



POWELL CENTER FOR
ECONOMIC LITERACY

Lesson Plan

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Sweet Choices

Time Required

15 Minutes

Grade Level & Subject

Primary; Economics Vocabulary Building. This could also be incorporated as part of Language Arts, Reading, and Social Studies.

Keystone Principle

Principle #1 – We All Make Choices

Economic Concepts

Choices – *What someone must make when faced with two or more alternative uses of a resource.*

Goods – *Items made by people (or found in nature) which are used to satisfy people's wants.*

Scarcity – *The condition that results because people's wants are relatively unlimited and the resources available to satisfy those wants are relatively limited. This condition forces people to make choices.*

Services – *Products that cannot be touched or stored such as medical care, selling, education, transportation, telephone communication. A service is consumed at the instant it is produced.*

Wants – *Goods and services that people would like to purchase.*

Overview

This interactive lesson provides a very brief and simple way to introduce students to the economic concepts of choice, resources, scarcity, and wants. Although it is written for the early grades, it can be modified easily and made applicable to higher grade levels beginning the study of economics. After all, who doesn't pay attention when candy bars are involved!

Objectives

- Students will understand the economic concepts of choice, resources, scarcity, and wants, and will add these words to their vocabulary.
- Students will understand that choices are made because of the existence of scarcity.

Materials and Handouts

- White Board
- Enough mini candy bars so that each student can have **one-and-a-half** pieces. It will be helpful if the candy bars are easily divisible.

Teaching Activity

This lesson is centered on vocabulary-building, and is introduced in much the same way that words in a foreign language might be introduced. Students are asked to focus on a few words, repeat them several times, and begin using them in sentences.

1. For very young students, you can introduce the idea of economics as another strand of learning by explaining that when we learn stories from books, it is called reading. When we learn about people from other places and times, it is called Social Studies. Today they will learn about the way to make choices, which is called ECONOMICS. If your students are older, explain to them that Economics studies the way we allocate our resources – who gets how much of what. In simple terms, it studies how we make choices. Spend no more than two minutes on either explanation.
2. Show students your candy bars. Tell them that in economic terms candy is called a GOOD. Write the word (GOODS) on the board and have students repeat the word four times. Reiterate by asking them what candy is called in economic terms. Explain to the students that GOODS are things that satisfy people’s wants, and SERVICES are actions that satisfy their wants. Have them say both words. Hold up some object in the classroom and ask whether it is a “good” or a “service”. (*If you can actually hold it in your hand, it is usually a good. If, however, you can hold up a piece of paper that promises something like time on the computer, or a field trip permission slip, those would be considered services.*) Ask students to identify other examples of goods and services.
3. Show students the candy and ask them if they WANT some. Ask them this question several times, and then write “WANT” on the board. Ask them to identify the good they want, and then pass out one mini candy bar to each student. Tell them if they touch the candy before you say so, you will take it away. Again point to the word “WANT” on the board and have them read the word.
4. Allow students to eat their piece of candy. Ask them whether they are satisfied with one piece, or do they want more goods (candy). Assuming the answer is “yes,” point again to the words WANT and GOODS on the board and ask the class to again read the words. Pass out the remaining candy. You will run out exactly half way through the class. Ask them if you have enough candy to satisfy all the wants in the class. Tell them the economic word for this unhappy situation is SCARCITY. Write the word on the board and read it with them four times.

- Ask them to think of times when they have encountered scarcity (think of dessert times or trips to the store with their parents. Encourage each student to have an example). Discuss how we live with scarcity all the time.
5. Ask students for suggestions on what should be done about this unequal distribution of the candy. Tell them the economic word for what they are doing is **MAKING CHOICES**. Write this on the board. Have the half of the class with the extra candy bars return them to you. Ask them what economic condition caused them to have to **MAKE CHOICES (SCARCITY)**. Go over the situation again. We have **ECONOMIC WANTS**. The supply of **GOODS** available to satisfy these **WANTS** are smaller than the **WANTS**, so we experience **SCARCITY**. When we experience **SCARCITY** we make **CHOICES**. Repeat if necessary.
 6. If your students did not agree on a solution, tell them you have decided to make an equal distribution. You can offer a small arithmetic lesson at this point. Collect the candy from the half of the class who received the extra piece, break each bar in half, and pass them out.

Follow-up Activity

This brief lesson has helped your students increase their vocabulary to include important, basic economic concepts. Intentionally use these terms with the students as often as possible to help them become comfortable incorporating the vocabulary in their daily discourse.