



16. Teaching Economics

TCH 347 Social Studies in the Elementary School

Department of Teacher Education

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Fundamental Relationships

- Economy & Resources/Geography
- Economy & Technology/Education
- Economy & Division of Labor
- Economy & Culture
- Economy & Government/Politics
- Economy & People's Needs & Wants
- Economy & Globalization/Competition
- Economy & Environment/Sustainability

Basic Economic Categories

- Agriculture
- Animal husbandry
- Mining
- Forestry
- Fishery
- Manufacturing
- Commerce

Three Forms of Economy

- **Barter Economy**

- To trade goods or services without the exchange of money.

- **Market Economy**

- An economy that operates by voluntary exchange in a free market and is not planned or controlled by a central authority. (a capitalistic economy)

- **Planned Economy/Command Economy**

- A economy that is centrally-planned and implemented by a government in decisions about the production, allocation, and consumption of goods and services ahead of time. (e.g. economy of former Soviet Union and other communist governments)

Measuring Economy

- By Industry
 - Preindustrial economy
 - Developing economy
 - Developed economy
 - Postindustrial economy
- By GDP (Gross Domestic Product)
 - High GDPs
 - Low GDPs
- By Standard of Living
 - Living condition: food, clothing, shelter...
 - Job
 - Health care
 - Education

People Move for Economic Reasons

- **Migration**

- Movement from one place to settle in another

- **Emigration**

- Movement away from one's homeland

- **Immigration**

- Movement into a new country

National Economic Standards: K-4

http://www.educationworld.com/standards/national/soc_sci/economics/k_4.shtml

- **Scarcity**
- **Marginal Cost/Benefit**
- **Allocation of Goods and Services**
- **Role of Incentives**
- **Gain from Trade**
- **Specialization and Trade**
- **Markets -- Price and Quantity Determination**
- **Role of Price in Market System**
- **Role of Competition**
- **Role of Economic Institutions**
- **Role of Money**
- **Role of Resources in Determining Income**
- **Profit and the Entrepreneur**
- **Growth**
- **Role of Government**
- **Unemployment and Inflation**

National Economic Standards: 5-8

http://www.educationworld.com/standards/national/soc_sci/economics/5_8.shtml

- Scarcity
- Marginal Cost/Benefit
- Allocation of Goods and Services
- Role of Incentives
- Gain from Trade
- Specialization and Trade
- Markets -- Price and Quantity Determination
- Role of Price in Market System
- Role of Competition
- Role of Economic Institutions
- Role of Money
- Interest Rates
- Role of Resources in Determining Income
- Profit and the Entrepreneur
- Growth
- Role of Government
- Using Cost/Benefit Analysis to Evaluate Government Programs
- Macro-economy/Income/Employment , Prices
- Unemployment and Inflation
- Monetary and Fiscal Policies

Concept Clusters-1

- Concept Pairs

- Producer – Consumer
- Goods – Services
- Need – Want
- Demand - Supply
- Cost – Benefit
- Benefit – Profit
- Choice – Tradeoffs
- National economy – Global economy

Concept Clusters-2

- Types of Farms
 - Crop farm
 - Dairy farm
 - Livestock farm
 - Herding farm
 - Ranch
 - Plantation

Concept Clusters-3

- Career

- Agriculture
- Manufacturing
- Communication
- Education
- Health
- Transportation
- Tourism
- Academia
- IT (Information Technology)

Concept Clusters-4

- Productive Sources
 - Human
 - Workers
 - Technicians
 - Managers
 - Capital
 - Money
 - Buildings
 - Machines
 - Tools
 - Natural
 - Soil
 - Water
 - Climate
 - Minerals

Concept/Reasoning Chains

- **Add Concept(s) to or Rearrange the Chains and Give Explanations**
- Production – Distribution – Consumption
- Human Capital – Money Capital – Natural Capital
- Demand – Supply – Production – Price – Raw Materials
- Demand – Supply – Production – Employment
- Income – Need – Want – Production – Price – Profit
- Costs – Price – Demand – Production
- Distribution – Distance – Transportation – Price
- Production – Employment – Wages
- Technology – products – Profit
- Corporation Competition – Product Prices – Consumer benefits

Topical Approach

- Plan my budget for this month
- Scarcity of natural resources in the world
- Economy that has declined
- Economy that has emerged
- Changes of consumers' needs and wants over time
- Global economic competition
- Global technology competition
- Oil as pivotal economic resource

Questions for Inquiry Approach

- How did I spend my pocket money last week? Did I spend the money economically?
- How can I make reasonable choice between my needs and wants?
- Why is gas price going up recently?
- Why do people prefer white-collar jobs?
- What has happened to American car industry?
- How many things we use daily are made outside of United States? Why?
- Why are products made in China dirty cheap?

