

ONCE UPON A DIME

Middle School Lesson Plan

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Standards

New York

Grade 6 Social Studies Standards and Practices

- E2. Examine the role that various types of resources (human capital, physical capital, and natural resources) have in providing goods and services.

Grade 7 Social Studies Standards and Practices

- E1. Explain how economic decisions affect the well-being of individuals, businesses, and society; evaluate alternative approaches or solutions to economic issues in terms of benefits and costs for different groups of people.
- E2. Identify examples of buyers and sellers in product, labor, and financial markets.

Grade 8 Social Studies Standards and Practices

- E1. Explain how economic decisions affect the well-being of individuals, businesses, and society; evaluate alternative approaches or solutions to economic issues in terms of benefits and costs for different groups of people.
- E2. Explain the roles of buyers and sellers in product, labor, and financial markets.

New Jersey

21st Century Life and Careers

- 9.1.8.F.1 Explain how the economic system of production and consumption may be a means to achieve significant societal goals.

Connecticut

Grade 6-7 Social Studies Frameworks

- ECO 6–7.1 Explain how economic decisions affect the well-being of individuals, businesses, and society.
- ECO 6–7.2 Evaluate alternative approaches or solutions to current economic issues in terms of benefits and costs for different groups and society as a whole.

Grade 8 Social Studies Frameworks

- ECO 8.1 Explain how economic decisions affect the well-being of individuals, businesses, and society.



- ECO 8.2 Describe the role of competition in the determination of prices and wages in a market economy.

NCSS

Production, Distribution, and Consumption

- Questions for Exploration: Middle Grades
 - What questions are important about production, distribution, and consumption?
 - How are decisions made about which goods are produced and how they are distributed?
 - How does the availability of resources influence decisions about production, distribution, and consumption?
- Knowledge: Learners will understand:
 - Individuals, government, and society experience scarcity because human wants and needs exceed what can be produced from available resources;
 - How goods and services are allocated in a market economy through the influence of prices on decisions about production and consumption
- Processes: Learners will be able to:
 - Ask and find answers to questions about the production and distribution of goods and services in the state and nation, and in a global context
 - Analyze various methods for allocating scarce goods and services at the state, national, and global levels, describing the possible impacts of these choices

C3 Framework

Dimension 2: Applying Disciplinary Concepts and Tools

- D2.Eco.1.6-8. Explain how economic decisions affect the well-being of individuals, businesses, and society.
- D2.Eco.3.6-8. Explain the roles of buyers and sellers in product, labor, and financial markets.
- D2.Eco.5.6-8. Explain ways in which money facilitates exchange by reducing transactional costs.
- D2.Eco.7.6-8. Analyze the role of innovation and entrepreneurship in a market economy.

Grade Level

6-8

Time Required

90 minutes



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Compelling Question

How do people get the things they want?

Supporting Questions

1. What questions do we ask to help people get the things they want?
2. How does money help people get the things they want?
3. Why is trust important to help people get the things they want?

Objectives

Supporting Question 1

- Define the basic economic questions
 - What to produce?
 - How to produce?
 - For whom to produce?

Supporting Question 2

- Explain the difference between **fiat money** and **commodity money**

Supporting Question 3

- List the ways in which trust in an economy can help people achieve goals

Materials

- News article: http://www.newjerseyhills.com/echoes-sentinel/news/warren-middle-school-students-take-on-st-century-business-project/article_95e6ab3c-ffc5-5ac7-906a-66dfa2668051.html
- Handout 1: The Basic Economic Questions
- Handout 2: Economic Questions on Novus
- Handout 3: A Plan for President Tilli
- Handout 4: DIMES and Fish
- Handout 5: Community Cooperation
- Handout 6: How Do People Get the Things They Want?

Staging the Question

This lesson should be taught concurrently while students read *Once Upon a Dime*. As an introductory activity related to the idea of the basic economic questions, have students read the provided news article about a school store. The story is a good example of a student-run business, with the students making many of the financial decisions about inventory, prices, etc. Using this as a starting point, the teacher can get students



interested in the idea of providing goods and services more broadly, which will lead to a discussion about the allocation of goods and services.

Procedures

Supporting Question 1: What questions do we ask to help people get the things they want?

