



POWELL CENTER FOR
ECONOMIC LITERACY

Lesson Plan

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Prairie Town

Time Required

15 minutes

Grade Level; Subject

Grades 1 – 5; Children's Literature

Keystone Principles

Principle #4 – Economic Systems Influence Choices

Economic Concepts

Consumer - *A person who purchases or buys goods and services.*

Goods - *Items produced by firms to be sold to other consumers, other firms, or government.*

Interdependence - *The relationship between participants in the marketplace that entails an exchange of benefits between producers and consumers.*

Opportunity Cost - *The NEXT BEST alternative that must be sacrificed as a result of choosing one thing over another. All choices bear an opportunity cost.*

Producer - *An individual or firm engaged in the process of creating goods and/or services to be offered for sale to consumers.*

Scarcity - *The condition that occurs because people's wants and needs are unlimited, while the resources needed to produce goods and services to meet these wants and needs are limited.*

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.*

Overview

In the 19th century, towns sprung up along the railroad lines being built across America. The book *Prairie Town* by Bonnie and Arthur Geisert describes the modern social and economic life of one of these towns. The text and the illustrations in the book are carefully designed to amplify each other and explain the interdependence of town and farm, businesses and individuals, as well as the rhythms of the seasons in the life of the town. The story provides an easily understood illustration of the Circular Flow of economic activity as goods and services move through a free market economy.

Objectives

- Students will identify the economic concepts listed above as they appear in the story.
- Students will understand that the terms “consumer” and “producer” identify roles, not people, and that individual people can be both a consumer and a producer.
- Students will be introduced to the economic importance of a variety of transportation systems.

Materials and Handouts

- *Prairie Town* by Bonnie and Arthur Geisert, Houghton Mifflin Company, Boston
- Jobs Handout

Teaching Activity

1. Review/teach the above concepts and definitions.
2. As you read the story tell the students to mentally note what type of business transactions are going on in each season for the residents of the prairie town. How does the seasonal change affect the work and trade in the town?
3. Illustrate how the same person can be a producer of one thing while also being the consumer of something else by using the following activity. (This can be done as a class activity or you can use the handout and let groups or individuals work separately.) Hang up four chart papers with the name of each season shown at the top (*Spring, Summer, Winter, Autumn*). Under the name of the season write the following heading:
 - a. Jobs mentioned or shown
 - b. Products made/grown/sold (indicate who is the producer and who is the consumer)
 - c. Services offered (indicate who is the producer and who is the consumer)
4. Divide your students into pairs or small groups. Give each group a poster paper and assign them a season. Using the book text and illustrations as a guide, have each group represent the economic interactions that go on in the prairie town during their season. (*This should include skilled laborers, the machines and tools used, the crops being planted or harvested, and local businesses such as the general store, hardware store, and grain mill.*)
5. Ask students to list the various types of transportation described in the story (*trains, passenger cars, trucks, school buses*). Why was the town originally built along the railroad? (*It provided transportation for people to get to and from the town, a means of getting necessary equipment to the town and a way for goods*

from the town to be sold to other localities). Notice the abundance of goods in the grocery store during the winter snows. How is the store able to provide such a variety of goods? (The transportation system is able to bring a continuing supply of goods to the town all year.)

6. Notice the occasions when the townspeople help each other. This is an indication of interdependence (*a house burns down and is rebuilt, the farmer uses the tractor to help the townsman remove tree stumps, the tow truck helps a car stuck in the snow, the school gets new playground equipment*). Who benefits from these actions? (*Although the immediate recipient may gain the most benefit initially, the whole town benefits because it allows economic activity to continue without interruption*).

Jobs	Projects		Services	
	Producer	Consumer	Producer	Consumer