

Contributor: Frances Tisdale **Grade Level:** 4th

1. Identify the standards to be addressed:

Grade 4 – Texas – Addresses State Standards

Skills

Social Studies: Economics - Enterprises for Elementary Students

2. Statement of the objective and lesson outcomes:

Students will be able to define basic economics vocabulary words and demonstrate their understanding through application in a classroom business game activity that exhibits supply and demand through the flow of commerce. Students will retain knowledge when they handle representative materials and participate as a team in related fun activities.

3. Materials, resources, and technology to be used by teacher/students:

Economics Terms Page (**Document A**); Teacher-prepared “Grocery Bag” businesses with representative materials for resources (natural, capital, and human) used in production and for the products (good and/or services) generated by 6 enterprises. (A detailed description of these materials is included in **attachments B , C , and D.**)

4. Introduction of the topic:

(Varies according to selected preparation lessons. Usually 2-3 days.)

In the days prior to this interactive lesson, you will need to provide and explain a basic list of vocabulary terms (attached **Document “A”**). I have also attached **Documents “E” through “K”**, which can be used as teaching materials for large group work or as small group practice or as graded independent work. (You may choose as many of the seven documents as you wish to use.) Once students have mastered the definitions of terms and demonstrated understanding of real-world examples, you are ready to implement the lesson activity that will cement this knowledge with everyone’s eager and active participation.

5. Procedure for instruction

(a) Prior to this activity day, prepare and label 6 paper grocery bags to represent each of the 6 businesses: dairy farm, ice cream factory, paper mill, tree farm, ice cream shop, and trucking (logistics) company. For additional fun, give them specific names using some of your fellow teachers’ names, such as Mr. Smith’s Dairy Farm, Mrs. Brown’s Ice Cream Shop, Tisdale’s Logistics Co. I used Blue Bell Creamery because we in Texas love our Blue Bell!! Then have fun finding or creating representations for each item on the **Document D** lists (8 to 11 items per enterprise)! I went through my children’s old toys for small plastic cows, tractors, trucks, little people, and puzzle pieces of buildings. I used Legos to create various “machines” and furnishings (glue them together). I used plastic/paper cups, plates, & spoons, empty glue bottles, “sanitized” school milk cartons, and thick

sticks from my yard for logs. The local Dollar Store provided plastic grass, plastic fruit, small plastic bottles that I painted/labeled “water” or “milk”. Be creative and have some fun!! If you want to teach the lesson before accumulating these materials, you can use any or all of the **Clip Art pictures** I have provided in the attached folder. Be sure to include a copy of **Document A (Vocabulary Terms)**, the **appropriate Business Items List from Document D**, and **Document C (the student enterprise instructions/worksheet)** in each bag."

6. **(b) Lesson/Activity Day.** (50-60 minutes **total**)

(15-minute introduction) Inform your students that today they are going to have a fun time pretending to actually operate an enterprise! Explain that all groups will receive a grade on BOTH their accurate answers and their cooperative participation in today's activity. Divide the class into 6 groups. Assign 1 of the 3 job titles to all group members (or have groups self-appoint --- if they are mature). Explain that the **"Spokesperson"** is the one who will talk during their presentation; the **Recorder/Writer** will be the one to record all the important information on Document C before the presentation; and the **Materials Manager** (1 or 2 people) will handle displaying/demonstrating each picture and object from their "List" as the Spokesperson explains its role in the business' creation of a product. Review the Economics Vocabulary words with students. It's now Fun time – Learn time!

(30-minute group work) Bring out your 6 paper grocery bags, all labeled and closed with clips. Randomly assign a "Grocery Bag" enterprise to each of the groups. (Sometimes you may want to adjust how random this is, e.g., the Trucking Business requires a lot of movement about the classroom.) Set a timer and "BEGIN"! Give groups about 10-15 minutes (or a time limit of your choosing) to investigate the bag, categorize each item (answers should be written in Document C), and decide how the business operates. Circulate among the groups, observing and answering questions as needed. (Give the class a 2-minute warning before the alarm sounds.) When the timer rings, groups must return all items to their bag and sit quietly until you recognize each group, one by one. Call on each business group to stand and (using their bag items) to explain and demonstrate their enterprise for the class.

****IMPORTANT:** You will need to direct the movement from one business to the next:

(i) **Tree Farm.** Students will make their presentation about resources, goods and services. (They are also equipped to transport their product (processed logs) to the Paper Mill.) The Materials Manager should make the physical delivery!

(ii) **Paper Mill.** After their demonstration of using resources to make paper cups and cartons, you need to ask if anyone could use this product (a "demand" for goods) in their own enterprise. Hopefully the Ice Cream Shop speaks up. **BUT** --- *how will we get the cups delivered to the shop?* The Trucking Company should call out now.

(iii) **The Trucking Business** will explain their operation (resources used & services provided); pretend to pick up the cups and deliver them to the Ice Cream Shop.

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(Trucking Company can rest for a minute. Ice Cream Shop should be asked to patiently wait a few minutes for their turn.) *Let's now hear from the Dairy Farm!*

(iv) **Dairy Farm.** The group's presentation should identify resources they used and their product (goods)---milk. Ask if anyone has a need for ("demand") for the Dairy Farm's milk product? Blue Bell Creamery should now identify itself! **BUT** --- *how will we get the milk to the creamery? Let's have some action from the Trucking Business again (different, special kind of truck)!*

(v) **Trucking Business** does not need to repeat their earlier presentation. They only need to enact the pretend transportation (service) from dairy to creamery.

(vi) **Blue Bell Creamery** has a turn presenting their findings on resources used & on having a good "supply" of ice cream products (goods). *Finally, is there any business that could make use of Blue Bell's ice cream?* The Ice Cream Shop should be very eager to speak up again! **BUT WAIT** --- *how will we get the ice cream to their shop?*

(vii) The **Trucking Business** calls out (a 3rd time) that they can again use that special refrigerated truck for this job! Their Materials Manager pretends to pick up the ice cream and deliver that product to the long awaited Ice Cream Shop.

(viii) **Ice Cream Shop**. This group finally gets to present their information on resources (& other's products) they use & the products (goods & services) they sell.

****This is now the best time to explain the "interdependency" of enterprises! You can have a discussion about "supply and demand", in terms of their businesses. (If preferred, you can address "supply and demand" with each above transaction.)**

7. Lesson Closure: (5 minutes or 15 minutes*)

Congratulate students on a job very well done! Briefly review the vocabulary terms and definitions from today's active lesson. Ask volunteering students for one-word descriptions of today's lesson. (You should get lots of positive feedback.) Have the "Materials Managers" return all materials to their bags (except for **Document C** which is to be graded) and clip the bag shut. Collect all lesson materials.