1. Begin the lesson by asking students to summarize the news article about the school store. Ask them why the students in the news article may have chosen to open their store by selling candy. *(Students will likely say that candy is something that can easily be sold in schools and is in high demand.)* Ask students what other decisions the students had to make. *(Answers will vary. Some possible answers include prices, when to be open, and whether or not to expand their selection of goods.)* Ask students about potential challenges or obstacles in opening a store. *(Possible responses include generating student interest in buying the products, getting supplies, taking the time to run the store, making decisions about prices and hiring, etc.)*
2. Transition by explaining that students have already begun to ask and answer very important questions about how goods and services are sold. Explain to students that the questions they answered above are part of a larger question that every society must answer.
3. Introduce the compelling question by using the answers from Step 1 to remind students that every society and economy, whether it is a tiny school or a giant country, must get its citizens the things they want or need. And remind students of all the different steps that the students who opened the school store had to take to answer those questions. Introduce the compelling question by asking students to think about: **How do people get the things they want?**
4. Tell students that today they will be going on an intergalactic journey. They will be using the adventures on the planet Novus as a case study to help answer the compelling question. Remind students that in Step 1 they answered questions that helped them understand how a basic economy functions. Explain that answering questions is an important process and that over the course of this lesson they will be generating answers to questions to help guide learning. Explain that today students will be answering the first supporting question: **What questions do we ask to help people get the things they want?**



5. Distribute Handout 1: The Basic Economic Questions. In a brief brainstorming activity, ask students to imagine that they are starting a business. Have the students jot down a possible list of questions they would have to answer in order to have a successful business.
6. Debrief students. Record the various questions that students asked themselves when starting their own business. *(Student responses will vary, but they should likely fall into one of three groups: questions about **what to produce**, **how to produce**, and **for whom to produce**. Try to visually organize these questions together into groups to help set up Step 8.)*
7. Once enough answers have been recorded, tell students that discussing the questions they have just considered is an exercise that every society must engage in. Explain that in every economy there are three basic economic questions. Using Handout 1: The Basic Economic Questions, define for students the three basic economic questions:
 - a. **What to produce**: Every economy must use resources to produce certain goods and services.
 - b. **How to produce**: Every economy uses those resources in efficient ways to make the goods and services.
 - c. **For whom to produce**: Every economy develops a method of dividing those goods and services among the population.
8. Refer back to the students' responses in Step 6 and point out that the students asked themselves these questions when they were developing their own businesses. Point out that these questions naturally arise in any society and that the answers to these questions are very important.
9. Distribute copies of *Once Upon a Dime* to students. Tell students that today they will be reading the comic to use as a case study to help answer the compelling question: **How do people get the things they want?**
10. Instruct students to read pages 1-8. Distribute a copy of Handout 2: Economic Questions on Novus. Allow students time to read and answer the questions.
11. Debrief students when all have had time to read. Suggested responses are below:
 - a. List some of the goods and services produced on Novus.



- i. *Fish, flowers, whirly-doo backpacks, doughnuts, hats, ice cream, galactic cruisers*
 - b. How does Orick normally deliver his flowers?
 - i. *On foot*
 - c. How does Orick want to deliver his flowers?
 - i. *Using a whirly-doo backpack*
 - d. Why is using a whirly-doo backpack a way to answer the question “**how to deliver a good more efficiently**”?
 - i. *The backpack would allow Orick to provide faster service and deliver more flowers.*
 - e. How are goods and services currently exchanged on Novus?
 - i. *Goods and services are distributed using a barter system, where one good is traded directly for another.*
 - f. Would you describe the process as efficient or inefficient? Why?
 - i. *Overall it seems inefficient. Orick has to make a number of complicated trades in order to get the backpack he wants. It takes a great deal of time to get the item he wants.*
12. Conclude the lesson and prepare students for Supporting Question 2 by asking them to describe the problem on page 8. (*Students should say that barter on Novus was leading to inefficiencies and that the **three basic economic questions** are hard to answer when you use a barter system.*)

Supporting Question 2: How does money help people get the things they want?

13. Begin this portion of the lesson by reviewing the **basic economic questions** from Step 7.

Explain that today students will be reading about how Novus is going to solve the problem that the students read about on page 8. Introduce students to the supporting question of the day: **How does money help people get the things they want?**

14. Distribute a copy of [Handout 3: A Plan for President Tilli](#). Explain to students that President Tilli has identified the problems that the students identified in Step 6. Working in groups, have the students play the role of President Tilli to solve this problem.
15. Allow students time to complete the assignment.



