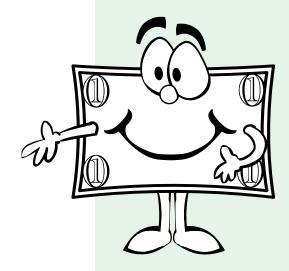
Grade Two

Scarcity and Choice



Overview

Students share the book *A Bargain for Frances*, by Russell Hoban, to learn about scarcity, decision making, and exchange. They complete a worksheet on decision making and choice, and play exchanging games.

Lesson Objectives

Students will be able to:

- Discuss why people must make choices
- Explain that people exchange goods and services because they expect to be better off after the exchange
- Explain that whenever a choice is made, something is given up

Materials List

- 1. Book: A Bargain for Frances, by Russell Hoban (Harper Trophy, 1992)
- 2. Assortment of stickers (enough for each student to have three)
- 3. Pencils (enough for each student to have one)
- 4. Play money (enough for each student to have 15 cents)
- 5. Handout:
 - Make a Choice worksheet

Large-Group Activity

Materials

- Book: A Bargain for Frances
- Handout: **Make a Choice** worksheet
- 1. Gather students in the reading corner to share the book *A Bargain for Frances*.

Content Standards

The activities in this lesson correlate to national standards in economics, math, and language arts. See the end of this lesson for content standards information.

Vocabulary

choice

decision making

exchange

wants

O Say:

Today we're going to be talking about saving for the future and exchanging money for something you want. How many of you have saved money to buy something you really wanted? What did you save for? Did it take a long time to save the money?

Allow students to share their experiences.

I'm going to read a book about a badger named Frances. Frances saved money for a new china tea set. It's called *A Bargain for Frances*, and it was written by Russell Hoban. Russell Hoban wrote five other books about Frances. Have any of you read a book about Frances?

Hoban also wrote Best Friends for Frances, Bread and Jam for Frances, A Birthday for Frances, Bedtime for Frances, and A Baby Sister for Frances.

Let's see what happens to Frances in this story.

- O Read the book aloud to the class. Be sure to allow the entire class time to see each picture.
- 2. Discuss the book with the class.
 - O Why did Mother want Frances to be careful?

Whenever Frances plays with Thelma, she always gets the worst of it.

O What kind of a tea set did Frances want?

Frances wanted a new china tea set with pictures on it in blue.

O How much did Frances save?

She saved \$2.17.

O How did Thelma get Frances to buy the plastic tea set?

Thelma told Frances that they no longer make tea sets with pictures on it in blue. Thelma said that a friend of hers saved her money for that kind of tea set and could not find the set when she finally had enough money to buy it. Frances was scared that she would not be able to get a tea set.

O How did Frances get Thelma to take back the plastic tea set?

Frances told Thelma there was money in her old tea set. Thelma thought that she would be better off if she got her old tea set back.

- 3. Discuss today's economic concepts: scarcity, choice, decision making, and exchange.
 - Scarcity

At first, Frances did not want Thelma's tea set. Thelma's tea set was plastic with red flowers on it. Frances really wanted a new china tea set with blue pictures on it. So why did Frances decide to buy Thelma's tea set?

Thelma told Frances that they no longer make china tea sets with blue pictures. Frances was scared that if she waited to buy the tea set she really wanted, she wouldn't be able to find it. Then she wouldn't have a tea set.



The concept of scarcity is taught in the lesson but the term itself is not used.

No one can have everything they want. Some times lots of people want the same good. A good is an object that can satisfy people's wants. For example, food, clothes, and toys are all examples of goods. Stores may not have enough of the good to sell to everyone who wants it. For example, at Christmas time many people want to buy the same toy. Stores don't always have enough of the toys in stock to sell to everyone who wants it. It makes it hard for people to find the toy they are looking for. Have you ever gone to the store to buy an item, only to find that the item was sold out?

Allow students to share their experiences.

O Choice and Decision Making

People have to make choices because they can't have everything they want.

Frances thought that she wouldn't be able to buy a china tea set with blue pictures on it. She chose to buy Thelma's tea set, even though it wasn't the one she wanted.

When people make a choice to buy something, they must give something up. What did Frances give up when she bought Thelma's tea set?