*As a fun culmination to the project, surprise students with a "supply" of real ice cream cups—if your school allows it!! It will cost around \$10 for 24 store-brand (Walmart, Kroger, etc.) ice cream cups. If it's easier, you can substitute store-brand mini ice cream sandwiches (~32 for \$6). Students will love & remember this lesson!

8. Assessment of Student Understanding:

Observation of interest; participation in group activities; group oral and visual presentations; written group and/or independent assessment(s).

You have now completed a valuable elementary-level lesson on a few basics of our economy. Because they learned to work as a **team**, **handled** representative objects, and **"experienced"** the operation of an enterprise, your young potential entrepreneurs **will** remember this lesson!



VOCABULARY - ECONOMICS TERMS

Natural Resources – natural things (from “nature”, not man-made) used to produce goods and services

Human (Labor) Resources – people that produce goods and services

Capital Resources – tools, machines, and equipment (also buildings) used in the production of goods and services

Products – goods or services that a business markets (sells)

Goods – material “things” made to sell in a business

Services – “activities” sold in a business

Enterprise – business that combines natural, human, and capital resources to produce goods or services

Entrepreneur – person who invests in and owns a business

Supply – the amount of a product that a business has on hand to sell

Demand – the desire/need that the public has for a product



HOW DOES IT ALL FIT TOGETHER?

For people to satisfy their daily needs and wants (**demand**), **goods** and **services** must be produced (**supply**). Resources are made into goods and services through a production process. Producers use three **resources (natural, human, and capital)** to produce any good or provide any service. The people who own the businesses that make goods and provide services are called producers or **entrepreneurs**. The business itself is referred to as an **enterprise**.

Natural resources include all the things that the earth or nature provides (examples: the land itself, minerals, water, fertile soil, timber, raw materials). Therefore, different geographical areas have varying amounts and kinds of natural resources available to produce goods and services. Since these natural resources are limited, producers must make choices on how to use their scarce resources most efficiently to meet our needs. **Capital resources** are the buildings, tools, machines, and other equipment used by businesses in producing goods and services. **Human resources** are the people (with their skills) who work to produce economic goods and services (examples: store clerks, doctors, salespersons, oilfield workers, engineers, teachers). The quality of human resources is determined by the motivation, technical skills, and level of education/training which people possess. The plan of how to put all these resources together to create a product or provide a service is called an enterprise (example: your neighborhood grocery store). The person who develops and owns an enterprise is known as an entrepreneur (example: the owner of the local hamburger restaurant or hair salon).

TEACHER INFORMATION TO SET UP “GROCERY BAG” ENTERPRISES

Document B

Enterprises	Resources							Products
Dairy Farm	Grass	Water	Cows	Barn	Tractor	Milking Machines	Farmer	Milk
Blue Bell Creamery	Milk	Sugar	Freezer #1	Factory Workers	Fruit	Paper Cups/Cartons	Creaming machines	Ice Cream
Paper Mill	Wood (Logs)	Saws	Factory Building	Water	Cup-making machines	Glue	Factory Worker	Paper cups and cartons
Tree Farm	Soil and Trees	Water	Chain Saws	Lumber-jacks	Log Truck	Loader/Crane	Log Truck Driver	Processed Logs
Ice Cream Shop	Cartons of Ice Cream	Tables And Chairs	Spoons & Paper Cups	Water	Waitress	Freezer #2 and Cash Register	Shop Building	Cups of Ice Cream & <u>Serving</u> customers
Trucking Company	Delivery truck & Refrigerated Delivery Truck	Water	Gasoline	Drivers	Storage Garages	Mechanic	Tires	Delivery Service

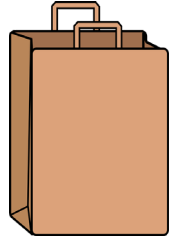
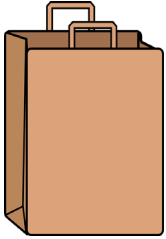
Collect 6 paper grocery bags. Label each one with the name of one of the enterprises listed on the left. Use Document “D” to make cards listing all items in each of the 6 bags. Place the cards in the appropriate bags. Purchase (small toys, models, etc.) or make (plastic, clay, Lego, photocopy, etc.) a representation of each of the “resources” and the “product” in each labeled bag. You may want to use my printed set of representations (attached Clip Art folder) until you find more interesting 3-D models.

On the project day, divide students into 6 groups. Give each group one (1) copy of Document C – “Grocery Bag Enterprises”. Assign 1 of the 3 job titles to all group members (or have groups self-appoint --- if they are mature) before allowing the groups to begin their work. Give groups about 10 minutes (or a time limit of your choosing) to investigate the bag, categorize each item (answers should be written on Document C), and decide how the business operates. When you call time, groups must return all items to their bag and sit quietly until you call on them. Call on each business group to stand and explain/demonstrate the enterprise to the class (proceed in the following order): (1) Tree Farm, (2) Paper Mill, (3) Trucking Business (4) Dairy Farm, (5) Trucking Business, (6) Blue Bell Creamery, (7) Trucking Business, (8) Ice Cream Shop. The Trucking Business is called on several times as they use their “model trucks” to pick up from one enterprise and deliver to the next. You can explain the interdependency of businesses as well as supply & demand.

As a fun culmination to the project, surprise students with real ice cream cups!

Date: _____

Group Members: _____



GROCERY BAG ENTERPRISES

Each group should assign all students to one of the following job titles: (1) Spokesperson, (2) Recorder/Writer, and (3) Materials Manager(s). When instructed to do so by your teacher, each group will open your grocery bag and take out the “Enterprise Item List” card and all “picture” or “miniature item” representations. As a group, decide how to classify each item and list each one in the appropriate category on the chart below. When you have completed your task, sit quietly until all groups are finished. Your teacher will then direct each group’s explanation of your choices and you will demonstrate how they are interconnected within the marketplace.

Remember: Each group member will receive a grade on both your accuracy and your cooperative participation.

RESOURCES USED IN AN ENTERPRISE TO PRODUCE GOODS & SERVICES

Your Enterprise		Natural Resources Used	Human Resources Used	Capital Resources Used	Another Enterprise’s “Goods” Used			Goods You Produce	Services You Produce

Hint: Use your **Vocabulary – Economics Terms** page to help you with classification. Your particular enterprise may not have entries in all of the columns.