16. Debrief students, asking each group to give a brief overview of its plans. Keep track of students' responses, and note any similarities and differences between plans. (*While the groups may have disparate plans, there will likely be similarities as well. Students will likely suggest creating some sort of money. Whenever possible, try to link students' responses back to the **three basic economic questions** that students learned in the last activity.*)
17. Explain that now students will see how the citizens of Novus decided to solve their problem. Distribute [Handout 4: DIMES and Fish](#) to the students. Instruct students to read pages 9-13 of the comic. Allow students time to read and answer the questions.
18. Debrief students when all have had time to read. Suggested responses are below.
- a. Fish
 - i. Why are fish proposed as a form of money?
 - 1. *There are plenty of them available.*
 - ii. What is the best characteristic of a fish to be used as money?
 - 1. *People are familiar with them.*
 - iii. What is the problem with using fish as money?
 - 1. *Fish are smelly and go bad quickly. People don't want fish to hang around for long periods of time, so it would be hard to save money.*
 - b. DIMES
 - i. Why are DIMES proposed as a form of money?
 - 1. *They are small, easy to use, and can't be duplicated or copied.*
 - ii. What is the best characteristic of a DIME to be used as money?
 - 1. *DIMES are very convenient because they are small and don't impose a burden on the person paying or receiving the money.*
 - iii. What is the problem with using DIMES as money?
 - 1. *As prices increase, it may be harder and harder to use DIMES because you would have to carry a lot of them to make a purchase.*
 - c. Which product do the citizens of Novus choose? Why do you think they made this choice?
 - i. *DIMES. Overall, the benefits of DIMES far exceed the costs, and they are much easier to use than fish would be.*



19. Explain to students that the choice between two types of money is a common one. On Handout 4, define the terms **fiat money** and **commodity money** for the students.
- Fiat money:**¹ **Fiat money** is money that does not have value in itself. **Fiat money** is accepted as money because the government says it has value, and the community accepts it. An example of **fiat money** is a dollar bill.
 - Commodity money:**² A commodity is an item that has value in itself. **Commodity money** is when a particular commodity is used in exchange for goods and services. An example of **commodity money** is gold or cows.
20. Ask students which form of money on Novus is **commodity money**. (*Students should say fish.*) Ask students to explain. (*Students should say that fish has value as a commodity, such as when it is used for food.*) Ask students which form of money on Novus is **fiat money**. (*Students should say DIMES.*) Ask students to explain. (*Students should say that DIMES are just rocks that are painted. These rocks have no real value, but President Tilli said it was money, and the citizens accept the DIMES, so it functions as fiat money.*)
21. Conclude the lesson by returning to Handout 4. As an assessment, instruct students to complete the bottom portion, which answers the supporting question: **How does money help people get the things they want?**

Supporting Question 3: Why is trust important to help people get the things they want?

22. Begin the final part of the lesson by reviewing the compelling question. Remind students that they are reading the comic book in order to help answer the question: **How do people get the things they want?** Review with students that thus far they have answered two questions in pursuit of this answer. Suggested student responses to the review questions are provided.
- What questions do we ask to help people get the things they want?**
 - Societies must answer the **three basic economic questions**. They must determine **what to produce, how to produce, and for whom to produce**.*
 - How does money help people get the things they want?**
 - Money is something that can be exchanged for goods and helps solve the problems caused by barter. Most economies use **fiat***

¹ <https://www.dallasfed.org/assets/documents/educate/everyday/money.pdf>

² Ibid



money rather than **commodity money** because it has been historically easier to use.

- c. How do these two questions help answer the compelling question?
 - i. The **three basic economic questions** help determine the various goods and services available to society. **Money** is an effective means of making sure those goods and services can be widely distributed.
23. Once the review is complete, ask students to reflect on their own interactions with people in markets or when buying things. (*Students should respond that they have to buy from people who are cashiers, workers who provide the products, etc.*) Ask students about the various ways in which they buy products. (*Students should talk about cash, credit cards, checks, etc.*)
24. Explain to students that these interactions, both with the people in the economy and with the various ways of paying within the economy, are part of a larger conversation about how people in an economy have to trust each other. Explain to students that when they receive money, they are trusting that it is real, or that when their boss pays them a salary, they trust that they will receive the money.
25. Using the students' responses provided in Step 23, explain to students that they will be answering the final supporting question: **Why is trust important to help people get the things they want?**
26. Distribute Handout 5: Community Cooperation. Assign students to read pages 13-20 of the comic. Allow students time to read and answer the questions.
27. Debrief students when all have had time to read. Suggested student responses are provided below.
 - a. List all of the examples of trust that the citizens of Novus show in their new economy.
 - i. *Rallo trusts that when President Tilli writes a check, she has the money in her account; Flora and Glix trust that when President Tilli writes them a check for ice cream, she has the money in her account; Rallo trusts that when Venny borrows money from him, he will work hard to pay it back; the citizens trust that the banks will have their money available anytime they need it.*
 - b. Why do you think the citizens of Novus are willing to trust each other with some of the examples above?