Frances gave up money and the opportunity to buy the tea set she really wanted.

• Exchange

People exchange goods because they expect to be better off after the exchange.

Thelma gave Frances the tea set with blue pictures and a dime because she thought she would be better off if she got her old tea set back. Have you ever traded something with a friend? Why did you agree to make the trade?

Students should describe their experiences with trading. Students may talk about trading baseball cards, lunches, or toys.

Hold up a copy of the **Make a Choice** worksheet.

Now you're going to get a chance to make a choice. Imagine that you received \$5.00 as a gift. You can buy any of the items shown on this worksheet.

First, color all the objects that are for sale. Then draw a circle around the item or items you choose to buy. Remember, you can spend only \$5.00. Finally, answer the questions at the bottom of the page.

Allow students to work on this worksheet while you work with individual groups in the following small-group activities. After small-group work you might want to discuss the choices students made on this worksheet.



Explain that when you make choices, you have to choose something.



Define the term "exchange." When you exchange something, you trade something for something else.

Small-Group Activity One: Scarcity

Concepts Taught

Scarcity, Choice, Decision Making

Materials

- Book: A Bargain for Frances
- Pencils (enough for each student to have one pencil)
- Play money (enough for each student to have 15 cents)
- 1. Begin Activity One: Scarcity.
 - O Say:

Let's talk again about Frances. Why did Frances buy Thelma's tea set?

Thelma told Frances that they no longer make china tea sets with blue pictures. Frances thought that she would not be able to buy the tea set that she really wanted.

Everyone can't always have what they want. People make choices because they can't have everything they want. When Frances thought that she couldn't have the tea set she wanted, she made a choice to buy Thelma's tea set. Sometimes an item you want is sold out. Have you ever wanted something that was sold out? What did you do? What choices did you have to make?

Have students share their personal experiences.

- 2. Begin the scarcity game.
 - O Set up a table with the pencils. There should be only enough pencils for half the students in the group.

Give each student 15 cents.

Each of you will have the opportunity to buy one pencil. One pencil costs 15 cents.

Have students line up to buy one pencil. When all the pencils are gone, point out that there are still some students who didn't get a pencil.

Explain why some people did not get a pencil.

Students should understand that you did not have enough pencils for everyone.

You can't always get everything you want. Sometimes there are not enough resources to meet everyone's wants.

- 3. Discuss choice and decision making.
 - O Tell students:

When people can't have an item they want, they must make choices. If you were at a real store and the pencils were sold out, you would have to decide if you want buy something else. If you chose to buy something else, you would have to give something up. You would give up money, as well as the chance to buy the pencil you wanted.



At the end of the activity, make sure everyone gets a pencil.

Small-Group Activity Two: Exchange

Concept Taught

Exchange

Materials

- Book: A Bargain for Frances
- Assortment of stickers (enough for each student in the group to have three)
- 1. Begin Activity Two: Exchange.
 - O Say:

Why do you think people agree to exchange money for goods or to trade two items?

Students should understand that people exchange goods and services because they expect to be better off after the exchange.

People agree to exchange money for goods or to trade two items because they think that they will be better off after the trade. Thelma traded the new tea set and a dime for her old tea set because she thought the old tea set had lots of money in it. Thelma thought she would be better off after the trade. Have you ever traded something? What did you trade? Why did you make the trade?

Allow students to share their experiences with trading. Students may talk about times when they have traded baseball cards, comic books, or lunches.

- 2. Have students play a trading game.
 - O Give each student three stickers.

Each of you has three stickers. In the next five minutes you can either keep the stickers you have or trade them for other stickers. If you trade stickers, you can exchange only one sticker for one sticker.

Allow students to trade stickers for five minutes.

Did any of you keep all of your stickers? If so, why?

Students may say that they liked their stickers better than the other ones. Some students may say that the other students wouldn't trade stickers with them because they didn't like their stickers.

How many of you traded stickers? Why did you trade them?

Students will probably say that they traded stickers because they liked the other stickers better than theirs.

Most people trade items because they think they will be better off. When you exchange money for toys, you think you will be better off having the toy.

Assessment

Check students' understanding by listening carefully to the responses they give during group discussions and on the **Make a Choice** worksheet. Give each student a blank piece of notebook paper. Ask them to draw a picture of an item they have traded. Underneath the picture, have them explain why they traded the item.