DAIRY FARM

GRASS

WATER

COWS

BARN

TRACTOR

MILKING MACHINES

FARMER

MILK

PAPER MILL

WOOD (LOGS)

SAWS

FACTORY BUILDING

WATER

CUP-MAKING MACHINE

GLUE

FACTORY WORKER

PAPER CUPS & CARTONS

BLUE BELL CREAMERY

MILK

SUGAR

FREEZER

FACTORY WORKERS

FRUIT

PAPER CARTONS

CREAMING MACHINES

ICE CREAM

TREE FARM

SOIL

TREES

WATER

CHAIN SAW

LUMBERJACK

LOG TRUCK

LOADER/CRANE

TRUCK DRIVER

LOADER/CRANE DRIVER

PROCESSED LOGS

DELIVERY SERVICE

ICE CREAM SHOP

CARTONS OF ICE CREAM

TABLES & CHAIRS

PAPER CUPS & SPOONS

WATER

WAITRESS

FREEZER

CASH REGISTER

SHOP BUILDING

CUPS OF ICE CREAM

SERVING CUSTOMERS

TRUCKING COMPANY

STANDARD DELIVERY TRUCK

REFRIGERATED DELIVERY TRUCK

WATER

GASOLINE

TRUCK DRIVERS (2)

STORAGE GARAGE

MECHANIC

TIRES

DELIVERY SERVICE

"NAME THAT RESOURCE"

Date: _____

Name: _____

Natural, Human, or Capital

Tree 1. _____

Boy 2. _____

Grass 3. _____

Lawnmower 4. _____



Water 5. _____

Car 6. _____

Girl 7. _____

Bucket 8. _____

Lady 9. _____

Electric Iron 10. _____

Ironing Board 11. _____

 House in
which the
lady is
working 12. _____


Name _____

Date _____

Natural, Human (Labor), and Capital Resources within an Enterprise

Directions: Label each of the following with “N” for Natural Resource, “H” for Human Resource, “C” for Capital Resource, or “E” for Enterprise.

1. _____ Farmer
2. _____ Tree
3. _____ Dentist
4. _____ Soil
5. _____ First City Elementary School
6. _____ School Building
7. _____ Cow
8. _____ Hammer
9. _____ Postal Worker
10. _____ R & T Grocery Store
11. _____ Teacher
12. _____ Water
13. _____ Tractor
14. _____ Tomatoes
15. _____ X-ray Machine

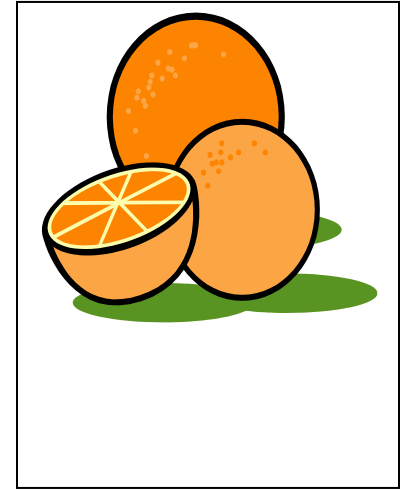
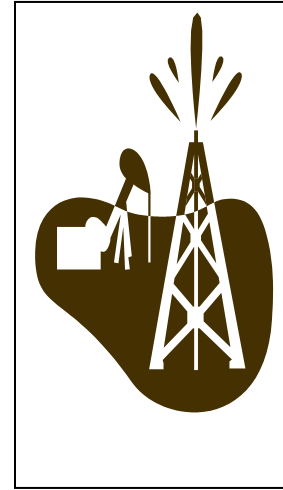
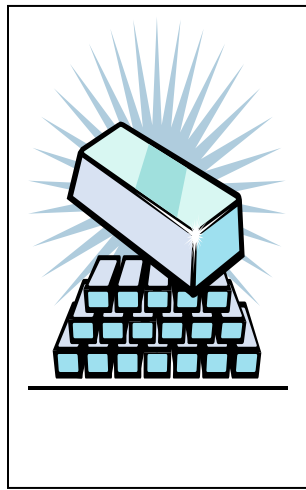
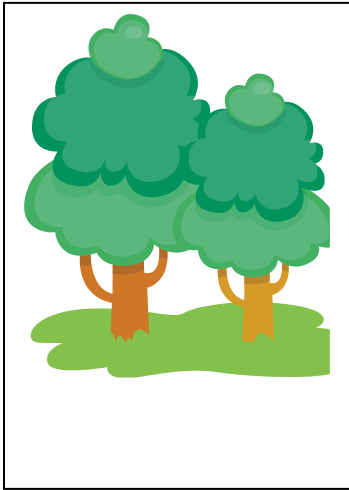
Hint: Refer to the definitions on your Vocabulary – Economic Terms page.

Name _____

Date _____

NATURAL RESOURCES AND THEIR FINISHED PRODUCTS

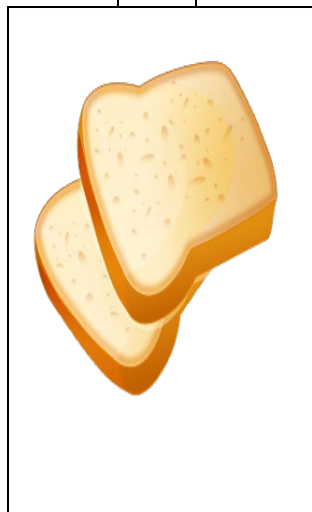
Directions: Place the “letter” of the finished “product” inside the box with the “natural resource” from which it was made.