34. Explain to students that every community has special relationships, bonds, customs, or products and services that create and foster trust between consumers and producers.

35. The teacher and students may wish to research small business owners, representatives from a local chamber of commerce, or other community members to create a “community economic map” of key resources that help their community to thrive. Students can also identify areas of improvement in their community to help build trust, such as better schools or better access to banks.



ONCE UPON A DIME HANDOUT 1

The Basic Economic Questions

Imagine that you are an entrepreneur with a brilliant new idea for a business. You could be selling a product or providing a service—whatever you want!

All entrepreneurs and business people need to hone their “elevator pitch.” The idea is that you may one day be trapped in an elevator with an investor. In less than a minute, you need to describe your product or service in such a way that an investor wants to put his or her money into your business.

In the space below, develop your “elevator pitch,” or the key questions and ideas that you need to convey in order to sell your product or service. Remember, you are only going to have a few moments to make your case that your idea is the best one, so you need to think of really good questions to answer.

What is your product or service?

Why is it needed?

What questions do you need to answer before you can successfully sell your product or service?

What will be the biggest challenge in making your product or service successful?



ONCE UPON A DIME HANDOUT ②

Economic Questions on Novus

1. List some of the goods and services produced on Novus.
2. How does Orick normally deliver his flowers?
3. How does Orick want to deliver his flowers?
4. Why is using a whirly-doo backpack a way to answer the question “**how to deliver a good more efficiently**”?
5. How are goods and services currently exchanged on Novus?



ONCE UPON A DIME HANDOUT ③

A Plan for President Tilli

As you have seen, **barter** and the **double coincidence of wants** have made planning the party on Novus very complicated. President Tilli has asked the citizens for advice, and she has put out a call for proposals from all of the citizens to come up with ideas. You are a resident of Novus who is incredibly frustrated with the time spent on trading, and you feel you can help.

Your task is to develop a method to make trade easier for the residents of Novus. Your plan needs to meet the following criteria:

- It needs to be easy for the citizens to implement.
- It needs to help Novus answer the basic economic questions.

In the space below, jot down the basic ideas of your plan. Be sure to explain how it meets both of the criteria that President Tilli listed above. Be prepared to defend your argument.

Dear President Tilli—

I want to thank you for asking for ideas from the citizens of Novus to solve this problem. It's been driving me crazy! But that also means I've given it a lot of thought. I think that the best thing to do for the economy of Novus is to:

I believe that this will work for a few reasons. It's going to be easy to implement because:

What I really like is that it helps answer one of the basic economic questions! The question it helps answer is:

That's because:

Thank you for considering my proposal!



ONCE UPON A DIME HANDOUT 4

DIMES and Fish

Key Terms

Fiat Money:

Commodity Money:

FISH

Why are fish proposed to be money?

What is the best characteristic of a fish to be used as money?

What is the problem with using fish as money?

DIMES

Why are DIMES proposed to be money?

What is the best characteristic of a DIME to be used as money?

What is the problem with using DIMES as money?

Which product do the citizens of Novus choose? Why do you think they made this choice?

Final Question: How Does Money Help People Get the Things They Want?



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ONCE UPON A DIME HANDOUT 5

Community Cooperation

1. List all of the examples of trust that the citizens of Novus show in their new economy.
2. Why do you think the citizens of Novus are willing to trust each other with some of the examples above?
3. What happened when trust in the banks broke down?



ONCE UPON A DIME HANDOUT 6

How Do People Get the Things They Want?

SUPPORTING QUESTION #1

What questions do we ask to help people get the things they want?

SUPPORTING QUESTION #2

How does money help people get the things they want?

SUPPORTING QUESTION #3

Why is trust important to help people get the things they want?

COMPELLING QUESTION

How do people get the things they want?

