips and cassettes:

1. "I Have a Body." Not particularly relevant for economics.
2. "I Have a Brain." Not particularly relevant for economics.
3. "The Work People Do." A boy goes to work with his father and sees the various types of jobs.
4. "I Can Do Things." Illustrates the similarities between activities of students and the world of work.
5. "I Can Make Choices." A recognition of the many kinds of choices made by individuals.

Note: Although Generalization 6 does not include banking, there are a few very good resources available on this topic.

1. "It's All Mine." A film produced by the American Bankers Association.
2. "Adam Builds a Bank: Saving for Goods and Services." Filmstrip 4 from "Primary Economics" from BFA Educational Media.
3. "Banks," Program 7 from "Common Cents," a KETC Production, St. Louis, Missouri.