A



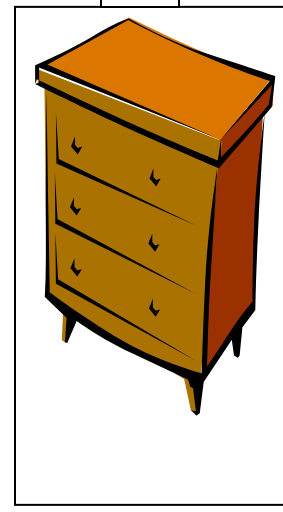
B



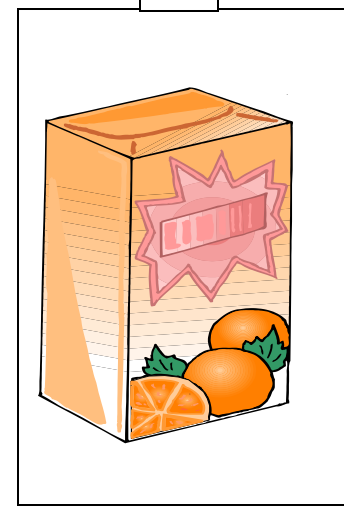
C



D



E



Name _____



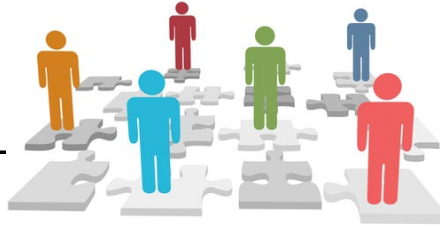
Date _____

HUMAN (LABOR) RESOURCES & THE “GOODS” PRODUCED

Directions: Match the “goods” with the Human Resource who produces it.
Place the appropriate “letter” on the blank line.
(You may use a dictionary, if needed.)

- | | | |
|-----------|-----------------------------|---------------------|
| 1. _____ | Farmer | a. statues |
| 2. _____ | Architect | b. medicine |
| 3. _____ | Apple or Samsung Technician | c. beef cows |
| 4. _____ | Cattle Rancher | d. sport cars |
| 5. _____ | Confectioner | e. wristwatches |
| 6. _____ | Watchmaker | f. cellular phone |
| 7. _____ | Toy Maker | g. diamond rings |
| 8. _____ | Pharmacist | h. house blueprints |
| 9. _____ | Jeweler | i. portraits |
| 10. _____ | Photographer | j. fresh vegetables |
| 11. _____ | Seamstress | k. gourmet dinner |
| 12. _____ | Chef | l. dresses |
| 13. _____ | Carpenter | m. dolls |
| 14. _____ | Sculptor | n. candy |
| 15. _____ | Automaker | o. wooden cabinets |

Name _____



Date _____

HUMAN (LABOR) RESOURCES & THE “SERVICES” PRODUCED

Directions: Place the correct “letter” in the blank to match the “human resource” title with the “service” they provide.

(You may use a dictionary, if needed.)

- | | | |
|-----------|-------------------|-----------------------------------|
| 1. _____ | Reporter | a. Provides a haircut |
| 2. _____ | Waiter/Waitress | b. Gives legal advice |
| 3. _____ | Seamstress/Tailor | c. Fixes a leaking water pipe |
| 4. _____ | Nurse | d. Cares daily for young children |
| 5. _____ | Banker | e. Alters your clothing |
| 6. _____ | Optometrist | f. Serves a restaurant meal |
| 7. _____ | Gardner | g. Mows grass and trims hedges |
| 8. _____ | Barber/Beautician | h. Loans you money to buy a car |
| 9. _____ | Minister/Preacher | i. Reports the latest news |
| 10. _____ | Plumber | j. Repairs your car engine |
| 11. _____ | Lawyer | k. Examines your eyesight |
| 12. _____ | Teacher | l. Checks your temperature |
| 13. _____ | Babysitter | m. Gives the weather forecast |
| 14. _____ | Mechanic | n. Corrects a math test |
| 15. _____ | Meteorologist | o. Performs a wedding ceremony |

Name _____

Date _____

NATURAL, HUMAN (Labor), CAPITAL RESOURCES; and ENTERPRISES

Directions: Place a “checkmark” in the column that best identifies the example listed on the left.
(Only 1 checkmark per numbered example.)

Examples	NATURAL RESOURCES	HUMAN RESOURCES	CAPITAL RESOURCES	ENTERPRISE
1. Apples				
2. Store Clerk				
3. Crude Oil				
4. Grass				
5. Hammer				
6. Bark Mulch				
7. Walmart				
8. Doctor				
9. Factory Building				
10. McDonalds				
11. Computer				
12. Office Manager				

Name _____

Date: _____

SUPPLY AND DEMAND



Word Box -- Supply: the amount of a product that is available to sell

Demand: the customers' desire or need for a product

1. Baseballs are for sale during football season. The supply on shelves is high. The cost will probably be _____. (expensive or inexpensive)
2. The supply of fireworks at the beginning of July is most likely _____. (high or low)
3. The price of a Babe Ruth baseball card today is high because it is scarce; the supply is _____ (high or low).
4. The demand for candy hearts in February is generally _____ (high or low).
5. Halloween costumes are in _____ (high or low) demand in November.
6. If your company sold a new type of i-phone, and everyone wanted to buy one, you could make the price "high or low" ? _____
7. School starts next week. The supply of school materials that stores will stock for sale will be _____ (high or low).
8. There was a recent hurricane that knocked out electricity in large areas of the city. People who listed electricity generators for sale in the newspaper could probably ask for a _____ price. (high or low)
9. In the middle of summer there would most likely be a _____ demand for swimsuits. (large or small)
10. In New York's winter _____ (coats or shorts) would probably be in small supply in stores because _____.

