**Watch the webinar available at** [**https://mediaflo.txstate.edu/Watch/e5K4XxDi**](https://mediaflo.txstate.edu/Watch/e5K4XxDi)

**Lesson 1:** **What is economics?** You are going to introduce the unit by making sure students know what the term “economics” means.

* Begin by going through this very short power point.



* Second, present some **important economic vocabulary** using the PowerPoint and Vocabulary Student Sheet. There is a key provided for you.



* Next help them learn about **the three economic questions** every society must answer (as well as some economics vocabulary) by having them complete the assignment below. This is more practice with important vocabulary which requires the students to create symbols that reflect the definitions of important terms.



**Lesson Two:** Now we’re going to apply some of the concepts we learned in activity one through a series of activities.

* First teach the students about the **factors of production**. They are all types of resources- labor or human resources, capital or capital resources and natural resources or raw materials. Start by teaching the definitions of the three factors of production.

**Capital resources** are goods produced and used to make other goods and services. Basic categories of capital resources include tools, equipment, buildings, and machinery. However, any good used by a business to produce other goods and services is classified as a capital resource, including mundane items such as shipping boxes, invoice forms, pens, or file cabinets.

**Natural resources** are gifts of nature; they are present without human intervention. Natural resources are used to produce goods and services. Examples are air, water, gold, petroleum, etc.

**Human resources** describe the human work effort, both physical and mental, used in the production of goods and services. (sometimes called labor)



*If you need a quick place for them to “keep” this taught information – this is a document that simply puts these definitions on paper…*

* Then have them practice **distinguishing between the three types of resources that make up the factors of production**. You can either use the link below to do the resource sort on your smart board or do the paper sorting activity below.

Resource Sort <http://www.econedlink.org/interactives/EconEdLink-interactive-tool-player.php?filename=em711_dragndrop.swf&lid=711#.UnPWfShNiwQ.email>



* Now use the activity and the video clip below for a more **in-depth discussion** of all the concepts we have introduced.

<http://app.discoveryeducation.com/player/view/assetGuid/1C8BA4D1-6C62-4B43-8102-E8BB138345CF> (16.24)

1. Before you show the video clip, hand out the concept crossword puzzle. Explain to the students that the crossword will test them to see if they can pick out some of the major concepts in the video. Go over all the clues with them. If there are students who think they already know one of the answers, allow them to pencil the word in next to the clue (not in the squares of the puzzle yet). Then as they watch the film, they should listen carefully and pencil in any of the other answers they hear. NOTE: You will have some students who don’t get all of them (or even many of them). That’s fine. You can go over the clues at the end of the film for a review and then have everyone put the words in the puzzle.



Give the kids a little more practice over the types of resources by using this assignment.



* Finally use one of Aesop’s fables to explain **the concept of entrepreneurship**.  (It is a characteristic of people who assume the risk of organizing productive resources a.k.a. factors of production to produce goods and services; entrepreneurship itself can be a resource.



**Lesson Three:** **Teaching the Production Process** In economics, the **factors of production** (natural resources, labor, and capital) are the inputs to the production process. Finished goods and services are the output. Now you are going to show students how businesses and individuals (entrepreneurs) use the factors of production to produce goods and services.

* You are going to show three short video clips in a row. As the students watch the video clips, they are going to record the factors of production used in each of the three processes. In addition, they are going to identify whether what is produced is a good or a service. You have an answer key below to help you.

Large Manufacturer <http://app.discoveryeducation.com/player/view/assetGuid/640EB4EF-FED1-48CC-BB6D-A0B68ED9A1CF> (1:41)

Small Manufacturer

<http://app.discoveryeducation.com/player/view/assetGuid/5EAC4705-CA49-43F4-8758-7642B6E0033F> (:57)

Babysitter

<http://app.discoveryeducation.com/player/view/assetGuid/2F20E3D9-CC5A-4F44-9134-5DB0680B970A> (:33)



**Lesson Four: Scarcity**, **Global Trade and Interdependence** Teach the students about scarcity and how the fact that goods are not evenly distributed or inexhaustible means countries sometimes have to trade with each other to get what they need. Today the world’s economies are so closely linked that most countries couldn’t function on their own. We are all interdependent.

* Introduce **the concept of scarcity** by doing the three activities below.

1. Set up 4 chairs in a circle at the front of your room. Ask five students to come up front and play a round or two of musical chairs. (You will need music!) Stop them after a few minutes. Ask them to think about the game musical chairs and the concept of scarcity. Everyone wants a chair in the game, but there are only four. Sometimes it’s like that in the free market too. A lot of people want something, but there is only a certain amount of that product available. Ask students what happens in the market if there is high demand for a scarce good. (You can use an example they might be familiar with like when a new version of the iPhone comes out, there are always more people who want to buy one than there are new iPhones available.) Hopefully you can get the kids to tell you there is fierce competition for the product (just like the chairs in the game). If a product is scarce and a lot of people want it, it is very valuable. Ask the students what happens to the price of a scarce good that people desire. (It goes up.)
2. Use this discussion prompt to delve a little deeper into the concept of scarcity.



1. Next show this (very basic) power point to drive home what you just talked about.



* Teach students about trade by doing this activity called **“World on a String.”** It will help them see the kinds of products that countries have to get from abroad to make their economies go.



* Finally help them see **how interdependent the world’s economies are** by showing them just how many countries contribute to the making of a pencil. Students will mark their own maps each time the pencil “journeys” to another location.

1. Use the discussion questions and cues at the end of the PPT to discuss the idea of globalization and economic interdependence.



**Lesson Five:** **Economic Systems**

* Explain to students that you are going to teach them about the different types of economies around the world. You will use the ppt and the note taking device below to start.



Economics Array and Chart

* Create array placards with the country and picture on one side, and the clues on the other.
* Give each group or table of students a country.
* The students read the clues given to them. They will decide as a group where on the continuum line they think the country goes.
* Pick two students to go to the front of the room to form the ends of the continuum. They will hold the “Complete Government Control of the Economy” and “No Government Participation in the Economy” cards. These students will stand on opposite ends of the room from one another.
* The student with the birthday closest to January 1st in each group will line up in the front of the room facing the class with their placard. They will stand where they believe their country belongs on the continuum, between the two end signs.
* One at a time students will read their placard to the class and then justify why they placed themselves where they did by reading the part of the clues that helped their table decide . The audience will have an opportunity to question or agree with each student. Use a method like “thumbs up/thumbs down” to poll the class and then call on audience members to explain why they agree or disagree.
* Correct and redirect as needed.
* Next the teacher will do an example array on the document camera so students know what to draw and complete in their notebooks once the class discussion is finished.
* The countries will go on the bottom of the array.
* You the teacher will then have to take the rest of the examples and show the students where they go above the array. (KEY is below)



**Lesson Six:** **Standard of Living/Levels of Development**-Help students understand that not every country is as wealthy as ours is. Teach them the meanings of some of the indicators of wealth (GDP, per capita GDP, Life Expectancy, Literacy Rate) and then help them compare one country to another to determine which has the highest standard of living.

* Introduce the concept of standard of living by showing this power point.



* Have students compare different countries and determine which ones are more developed and which ones are less developed.