Class Activities-1

- Have students differentiate need and want, goods and services by listing many examples
- Challenge students to evaluate their decision-making skills as a consumer
- Challenge students to make correct choice by developing a personal budgetary plans
- Have students understand what each worker does to achieve the overall goal by exploring the division of labor in different settings (a supermarket, a school, an airport)
- Have small groups work on cost-benefit analysis for different projects that could be undertaken at school
- Have a “definition bee” competition by individuals or by groups

Class Activities-2

- Dramatize the three economies: Barter economy, Market economy, Planned economy.
- Divide students into three groups, with each group represent an economy.
 - **Barter Economy:** No money is used. Goods for goods based on needs
 - **Market Economy:** Money is used. Prices float following demand and supply. No government control and interference.
 - **Planned Economy:** Money is used. Prices are mandated by the authority. Government controls market.

Class Activities-3

- Use money as a Interdisciplinary Instruction Vehicle
 - Economy
 - Culture
 - History
 - Civics
 - Math



Matching Products/Services with Producers/Providers

- Accountant
- Author
- Carpenter
- Dentist
- Farmer
- Florist
- Webmaster
- Nurse
- Pilot
- Plumber
- Writing a book
- Flying a plane
- Growing flowers
- Treating oral health problems
- Taking care of the sick
- Planting crops
- Making furniture
- Keeping financial records
- Installing & repairing pipes
- Editing & Maintaining websites

Matching Goods and Services

Goods –G or Service – S

- ___ Beds
- ___ Water lawns
- ___ Toys
- ___ Selling cars
- ___ Shoe repair
- ___ Transportation
- ___ Clothes
- ___ Sheet of paper
- ___ Music CD
- ___ Education
- ___ Bread
- ___ Flag
- ___ Fire fighting
- ___ Hair cutting
- ___ Recorder
- ___ Townhouse
- ___ Garbage Pickup
- ___ Apple

Homework:

Watch Commercials and Answer Questions

- What product is being promoted?
- What features of the product are appealing to you as a consumer?
- Are you going to buy it? Why are/aren't you going to buy it?
- Do you think the price is reasonable? Why?
- Do you think the commercial gives you the correct information?
- How would you advertise that product if you were the director of the marketing department?

Opportunity-Cost Principle

- The cost of an alternative that must be forgone in order to pursue a certain action. Put another way, the benefits you could have received by taking an alternative action.
- Make choice between gains and loses

Practical Skills

- What are they and how to use them
 - Money order
 - Personal check
 - Debt card
 - Credit card
 - Travel Check
 - Money exchange (with foreign currency)
- Investment
 - Saving account
 - Share/Stock
 - Bund
- Book keeping
- ID theft

Generalizations Development

- Market economy encourages fair competition.
- Many people in the developing countries can not satisfy their basic needs in daily lives.
- Nations all over the world should work together to protect the environment in order to keep a sustainable economy.

Thinking Skills

- Logical thinking in terms of correlation of different factors affecting economy
- Decision-making
- Problem-solving



Discussing Topics

- Changes of people's needs and wants over time
- Oil consumption in the world
- Illegal immigrants
- Job outsourcing
- Increase of college tuition
- American car industry in the global market competition
- Second career phenomenon

Economic Education Organizations

- National Council on Economic Education
 - <http://www.ncee.net/>
- The National Center on Education and the Economy
 - <http://www.ncee.org/index.jsp?setProtocol=true>

National Economics Standards

- National Economics Standards
 - <http://www.ncee.net/ea/standards/standard.php?sid=1>
- National standards by Grade levels
 - http://www.educationworld.com/standards/national/soc_sci/index.shtml
- PA Economic Standards
 - http://www.pde.state.pa.us/stateboard_ed/lib/stateboard_ed/pdf/economics.pdf

Reference Links

- Department of Treasury
 - <http://www.ustreas.gov/>
- Land and Freedom Economics Lessons
 - <http://www.landandfreedom.org/econ/>
- The Mint
 - <http://themint.org/>
- Interactive Money CD-ROM Download
 - <http://www.bep.treas.gov/newmoney/main.cfm/learning/download>
- Online Economic Lessons
 - <http://cob.jmu.edu/econed/Marthas.htm>
- Learn about Money
 - <http://www.orangekids.com/>
- Wise Pockets for Kids
 - <http://www.umsl.edu/~wpockets/>
- Change Maker
 - <http://www.funbrain.com/cashreg/>