DAIRY FARM

PAPER MILL

BLUE BELL CREAMERY

TREE FARM

ICE CREAM SHOP

TRUCKING COMPANY





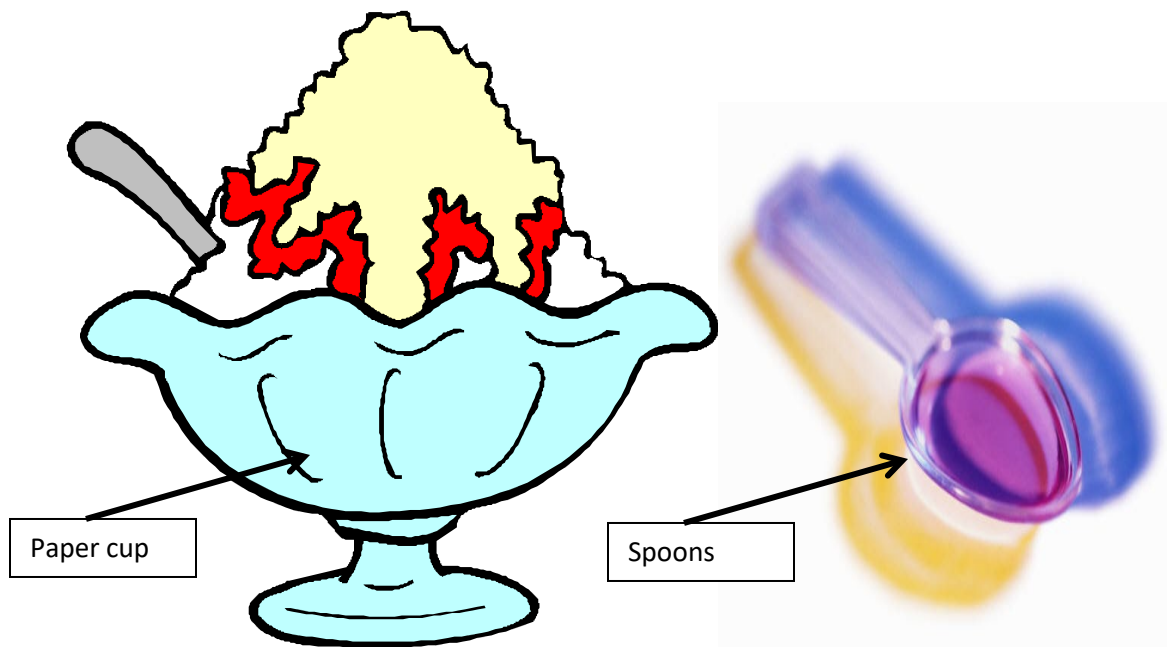








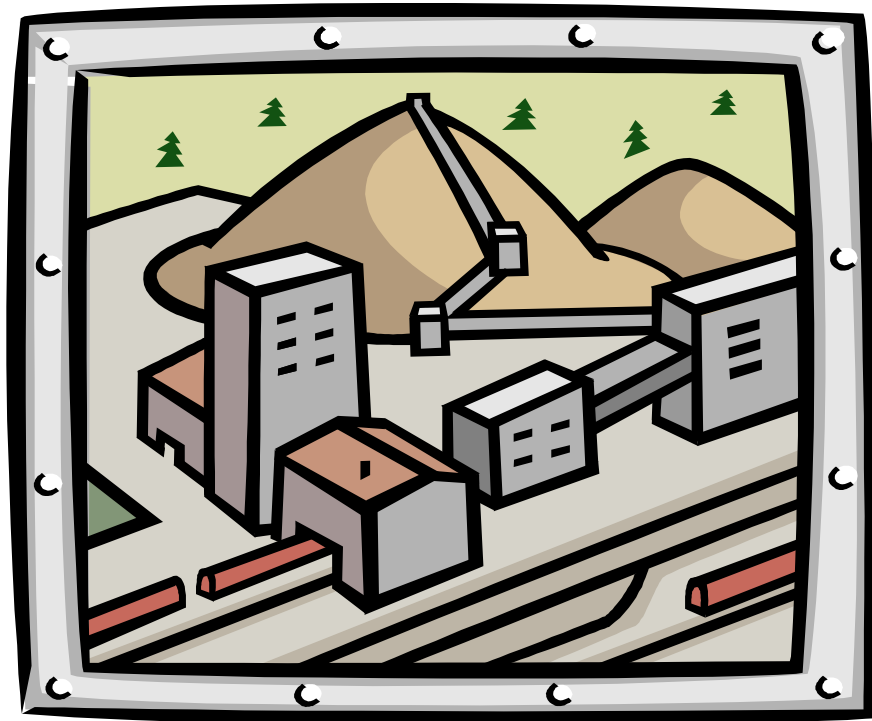
Illustration by Chris Gash