Suggested Online Activity

NOTE: Teachers should preview all sites to ensure they are age-appropriate for their students. At the time of publication, all URLs listed here were valid. In addition, some Web sites provide lessons via pop-up screens, so you may have to disable your computer's pop-up blocker software to access them.

The History of Money

Visit the History of Money Web site with your students at www.pbs.org/wgbh/nova/moolah/history.html. Explain to students that today people exchange money for goods and services they want. In the past, people exchanged goods and services for other goods and services. Discuss the history of bartering and money with students.

National Standards Correlations

Economics

The activities in this lesson correlate to the following Voluntary National Content Standards in Economics, as determined by the National Council on Economics Education, found at: www.ncee.net/ea/standards.

Standard 1: Scarcity

Students will understand that: productive resources are limited. Therefore, people cannot have all the goods and services they want; as a result, they must choose some things and give up others.

K-4 Grade Benchmarks:

- People make choices because they can't have everything they want.
- Whenever a choice is made, something is given up.

Standard 2: Marginal Cost/Benefit

Students will understand that: effective decision making requires comparing the additional costs of alternatives with the additional benefits. Most choices involve doing a little more or a little less of something: few choices are "all-ornothing" decisions.

K-4 Benchmarks:

A cost is what you give up when you decide to do something.

Standard 5: Gain from Trade

Voluntary exchange occurs only when all participating parties expect to gain. This is true for trade among individuals or organizations within a nation, and usually among individuals or organizations in different nations.

K-4 Benchmarks

• People voluntarily exchange goods and services because they expect to be better off after the exchange.

Mathematics

In addition to economics, the activities in this lesson also correlate to the following *Principles and Standards for School Mathematics*, from the National Council of Teachers of Mathematics, found at: standards.nctm.org/document/index.htm.

Numbers and Operations Standards

Understand numbers, ways of representing numbers, relationships among numbers, and number systems.

PreK-2 Benchmarks:

• Count with understanding and recognize "how many" in sets of objects

Algebra Standards

Represent and analyze mathematical situations and structures using algebraic symbols.

- Use concrete, pictorial, and verbal representations to develop an understanding of invented and conventional symbolic notations.
- Use mathematical models to represent and understand quantitative relationships.
- Model situations that involve the addition and subtraction of whole numbers, using objects, pictures, and symbols.

Language Arts

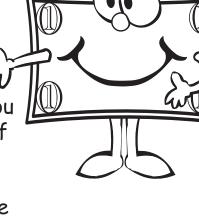
This lesson, based on the children's book *A Bargain for Frances* by Russell Hoban, also correlates to the following *Standards for the English Language Arts*, from the National Council of Teachers of English, found at: www.ncte.org/print.asp?id=110846&node=204.

- 1. Students read a wide range of print and non-print texts to build an understanding of texts, of themselves, and of the cultures of the United States and the world; to acquire new information; to respond to the needs and demands of society and the workplace; and for personal fulfillment. Among these texts are fiction and nonfiction, classic and contemporary works.
- 3. Students apply a wide range of strategies to comprehend, interpret, evaluate, and appreciate texts. They draw on their prior experience, their interactions with other readers and writers, their knowledge of word meaning and of other texts, their word identification strategies, and their understanding of textual features (e.g., sound-letter correspondence, sentence structure, context, graphics).

Make A Choice

Name _____

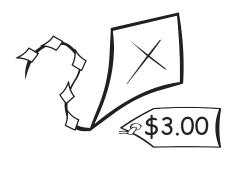
Directions: You just received \$5.00 as a gift. You can buy any of the items shown below. Color all of the objects that are for sale. Then draw a circle around the item or items you choose to buy. Finally, answer the questions at the bottom of the page.

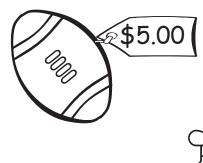


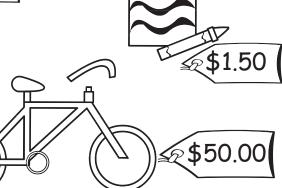












- 1. How much money did you spend?
- 2. What did you give up when you bought these items?