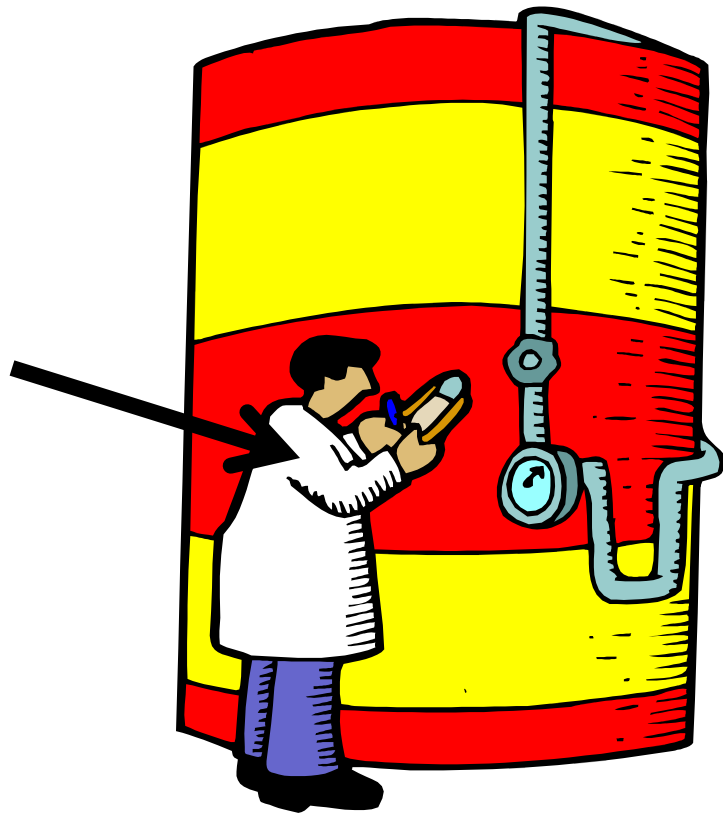




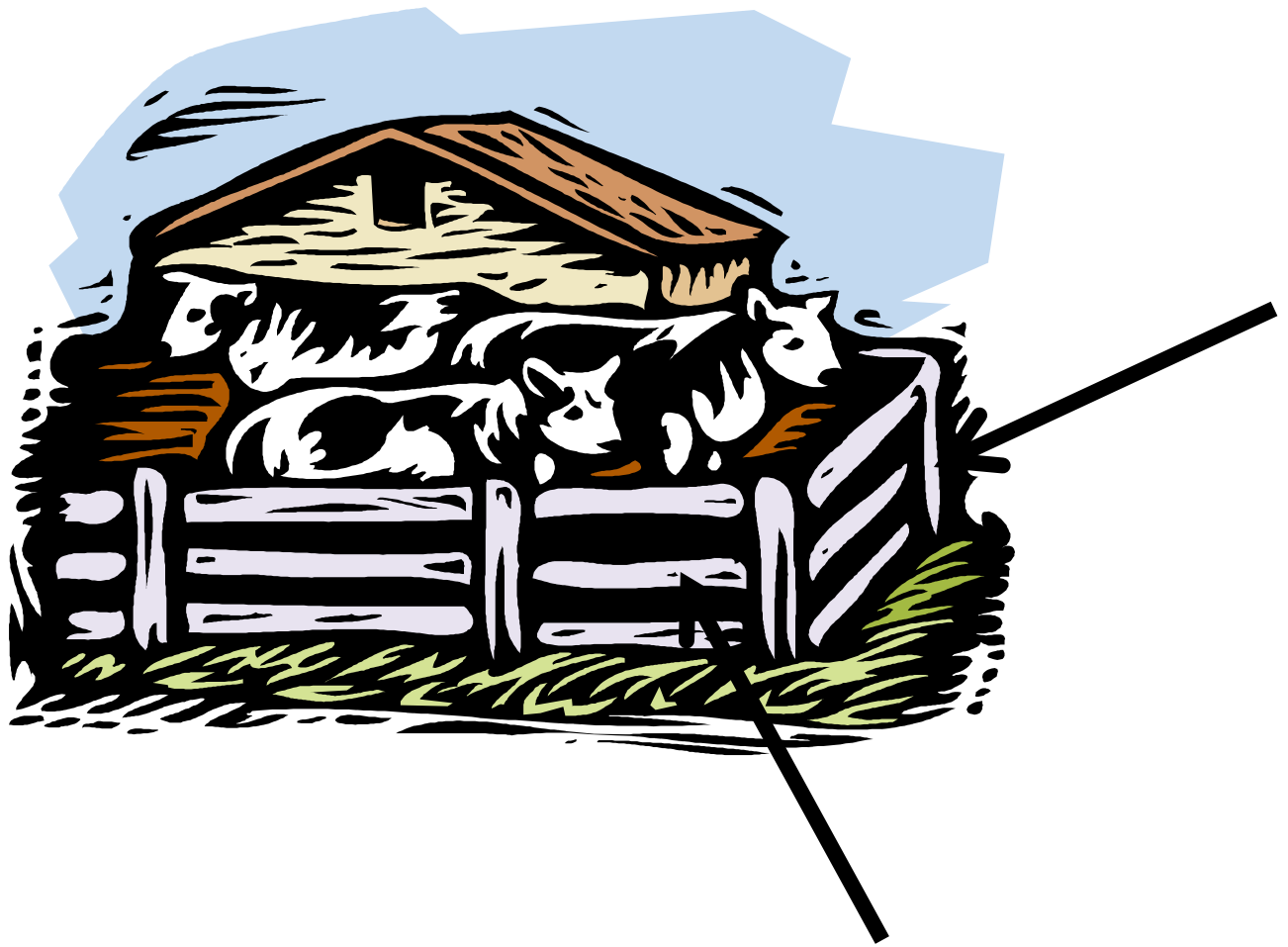








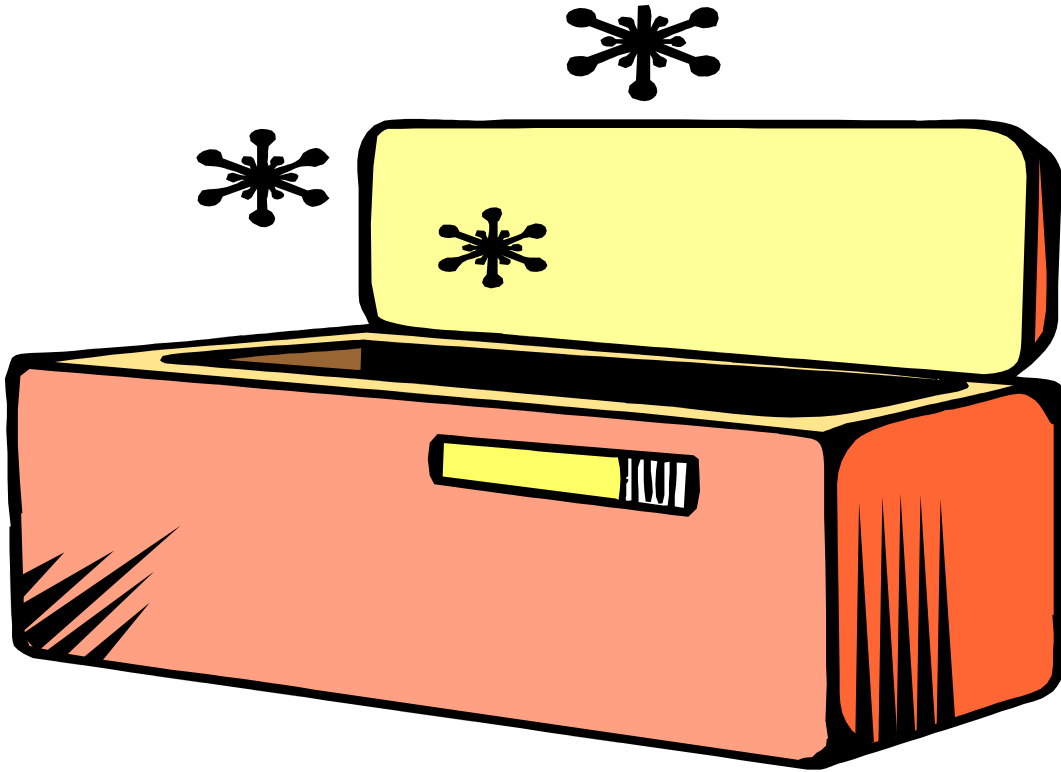


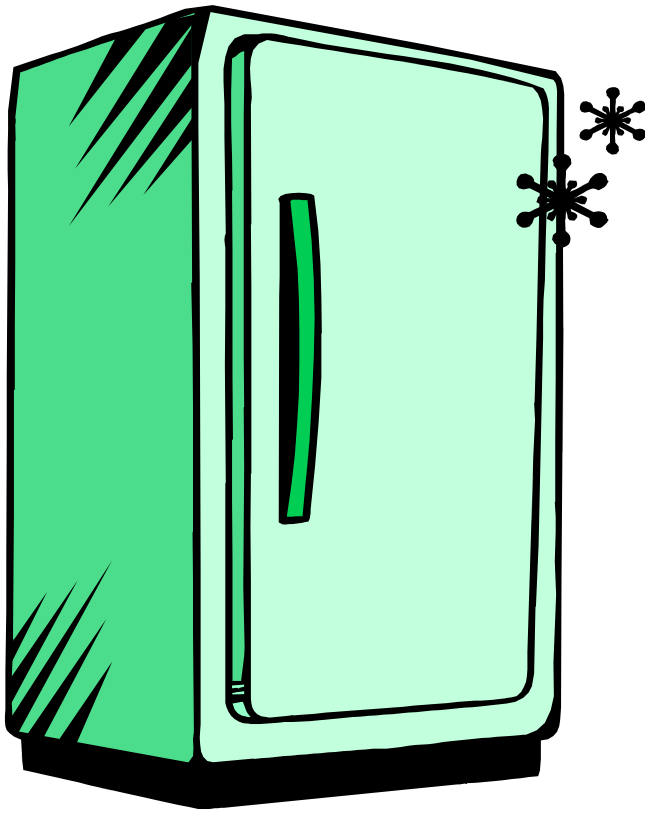




This will really make the grass grow!

It's COLD in there!!





It is icy COLD in there!!



My machine's engine needs this liquid to work!



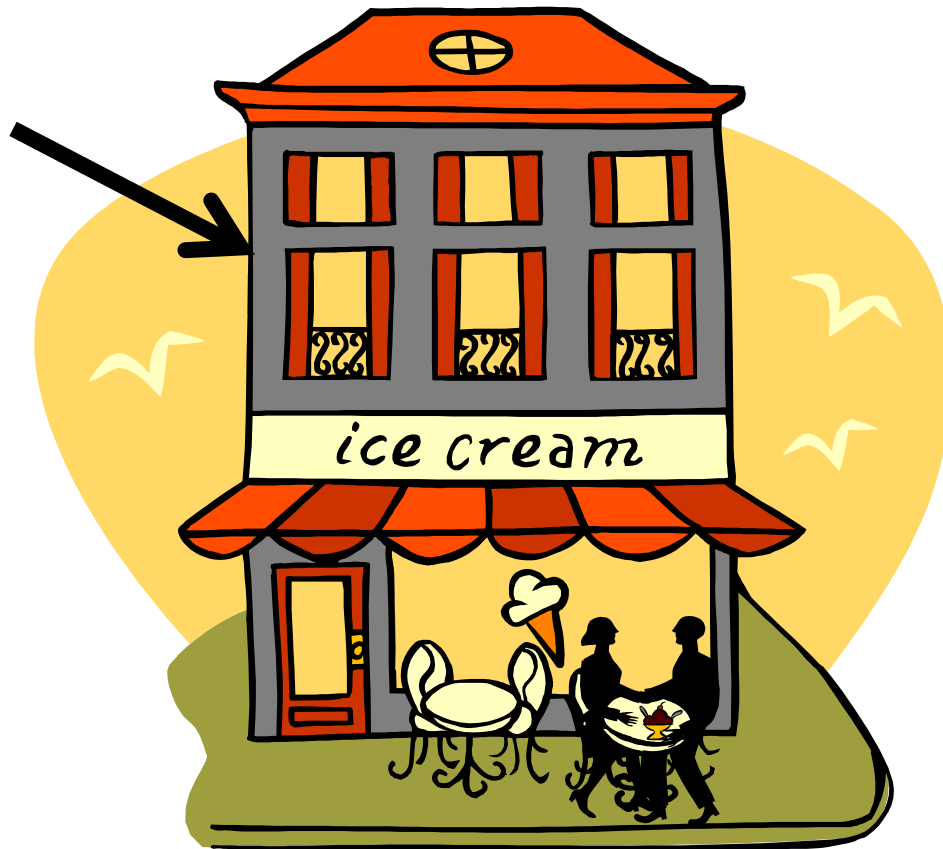


Cows like this best when it is really green!!

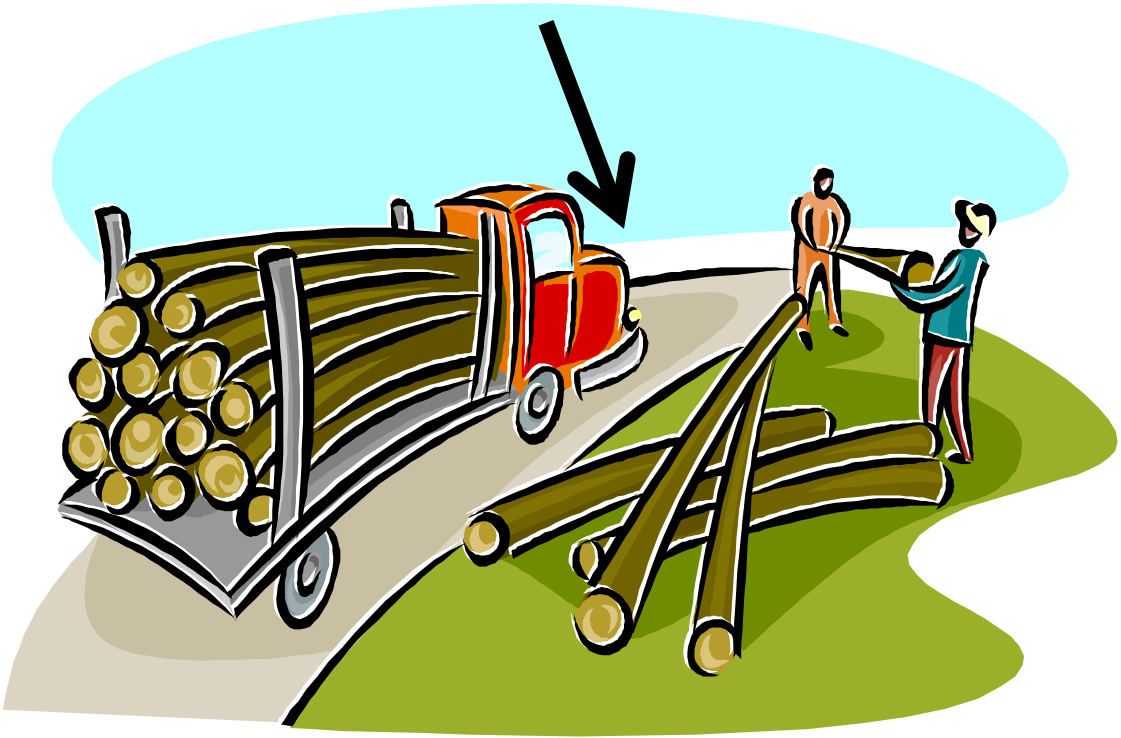




Yummy and cold !

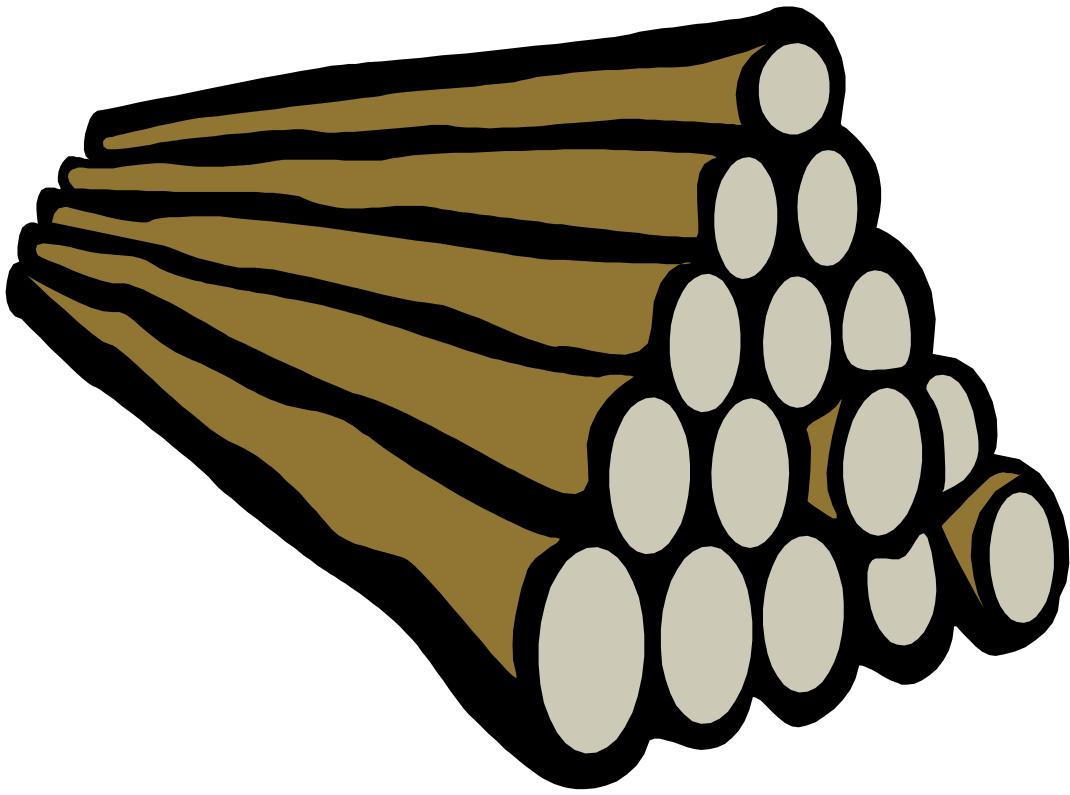












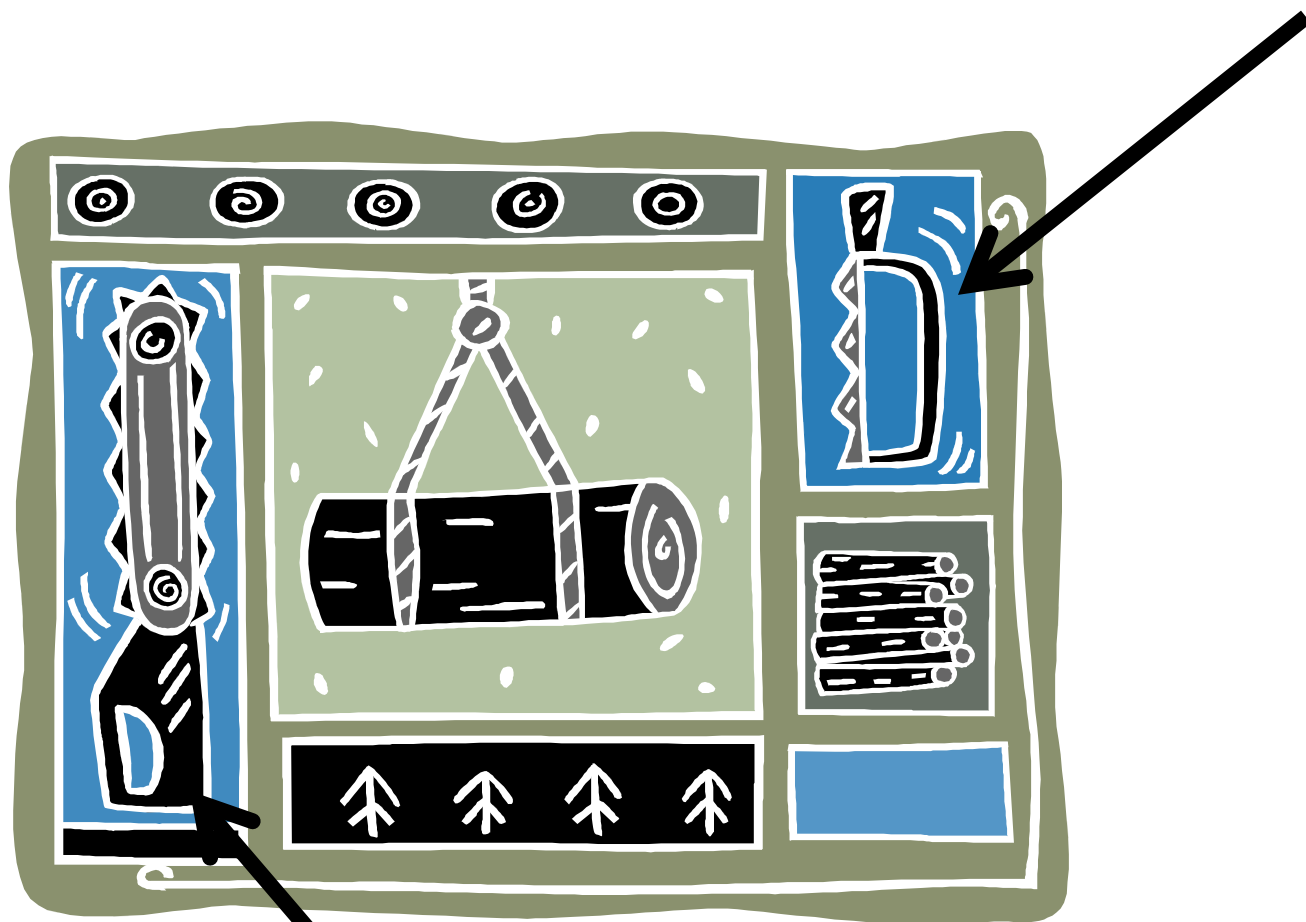
Hint: These are logs!



I can fix anything!







Hint: I am a machine that can cut wood!



I work in a lumber yard!